NATIONAL COUNCIL OF INSURANCE LEGISLATORS
JOINT STATE-FEDERAL RELATINOS & INTERNATIONAL INSURANCE ISSUES COMMITTEE
SCOTTSDALE, ARIZONA
NOVEMBER 20, 2021
DRAFT MINUTES

The National Council of Insurance Legislators (NCOIL) Joint State-Federal Relations & International Insurance Issues Committee met at The Westin Kierland Hotel in Scottsdale, Arizona on Saturday, November 20, 2021 at 10:30 a.m.

Ohio Senator Bob Hackett, Chair of the Committee, presided.

Other members of the Committee present were:

Rep. Deborah Ferguson (AR)
Sen. Keith Ingram (AR)
Asm. Ken Cooley (CA)
Sen. Travis Holdman (IN)
Rep. Matt Lehman (IN)
Rep. Hank Zuber (MS)
Asm. Kevin Cahill (NY)
Rep. Tom Oliverson, M.D. (TX)

Other legislators present were:

Rep. James Kaufman (AK)
Rep. Stephen Meskers (CT)
Rep. Tammy Nuccio (CT)
Sen. Jim Guthrie (ID)
Rep. Craig Snow (IN)
Rep. Cherlynn Stevenson (KY)
Rep. Mary DuBuisson (LA)
Rep. Kyle Green (LA)
Rep. John Illg (LA)
Sen. Lana Theis (MI)
Sen. Paul Utke (MN)
Sen. Mike McLendon (MS)
Asm. Will Barclay (NY)
Asw. Pam Hunter (NY)
Sen. George Lang (OH)
Rep. Carl Anderson (SC)

Also in attendance were:

Commissioner Tom Considine, NCOIL CEO
Will Melofchik, NCOIL General Counsel

QUORUM

Upon a Motion made by Asm. Ken Cooley (CA), NCOIL Vice President, and seconded by Asm. Kevin Cahill (NY), NCOIL Treasurer, the Committee voted without objection by way of a voice vote to waive the quorum requirement.

MINUTES

Upon a Motion made by Rep. Tom Oliverson, M.D. (TX), and seconded by Asm. Cooley, the Committee voted without objection by way of a voice vote to adopt the minutes of the Committee’s July 15, 2021 meeting in Boston, MA.

CONTINUED DISCUSSION AND CONSIDERATION OF NCOIL RESILIENT REVOLVING LOAN FUND MODEL ACT (Model)

Roderick Scott, Board Chair of the Flood Mitigation Industry Association (FMIA), thanked the Committee for the opportunity to speak and stated that we're really excited to be at this point. I'm the Board Chair of the FMIA and I work in the flood mitigation industry in the private sector. Unfortunately, Maryland Senator Katie Hester, the sponsor of the Model, could not attend today but she gives all of you her best and is hopeful that this will be passed out of committee today. I want to take this opportunity to thank NCOIL, the staff and the members, and this Committee for supporting this effort to create the world's first state resilience revolving loan program legislation. In less than a year, we have developed solid model legislation to provide states guidance in their efforts to craft their own resilience revolving loan programs. This is the third meeting in 2021 that we have presented this model legislation and we are very confident that we have a really good model going forward. We've collaborated with the earthquake risk folks, the fire risk folks, and the wind risk non-profit sector, and the industries that support those and they've all given it their blessing.

Natural hazard events and risks are increasing and causing increasing suffering and damages in the U.S. As a result, insurance rates are climbing to unaffordable levels to cover these risks. Millions of older and historic buildings in flood, wind, fire and earthquake zones need retrofit for hazard mitigation projects in order to reduce the risk, to be resilient and protect and preserve those property values that we invest in these buildings with the property tax revenues that fund our schools and our government operations. And so, we have to do this in order to be resilient to get that bounce back after the events. The events are going to keep happening, and they say they're going to happen more often and we need to be able to survive the events much better than we are now and be resilient and bounce back. In January, just to review the federal process so far, the Safeguarding Tomorrow through Ongoing Risk Mitigation (STORM) Act was signed by former President Trump. It became law after about a half a dozen years of our industry and several other industries working with Congress and the banks and two Administrations to provide a first ever, multi-hazard mitigation revolving loan program for the U.S.

