

NATIONAL COUNCIL OF INSURANCE LEGISLATORS
EXECUTIVE COMMITTEE
2023 NCOIL ANNUAL MEETING – COLUMBUS, OH
November 18, 2023
DRAFT MINUTES

The National Council of Insurance Legislators (NCOIL) Executive Committee met at the Renaissance Columbus Downtown Hotel in Columbus, OH on Saturday November 18, 2023 at 11:00 AM.

NCOIL President, Representative Deborah Ferguson, DDS (AR), Chair of the Committee, presided.

Other members of the committee present:

Rep. Matt Lehman (IN)	Sen. Walter Michel (MS)
Rep. Michael Meredith (KY)	Sen. Jerry Klein (ND)
Rep. Michael “Sarge” Pollock (KY)	Sen. Bob Hackett (OH)
Rep. Rachel Roberts (KY)	Rep. Forrest Bennett (OK)
Rep. Edmond Jordan (LA)	Rep. Tom Oliverson, M.D. (TX) – by phone
Rep. Brenda Carter (MI)	Rep. Jim Dunnigan (UT)
Sen. Paul Utke (MN)	

Other legislators present were:

Rep. Cherlynn Stevenson (KY)
Rep. Bob Titus (MO)
Asm. Jarett Gandolfo (NY)
Rep. Brian Lampton (OH)

Also in attendance were:

Commissioner Tom Considine, NCOIL CEO
Will Melofchik, NCOIL General Counsel
Pat Gilbert, Director, Administration & Member Services, NCOIL Support Services, LLC

QUORUM

Upon a motion made by Sen. Jerry Klein (ND), and seconded by Rep. Rachel Roberts (KY), the Committee voted without objection by way of a voice vote to waive the quorum requirement.

MINUTES

Upon a motion made by Rep. Forrest Bennett (OK) and seconded by Rep. Matt Lehman (IN), NCOIL Immediate Past President, the Committee voted without objection by way of a voice vote to approve the minutes of the Committee’s July 22, 2023 meeting in Minneapolis.

FUTURE MEETING LOCATIONS

Rep. Ferguson stated that the 2024 Spring Meeting will be in Nashville, TN from April 11th – 14th, the 2024 Summer Meeting will be in Costa Mesa, CA from July 17th – 20th, and the 2024 Annual Meeting will be in San Antonio, TX from November 21st – 24th.

ADMINISTRATION

Will Melofchik, NCOIL General Counsel, stated that there were 347 registrants for the meeting including 52 legislators from 25 states and of that number there were seven first time attendee legislators from six states. Additionally, seven insurance commissioners participated with 16 total insurance departments represented.

Mr. Melofchik then gave the unaudited financials through June 30th of this year showing revenue of \$1,593,980.92 and expenses of \$1,165,877.17 leading to a surplus of \$428,102.83.

NEW EXECUTIVE COMMITTEE MEMEBERS

Rep. Ferguson stated that pursuant to NCOIL bylaws, the Chair of the committee responsible for insurance legislation in each legislative house of each Contributing State shall automatically, by nature of his or her office be a member of the Executive Committee. As such, Rep. Brian Lampton (OH), Chair of the OH House Insurance Committee should be added to the NCOIL Executive Committee.

Rep. Ferguson then asked if anyone else would like to make any nominations to the Executive Committee.

Sen. Walter Michel (MS) stated that he would like to nominate Asm. Jarett Gandolfo (NY)

Upon a motion made by Rep. Lehman and seconded by Rep. Jim Dunnigan (UT), the Committee voted without objection by way of a voice vote to add Rep. Lampton and Asm. Gandolfo to the Executive Committee.

CONSENT CALENDAR

Rep. Ferguson noted that the consent calendar includes committee reports including resolutions and model laws adopted and re-adopted therein, as well as ratification of decisions made and actions taken by the NCOIL Officers and staff in the time between Executive Committee Meetings.

The Consent Calendar included:

- The Health Insurance & Long Term Care Issues Committee adopted a Resolution in Support of an Embedded Provision in the State Insurance Code to Protect Health Savings Accounts-Qualified Insurance Policies from Certain State Benefit Mandates.
- The Financial Services & Multi-Lines Issues Committee adopted amendments to NCOIL Insurance E-Commerce Model Act and a Resolution in Support of Establishing National Standards and Procedures for the Reporting and Payment of Premium Taxes Due as a Result of Direct Procurement.

- The Articles of Organization & Bylaws Revision Committee adopted amendments to the NCOIL Articles of Organization & Bylaws.
- The Property & Casualty Insurance Committee re-adopted the NCOIL Model State Uniform Building Code with amendments, and adopted amendments to the NCOIL Delivery Network Company (DNC) Insurance Model Act.
- The 2024 NCOIL Budget as adopted by the Budget Committee on 11/17/23.
- Ratification of decisions made and actions taken by the NCOIL Officers and staff in the time between Executive Committee Meetings.

