

NATIONAL COUNCIL OF INSURANCE LEGISLATORS
EXECUTIVE COMMITTEE
ATLANTA, GA
MARCH 4, 2018

The National Council of Insurance Legislators (NCOIL) Business Planning and Executive Committee met at the Whitley Buckhead on Sunday, March 4 at 11:06 a.m. NCOIL President, Sen. Jason Rapert, AR, Chair of the Committee presided.

MEMBERS OF THE COMMITTEE PRESENT:

Rep. Bill Botzow, VT, Vice-Chair	Rep. Bart Rowland, KY
Rep. Sam Kito, AK	Sen. Jerry Klein, ND
Rep. Deborah Ferrguson, AR	Asm. Kevin Cahill, NY
Asm. Ken Cooley, CA	Asm. Andrew Garbarino, NY
Rep. Richard Smith, GA	Sen. Bob Hackett, OH
Rep. Matt Lehman, IN	Rep. Glen Mulready, OK
Rep. Steve Riggs, KY	

OTHER LEGISLATORS PRESENT:

Rep. Bryon Short, DE	Sen. Valerie Foushee, NC
Re. Darlene Taylor, GA	Rep. Tom Oliverson, TX
Sen. Paul Weiland, MO	Rep. Ron Tusler, WI

ALSO PRESENT:

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

A motion was made and seconded to approve the minutes of the November 19th meeting. The motion carried on a voice vote.

FUTURE LOCATIONS

As a follow up to the conversation in Phoenix, Commissioner Considine announced that because both Florida and North Carolina have become NCOIL contributing states, the 2020 Spring Meeting will be in Charlotte, NC from March 1 – 3 at the Marriott and the Annual Meeting will be at the Tampa Marriott from December 8 – 12. The Summer location and dates have not been chosen because the dates for the national political conventions have yet to be announced.

RECRUITMENT OF NEW MEMBER STATES

Sen. Rapert discussed how NCOIL legislators were working with IEC members to recruit legislators from member states to participate more fully.

Commissioner Considine reminded the audience that Florida and North Carolina have become contributing states, bring the total number to 34. In addition, NCOIL contributing states comprise 81% of the population of the United States and for the first time ever the top 10 states by population are NCOIL contributing states. There were 5 Commissioners or equivalent and 11 Insurance Departments represented.

ADMINISTRATION

Commissioner Considine noted that there were 268 registrants for the Spring Meeting, 51 legislators and participants from 32 states. This is more than a Spring Meeting has had in at least a decade, if not longer. 8 legislators participated via ILF scholarship.

Paul Penna gave the 2017 unaudited financial report that showed \$998,661.76 in revenue and \$858,881.09 in expenses for a net operating revenue of \$139,780.67.

Commissioner Considine suggested that the committee retain Collins & Co. as auditor, noting they charged the same rate as last year and provided a good product. A motion was made by Sen. Hackett and seconded by Sen. Klein and carried on a voice vote.

CONSIDERATION OF MODEL ACT TO SUPPORT STATE REGULATION OF INSURANCE THROUGH MORE INFORMED POLICYMAKING

Asm. Cooley stated that the purpose of the model has been revised to ensure that legislators have more opportunities to be engaged and understand insurance policy.

Sen. Rapert asked if he would like the model considered today or deferred so members can digest it further.

Asm. Cooley said he would like to defer to consider comments and observations from members. It can strengthen policymaking and appropriate to keep in comments.

Rep. Lehman stated that Sen. Holdman has been a strong advocate for this type of IBR legislation and it passed the IN House and Senate. There were changes that require department to provide a public record synopsis of what they adopted and transmit it to the Chair of House and Senate Insurance Committees to ensure that it has not strayed beyond their authority.

Commissioner Considine stated that this bill dovetails nicely with an initiative the NAIC has begun to address concerns and IBR issues. NAIC has really reached out in last two years and encouraged more legislators to come to NAIC meetings. This formalizes it in a systemic way.

Secondly, continued Considine, the IBR issue did not originate with NCOIL. Legislators learned about it from industry. However, quite recently, in Indiana, industry moved off its IBR position and suggested that Sen. Holdman could not address it legislatively because it will create a regulatory and financial patchwork. NAIC had said "it's not our

issue, it's a state-by-state issue." This model from Asm. Cooley takes care of much of the remaining issues it seems.

Rep. Riggs stated this is much bigger than IBR but about informed decision making and we should look for similar parallel in business, military and other industries.

Asm. Cooley stated that although the Commissioner in California is elected, the state provision has been unchanged since 1923 and charges the Commissioner with implementing statutes. This model is a good way to educate legislators and encourages them to invite lawmakers to meetings, which is good for national system of insurance. With all the global challenges it strengthens the process.

Sen. Rapert stated that he has been invited to the NAIC Insurance Summit and asked Chara Bradstreet to thank all commissioners for being here. He also stated the NAIC asked him to speak during the Commissioners Roundtable at NAIC meeting.

Commissioner Considine stated that Commissioner Chaney has been a strong NCOIL advocate and encouraged his colleagues to participate with NCOIL.

Rep. Mulready stated that the NAIC encourages state participation and Commissioner Doak has invited him once a year to attend NAIC meetings.

CONSENT CALENDAR

Sen. Rapert noted there was no action taken at the committee level that requires Executive Committee consideration during the consent calendar.

The Property & Casualty Committee tabled Amendments to Model State Building Codes Act and tabled consideration of the Consumer Protection Model Towing Act.

OTHER SESSIONS

Sen Rapert noted the Griffith Foundation Legislator Luncheon, "A Primer on Captive Insurance" by Prof. Harold Weston at Georgia State University was informative.

He also noted we had high-level speakers at the Spring Meeting including Georgia Gov. Deal, Florida CFO Jimmy Patronis, Randy Pate, Director CCIO, Randy Maurstad, FEMA Assistant Administrator, and Heather Howard, Center for Health and Wellbeing & Woodrow Wilson School of Public and International Affairs

GENERAL SESSIONS

Sen. Rapert noted the general sessions were timely including the "Health Insurance Exchanges in the Trump Administration – Are Waivers the Solution?" and "Principles Based Regulation – Who Needs Legislation Anyway?"

ATLANTA

Sen Rapert called on Rep. Smith and thanked him and the Georgia delegation, including Rep. Taylor for being such wonderful hosts. Rep. Smith thanked NCOIL for

being here. Sen. Rapert said he looks forward to seeing everyone in Salt Lake City in July and encouraged legislators to have their colleagues participate.

OTHER BUSINESS

Rep. Riggs made a motion that the Executive Committee extend membership to Texas Rep. Tom Oliverson. Asm. Garbarino seconded and the motion carried on a voice vote.

There being no further business, the committee adjourned at 12:11 p.m.