

NATIONAL CONFERENCE OF INSURANCE LEGISLATORS
SPECIAL INSURANCE LEGISLATORS FOUNDATION BOARD MEETING
ON STATE AUTHORITY STUDY IMPLEMENTATION
WASHINGTON, DC
FEBRUARY 29, 2008
MINUTES

The Insurance Legislators Foundation Board of the National Conference of Insurance Legislators (NCOIL) met at the Hyatt Washington on Capitol Hill in Washington, DC, on Friday, February 29, 2008, at 4:30 p.m.

Rep. Brian Kennedy of Rhode Island, president of the Board, presided.

Other members of the Board present were:

Sen. Steven Geller, FL
Rep. Robert Damron, KY
Sen. William J. Larkin, Jr., NY
Sen. James Seward, NY
Rep. George Keiser, ND

Other legislators present were:

Sen. Carroll Leavell, NM
Sen. Jerry Klein, ND

Others present were:

Susan Nolan, Nolan Associates, NCOIL Executive Director
Candace Thorson, NCOIL Deputy Executive Director
Mike Humphreys, NCOIL Director of Legislative Affairs & Education, Life, Health, and Workers' Compensation Insurance

ADMINISTRATION
FINANCIAL REPORT

Ms. Nolan presented to the Board the December 30, 2007, unaudited ILF financials. Upon a motion made and seconded, the Board adopted the statements.

STATE AUTHORITY STUDY IMPLEMENTATION

Rep. Kennedy said that at the 2007 Annual Meeting, the Board had received final recommendations contained in an ILF *Study on State Authority: Making a Case for Proper Insurance Oversight*, as presented by the study's co-authors. He said he had appointed a special subcommittee, comprised of NCOIL officers and past presidents, to consider implementation of those recommendations.

Rep. Kennedy said the recommendations related to:

- clarifying the roles of regulators and attorneys general and strengthening commissioners' authority
- regaining and enhancing legislators oversight of regulators and of the National Association of Insurance Commissioners (NAIC)
- requiring the NAIC to follow open meetings laws and precluding regulators from attending closed meetings
- strengthening state regulation through expansion of the Interstate Insurance Product Regulation Compact
- creating an independent commission of stakeholders to further review the current regulatory structure
- increasing NCOIL resources to accomplish these tasks by reallocating state NAIC assessments

Certain interested parties had expressed concern, Rep. Kennedy said, that the study authors had not sought their input during the research process. He complemented the authors' work but suggested that the ILF Board establish a 30-day comment period in order to give the NAIC and other organizations opportunities to weigh in. Upon a motion made by Rep. Damron and seconded by Sen. Geller, the Board determined via unanimous voice vote to establish such a comment period.

Sen. Geller said he had concerns regarding the study's treatment of attorneys general. He suggested that the ILF Board notify the National Association of Attorneys General (NAAG), as well as the National Governors Association (NGA), to apprise them of the comment opportunity. Following brief discussion, the Board determined to send notification letters to those organizations following the Spring Meeting.

ADJOURNMENT

There being no further business, the meeting was adjourned at 5:30 p.m.