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**NCOIL Annual Meeting  
December 9th—12th Tampa,  
FL**

**[REGISTER NOW](#)**

## **NCOIL ANNOUNCES CREATION OF SPECIAL COMMITTEE ON RACE IN INSURANCE UNDERWRITING**

Indiana Representative Matt Lehman, NCOIL President, announced the creation of an NCOIL Special Committee on Race in Insurance Underwriting during the 2020 NCOIL “Summer” Meeting in Alexandria, Virginia (see separate meeting story below). New York Senator Neil Breslin, former NCOIL President, will Chair the Committee.

Rep. Lehman said, “After careful deliberations with my fellow officers, we determined that NCOIL needs to take a more active role in framing the discussions around race and insurance underwriting that can have a huge impact on both policyholders and the insurance industry as a whole. I am pleased to say that my fellow officers agreed to serve on the Committee. By no means have we sat idly by on the sidelines as society has confronted these issues; we all agreed that as an organization comprised of state insurance legislators who are charged with developing and making law, NCOIL’s voice needs to be heard.”

Senator Breslin stated, “I am honored to Chair this Committee. The insurance industry has been among those industries that has taken steps to review and, in some instances, change, certain established ways of doing business in an effort to address systemic bias and racism. The thoughts and views of state insurance legislators are extremely valuable as these important decisions occur which is why forming this Committee is so vital.

“The Committee will study race-related issues in insurance underwriting and work to maintain the proper constitutional jurisdiction of State legislatures over the significant public policy issues related to regulating the business of insurance,” continued Breslin. “We want to make sure that any decisions made on such issues are made with input by state insurance legislators – those with the proper authority to make such decision as set forth in the McCarran-Ferguson Act seventy-five years ago.”

“I commend Senator Breslin for his leadership in Chairing the Committee,” said Rep. Lehman. “Neil is someone who is greatly respected not only at NCOIL, but by the constituents he serves and the insurance industry. As Chair of the Senate Insurance Committee in one of the most diverse states in our country, he is certainly the right man for the job.”

The Committee will hold hearings at the NCOIL Annual Meeting in Tampa, Florida – still sched-



Rep. Matt Lehman, IN  
President



Thomas B. Considine  
NCOIL CEO



Asm. Ken Cooley, CA  
Vice President



Asm. Kevin Cahill, NY  
Treasurer



Rep. Joe Fischer, KY  
Secretary



Sen. Jason Rapert, AR  
Immediate Past President



Sen. Travis Holdman, IN  
Immediate Past President

## NCOIL ANNOUNCES CREATION OF SPECIAL COMMITTEE ON RACE IN INSURANCE UNDERWRITING CONT'D

uled for December 9-12. The Committee is tentatively charged with: taking testimony, discussing, and defining the term “proxy discrimination” – an undefined term that has been used by many when discussing insurance rating, and has even been included in regulatory-related documents; and discussing the wisdom of certain rating factors being used in insurance underwriting, such as zip code, and level of education.

“I look forward to hearing from experts on these important issues,” said Rep. Lehman. “We’re going to make sure that the hearings are guided by actuarial and data-driven presentations, not by opinion testimony from non-experts.”

NCOIL CEO, Commissioner Tom Considine said, “Representative Lehman, his fellow officers, and Senator Breslin, have really shown tremendous leadership in forming this Committee and asserting NCOIL in the important conversations that have been taking place around race in insurance underwriting. Forming this Committee shows commitment to reviewing the insurance legislative and regulatory system in order to determine whether current practices exist in our system that disadvantage minorities because of their status, while recognizing that changes to the system, including determinations regarding rating variables, must ultimately be made in a legislative forum.”

“The United States’ state-based regulatory system has effectively protected consumers and helped create the largest, most competitive and innovative insurance market in the world. As both a former state insurance commissioner and now as CEO of NCOIL, I know firsthand from two perspectives that now is certainly not the time for Congress to wade into insurance underwriting. Our state-based system is a model to be held up and supported by the federal government. NCOIL will continue to be vigilant in guarding against any efforts to encroach upon said system,” concluded Considine.

More information on the Committee’s hearings will be posted on [www.ncoil.org](http://www.ncoil.org) when announced.