The new infrastructure bill has provided $500 million dollars in initial appropriation and there's another $500 million currently in the Build Back Better legislation. We'll see what happens when it gets over to the Senate. Next, the Federal Emergency Management Agency (FEMA) will write the program administrative rules and launch the program. We're hoping by late 2023. So, while the rules are being written multiple natural hazard mitigation industry non-profits will be advocating for states to use this model legislation to create the state resilient revolving loan programs in order to be prepared for the STORM Act funding to come down to their states. States are going to have to borrow this money, and then the money will be sent to the taxing authorities to utilize as loans to these property owners. So, the revolving loans will be used by states and communities to match much larger federal projects. Match money is always one of the hardest things to find for communities and states for levy systems, for drainage projects, and things like that. And the other part of it is the private capital that's going to come from the financing institutions restricted from those other drainage projects just for buildings. Banks don't want to loan for anything but the buildings and it's their money. I encourage this committee to vote yes to move this model legislation out to the states and I'm ready to answer any questions. Thank you.

Hearing no comments or questions, upon a Motion made by Rep. Matt Lehman (IN), NCOIL President, and seconded by Rep. Oliverson, the Committee voted without objection by way of a voice to adopt the Model.

PERSPECTIVES ON THE NATIONAL FLOOD INSURANCE PROGRAM'S (NFIP) NEW RATING METHODOLOGY: RISK RATING 2.0

The Honorable Andrew Garbarino (NY), Member of the U.S. House of Representatives, thanked the Committee for the opportunity to speak and stated that as some of you know I've been a part of NCOIL for several years beginning with my time as a member of the New York State Assembly, where I served on the insurance committee as the ranking member. Now, as a Member of Congress, I'm glad to be able to continue my involvement with this organization and with the many legislators working to advise on insurance policy. NCOIL is about idea sharing among current and future legislators and bringing forth insurance policy at a state and federal level that will benefit communities across the country. So, again I'm very pleased to be here. Now, today I was asked to briefly touch on an issue that always seems to be on the radar of Congress, especially for those Members who represent coastal area districts. I'm talking about the status of the NFIP and specifically, FEMA's implementation of Risk Rating 2.0.

As I'm sure many of you know, the NFIP will need to be reauthorized once again come December 3rd. In all likelihood another continuing resolution will provide reauthorization extension into the new year and stave off a program lapse. Unfortunately, it doesn't seem like my colleagues on the House Financial Services Committee and Chairwoman Maxine Waters have this on the top of their radar and her and Ranking Member are miles apart on this issue. So, I don't think we will see a long-term reauthorization happen for a while. Outside needing reauthorization in a couple weeks, the most concerning aspect of the NFIP is the ongoing implementation of Risk Rating 2.0. This is the first major update of the NFIP's pricing system in 50 years and FEMA has sold these new ratings as way to equitably distribute premiums across all policyholders based on home value and a property's unique flood risk.

What we're seeing since implementation began back in October is that many states are experiencing rate hikes as a result of Risk Rating 2.0. In my home state of New York, FEMA reports show 54% of New York residents enrolled in the program will see a rate increase. It's even worse for my constituents on Long Island, where 72% of Nassau County residents and 71% of Suffolk County residents on Long Island will see a significant rate increase. Needless to say, I'm extremely concerned about the untested methodology causing premium spikes for my constituents. Luckily, I have a few allies in Congress who see things the same way. I recently joined my friend Congressman Mario Diaz-Balart of Florida in co-sponsoring the NFIP Risk Rating 2.0 Delay Act which would temporarily limit the authority of the FEMA administrator to prescribe chargeable premium rates under the NFIP and pause the rate hike until September 30th of 2022.

