

NATIONAL COUNCIL OF INSURANCE LEGISLATORS
PROPERTY & CASUALTY INSURANCE COMMITTEE
INTERIM COMMITTEE MEETING – JUNE 14, 2024
DRAFT MINUTES

The National Council of Insurance Legislators (NCOIL) Property & Casualty Insurance Committee held an interim meeting via Zoom on Friday, June 14, 2024, at 12:00 P.M. (EST)

Representative Forrest Bennett of Oklahoma, Chair of the Committee, presided.

Other members of the Committee present were:

Sen. Dan McConchie (IL)	Sen. Paul Utke (MN)
Rep. Matt Lehman (IN)	Rep. Nelly Nicol (MT)
Rep. Peggy Mayfield (IN)	Asw. Pam Hunter (NY)
Rep. Deanna Frazier Gordon (KY)	Rep. Tom Oliverson, M.D. (TX)
Rep. Michael Sarge Pollock (KY)	Rep. Jim Dunnigan (UT)
Rep. Edmond Jordan (LA)	

Other legislators present were:

Sen. Jesse Bjorkman (AK)	Rep. Poppy Arford (ME)
Rep. Jill Berry (CT)	Rep. Robert Merski (PA)
Rep. Jim Gooch (KY)	

Also in attendance were:

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

QUORUM

Upon a Motion made by Rep. Matt Lehman (IN) and seconded by Rep. Jim Dunnigan (UT), the Committee voted without objection by way of a voice vote to waive the quorum requirement.

CONSIDERATION OF NCOIL CATALYTIC CONVERTER THEFT PREVENTION MODEL ACT

Rep. Bennett thanked everyone for joining the meeting and stated that the purpose of today's meeting is for the Committee to conduct some business in advance of the meeting in July in Costa Mesa so the Committee is able to handle all the issues on that agenda in a timely manner. We have several items on today's agenda, the first being a model law that we'll be voting on, the Catalytic Converter Theft Prevention Model Act. If you'll recall, at our last meeting we kind of got consensus that that we were more interested in considering a model law rather than a resolution and so that's what we're going to do now. I will turn things over to the sponsor of the model, Rep. Tom Oliverson, M.D. (TX) – NCOIL President.

Rep. Oliverson thanked Rep. Bennett for calling this meeting, and stated thanks to all my colleagues for being on here and giving us an opportunity to consider this. I think we've made a lot of progress on this. I think we've taken a lot of constructive feedback. It has morphed into something that I hope and I feel certainly is much more agreeable to a wider audience and sort of takes into account some of the concerns that were raised. I would point out that at our meeting in Nashville, as we were talking about the things that we as lawmakers could do to actually address the rising costs of property and casualty insurance, this was sort of one of the few things that was pointed out as well, you can't control the weather, you can't control inflation, and obviously driving behavior seems to be a little bit erratic post-COVID - but you certainly can address issues of theft. You can address building codes, and things like that. So this is one of those things that we can as a body say I know maybe it's not right in the middle of insurance policy, but from the standpoint of attempting to provide reasonable solutions to cost containment problems that we're all struggling with, dealing with issues of property theft that are certainly driving up the cost of insurance across all 50 states is definitely in our wheelhouse. And I think it would be a positive step for us as an organization to take a position on this. As I've said before, and I'll say it one more time, this isn't a victimless crime. And I know that we're not the criminal justice group, but in my home state, this Model is named after a Harris County sheriff's deputy who was shot to death by a gang of organized criminals that were perpetrating the majority of catalytic converter thefts in Houston. So, with that, I would like to adopt the Model and go through the process for that.

Eric DeCampos, Senior Director of Strategy, Policy & Gov't Affairs at the National Insurance Crime Bureau (NICB) thanked the Committee for the opportunity to speak and stated that NICB is a nonprofit organization that works with state and local law enforcement and insurance companies to detect, prevent and deter insurance and vehicle crimes, and that includes catalytic converter thefts. I just wanted to speak in support of the Model and emphasize that this Model will establish important standards that will help combat catalytic converter thefts. I do want to note that while we've seen the price of precious metals decrease recently, the theft has continued to persist and the impact on insurers and consumers is quite clear. In fact, I think many of us know and have seen the recent murder in Los Angeles of an actor who was killed by perpetrators attempting to steal the catalytic converter from his vehicle. And so I wish to underscore again that now is not the time to take our foot off the gas pedal, but rather to move forward with this Model. And I also wish to remind this Committee of the effectiveness of state legislation already enacted in some jurisdictions in combating catalytic converter thefts as attested by both insurers and law enforcement alike. Thank you for the opportunity to speak and I urge your favorable vote on this Model.

