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NCOIL SPRING MEETING
 March 2 – 4, 2018
 Atlanta, Georgia

SEN. RAPERT ANNOUNCES 2018 COMMITTEE LEADERSHIP

AR Senator Jason Rapert, NCOIL President, announced the lineup of Committee Chairs and Vice Chairs for 2018.

“This is a geographically and politically diverse group of legislative leaders that will help NCOIL continue to examine and enact sound insurance public policy” said Rapert. “I am confident these legislators will do an admirable job leading these committees throughout the year at NCOIL meetings and interim committee calls.”

The NCOIL Chairs and Vice Chairs are:

Financial Services: Chair: Sen. Bob Hackett, OH; Vice Chair: Rep. Sam Kito, AK

Health, Long Term Care & Health Retirement Issues: Chair: Asm. Kevin Cahill, NY; Vice Chair: Rep. Tom Oliverson, M.D., TX

International Insurance Issues: Chair: Sen. Jerry Klein, ND; Vice Chair: Sen. Roger Picard, RI

Life Insurance & Financial Planning: Chair: Rep Deborah Ferguson, AR; Vice Chair: Rep. Joe Hoppe, MN

NCOIL-NAIC Dialogue: Chair: Rep. Bill Botzow, VT; Vice Chair: Sen. Jim Seward, NY

Property & Casualty Insurance: Chair: Rep. Richard Smith, GA ;Vice Chair: Rep. David Santiago, FL

State Federal Relations: Chair: Sen. Dan “Blade” Morrish, LA; Vice Chair: Rep. Glen Mulready, OK

Workers’ Compensation Insurance: Chair: Rep. Marguerite Quinn, PA; Vice-Chair: Asw. Maggie Carlton, NV

Articles of Incorporation/Bylaws: Chair: Rep. Joe Fischer, KY; Vice-Chair: Rep. Martin Carbaugh, IN

Audit Committee: Chair: Rep. Bill Botzow, VT; Vice Chair: Asm. Ken Cooley, CA

Budget Committee: Chair: Rep. Matt Lehman, IN; Vice Chair: Rep. Lois Delmore, ND

Business Planning: Chair: Sen. Jason Rapert, AR; Vice Chair: Rep. Bill Botzow, VT

Nominating: Chair: Rep. Steve Riggs, KY; Vice Chair: Sen. Travis Holdman, IN

NCOIL EXECUTIVE COMMITTEE ADOPTS RESOLUTION URGING THE ALI TO CHANGE PROPOSED LIABILITY INSURANCE RESTATEMENT

The NCOIL Executive Committee met in public session via teleconference on January 5th to consider the Resolution Encouraging the American Law Institute to Materially Change the Proposed Restatement of the Law of Liability Insurance. *Con’d on Page 2.*



Sen. Jason Rapert, AR
NCOIL President



Thomas B. Considine
NCOIL CEO



Rep. Bill Botzow
Vice President



Rep. Matt Lehman, IN
Treasurer



Asm. Ken Cooley, CA
Secretary



Rep. Steve Riggs, KY
Immediate Past President



Sen. Travis Holdman, IN
Immediate Past President

NCOIL APPLAUDS COMMITTEE PASSAGE OF H.R. 4537

The National Council of Insurance Legislators (NCOIL) applauded the passage of H.R. 4537, The International Insurance Standards Act of 2017, in the House Financial Services Committee in December. The bill now heads to the House for consideration.

“NCOIL supports this legislation and will continue to support legislation that preserves the proven state-based system of insurance regulation” said AR Sen. Jason Rapert, NCOIL President.

“Our state-based system should be held up as a model to be supported by U.S. negotiators in international forums. This bill will ensure that U.S. negotiators do so, and provide greater oversight and transparency on international insurance standards setting – things that were sorely lacking throughout the negotiations of

the Covered Agreement. We at NCOIL urge the full House to pass this legislation,” concluded Rapert.

During the annual NCOIL D.C. Education Fly-In this past September, NCOIL legislators participated in more than 50 meetings with Senators, Congressman, and committee and congressional staff to stress the importance of protecting the state-based system of insurance regulation.

“This shows that NCOIL legislators have been effective when communicating support for the state-based system of insurance regulation” said Commissioner Tom Considine, NCOIL CEO. “The process surrounding negotiations of the Covered Agreement was fundamentally flawed. I am pleased that members of Congress have realized that and have taken steps to improve the overall process of international insurance discussions.”

NCOIL ADOPTS MODEL ACT REQUIRING COMPETITION AMONG RATING AGENCIES TO IMPROVE STATE REGULATION OF INSURANCE

Manasquan, NJ – At the 2017 NCOIL Annual Meeting in Phoenix, AZ, the NCOIL Financial Services Committee adopted a Model Act to Support State Regulation of Insurance by Requiring Competition Among Rating Agencies sponsored by KY Rep. Steve Riggs and OH Sen. Bob Hackett. The NCOIL Executive Committee adopted an amended version.