This pause will allow lawmakers more time to develop sustainable reforms to the NFIP and above all else allow homeowners the time to better understand how their rates will be affected. I believe a pause is the responsible and right thing to do. We are in the middle of an economic crisis, highest inflation in 30 years, increased energy costs, rising food prices and now FEMA wants to increase the cost of flood insurance. Now is not the time to pile on, it is time to take a pause and give these hardworking families a break. I'm also working with my colleague and fellow Long Islander Congresswoman Kathleen Rice to move forward with the NFIP reporting on Impact to Seaboards and Counties act of 2021. This bill which I'm proud to be the co-lead Republican on would require FEMA to report the potential impacts to changes to the risk rating methodology before implementation. Again, it comes down to what is best for homeowners and how they should be able to prepare for pending rate increases. Being a fresh Member of Congress you were kind of thrown into the deep end of the pool, but you're also given a unique opportunity to find your niche and concentrate on topics that are most interesting to you.

Insurance has always been very interesting to me and I truly enjoy speaking with you all today. I look forward to your questions and discussion on this issue. Thank you.

Asm. Kevin Cahill (NY), NCOIL Treasurer, stated that to our colleagues here I can't tell you how important it was the nonpartisan approach that Congressman Garbarino took to all issues just like his predecessor on that committee, Asm. Will Barclay (NY). But when we dealt with subjects very early on in my term as Chair of the insurance committee the first thing we dealt with was Superstorm Sandy. And at that time there was a movement in Congress, I think it had already passed and then required a moratorium to redefine the zones and the rates and there was indeed a moratorium. And the logic behind that was that we can't just drop it on people, we have to let them know in advance what they have to do. We have to give the states an opportunity to derive a solution for those people, those homeowners and property owners who would otherwise be very negatively affected by it. And also, perhaps the science behind the redrawing of the lines and the rates was not perfect and needed to be examined. And I guess my question Congressman is it's a couple of years later, but it seems to me that those arguments are still valid today. Would you agree with that assessment?

Congressman Garbarino stated I would and I think the real issue right now is after Superstorm Sandy, that was my first campaign for the State Assembly, and a lot of my district was under water out in Suffolk County and since those years, FEMA came in and there was a lot of money put into raising homes and raising roads. And we all agreed that there had to be an update to the maps because places were flooded that had never been flooded before. The problem is, even under this new NFIP Risk Rating 2.0, homes that were raised due to Superstorm Sandy are seeing rate increases. They did everything they were supposed to do and now they're seeing that because of where they are they're still seeing their policies increased even though they have very little risk of actually having flood damage. So, it seems that there was a lot of talk about fixing everything after Superstorm Sandy and it hasn't been done yet and the fact that we can't get the Chair of the Financial Services Committee in Washington to really take a look at this and make the legislative changes that need to happen is just going to continue I think to delay and constituents, homeowners are really going to face the burden here and it's unfortunate.

Asm. Cahill thanked Congressman Garbarino for staying involved in NCOIL and coming back and visiting with us and giving us a federal perspective.

Rep. Matt Lehman (IN), NCOIL President, thanked Congressman Garbarino for being here and for your support of NCOIL. I guess one of the concerns having been here a while and you were in this seat as well is we're in a cycle of extend and try to fix, extend and try to fix, but those extensions have always been short term. So, if we're really trying to fix this, has there been any discussion of let's extend this for two years and in that two year period, we know there's now an end, right? We want to end these 30 day extensions. We've got to find a solution and I think what's happening is the NFIP has shown no chance of ever surviving in the model they have now so something has to change.

This isn't a political issue by party, it's a political issue by region and I'm glad to see the Louisiana delegation is here. They have a stake in this. Indiana doesn't. We don't have the hurricanes that coastal states have. So, you have this issue of spreading the risk and it's odd that we're talking about how do we redraw these maps, how do we make them effective? And how do we pool our risk when at the same time the industry's moving away from pooling. The new adage is pay for what you use. If we take that approach, then the coastal areas would pay a lot more for their insurance than what someone would in the Midwest. We cover a lot of perils inside a standard ISO policy. The old adage is they've always been written in the north because we cover the weight of ice and snow and people in Key West, Florida are helping bear the burden of that risk. So, we have spread the risk in the past - how do we spread that risk across all policyholders? Maybe there is a little bit of a bump in the coastal regions but right now we seem to just kick the can down the road and we've accomplished nothing. And I really applaud you for stepping up and saying, we must find a solution, but what is it looking like long term? Isn't there a certain date that you could put out there and say let's do this the right way?