Rep. Bennett asked Mr. DeCampos to specify some of the things he's seen regarding positive results of some of the legislation at the state level on this issue. Mr. DeCampos stated that we've seen catalytic converter thefts decrease in jurisdictions that have pursued catalytic converter theft legislation and we've seen various degrees of this from states that have pursued restrictions around transactions involving used attached catalytic converters to record keeping requirements. And we've also seen some insurers attest to the effectiveness of this as well and how catalytic converter thefts have been a cost driver for insurance. And following the enactment of legislation we've seen that price tag or that cost decrease due to a decrease in the actual thefts of these devices.

Hearing no further questions or comments, upon a Motion made by Asw. Pam Hunter (NY), NCOIL Vice President, and seconded by Rep. Matt Lehman (IN), the Committee

voted without objection to adopt the Model via a voice vote. Rep. Bennett thanked Rep. Oliverson and everyone who's contributed to the conversation. The Model will now be sent to the Executive Committee for final ratification in Costa Mesa.

CONTINUED DISCUSSION ON NCOIL STRENGTHEN HOMES PROGRAM MODEL ACT

Rep. Bennett stated that next on our agenda is a continued discussion on the NCOIL Strengthens Homes Program Model Act, sponsored by Rep. Jim Dunnigan (UT). We did discuss this briefly at our last meeting in Nashville and in the ensuing months the state of Oklahoma has passed similar legislation.

Rep. Dunnigan thanked everyone for joining the meeting and stated that I think it's very helpful to look at states who have stepped into the space that we're considering for the Model and see what we can glean and learn from them. And I'd like to share a little bit about what I like about Oklahoma. It fleshes the concept out and puts some more meat on the bone and provides some additional detail and guidance on how states might set up a type of program where they can assist homeowners in strengthening their homes and hardening their homes against natural disasters. And trying to do so in a way that it doesn't have a big drain on their general fund. So, a few of the things I'd like to highlight from the Oklahoma law is it requires the Department of Insurance to use its best efforts to obtain grants or funds from the federal government or other funding sources to help complement state funds. So, it doesn't just say we're only going to do state funds - let's look and see whatever money might be available elsewhere and use that. And then it also limits it to single family primary residences. We discussed this a little bit in Nashville. And then it also prioritizes the grants to those that are lower income and those that live in locations that are higher risk to catastrophic weather events.

And so it's focusing more on where it's really needed. And then it also sets up the program by way of a revolving fund financed by the grants and specifically designated funds. So, that's not an exhaustive list of everything that's in the Oklahoma law but those are some of the things that stood out to me. And so today I'm very interested in any feedback from on Oklahoma law and what if any of that should make its way into the current model. I'm looking forward to our July meeting because we're going to hear from the Oklahoma Insurance Commissioner, Glen Mulready and he's going to provide some details on what went into developing the law and give us some tips on what we should be looking for and be aware of in developing our model. There are a number of states that are looking at this issue and the National Association of Insurance Commissioners (NAIC) is looking at this issue as well and so I think it's important that we come to an agreement on what we want this to look like at our November meeting in San Antonio and we could take action there and have this model ready for 2025 legislative sessions.

Rep. Michael Sarge Pollock (KY) stated that I sponsored similar legislation in Kentucky this last session. We teamed up with Kentucky Insurance Commissioner Sharon Clark and designated \$5 million of unrestricted funds made-up from different insurance companies and other things. So, it's our insurance trust fund that we're using. It's kind of a pilot program for a two-year period. It also provides some funding for contractors to get certified to put on Fortified roofs. So, there's a lot of good things there to address the storms that we're seeing here in Kentucky. And so obviously I support the Model and would love to just share what we have in our Kentucky law that we passed to make this Model the best it could possibly be.

Rep. Lehman stated that as we move forward with these laws and models, is there any discussion with carriers? If we're going to incentivize me to build a less destructive house, how is that going to equate to a reduction in premiums? Will there be credits? If I put a roof on that's based on this, will I see a significant change in my insurance premium? I'm in favor of this but I also think that the other side of the table is if I spend the money to do this, what's it going to save me? If there's no savings from the insurance standpoint, will we get people incentivized to do it?

Rep. Bennett stated that Rep. Lehman's comment is a very good one, and stated that I remember having conversations here last year about whether to require premium discounts based on Fortified homes. Rep. Lehman stated that we hesitate when we talk about requiring discounts but I'd be interested in what the industry is saying.

