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**NCOIL Summer Meeting  
July 14th-17th Boston, MA**



Rep. Matt Lehman, IN  
President



Thomas B. Considine  
NCOIL CEO



Asm. Ken Cooley, CA  
Vice President

## From the President's Desk IN Rep. Matt Lehman, NCOIL President

This time last year, I don't think anyone knew what the future of NCOIL conferences would be. But here we are, with the organization not having missed a conference since COVID struck, and with our third successful hybrid meeting under our belts. I feel very lucky that I have had the opportunity to help lead this organization through these unprecedented times.

The recent Spring Meeting in Charleston was a great success. Seeing the attendance there, it is clear that people were ready to get out and see people face to face yet again. I was pleased to see a high number of legislators attend from across the country – particularly first-time NCOIL legislators. One of my favorite parts of NCOIL conferences is meeting with the first-time legislators in order to introduce them to the organization and make them feel welcome. Our conferences shouldn't be a "sink or swim" event for legislators attending for the first time. Every legislator from every state brings a different opinion or viewpoint and at NCOIL, that is what we need at our meetings.

Charleston itself was a really spectacular meeting location. We were honored to have the South Carolina Lieutenant Governor, Pamela Evette, deliver the keynote address where she encouraged attendees to get out and explore the city if they could, and I know many people, including myself, took her up on that offer.

I also want to thank our two legislators from South Carolina, Representative Carl Anderson and Senator Ronnie Cromer, who helped us on short notice getting prepared for moving the Spring Meeting from Washington, D.C. to Charleston.

The hybrid option is great in that it allows for people to still be a part of the meeting and contribute, even if they are not yet allowed to travel, or just aren't fully comfortable traveling. However, for those who did get the chance to attend in person, I am sure we can all agree that the Francis Marion Hotel did a great job accommodating our group and making sure that everyone felt comfortable in the meeting rooms.

It's almost certain that we will have to continue offering the virtual option at our Summer Meeting in Boston, but hopefully by our Annual Meeting in November we will be fully back to our normal fully in-person format.

Speaking of our Summer Meeting, I do have some good news to report. As you may know, we were following closely the gathering limits that were in place for Boston and we were preparing for a backup location if we had to move the conference. However, earlier this week, Massachusetts Governor Charlie Baker announced plans to lift more COVID-19 restrictions over the next month.



Asm. Kevin Cahill, NY  
Treasurer



Rep. Joe Fischer, KY  
Secretary



Sen. Jason Rapert, AR  
Immediate Past President



Sen. Travis Holdman, IN  
Immediate Past President

## From the President's Desk Cont'd

For purposes of our Summer Meeting, Governor Baker announced the state will ease limits on all gatherings — both public and private — on May 29, allowing up to 200 people indoors and 250 people outdoors. That is certainly sufficient for us to continue on course for our Meeting. I do want to put everyone on notice though that there is a real possibility that because of the limit, the Summer meeting may sell out, so be sure to register early.

On that note, we look forward to seeing everyone in Boston in July. We have quite a few interesting topics already lined up for the agenda there. We look forward to those discussions, whether on topics continuing from Charleston or new additions to our agenda.

Until then, everyone please stay safe, and looking forward to another successful meeting this Summer!

Continued best wishes,

*Matt*

## NCOIL Concludes Successful Hybrid 2021 Spring Meeting in Charleston, SC

NCOIL concluded a successful hybrid 2021 Spring Meeting (Meeting) in Charleston, SC from April 15th – 18th at the Francis Marion Hotel. There were 281 participants for the Spring Meeting – 146 in person and 135 virtual consisting of 51 legislators from 23 states, 12 first time legislators, 8 Insurance Commissioners (or equivalent), and 14 insurance departments represented. The seven policy Committees all met, as well as the third meeting of the Special Committee on Race in Insurance Underwriting.

NCOIL President, Indiana Rep. Matt Lehman said, “Seeing the attendance in Charleston last week, I am convinced that we made the right decision in delaying the meeting to allow the vaccine to become more widely administered. The hybrid meeting format continued to work well, and we will most likely utilize that format again for the Summer meeting.”