Rep. Ferguson asked if any Committee member wanted anything removed from the consent calendar. Hearing no such requests, upon a motion made by Sen. Paul Utke (MN), NCOIL Secretary, and seconded by Rep. Roberts, the Committee voted to adopt the consent calendar without objection by way of a voice vote.

OTHER SESSIONS

Rep. Ferguson stated that as part of The Institutes Griffith Foundation Legislator Luncheon, Martin Grace, Ph.D., J.D., Professor Risk, Insurance & Healthcare Management at the Fox School of Business at Temple University, gave an interesting presentation titled “Challenges and Opportunities in the California Property Insurance Market: An Academic Overview.”

There were also three interesting and timely general sessions including:

- Artificial Intelligence: A Major Benefit or Likely Menace for Insurance and Society?;
- Part three of our year-long series of general sessions focused on Environmental, Social, and Governance (ESG) Policy; and
- Whose Claim is This Anyway? Examining a Legislative Framework for Litigation Funding.

Ohio Governor Mike DeWine and Ohio Lieutenant Governor Jon Husted each delivered great Keynote Addresses. It was an NCOIL first to have the Governor and Lt. Governor from the host state both speak at an NCOIL National Meeting.

CONSIDERATION OF RE-ADOPTION OF MODEL ACT TO SUPPORT STATE REGULATION OF INSURANCE THROUGH MORE INFORMED POLICYMAKING (Model)

Rep. Ferguson stated that per NCOIL bylaws, all Model laws must be considered every 5 years for re-adoption. If the Model is not re-adopted, it sunsets. This Model has not been adopted in any states so I would recommend that we not re-adopt it and let it sunset. Does anyone object to this approach?

Hearing no objection, the Committee let the model sunset.

NOMINATING COMMITTEE REPORT

Rep. Ferguson stated that the Nominating Committee met on Thursday and voted to recommend a new slate of officers for next year. The Committee's recommendation is Louisiana Representative Edmond Jordan as Secretary, Minnesota Senator Paul Utke as Treasurer, New York Assemblywoman Pamela Hunter as Vice President, and Texas Representative Tom Oliverson, M.D., as President.

Upon a motion made by Rep. Lehman and seconded by Sen. Klein, the committee voted without objection by way of a voice vote to adopt the new slate of officers. Rep. Ferguson then asked if any of the officers would like to be recognized.

Rep. Jordan stated that he wanted to thank everyone for their support and is ready to work hard and keep NCOIL on a strong path.

Rep. Oliverson, who was connected into the meeting via phone, stated that he is very grateful for the opportunity to serve as President and looks forward to working with everyone in the year to come. He said that Columbus was a great meeting and we started working on many interesting issues and he looks forward to continuing those discussions at our meetings in 2024. He encouraged everyone to share any suggestions or ideas that NCOIL should be looking at going forward. He concluded by adding that he hopes to boost NCOIL's profile and increase the organization's exposure around the country so people know of NCOIL and the work the organization does to protect consumers and the state-based system of insurance regulation.

ANY OTHER BUSINESS

Commissioner Tom Considine, NCOIL CEO, stated that while a nonprofit, particularly one of NCOIL's size, is not covered by auditor rotation requirements, we are in the process of receiving bids from other audit firms as it is viewed as a best practice to rotate auditors. However, we've discovered that there are a limited number of auditing firms that do auditing work for organizations like NCOIL, and bringing in another firm may cost a multiple of what we currently pay. Accordingly, staff recommends waiting until our Spring Meeting in Nashville to offer a final recommendation in order to allow us to receive and review other bids to conduct our 2024 audit.

Upon a motion made by Rep. Lehman and seconded by Rep. Bennett, the Committee voted without objection by way of a voice vote to delay retaining an auditor until the Spring Meeting.

Rep. Ferguson then asked if anyone from the Industry Education Council (IEC) would like to make any recommendations for future NCOIL agenda topics. John Ashenfelter, Associate General Counsel for State Farm, stated he appreciated the collaboration the IEC has with NCOIL and suggested NCOIL looking specifically at the portfolio funding aspect of third party litigation funding as that has been tied to virtually all cases of litigation fraud in recent years. He also suggested another topic on independent procurement of insurance and how states protect consumers who obtain insurance in that manner.

Rep. Ferguson stated that it has been a great honor to serve as NCOIL President this past year. She said she decides what organizations she wants to be a part of based on the value it brings to her and from the very beginning she has found NCOIL to be very valuable and is very grateful to be a part of it. She thanked Cmsr. Considine and the NCOIL staff for how the organization has been run the past several years and is very happy with the position the organization is in now.

Cmsr. Considine then presented Rep. Ferguson with a plaque honoring her service as President. He stated that while he's losing a President, he is very glad to be maintaining a friendship with Rep. Ferguson. He said she did an incredible job this year and brought a new perspective to many things and that NCOIL is a far better organization now than it was a year ago.

ADJOURNMENT

Hearing no further business, upon a motion made by Rep. Dunnigan and seconded by Rep. Roberts the Committee adjourned at 11:30 a.m.