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National Council of Insurance Legislators (NCOIL)

Resolution Regarding the Use of Artificial Intelligence in Underwriting

**Sponsored by Sen. Neil Breslin (NY) & Rep. Matt Lehman (IN), NCOIL President*

**Adopted by the NCOIL Special Committee on Race in Insurance Underwriting on July 15, 2021 and by the NCOIL Executive Committee on July 17, 2021.*

WHEREAS, the National Council of Insurance Legislators (NCOIL) formed a Special Committee on Race in Insurance Underwriting (the Special Committee) on September 25th, 2020; and

WHEREAS, the Special Committee has held five public hearings and meetings over the past seven months to take testimony, discuss and evaluate these issues; and

WHEREAS, NCOIL remains opposed to unfair discrimination in all forms; and

WHEREAS, the Special Committee having heard testimony regarding the efficacy and impact of a wide variety of rating factors, and having considered that testimony; and

WHEREAS, the Special Committee has heard testimony indicating that the use of Artificial Intelligence has become increasingly prevalent in insurance underwriting and continues to grow; and

WHEREAS, the use of Artificial Intelligence in insurance underwriting falls beyond the charges to this Special Committee; and

NOW, THEREFORE, BE IT RESOLVED that NCOIL finds that underwriting is an ever-evolving, complex process; and

BE IT FURTHER RESOLVED that NCOIL believes that the use of Artificial Intelligence will surpass the use of individual factors in insurance underwriting; and

BE IT FURTHER RESOLVED that the Special Committee finds that NCOIL should undertake a review of the use of Artificial Intelligence in insurance underwriting through the committees of jurisdiction over each line of insurance to ensure that such use is not unfairly discriminatory.