“Legislators or regulators should not be in the business of requiring one rating agency when there are several competent rating agencies to choose from. However, almost all of the states are doing this” said KY Rep. Steve Riggs, NCOIL’s then-President. “This stems from a time long ago when there was only one rating agency that rated insurance companies.”

The purpose of the Act is to require competition in insurer ratings to benefit consumers, duly licensed insurance companies, producers, and other third-party stakeholders by *Con’d on Page 3.*

LIABILITY INSURANCE RESTATEMENT con’d

Based on the latest version, the ALI has not materially changed the proposed Restatement. The Executive Committee passed the Resolution unanimously.

“It is exceptionally disappointing that this has occurred” said AR Sen. Jason Rapert, NCOIL President. “We have worked tirelessly and in good faith, but the ALI seems intent on its ‘NEWStatement,’ which misrepresents the law as written.”

“It is disappointing that, despite our repeated efforts, there continues to be little movement to make this a true ‘Restatement’ of existing majority law” said NCOIL CEO Commissioner Tom Considine. “NCOIL legislators made clear during both the general session and the Property & Casualty Insurance Committee that they closely guard legislative prerogatives as their right. The letter cites more than 10 instances where the proposed Restatement goes beyond existing law. We appear to be at the point where NCOIL will take action

to ensure that the proposed Restatement is not afforded recognition as an authoritative reference.”

After a General Session at the 2017 NCOIL Annual Meeting titled ‘A Restatement or NEWstatement? Examining the ALI’s Proposed Restatement of the Law of Liability Insurance’ with a panel consisting of the proposed Restatement’s

Reporter Professor Tom Baker, and project participants Professor Peter Kochenburger, Laura Foggan, and Victor Schwartz, NCOIL expressed renewed concern that the proposed Restatement will proceed towards final adoption by the ALI Council without any meaningful changes.

NCOIL will transmit the adopted resolution to ALI leadership, with one final pause for ALI modification before transmitting it with other appropriate communications to State Chief Justices, State legislative leaders, members of the committees with jurisdiction over insurance public policy, as well as to State insurance regulators.

COMPETITION AMONG RATING AGENCIES Con'd

promulgating and embracing insurer rating requirements in laws and regulations that incorporate the enumeration of multiple, competent insurer rating organizations.

“NCOIL has discussed promoting competition among rating agencies for several years, which led to adopting a Resolution on that issue in 2015” said OH Sen Bob Hackett, a co-sponsor of the measure. “The Model Act represents NCOIL’s commitment to the issue and belief in its importance.”

“NCOIL works to ensure that there is competition where available” said Commissioner Tom Con-sidine, NCOIL CEO. “Regulated competition in the insurance sector protects consumers in the long run.”

There was robust debate about the measure, which resulted in changes clarifying the definition of “competent rating agency” that were finalized at the Executive Committee. There are still concerns among some rating agencies about the Model, and comments made after the Model’s adoption are included at the end of this release.

NCOIL SPRING MEETING SCHEDULE

FRIDAY MARCH 2, 2018

Welcome Breakfast	8:30 AM -	9:45 AM
Networking Break	9:45 AM -	10:00 AM
General Session—Health Insurance Exchanges in The Trump Administration—Are Waivers the Solution?	10:00 AM -	11:45 AM
Joint State-Federal Relations and International Insurance Issues Committee	11:45 AM -	12:45 PM
The Institutes Griffith Foundation Legislator Luncheon	12:45 PM -	1:45 PM
Property & Casualty Insurance Committees	1:45 PM -	3:00 PM
Networking Break	3:00 PM -	3:15 PM
Workers’ Compensation Insurance Committee	3:15 PM -	4:15 PM
NCOIL—NAIC Dialogue	4:15 PM -	5:30 PM
IEC Board Meeting	5:30 PM -	6:00 PM
Welcome Reception	6:00 PM -	7:00 PM

SATURDAY MARCH 3, 2018

Life Insurance & Financial Planning Committee	9:00 AM -	10:00 AM
General Session—Principles Based Regulation: Who Needs Legislation Anyway?	10:00 AM -	11:00 AM
Legislative Micro Meetings	11:00 AM -	11:45 AM
Luncheon with Keynote Address	11:45 AM -	1:15 PM
Financial Services Committee	1:15 PM -	2:15 PM

SUNDAY MARCH 4, 2018

Health, Long Term Care, and Health Retirement Issues Committee	8:45 AM -	10:45 AM
Business Planning Committee & Executive Committee	10:45 AM -	12:00 PM



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