NCOIL CEO, Commissioner Tom Considine said, “I am overwhelmed by the total turnout at this meeting. Even amid a global pandemic, meeting attendance is high, especially in-person legislator attendance. We surpassed the legislator and general attendance numbers from all three of last year’s meetings which is a great sign that people are getting more comfortable traveling as vaccine distribution continues and travel restrictions are lifted.” Considine continued, “As an organization principally represented by legislators, we are always looking to get more legislators involved, so we are very pleased to know that there were 12 first-time legislators at the Meeting. This Meeting was again extremely productive terms of developing sound insurance public policy that legislators can take back to their states for review and introduction.”

The Meeting began with the third meeting of the Special Committee on Race in Insurance Underwriting, Chaired by New York Senator Neil Breslin.

Senator Breslin said, “The Committee continues to have important discussions on the issues that must be addressed during these unprecedented times. We again heard from speakers with various 2 views on topics and issues related to race and insurance underwriting. Having met its first charge of defining the term “proxy discrimination,” we will continue to work on our second charge of discussing rating factors and disparate impact. I am honored to Chair this Committee and to know that our organization is passionate about eliminating any unfair discrimination that exists in the industry.”

Participants at the Welcome Breakfast were greeted by SC Insurance Director and NAIC Immediate Past President, Ray Farmer, who was presented with the Regulatory Leadership Award for all his great work throughout the years. NCOIL President Lehman stated “there is no one more deserving of this award than Ray Farmer. He has done a tremendous job leading the NAIC in unprecedented times and has set a new high water mark for regulator-legislator cooperation.”

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## Future NCOIL Meetings:

Summer 2021  
July 14—17  
Boston, MA

Annual 2021  
November 17—20  
Scottsdale, AZ

Spring 2022  
March 3—6  
Las Vegas, NV

Summer 2022  
July 13—16  
Jersey City, NJ

Annual 2022  
November 16—19  
New Orleans, LA

Spring 2023  
March 9—March 12  
San Diego, CA

## REGISTRATION FOR THE 2021 NCOIL SUMMER MEETING AT THE BOSTON WATERFRONT HOTEL IN BOSTON, MA FROM JULY 14TH—17TH WILL OPEN MID-MAY.

### NCOIL Concludes Successful Hybrid 2021 Spring Meeting Cont'd



South Carolina Lieutenant Governor Pamela Evette, delivered Friday's Keynote Address. Lieutenant Governor Evette spoke on her experience as President and CEO of Quality Business Solutions, and the impact she was able to make on small and medium sized businesses. She also spoke about her work with South Carolina Governor Henry McMaster, and the approach they took when dealing with the pandemic. South Carolina was the last state east of the Mississippi to shut down and the first to open back up, trying to limit the impact on businesses in South Carolina. Lieutenant Governor Evette is proud of is the Governor's development of the Accelerated SC Task Force. This talk force brought together legislative body, local government, businesses, trade associations, higher ed, and K-12 to talk about the best way to reopen the state and how

everyone can work together to make sure that a prosperous South Carolina comes out of the pandemic.

There were two interesting and timely general sessions: "The Future of the Long Term Care Industry in Light of COVID-19" and "Mandatory Police Liability Insurance and its Impact on Safety."

The Joint State-Federal Relations & International Insurance Issues Committee met to discuss the new federal balance billing Law, the "No Surprises Act", where it heard from Chris Gammon, PhD, Senior Consultant at Compass Lexecon, and Assistant Professor of Health Administration at the University of Missouri. The Committee also heard from Matt Brewis, Director of General Insurance and Conduct Specialists at Financial Conduct Authority (FCA) on the UK Supreme Court's Decision dealing with the FCA's pandemic business interruption coverage test case, and from Professor Elizabeth McCluskey from the University of Massachusetts School of Law on ERISA- preemption in light of the U.S. Supreme Court's decision in Rutledge v. PCMA.

Robert P. Hartwig, PhD, Clinical Associate Professor & Director, Risk and Uncertainty Management Center at University of South Carolina delivered a presentation during the legislator luncheon titled "COVID-19 – One Year Later."