Matt Overturf, Regional VP, Ohio Valley/Mid-Atlantic at the National Association of Mutual Insurance Companies (NAMIC), thanked the Committee for the opportunity to speak and stated that NAMIC appreciates the continued conversation around mitigation. This is something that we focus very heavily on in the States and in Washington DC in terms of incentivizing mitigation efforts. If you recall last year the Model started with just a mandatory discount and we had concerns with that and we really wanted to broaden the conversation to additional incentives and additional ways to do that in addition to the discount. The Kentucky law that Rep. Pollock mentioned did have an insurance discount mechanism to it in addition to the grant funds so as far as that's concerned, as we continue to trend towards additional options in ways to incentivize folks to mitigate we are certainly open to those. And I believe the mandatory discount piece continues to be a part of that conversation to Rep. Lehman's point. We appreciate the direction that this is going and look forward to further conversation in July.

Rep. Oliverson stated that to provide some information to what I just heard, we had a committee hearing in Texas on this very issue earlier this week. And to answer Rep. Lehman's questions, some things came up looking at the Alabama program that they have there. We had someone that came to testify and said that in the Alabama program, moving to an Insurance Institute for Business and Home Safety (IBHS) Fortified standard increases the value of the home on average by 9% which is more typically than the amount of money invested in getting to that standard. And because it gets certified, that's transferable so it's a permanent increase in the value to the property. They told us that in Alabama, on the windstorm coverage alone, the presence of the IBHS Fortified standard lowered the cost of windstorm premiums between 20% and 50% on average. So I just wanted to contribute that to the conversation.

Rep. Bennett stated that those are some incredible numbers and I hope that we're able to get into that a little bit more during the Summer Meeting.

DISCUSSION ON PROPOSED "TITLE ACCEPTANCE PILOT" FROM THE FEDERAL HOUSING FINANCE AGENCY (FHFA)

Rep. Bennett stated that included in the materials for this meeting is a letter that was sent by Rep. Oliverson to the Director of the FHFA expressing concerns about the agency's proposed "title acceptance pilot" which would permit title insurance obtainment requirements to be waived in certain transactions. I'll let Rep. Oliverson discuss this a bit more, but as you can see from the letter, there are a lot of concerns about this, mainly from the standpoint of federal intrusion on the state-based system of insurance.

Rep. Oliverson stated that I'll just provide a little bit of commentary on this - this kind of hit us out of the blue. It was not on my radar screen until the Nashville meeting when it was presented by the title insurance industry. As you know, the title insurance product is the only insurance policy that you purchase that is good for as long as you own that home. And it essentially is there to protect you against a variety of issues resulting from ownership of that property and encroachments and things like that. The thing that particularly disturbed me about this proposal is that most of our states have a guaranty system that title insurers pay into whenever they sell a policy that essentially, in the event that something happens and there's a claim against the policy or there's fraud or any kind of wrongdoing, there's a guaranty system that steps that is run by the state that essentially makes the policyholder whole.

And so, I think the thing that really disturbed me more than anything about what is being attempted here is that none of these changes would be protected by any of the guaranty systems that exist in any of our states and so a person that purchased a home through this program would essentially be waiving or losing all of those lifelong protections and the guarantee that if there was a mistake made or there was fraud or some other kind of issue that there was a backstop where they would be made whole. So, it is a terrible encroachment. The only other thing I'll say is that when we investigated what we found out was that apparently this was sort of a hastily thrown out thing but I think it's a great example of a clear and present threat to the state-based system of insurance regulation. I'm hopeful that they will back off on this and if we can keep the pressure on them, hopefully we get up there at the end of this month during our fly-in and we can let our Members of Congress know about this and our opposition to this encroachment.

Dan Fichtler, Senior Advisor, Office of the Director, at the FHFA, thanked the Committee for the opportunity to speak and stated that I'm very glad to be part of this group because hearing some of this today I think there's some misconceptions about the pilot. It's actually unrelated to homeowners title insurance. It's purely about lenders title insurance policies. So, it has no impact on consumers. But let me back up. I'm with FHFA. I won't assume everybody knows who we are at FHFA. We're the regulator and the conservator of Fannie Mae and Freddie Mac who are government sponsored enterprises (GSE) whose mission is essentially to support liquidity in the secondary mortgage market. They buy mortgages, both single family and multifamily, from lenders all across the country. They issue mortgage-backed securities based off of those underlying mortgages. Essentially that takes capital from the global capital markets and brings it into domestic mortgage markets to support mortgage lenders.

