

NATIONAL COUNCIL OF INSURANCE LEGISLATORS
EXECUTIVE COMMITTEE
PHOENIX, AZ
NOVEMBER 19, 2017

The National Council of Insurance Legislators (NCOIL) Business Planning and Executive Committee met at the Sheraton Grand Phoenix on Sunday November 19 at 9:30 a.m.

NCOIL President, Rep. Steve Riggs, KY, Chair of the Committee presided.

Members of the Committees present:

Sen. Jason Rapert, AR, Vice-Chair
Rep. Richard Smith, GA
Rep. Martin Carbaugh, IN
Sen. Travis Holdman, IN
Rep. Matt Lehman, IN
Sen. Blade Morrish, LA
Rep. George Keiser, ND

Sen. Jerry Klein, ND
Asw. Maggie Carlton, NV
Asm. Will Barclay, NY
Asm. Kevin Cahill, NY
Sen. Bob Hackett, OH
Rep. Marguerite Quinn, PA
Rep. Bill Botzow, VT

OTHER LEGISLATORS PRESENT:

Rep. David Livingston, AZ
Rep. Andrew Garbarino, NY
Rep. Lois Delmore, ND

ALSO PRESENT:

Commissioner Tom Considine, NCOIL CEO
Paul Penna, Executive Director, NCOIL Support Services
Will Melofchik, Legislative Director, NCOIL Support Services

Rep. Riggs called the meeting to order at 9:32 a.m.

Sen. Holdman made a motion to waive the quorum rule. A second was made and it carried on a voice vote.

A motion was made to approve the minutes of July 15, 2017. A second was made and the motion carried on a voice vote.

FUTURE LOCATIONS

Rep. Riggs called on Commissioner Considine to discuss the 2020 meeting locations. Considine informed the body that the 2020 summer meeting would likely be in Jersey City pending New Jersey joining NCOIL, which is expected.

The spring meeting will likely be in Tampa, Florida pending their membership and the Annual meeting in Charlotte, NC in December. Both are contingent on becoming contributing member states. These conversations are ongoing and we expect a positive outcome given NCOIL meeting generate between \$350,000 and \$500,000 in local economic activity.

Rep. Riggs stated that the CIP meeting was in Jersey City in June and it was in a hotel with the view of Manhattan. Everyone that attended was impressed and satisfied.

RECRUITMENT OF NEW MEMBER STATES

Rep. Riggs stated that he spent much of his time as President on the recruitment of new members. Legislators have assignments but have to be more active so we can have reports from everyone. He further stated that we appreciate the partnership with IEC, the CIP, other industry and interested parties. This was clear during the SWOT exercise and has been successful thus far. Many Chairs and Vice Chairs need to be invested in NCOIL to get legislators to come. Rep. Riggs stated that the legislators he's reached out to are happy to have been asked.

APPOINTMENT OF NEW EXECUTIVE COMMITTEE MEMBERS

Rep. Riggs announced that AZ Rep. David Livingston is appointed pursuant to the bylaws since he is Chair of Insurance Committee and Arizona paid dues.

He then asked if any member wants to make a recommendation of new Executive Committee members.

Sen. Klein nominated Rep. Lois Delmore of ND. The motion was seconded and carried on a voice vote.

Assemblyman Cahill nominated Assemblyman Andrew Garbarino of NY. The motion was seconded and carried on a voice vote.

Rep. Riggs noted that pursuant to the bylaws, several executive committee members will cycle off for having missed 3 consecutive meetings. Staff reached out affirmatively to let them know and two members have been granted a waiver to remain.

Rep. Riggs thanked Rep. Livingston for his hard work and for the interesting tour of the Arizona state capitol.

BUDGET COMMITTEE REPORT

Rep. Lehman gave the report of the Budget Committee that met on Thursday. Told members they could see the budget on tab 6. The committee approved the 2018 budget and expenses.

Rep. Lehman noted that the spring and summer and spring meeting expenses have been separated into their own revenue and expense lines.

Rep. Botzow made a motion to accept that was seconded by Rep. Carbaugh. The committee adopted the report on a voice vote.

ADMINISTRATION REPORT

Commissioner Considine reported that there were 278 registrants. Included in that number were 55 legislators from 24 states. 5 legislators came on scholarship and 10 were first time attendees. This continues the upward trend in both registrant and legislator attendance. 8 Insurance Departments were represented.

Paul Penna gave a report on the unaudited receipt of financials through October 31, 2017. He noted NCOIL has revenue of \$931,532.90 and expenses of \$760,484.96 for an excess of \$171,047.94.

Rep. Livingston made a motion to accept the administration report. It was seconded and carried on a voice vote.

NON-CONTROVERSIAL CALENDAR

Rep. Riggs asked if there were any members that wanted to remove any items from the non-controversial calendar?

Asw. Carlton inquired as to the process of how items end up on the non-controversial calendar. Cmsr. Considine stated that everything adopted goes on it but can be moved off at the request of a member with a motion and second.