The NCOIL – NAIC Dialogue included an impressive lineup of NAIC representatives: Arkansas Commissioner Alan McClain, Florida Insurance Commissioner and NAIC President David Altmaier, Illinois Acting Director Dana Popish Severinghaus, Mississippi Commissioner Mike Chaney, Montana Commissioner Troy Downing, New York Executive Deputy Superintendent My Chi To, Oklahoma Commissioner Glen Mulready, and Director Farmer. The Dialogue continued discussion on the NAIC's Special Committee on Race in Insurance, and an update on the status of state adoption of the NAIC's amended credit for reinsurance model law and regulation. The session also included a discussion on the New York DFS Circular Letter No. 5 (2021 Re: Diversity and Corporate Governance), the NAIC's meeting process, and a continued discussion of proposed changes to SSAP No. 71. NCOIL Vice President Ken Cooley (Asm.-CA), Chairman of the Dialogue, stated, "we appreciate the quality and depth of these discussions with our regulatory colleagues, and this Meeting represented a new high in terms of commissioner-level participation."

The Life Insurance and Financial Planning Committee heard from Monique Morrissey, an Economist at the Economic Policy Institute, on retirement security initiatives in the Biden Administration, and from Martin Spit, Insurance Strategy & Transactions Leader at Ernst & Young, on megatrends that are defining the next wave of life insurance and retirement.

**Reminder that Contributing States are eligible for two legislator stipends per National Meeting to help underwrite the cost of participating.  
Click below for more information**

**Please contact Tess Badenhausen at [tbadenhausen@ncoil.org](mailto:tbadenhausen@ncoil.org) with any questions.**

## **LEGISLATOR STIPENDS NOW AVAILABLE FOR CONTRIBUTING STATES**

**CLICK HERE FOR MORE INFORMATION**

### **Reminder to subscribe to the NCOIL YouTube Channel**

Weren't able to attend our past meetings? Interested in our upcoming meeting, but not able to attend? Good news— you can visit our YouTube channel for recordings of past meetings. Sessions from the Spring Meeting in Charleston are posted on our YouTube channel now.

Visit the link below to subscribe and keep up to date on all things NCOIL!

<https://www.youtube.com/channel/UCe09Z77z4q6HG1kv3fDG7Bq>

### **NCOIL One on One**

NCOIL One on One is back! April's interview was with New York Assemblywoman Pamela Hunter. Visit our YouTube channel or click on the link [here](#) to learn more about Asw. Hunter, her background with public service and how she became involved in NCOIL.

If you missed our first segment of NCOIL One on One, visit the link [here](#) to find out more about NCOIL President IN Representative Matt Lehman.

Stay tuned for next months NCOIL One on One, coming in May!



**SPRING MEETING MINUTES**

**CLICK HERE FOR MORE INFO**

## NCOIL Concludes Successful Hybrid 2021 Spring Meeting Cont'd

The Committee also adopted a "Resolution in Support of the Living Donor Protection Act"- sponsored by NV Asw. Maggie Carlton, Chair of the Committee, and PA Rep. Wendi Thomas, Vice Chair of the Committee, and supported by both the American Kidney Fund and the American Council of Life Insurers.

Rep. Thomas said, "I am particularly proud to sponsor this Resolution as it deals with a very important topic that is also quite personal to me. I have one friend who donated a kidney and another who received one. This Resolution strikes a good balance between the needs of living organ donors to protect their families' financial futures and the need for life insurers to underwrite fairly."

The Workers' Compensation Insurance Committee heard from South Carolina Workers' Compensation Executive Director Gary Cannon who discussed the South Carolina workers' compensation marketplace and its responses to COVID-19. Mark Bertler, Executive Director of the California Staffing Agency Reform Association (CAL-SARA) and Pollie Pent, CAL-SARA Membership Chair and former California Dept. of Insurance Detective, brief the Committee on CAL-SARA's recent formation and goals, and John Fuser, President & CEO of the Workers' Compensation Research Institute (WCRI) delivered a presentation titled "The Early Impact of COVID-19 on Workers' Compensation Claim Composition."