One of the things that FHFA does in its oversight of both Fannie Mae and Freddie Mac is provide an annual basis we produce public scorecards on all those kind of things that we would like to see Fannie and Freddie focused on over the course of the year. And I bring this up to highlight a couple points that have been there in the last couple of years. Scorecards that are relevant to this discussion and actually a much broader discussion than title insurance. So, we've asked them to do a couple of things. We've asked them to leverage data technology, other innovations to promote efficiency and cost savings in mortgage processes. And then a related note, we've asked them to explore opportunities to further sustainable home ownership through measures that positively influence affordability, including transaction costs in a manner that maintains safety and soundness. And really I'll bring that up to say those sort of directives are the basis for a lot of work that's underway across the federal government, but certainly within FHFA, in looking at mortgage closing costs and looking at whether there are ways that technology

data innovation can be harnessed to bring down mortgage closing costs. I think folks are well aware there's a housing affordability challenge, some call it a crisis, throughout the country. And so trying to find ways to responsibly reduce the funds that prospective homeowners need to bring to the closing table in the form of closing costs is important because the higher those closing costs are the more it's a deterrent, particularly for first time homeowners.

This closing cost can cover a whole range of things. For example we've been doing quite a bit of work over the last several years on the appraisal front, home valuations, to leverage some new technology and data innovation there to bring down costs. Title insurance is obviously one important component of mortgage closing costs. So what we've asked, not just Fannie and Freddie, but of the industry others is, we're seeking ideas for ways to kind of meaningfully reduce the costs associated with providing title insurance. We've gotten several ideas, some from Fannie, Freddie, some from the industry, some from consumer advocates. It's been a really good process. One of those ideas essentially forms the basis of the pilot program we're discussing today. The main goal is really to test whether innovation and technological developments with respect to title search capabilities can lead to reduced costs without adding incremental risk. So it's really about sort of innovation in the way that title searches can be conducted and the models that are used as part of that process.

So, let me back up just a minute. So, what are the existing Fannie, Freddie requirements? They both have long standing requirements as it relates to title verification for every loan that they purchase. So, essentially what they do at its core is they say if you're a mortgage lender selling a loan to Fannie or Freddie, that lender has to rep and warrant that the loans are valid first liens, that they're free of title defects and the like. On top of that, and to further minimize the risk, they say, okay well, the lenders rep and warrant to this but they also in most cases generally speaking require the lender to get some sort of third party verification of that fact. And in the vast majority of cases that third party verification is a lenders title insurance policy. And I want to just differentiate here - the lenders title policy which travels with the loan versus the homeowners' title insurance policy which stays with the borrower as long as they're in that home. So, Fannie and Freddie don't have any requirements related to whether or not the homeowner purchases title insurance. That's the decision for the homeowner. What they do require, generally speaking, is that the lender get a lenders title policy as an additional means of protection behind that rep warrant. So, one last notable point I'll make about that distinction is even though the Fannie and Freddie requirements, the long-standing requirements have been for lenders title protection, a lenders policy, it is the borrower who ultimately pays for that policy. That cost is passed through by the mortgage originator to the borrower in their closing costs. So let me sort of get to how that sort of comes to the title acceptance pilot. So, coming back to the goal of can improvements in title search capabilities meaningfully reduce costs in this space, sort of the crux of the pilot is this. So, what Fannie Mae would do is work with the third-party model providers, vendors and like to determine for a population of low risk refinance loans, in particular, whether they can determine which loans or the population of loans that are very unlikely to have unexpected title defects arise in the future. And there are several vendors that have been out in the industry working on sort of products, platforms, and algorithms to try to do this.

So, it's nothing new to Fannie or Freddie but what Fannie wants to do is work with some of these vendors to try to identify that population of loans and then for those loans that