Congressman Garbarino stated that one thing I've learned in Washington is there has to be a fix at some point and when I was in the State Assembly in Albany, we always said the budget was due by April 1st, even when there wasn't agreement, we knew there was going to be an agreement at some point. We knew there had to be a budget passed. In Washington, they can just do these short-term fixes which is amazing to me and there's a comfort level with just kicking the can down the road there, just to keep the status quo and for legislators like myself and my friends from Louisiana, I've spoken with Congressman Scalise about this a lot and this is a huge concern because they know that it has to be addressed but unfortunately the leadership is not from areas that see the floods so they don't mind kicking the can down the road.

However, I do note that more and more Members are starting to pick up on it especially those from the midwestern states. Some are from the Great Lakes who've seen flooding from both the lakes and rivers running through. So, you're seeing a lot more legislators from middle America getting involved and getting interested in this. So, I think it is fair to say that the more and more people that face this flooding in their district, the more and more you'll get them to be able to realize that there has to be a fix to this. We can't just keep kicking the can down the road. Regarding pooling the risk, what FEMA's doing right now with Risk Rating is not working. I was just talking with one of the other witnesses before and I think we both agreed it seems like the administrator's doing this and it's more an ego push after they know it's not working, but he's still doing it. He just wants to do it, to say he did it and that's not good. So, we're hoping that the legislation that delays the Risk Rating passes and we're hoping that there is actual some real discussion with or without the Chairwoman of Financial Services. Insurance companies in D.C. and their lobbyists have been really starting to focus on this and realize that they want to get involved. It's frustrating and I would love to say I'd like to get this done in two years. The people in charge now don't seem to care that much but we're going to keep pushing it. We have a great coalition of Members, both Republican and Democrat, pushing this issue now. I hope it gets done, but I would not hold my breath that anything gets taken care of this year which is really unfortunate.

Rep. Lehman stated that I'd be remiss if I didn't say keep us at that table. I think sometimes D.C. gets in this vacuum of we'll solve the problem and you're not reaching out to the people with the boots on the ground that really live in these states and legislate in these states everyday. So, I know you get it, you've been here. But I would say, continue to keep NCOIL as a resource and I'll speak for Asm. Cooley, the incoming NCOIL President, that he'll go anywhere anytime to participate and I will too, and I think others would as well.

The next speaker was Chris Greene, Founder of Community First Agency, LLC. Before he spoke, Asm. Cahill asked Mr. Greene to remove props and hats that Mr. Greene had with him at the speaker's table. Mr. Greene refused to do so.

Mr. Greene thanked the Committee for the opportunity to speak and stated that the last three years, I have been traveling the country doing 1,000 videos in 1,000 days - strictly flood education, and I've talked to flood victims. I've addressed Risk Rating 2.0 for the last six months in every major city in the U.S. and what we've learned is that inland flooding is a major issue right now that people are completely uneducated on but with Risk Rating 2.0, not just insurance agents, property owners and real estate agents aren't really sure what to do. So, today I'm briefly going to talk about what I call the fingerprint of flood insurance and this is the thing that it addresses. Basically, if you think about Risk Rating 2.0 in an easy way, it's like going from Nintendo to Nintendo Switch overnight. So, think about no development in between and a lot of things are going to be broken. Briefly, let me talk about those things. We're talking about the rating system changing. So, flood zones no longer determine flood rates. Elevation certificates are no longer required which not being required may not be a bad thing, I just think that maybe the message that it's sending that while they're not required they're not needed and that's completely the opposite. Things that it's looking at now are distance to water, type of flooding, replacement cost of the building, and of course elevation and flooding frequency. And so those are things that are going to determine the rates in Risk Rating 2.0. Right now, I've been helping a property owner build a house in Louisiana. We help him mitigate it. FEMA had him at $600 a year when he was building his house. He elevated it 10 feet, he completed it with Risk Rating 2.0, and it was $3,000 a year.