The Financial Services & Multi-Lines Issues Committee amended and adopted the NCOIL Insurer Division Model Act, sponsored by CT Sen Matt Lesser. NCOIL Vice President Ken Cooley (Asm – CA) sponsored a substitute amendment that the Committee passed, and joined as sponsor. The Committee also discussed the development of an NCOIL Remote Notarization Model Act, and the captive insurance legislative landscape which included introduction of language for a potential NCOIL Captive Insurer Model Act.

CA Asm. Ken Cooley stated, "This Insurer Division Model seeks to address the significant limitations in the current methods available to insurers to transfer or assume blocks of insurance business in an efficient and cost-effective manner that provides needed legal finality. Now that NCOIL has adopted both an Insurance Business Transfer (IBT) Model Act, and an Insurer Division Model – similar but distinct restructuring mechanisms – NCOIL can truly be looked at as a leader in providing states guidance on insurance restructuring issues. We worked hard on this Model and I am confident that states will introduce it during future legislative sessions."

The Health Insurance & Long-Term Care Issues Committee continued discussion on the NCOIL Telemedicine Authorization and Reimbursement Model Act, sponsored by Health Committee Chair New York Assemblywoman Pam Hunter, and the NCOIL Model Act Regarding Air Ambulance Patient Protections, sponsored by Texas Representative Tom Oliver-son, M.D., and West Virginia Delegate Steve Westfall. The Committee also discussed "Accumulator Adjustment Program State Model Language" developed by the All Copays Count Coalition which garnered significant interest from the Committee.

Asw. Pamela Hunter stated: "The Models discussed during the Committee deal with important and timely issues and, if adopted, have the potential to make a large impact in states. I am always pleased to see how much our members care about health insurance related issues, and look forward to continuing these discussions in Boston this Summer. We have done a good job to not rush through these discussions as it's important that we ensure all voices and perspectives are heard on these issues."

The Property & Casualty Insurance Committee was the last policy committee to meet and was very productive. The NCOIL Distracted Driving Model Act, sponsored by CA Asm. Ken Cooley and OH Sen. Bob Hackett, was adopted, as were amendments to the NCOIL Post Assessment Property and Liability Insurance Guaranty Association Model Act, sponsored by Asm. Cooley, and amendments to the NCOIL Peer to Peer Car Sharing Program Model Act, sponsored by P&C Committee Chair KY Rep. Bart Rowland. The NCOIL Fairness for Responsible Drivers Model Act, sponsored by ND Sen. Shawn Vedaa, was also introduced and

## NCOIL Concludes Successful Hybrid 2021 Spring Meeting Cont'd

discussed, and the Committee heard a presentation from Marsh & McLennan titled "Community Based Catastrophe Insurance: A Model for Closing the Disaster Protection Gap."

Sen. Hackett stated "The process leading to the adoption of the Distracted Driving Model was NCOIL Model Law development at its finest. The Committee took its time, heard differing perspectives on the issues, while maintaining a respectful exchange of ideas. Thank you to everyone who was involved."

The Meeting concluded with the Executive Committee Meeting, during which amendments to the NCOIL P&C Insurance Modernization Model Act defining the term "proxy discrimination", previously adopted by the Special Committee on Race in Insurance Underwriting, and the NCOIL COVID-19 Limited Immunity Model Act, previously adopted by the P&C Committee, were adopted. The Executive Committee also welcomed two new members: Arkansas Senator Mathew Pitsch, Chair of Arkansas Senate Insurance Committee, and Michigan Representative Brenda Carter, Minority Vice Chair of the Michigan House Insurance Committee.

NCOIL President, Indiana Rep. Matt Lehman said, "The turnout at this meeting shows that more and more people are beginning to feel comfortable traveling, and I'm optimistic that by our November meeting in Scottsdale, we'll be back to operating as we were prior to the pandemic. I am very proud to say that during these unprecedented times, NCOIL has not missed any meetings and has continued to work extremely hard in providing states guidance in the form of model laws and forums for substantive discussions.

Committee meeting minutes will be posted soon at [www.ncoil.org](http://www.ncoil.org). Recordings of all meetings and sessions will also be posted on the NCOIL YouTube Channel soon.