would be eligible for the pilot, essentially what happens is, I mentioned that Fannie requires the lender to rep and warrant clear title. So, what Fannie would be doing is relieving the lender of penalties associated with whether or not those reps and warrants are breached at a later date. So, if you think about the way it works today, the lender has to make this rep and warrant. If there's a title defect that's found at a later point and the lender doesn't address or can't address it, then the lender has to repurchase that loan from Fannie or Freddie. Which the lender doesn't want to do. That's a costly proposition to them. So, essentially what Fannie is proposing to do is to say, essentially a hold harmless provision for the lender, waiving that rep and warrant that the lender has to make. And by extension, if the lender does not need to make that rep and warrant, it obviates the need for the lender to go out and get the lender's title insurance policy. Now again, that's all unrelated to whether or not the homeowner chooses to purchase a homeowner's title insurance policy. Fannie would waive the rep and warrant for the lender and the requirement that the lender go out and get a lender's title insurance policy. So, outside of that, the process works kind of in the way it does today. You'd still have a settlement provider that does the title, there will be a title search process as part of this system, a right to determine if there's any encumbrances or title defects prior to the purchase. You have a settlement provider that is involved in the process at closing and then if there are any title issues that arise on the back end, those are addressed by Fannie Mae much in the way that they currently do for loans that are already in their real estate owned portfolio. Those are loans that are acquired due to foreclosure or things of that nature.

So, backing up, how does this get back to the stated goal of trying to put downward pressure on closing costs? Well, I mentioned that in pretty much all transactions the consumer is the one that pays for the lender's title insurance policy. And so, our expectation is if they're no longer on the hook for paying for that policy for these loans that would produce a savings of somewhere between \$500 and \$1,500 per loan depending on the type of loan, the jurisdiction you're in, lots of factors that go into the overall cost. Thinking about the scope, this would be during the pilot phase, limited to low-risk refinances. So, refinances where the loan to value ratio is below a certain level probably in a handful of jurisdictions to test this out really to determine whether it works and determine whether the technology works, whether the process works from both the lender's perspective and the borrower's perspective. I would say just also thinking about scope, no lenders or vendors have actually been selected for this yet so we still have a ways to go. Fannie Mae is actually going to be putting out a request for proposals for lenders to submit their proposals to be part of this in the next couple of weeks.

And I was a little disturbed by some of the comments earlier but it's going to be an open competitive process for vendors that would want to take part in this. The one other piece I just wanted to address quickly on some of the commentary from earlier - this pilot has been discussed in the public domain going back to last winter. In fact, our Director was doing her annual testimony before the House Financial Services Committee last May and received a bunch of questions about it. So, I would just respectfully push back both on the notion that something came through hastily. It's actually been something that's been discussed for well over a year now. The last thing I would say is, like most Fannie Mae or Freddie Mac pilots, part of the goal here is to test technology and test the lender processes in a small population of loans in a low risk population and determine what works. Maybe it'll work well, maybe it won't. And then from that point, look at the data to determine whether or not to move forward with this type of process for any other loans.

Ed DeMarco, President of the Housing Policy Council (HPC) and former FHFA Director thanked the Committee for the opportunity to speak and stated that HPC is a trade association and our membership is some of the largest mortgage lenders, mortgage servicers, mortgage insurers, mortgage title companies in the country. I want to thank Mr. Fichtler for his remarks as I thought he did a nice job summarizing what FHFA is doing here. The things that he walked through are consistent with my understanding of how FHFA is approaching this. While I've got a different view about it, I thought he did a nice job presenting it. So, let me offer just a few thoughts here. So first, I want to start by recognizing and acknowledging the exclusive regulation of insurance granted to states including not just title insurance, but mortgage insurance. Unique from other financial institutions and products which have a mix of federal and state regulation, insurance is clearly a state regulated matter. But the GSE's, Fannie Mae and Freddie Mac, in this case are also unique. And what I want to start with is talking a little bit more about Fannie and Freddie and what makes them unique. So, let's start with what does it mean to be a GSE? Fannie Mae and Freddie Mac are just two of a handful of such entities. So, unlike all other corporations in the U.S., GSE's receive their corporate charter from Congress, not from the state government. Congress does this in order to secure a stable, targeted flow of credit to a particular sector. In the case of Fannie and Freddy, for residential mortgage finance. Now the GSE charter that Congress creates comes with certain benefits and constraints. The only companies that can get it are the companies that Congress creates. The benefits Congress grants include things such as tax exemptions, security law exemptions, and other benefits such as line of credit with the Treasury Department and special treatment of their financial obligations that make them more attractive to investors.