Asw. Carlton stated that the non-controversial calendar is not non-controversial. Cmsr. Considine stated that was a valid point and that maybe it should be changed to "Summary Calendar" or "Consent Calendar". The reason being, members did not want to spend the time at the Executive Committee rehashing every topic that happened during the meeting.

Rep. Morrish, LA made a motion to accept the non-controversial calendar and Sen. Holdman, IN seconded. The motion carried on a voice vote. The consent calendar for the 2017 meeting is listed below:

Financial Services Committee

Re-adoption of Credit Default Insurance Model Legislation

Model Act to Support State Regulation of Insurance by Requiring Competition among Insurance Rating Agencies – Adopted w/expectation of amendments at Executive Committee.

Consideration of Model Act Prohibiting Consumer Reporting Agencies from Charging Fees Related to Security Freezes; and Amendments to NCOIL Credit Report Protection for Minors Model Act

Resolution Encouraging the Adoption of Voluntary Data Call Principles

State-Federal/International

Re-adoption of Exhaustion of Administrative Remedies Models Legislation

Re-adoption of Producer Compensation Disclosure Model Amendment to the Producer Licensing Model Act

Health, Long-Term Care & Health Retirement Issues Committee

NCOIL Out-of-Network Balance Billing Transparency Model Act

Model Act Regarding Air Ambulance Insurance Claims

Rep. Riggs noted that consideration of Model Act to Support State Regulation of Insurance Through More Informed Policymaking had been tabled at the request of the sponsor, Asm. Cooley, who was unable to attend due to official legislative commitments.

ARTICLES OF ORGANIZATION AND BYLAWS COMMITTEE REPORT

Asm. Barclay, NY went through changes to the bylaws, includes the recommendation by Rep. Riggs to change the name, but not the acronym of the organization, from National Conference of Insurance Legislators to National Council of Insurance Legislators. He noted that Rep. Botzow read definitions of both words and Council is more appropriate for what NCOIL is and does.

Sen. Rapert, AR made a motion to accept the report that was seconded by Rep. Botzow, VT. The motion carried on a voice vote.

OTHER SESSIONS

Rep. Riggs gave a report on the other sessions including the Institutes Griffith Insurance Education Foundation Legislator Luncheon, which was a Primer on Reinsurance by Professor Jim Hillard at Northern Arizona University.

He noted there were several featured speakers, including Kay Noonan, General Counsel, NAIC who gave a report on the NAIC accreditation process.

Arizona Speaker of the House JD Mesnard stopped by to welcome all NCOIL participants during the Property & Casualty Committee meeting.

U.S. Congressman Dave Schweikert delivered an interesting keynote address about tax and regulatory reform efforts. As a member of the Ways & Means Committee, he has been an instrumental player in these efforts. He also discussed his efforts with the Blockchain Caucus to protect data so all aspects of it can be electronic and portable.

There were three General Sessions. A Restatement or NEWstatement? – Examining the ALI's Proposed Restatement of the Law on Liability Insurance; Long Term Care Insurance Industry – How Big of a Risk? And Cybersecurity in the Wake of the Equifax Breach.

NOMINATING COMMITTEE

Sen. Holdman gave the report of the Nominating Committee. He noted there was unanimous approval for the following officer slate for 2017 – 2018:

President – Arkansas Senator Jason Rapert

Vice President – Vermont Rep. Bill Botzow

Treasurer – Indiana Rep. Matt Lehman

Secretary – California Assemblyman Ken Cooley

He also noted that Rep. Riggs and himself would remain ex-officio as Immediate Past Presidents and made a motion to accept the report of the committee. Rep. Riggs seconded it and it carried on a voice vote.

OTHER BUSINESS

Rep. Riggs noted the passing of NH Rep. Don Flanders and AR Sen. Greg Standrige. Both were active participants with NCOIL. He asked that the resolutions honoring each of them be adopted. Sen. Rapert made a motion and Sen. Hackett seconded. It carried on a voice vote.

NEW BUSINESS

Rep. Riggs was honored for his year as NCOIL President and presented a ceremonial gavel.

ADJOURNMENT

Sen. Rapert made a motion to adjourn and commented that as the new NCOIL President, as we enter 2018 he will be reaching out before the first of the year to several of the Executive Committee members about service as chairs and vice chairs of committees and hopes that many will continue to serve.

He is looking forward to 2018 and is going to continue the focus of the organization to work on difficult and emerging insurance issues and do good work. President Rapert stated that he believes we are past the transition phase now.

He further stated that he is gratified to see new members and big states like Texas and Florida participating more fully. It's very important to have high population states involved. He noted that WV Sen. Mike Hall left the legislature and went to work as Chief of Staff for the WV Governor. We need to mentor in our states and have fuller participation like NY, Indiana and Kentucky. He wished everyone a great holiday season.

Motion was seconded and there being no other business the committee adjourned at 10:22 a.m.