The 2021 NCOIL Summer Meeting is scheduled to take place in Boston, MA from July 14th – 17th. Registration will open in May.

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## NCOIL Adopts Distracted Driving Model Act

NCOIL adopted the Distracted Driving Model Act (Model) sponsored by CA Asm. Ken Cooley, NCOIL Vice President, and OH Sen. Bob Hackett at its Spring National Meeting in Charleston, SC. The measure passed on a voice vote by both the NCOIL Property & Casualty Insurance Committee and NCOIL Executive Committee.

The Model provides a structure to strengthen distracted driving laws across the country by establishing a comprehensive hands-free law to curb driver distraction. The Model makes distracted driving a primary offense which is an important part of the strategy to reduce traffic deaths and life altering crashes.

KY Rep. Bart Rowland, Chair of the P&C Committee said, "We have had a lot of hard work on this Model and had extensive discussions for several months. Asm. Cooley and Sen. Hackett have done a great job being receptive to feedback and moving the Model along toward adoption. The final changes made to the Model showed how NCOIL can deliver bipartisan and sound insurance public policy to states to consider enacting into state law."

Sen. Hackett stated "The process leading to the adoption of the Distracted Driving Model was NCOIL Model Law development at its finest. The Committee took its time, heard differing perspectives on the issues, while maintaining a respectful exchange of ideas. Thank you to everyone who was involved."

Asm. Cooley said, "The changes made to the Model over the past several months reflect a bipartisan approach that help create a way to take note of the sensitivity of the topic of documenting how the law is implemented. It also reflects upon NCOIL as a bipartisan, national organization. During discussions in developing the Model, we were able to take note of the valid concerns regarding the potential negative effect of primary enforcement of distracted driving laws on minorities, and the compromise made will permit valid enforcement and at the same time will ensure accountability."

## NCOIL Adopts Distracted Driving Model Act Cont'd

NCOIL CEO, Cmsr. Tom Considine added, "Thank you to the Committee, and thanks to Sen. Hackett and Asm. Cooley for sponsoring this Model and getting it to a place where it was ready to be voted on. Additionally, I'd like to offer a special thank you to Rep. Edmond Jordan (LA) and Asw. Pam Hunter (NY) for alerting us to the potential for mischief in moving a traffic offense from secondary to primary enforcement; certainly no one at NCOIL wants any part of legislation that would promote racial profiling." He then concluded, "The importance of this Model is obvious, as it will help to make roads safer and will ultimately help save lives."

During the drafting discussions of the Model, NCOIL legislators and staff heard from a wide array of experts and interested parties including the Honorable Nicole Nason, Federal Highway Administration Administrator; Jennifer Smith, CEO and Co-founder of StopDistractions.org; Cathy Chase, President of the Advocates for Highway and Auto Safety; the American Property Casualty Insurance Association (APCIA); the National Association of Mutual Insurance Companies (NAMIC); General Motors (GM); Uber; the Alliance for Automotive Innovations; and Nationwide.

Highlights of the Model include:

- Enables law enforcement to ticket drivers for holding a mobile device and limits use of a mounted or "hands free" device while operating a motor vehicle, including texting, viewing videos or images, entering data, and talking or broadcasting content;
- Exceptions are provided for emergencies; operating a commercial truck while using a mobile data terminal that transmits and receives data; and while in a motor vehicle that is lawfully parked;
- Sets up a system of monetary fines and points on a driver's license for violations of the Act; and
- Requires a law enforcement officer issuing a citation for a violation of the Act to record the race and ethnicity of the violator. Such information must be maintained and reported to the appropriate state agency which shall annually report the data to the Governor, President of the Senate and the Speaker of the House of Representatives.

A full copy of the Model can be found [here](#).

## NCOIL Adopts Insurer Division Model Act

At the NCOIL Spring Meeting in Charleston, SC, the organization adopted the NCOIL Insurer Division Model Act sponsored by CA Asm. Ken Cooley, NCOIL Vice President, and CT Sen. Matt Lesser. The Model passed on a voice vote by both the NCOIL Financial Services & Multi-Lines Issues Committee and NCOIL Executive Committee.