Now, in exchange for these benefits, Congress limits the corporate activities of a GSE to a specified market and market activity. In the case of Fannie and Freddy, they are tasked by Congress with creating a liquid secondary mortgage market in which eligible loans may be sold by lenders to investors, allowing lenders to recycle their capital to make more loans. Now, this package of benefits is very valuable and is only available to the GSE's. So, Congress also placed restraints on where and how those benefits may be used. And in particular in 2008 legislation Congress directed FHFA to use a process for new products and activities to make sure that any new product or activity of Fannie and Freddy is consistent with the intent of this framework. Now, the title acceptance pilot announced in early March enables Fannie Mae to begin self-insuring title risk on a defined subset of refinance mortgages that FHFA deems to be low risk. As Mr. Fichtler went through, the purpose of the pilot is to test out a concept, but if it's successful, expand or make permanent its use. When the pilot was announced, HPC sent a letter to FHFA Director outlining our concerns, and I'd like to summarize them for you in just a moment. But I also say our letter detailed the important risk management functions of title insurers and title insurance. We pointed out that title insurers protect the integrity of the mortgage transaction and much of the work that they do is curative. That is, before the loan settles, their whole point is to try to identify any defects in title and cure it before you actually have a loan settlement. The title insurance component covers the remaining risk of what might have been hidden or wasn't discovered in the curative process. So, as I say, our letter to FHFA raises both process and risk management concerns. In the process area we described our concern that self-insuring title risk may exceed the GSE's authority to operate just in the secondary market, not the primary market. And we also described why we felt the pilot should trigger a new product review by FHFA which would have allowed for public notice and comment.

In the substance area, we discussed how the pilot encroaches Fannie Mae's beneficial status as the GSE to compete directly in a market already well served by private companies with private capital at stake and subject to a state regulatory regime. We also pointed out how title insurers subject to state regulation, must satisfy prudential regulatory standards, including reserve requirements and it is not clear from the proposal what would be the corresponding prudential protections imposed on Fannie Mae to self-insure. We also speak to the issue of consumer impact and while the point was made that the title acceptance pilot is focused just on the lender policy, not on the borrower's policy, there's still some important potential impacts on the consumer that haven't been fully evaluated. For example, if the consumer looks and says well, the lender doesn't need a title policy, why do I, the consumer may decide to just not have title coverage. And the second is you're taking the lower risk. If indeed this works as planned and you take out the lower risk product, you're removing that revenue stream which then takes the higher risk loans that are left for the title insurance companies. And that's likely to raise the ultimate cost of title insurance down the road for these higher risk borrowers if you're taking the lower risk pool out of the insurance pool. So, I really think that all these issues could have received more thoughtful consideration had FHFA been more transparent about the details of the pilot in advance and put the concept out for public comment. That approach would allow an opportunity for all the issues discussed here both by HPC and by your organization to receive fuller consideration.

Elizabeth Blosser, VP of Gov't Affairs for the American Land Title Association (ALTA) thanked the Committee for the discussion and stated that I appreciated the comments on consumer protection from Mr. DeMarco. And the other thing I would just mention in the area of consumer protection is sort of borrower fraud or identity theft and things of that nature that could happen in a refinance that would leave a consumer with some coverage concerns so I'd just like to add that to the discussion.

Rep. Bennett thanked everyone for the conversation and stated that we're going to continue to monitor this issue and we'll have an update on where things stand with the pilot during the July meeting in Costa Mesa. In the meantime, if you have any questions, please reach out to me, Rep. Oliverson, or NCOIL staff.

OPPORTUNITY FOR COMMENT/DISCUSSION ON MODEL LAWS SCHEDULED FOR CONSIDERATION OF RE-ADOPTION AT 2024 NCOIL SUMMER MEETING

Rep. Bennett stated that last on our agenda is an opportunity to comment on the model laws scheduled for consideration of readoption at the NCOIL summer meeting. This committee has three model laws that are scheduled for consideration. As a reminder, per NCOIL bylaws all NCOIL model acts are scheduled to be considered for readoption every five years and if it's not readopted it sunsets. The three model laws scheduled for the summer meeting are: Model Act Regarding Use of Claims History Information – adopted 7/8/05; re-adopted 11/20/11; 12/13/19; Model Act Concerning State Interpretation of State Insurance Laws – adopted 7/13/19; and State Flood Disaster Mitigation and Relief Model Act – adopted 11/21/03; amended 7/13/08; re-adopted 7/13/19.

I note that these models will not be voted on for readoption today, but it's an opportunity for any comments and discussion in advance of the July meeting where the actual votes will take place. The July agenda won't allow time for additional discussion on these models so if you want to have any discussion, that should happen now. I do note by the

time of the July meeting, we'll have information on which states have adopted these models so far.

Hearing no questions or comments, Rep. Bennett stated that if you have comments that you'd like considered by NCOIL, you can contact staff or Rep. Oliverson or myself.

ADJOURNMENT

Hearing no further business, upon a Motion made by Rep. Lehman and seconded by Asw. Hunter, the Committee adjourned at 1:30 p.m.