So, it brings up the conversation of is mitigation dead with this new program? I have always had mitigation first and as great as flood insurance is, and it's going to help you recover financially, and emotionally quicker, at the end of the day, is it really doing anything to reduce the risks? So, with this new program, are people going to be motivated to raise their houses? We just got done helping someone raise their house who flooded in Nashville when they had 17 inches of rain in 24 hours. And in Birmingham, Alabama they had 13 inches of rain in four hours. These are some of things that are going to cause issues with Risk Rating 2.0. My office manager deals more with Risk rating 2.0 on a day to day basis but the struggles that she's seeing every day and other agents are seeing across the country is that the system is broken. You can't even finish a quote right now. Write-your-own carriers didn't even get the rating model until 30 days before they wanted them to issue policies. So, these are some of the things that are causing a lot of problems with Risk Rating 2.0. You've got phase one on October 1, 2021 for new policies. You've got phase two for renewal business on April 1, 2022. So, that's another point of confusion - when do I actually go into this program, or do I have to go in this program right away? A lot of people think that they have to wait until the renewal, that they can't go into the program and they can so it's creating a lot of confusion.

We've traveled the country and we tried to teach this, but there's so many moving parts with Risk Rating 2.0 and that's what I came today to discuss is really what we're actually seeing every day, how these rates are changing now. I'm a big believer that flood zones should never really determine rates because they're really more relevant from a regulatory standpoint. But I've also always been a big fan of setting up a standard rating system, almost like a home insurance product. Think about the fact that your house has a higher chance of flood then it does being broken into. That's something to go along with to help with financially with FEMA paying out these claims and taking a deeper look at some of these severe repetitive loss areas where these claims keep occurring.

Tim Murphy, Project Branch Manager at the Flood Control District of Maricopa County stated that I'll be speaking on behalf of the Association of State Floodplain Managers (ASFPM) and also informally for local Arizona communities involved in floodplain management. Risk rating 2.0 has been an important issue to ASFPM and our members since FEMA announced that they were going forward with it about two and a half years ago. ASFPM in its 38 state and regional chapters combined represent more than 20,000 local and state officials as well as private sector and other professionals engaged in all aspects of floodplain management and flood hazard mitigation. ASFPM and its members are concerned with reducing our nation's flood related losses as well as flood losses in their local areas and as mentioned earlier, floods are our nation's most frequent and costly natural disasters, and the trends are worsening. The NFIP is the nation's most widely used tool to reduce flood risk and we as an association and we as local floodplain managers have an interest in NFIP reform, NFIP reauthorization and things like that. I know that in July, Tony Hake with FEMA gave a presentation on Risk Rating 2.0, so I don't think there's any need to go into a great deal about that. ASFPM supports Risk Rating 2.0 and believes that the changes to the NFIP's rating system are long overdue.

The rating methods being used will be more in line with other current insurance rating approaches. The premiums determined using Risk Rating 2.0 will do a better job of communicating to homeowners, business owners and renters what their true flood risk is than the old legacy system did. We hope that this will encourage policyholders and communities to explore ways to lower the flood risk and also to lower their premiums. One concern from the beginning was to have smooth role out and have a rating tool that appropriately determines an individual building's flood risk and premium. Since we are in Arizona, I'd like to take a moment to provide some background on floodplain issues in Arizona. Over 100 communities in Arizona participate in the NFIP. There are around 27,000 NFIP policies and 15,000 in Maricopa County. The agency I work for, Flood Control District of Maricopa County, was created over 60 years ago and in 1984, the Arizona legislature changed state law and in Arizona now, each county is required to form a flood control district, and this has made it easier for Arizona counties and communities to develop the resources, particularly the funding and technical resources needed to better manage floods. The experiences in Arizona and around the nation with Risk Rating have been somewhat similar. Many communities were concerned that because the new approach made it possible to write a policy without having the elevation certificate that there might be less interest in them. Much to our surprise when, after October 1st when Risk Rating started being implemented for new policies, we started getting more requests for elevation certificates than we did in the past and many of these requests were for areas outside of the floodplain, where an elevation certificate didn't exist and wasn't of any use because there's no base flood elevation determined.