Insurance business transfers (IBT) and insurer divisions are restructuring mechanisms that aim to address the significant limitations in the current methods available to insurers to transfer or assume blocks of insurance business in an efficient and cost-effective manner that provides needed legal finality. In March of 2020, NCOIL adopted an IBT Model that was based on Oklahoma's IBT law.

The U.S. insurance regulatory framework currently offers limited options to provide the legal and economic finality of insurance risks when an changes its business strategy or decides to internally reorganize, completely exit, or acquire new business. Divisions provide that legal and economic finality to insurers and allows for more efficient allocation of capital which can benefit policyholders. More efficient allocation of capital can lead to better product pricing. Policyholders also benefit when insurance businesses are aligned with an insurer's current business strategy and are the current focus of management, shareholders and regulators.

Five states currently have insurance-specific division statutes, Connecticut, Illinois, Michigan, Iowa, and Georgia, while Arizona and Pennsylvania have corporate division statutes that ap-

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## NCOIL Adopts Insurer Division Model Act Cont'd

ply to all industries. Colorado also has an insurance division bill currently under consideration, which the Model relied heavily upon.

CA Asm. Ken Cooley stated, "Now that NCOIL has adopted both an Insurance Business Transfer Model Act, and an Insurer Division Model – similar but distinct restructuring mechanisms – NCOIL can truly be looked at as a leader in providing states guidance on insurance restructuring issues. We worked hard on this Model and I am confident that states will introduce it during future legislative sessions."

LA Rep. Edmond Jordan, Chair of the Financial Services & Multi-Lines Issues Committee said, "I appreciate all the work that went into developing this Model. I am proud to be a part of NCOIL which continues to take important and timely insurance issues, discuss them in a way that ensures all perspectives are heard, and ultimately adopt model legislation that can be introduced in state legislatures. A restructuring mechanism like an insurer division is a very complex transaction, so states that they are looking to develop a law on this issue will greatly benefit from starting with the Model knowing that it was developed only after a thoughtful and deliberative process."

NCOIL CEO, Cmsr. Tom Considine said, "I am pleased that this Model was adopted at the Spring Meeting. After NCOIL adopted the Insurance Business Transfer Model Act last March, it made sense that we have both Models in place as there should not be one Model without the other for states to consider adopting. This Model is going to be a great foundation for states seeking to enact an insurer division statute in upcoming legislative sessions."

During the drafting discussions of the Model, NCOIL legislators and staff heard from several experts and interested parties including Kathy Belfi, Director of Financial Regulation at the Connecticut Insurance Department; Jared Kosky, General Counsel at the Connecticut Insurance Department; the American Council of Life Insurers (ACLI); the Reinsurance Association of America (RAA); America's Health Insurance Plans (AHIP); and Talcott Resolution.

Highlights of the Model include:

- Requiring a dividing insurer to file a plan of division with the insurance commissioner which shall include, among other things: the name of each resulting insurer created by the proposed division and, for each resulting insurer, a copy of the resulting insurer's proposed articles of incorporation and bylaws ; and a reasonable description of all liabilities and all assets that the dividing insurer proposes to allocate to each resulting insurer, including the manner by which the dividing insurer propose to allocate all reinsurance contracts;
- Ensuring that a division does not become effective until it is approved by the insurance commissioner, who, before approving a plan of division shall:
  - in large or complex divisions, hold a public hearing on the terms and conditions of the proposed division;
  - provide notice of the public hearing to state insurance regulators and appropriate state guaranty associations in states in which the dividing insurer is authorized to do business;
  - be satisfied that the dividing insurer has made reasonable efforts to provide notice to all policyholders, contract holders, reinsurers, and other persons with an interest in the proposed plan of division;
  - in large or complex divisions, select and retain an independent expert who shall review the plan of division and issue a report to the commissioner which shall address, among other things, the business purposes of the proposed division, capital adequacy and risk-based capital, including consideration of the effects of asset quality, non-admitted assets, and actuarial stresses to reserve assumptions, and management's competence, experience, and integrity.

[A full copy of the Model can be found here.](#)