Initially, many local floodplain managers felt like they didn't really have a good understanding of the various factors that were used in determining the premium under Risk Rating 2.0. and FEMA's training was focused on insurance agents. ASFPM was able to work with FEMA and have them offer training that was better suited to floodplain managers and covered the different rating factors that we're getting used to more in depth. Local floodplain managers since the announcement of Risk Rating 2.0 had been asking to have access to the rating tool. They don't feel like they know what their premiums might be in their communities, especially how they might vary from location to location within the community or how mitigation efforts might impact the premium. Or in some cases, from our standpoint as a local agency, when I'm working on a permit with somebody and saying if you elevate one foot or two feet, I used to be able to tell you what that was, what that premium might be. Right now, we just don't have that ability.

FEMA did release information that summarizes the changes by state and zip code and this is provided to us with some information and some understanding of the impacts. ASFPM did take that information and created an interactive map that shows graphically the impacts by state and zip code. That information can be accessed on ASFPM's website at floods.org. ASFPM encourages a holistic multiprong approach to strengthen the nation's overall resilience to flooding. Some of these approaches must include an insurance program that determines premiums based upon a building's specific risk and provides financial stability to the program. Second, we need to keep improving the quality of the existing 1.2 million miles of streams that have been mapped as well as map the 2.3 million miles of unmapped streams, rivers and coastlines. We'd like to see a national focus on mitigation efforts that reduce flood risk and ultimately flood insurance premiums for policyholders. On behalf of the ASFPM I thank you for providing this opportunity to participate on this panel and share our viewpoints with you. We look forward to working with you in the future.

Rep. Stephen Meskers (CT) stated that when I listen to the panelists in the conversation, we've heard testimony and we were talking about different risk pools and insurance premiums across the last couple of days and references were made to the fires in California. There's a climate component to the equation and the risk premiums. I don't know how we solve the issue because given what's going on in weather patterns and given what's going on with floods. We're back on the mitigation issue I think on infrastructure. We had the last Hurricane Ida that came up the Northeast, and in my town it was low tide and the shore line which was the FEMA regulated part of my equation didn't get touched but we had bottlenecks inland at a higher elevation and we had flooding we'd never had in 100 years. So, I don't know how we mitigate and cap the insurance premiums and figure out how to spread the risk pool when we're basically moving into new areas of risk and structural risks because of some climate components as well as the flooding. I think we've got a big challenge in figuring out how much of this is a reserve policy pooling of risk spread along our policyholders and how much of it is going to end up back at the federal government with pools of money that we're seeing on the infrastructure bill for coastal resiliency and storm mitigation. I think the shoreline is going to be problematic for the next 30 or 40 years with the rise in sea levels and I don't want to listen to the news reporting about one more 100 year or 500 year storm. So, I think the problem you're facing is real and accurate.

We have to be careful with legislation that caps premiums. The ability of the premiums to adequately provide for insurance payments is going to be compromised and then how do we spread that risk when we have inadequate policies? So, we're in a dilemma of letting people financially plan their future, own a home, make improvements, get a reduced rate for their insurance and then what happens when the model from the actuaries changes two years later? I'm interested to hear the policy measure we'd look at to smooth that risk factor. But I don't know where we think that would come through because the biggest complaint I heard was that subsequent to mitigation and meeting FEMA standards, policy rates still went up. I don't know how we deal with that. I don't know if you guys have thoughts on that and how do we smooth that issue out at the very best?

Mr. Scott stated that I'd like to address that from our industry's point of view. Flood mitigation is a proven method of reducing flood risk. My town is now 86% elevated since Hurricane Katrina. In Katrina we took 750 NFIP claims, this is all with a nine foot surge, for 25 million in Katrina. In Hurricane Isaac in 2012 we only had 250 claims for seven million. And for Ida we only documented 65 flooded buildings and they're all the old buildings sitting on the ground. Virtual sitting ducks. If we can just get this three or four million oldest of the buildings mitigated then these repetitive events are not going to have this catastrophic financial impact because it's all the old buildings getting repeatedly flooded. That's the problem. And FEMA tells us, "Oh we have a million of these old buildings that get flooded all the time, we got to fix them." Well, the problem is that we only insure 20% of our buildings in our flood zones or 30%. That's what all the floods are saying now. So, the banks and our industry estimate that we have three or four million of these buildings. The banks have told us it's $1.75 trillion in asset value and we have told them that it's $600 billion to retrofit in this generation and then we won't have the flooded buildings and it'll give my kids a chance to give us some breathing room.

Maybe we're going to move back from the coast. Maybe we're going to do other things and get our infrastructure raised. But right now, we've got to get this glut of our oldest historic buildings that have all this asset value and property tax value because our waterfront properties are our highest revenue producing buildings. We just got to get them so they don't flood. And we know how to do that. This whole thing with FEMA is that NFIP is not going to give us credit for mitigating these buildings which is $600 billion worth of investment and half a million in job creation. And they're not going to give us credit for this? We have to put a pause and a timeout on this deployment.

Mr. Murphy stated that although we're here in Arizona I'm not unsympathetic to coastal issues. I'm a South Jersey kid, I grew up just outside of Atlantic City. I have Aunts and Uncles and Cousins who live there and of course they know I work in floodplain management, and flood insurance and so I get questions sometimes about, "Hey what can I do about that FEMA thing of the flood insurance thing? Is there anything you can do to help me with that?" So, I do understand and I do get personally those kind of questions myself. But to Mr. Scott's point and some of the other things, a few years ago ASFPM had a mitigation conference up in Northern New Jersey. As part of that conference, we did go to Staten Island and there are homes being elevated in Staten Island. And they also, cleared out areas and retreated from some areas that were very vulnerable to flooding. So, those are two ways to kind of mitigate that and when people ask me about mitigation, things that I always think about, it's a little bit about like the old real estate joke. Location, location, location. But certainly, it's true. Location is important. When we get to mitigation, elevation is definitely very important and one of the things we'd need to continue to have is an emphasis on better mapping, more accurate mapping, mapping that clearly shows the hazards, defines the hazards so that we can work on these mitigation projects.

ANY OTHER BUSINESS

Sen. Hackett stated that there are two pieces of work left. The first is consideration of the readoption of the NCOIL Company Licensing Modernization Model Act (Model). If you look in your binders it's on page 259. It was first adopted in 2002, and it's been readopted in 2004, 2006, 2011 and 2016. Hearing no questions or comments, upon a Motion made by Rep. Deborah Ferguson (AR) and seconded by Rep. Tom Oliverson, M.D. (TX), the Committee voted without objection by way of a voice vote to re-adopt the Model.

Sen. Hackett stated that he will turn things over to Rep. Lehman for the last item of business regarding technical changes to correct drafting oversights in the NCOIL Insurance Business Transfer (IBT) Model Act (Model). Rep. Lehman echoed Sen. Hackett's comments regarding the need to make technical corrections relating to reinsurers in the IBT Model and accordingly made a Motion to do so. Sen. Travis Holdman (IN), NCOIL Immediate Past President, seconded the Motion. Hearing no questions or comments, the Committee voted without objection by way of a voice vote to make technical changes to the Model.

ADJOURNMENT

Hearing no further business, upon a motion made by Rep. Ferguson and seconded by Rep. Oliverson, the Committee adjourned at 12:00 p.m.