## NCOIL CONCLUDES SUCCESSFUL HYBRID 2020 “SUMMER” MEETING IN ALEXANDRIA

NCOIL concluded a successful 2020 “Summer” Meeting at the Hilton Alexandria Old Town in Alexandria, Virginia. This meeting was the first ever hybrid meeting – allowing both in-person and virtual participation. There were 219 total registered attendees – 91 in-person and 128 virtual – consisting of 30 legislators from 16 states, one first-time legislator, 5 Insurance Commissioners (or equivalent), and 9 insurance departments represented. The seven policy committees all met, as well as the Special Committee on Natural Disaster Recovery.

NCOIL President Matt Lehman (Rep. – IN) stated, “I am very pleased with the high attendance of both in-person and virtual participants, all things considered. Although different, this meeting was as successful as any other NCOIL meeting. Thank you to everyone for their continued dedication to NCOIL.”

Participants at the Welcome Breakfast were greeted by VA Insurance Commissioner Scott White, followed by remarks from Steve Livengood – Director of Public Programs and Chief Guide at the Capitol Historical Society. Additionally, during the all-attendee breakfast, President Lehman announced the creation of a Special Committee on Race and Insurance Underwriting to be chaired by NCOIL Past President Neil Breslin (Sen. – NY). Frank Donnatelli – who served in various positions in the Reagan administration including Assistant to the President for Political and Intergovernmental Affairs Deputy Assistant to the President for Public Liaison – delivered the Keynote address during the luncheon.

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## Future NCOIL Meetings:

Annual 2020  
December 9—12  
Tampa, FL

Spring 2021  
March 11—14  
Washington, DC

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

## REGISTRATION FOR NCOIL ANNUAL MEETING IS OPEN

Registration for the 2020 NCOIL Annual Meeting at the Marriot Tampa Water Street Hotel and Marina in Tampa, FL from December 9th—12th is open.



*See the full tentative schedule on page 8 or view at the NCOIL website [here](#)*

## DON'T FORGET TO BOOK YOUR HOTEL!!!

*The hotel block closes on **November 9th***

**Legislators book here:**



**General Participants book here:**



## NCOIL CONCLUDES SUCCESSFUL HYBRID 2020 “SUMMER” MEETING IN ALEXANDRIA CONT’D

The agenda was highlighted by the adoption of four NCOIL Model Laws – the NCOIL Private Primary Residential Flood Insurance Model Act (see story on page 5) by the Special Committee on Natural Disaster Recovery, sponsored by NC Sen. Vickie Sawyer and FL Rep. David Santiago; the NCOIL Model Act Concerning Statutory Thresholds for Settlements Involving Minors (see story on page 6) by the Financial Services & Multi-Lines Issues Committee, sponsored by TX Rep. Tom Oliverson, M.D. and KY Rep. Joe Fischer – NCOIL Secretary; and the NCOIL Short Term Limited Duration Insurance Model Act by the Health Insurance & Long-Term Care Issues Committee, sponsored by IN Rep. Martin Carbaugh.

There were two fascinating and timely general sessions: “COVID-19: Testing, Treatment, and Vaccination”; and “Future Pandemics: Approaches to Dealing with Business Interruptions”.

“I was very pleased to moderate the general session on COVID-19 testing, treatment and vaccination developments,” said Rep. Oliverson, M.D., Chair of the NCOIL Workers’ Compensation Insurance Committee. “It was very beneficial to hear the latest on where we are at in terms of getting a vaccine ready for widespread distribution, as well as what has and hasn’t worked best in testing for and treating the virus.”

“Business interruption coverage has been one of the most important issues facing the economy throughout the past several months,” said MN Sen. Paul Utke – Vice Chair of the NCOIL Workers’ Compensation Insurance Committee and moderator of the business interruption general session. “There is still a lot of work to be done to ensure that both consumers and the industry are better protected in any future pandemics, but the general session made clear that everyone is working tirelessly to develop solutions.” “Thank you to Commissioner White for being a wonderful host to us in Old Town,” NCOIL CEO, Commissioner Tom Considine said. “There was a great deal of business we were able to conduct by making this a hybrid conference. Although we are still operating far from normal, NCOIL has remained very active since we last convened in Charlotte for the Spring Meeting. I believe ours was the last in-person national meeting before the COVID shutdown, and I am proud that NCOIL was the

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## NCOIL CONCLUDES SUCCESSFUL HYBRID 2020 “SUMMER” MEETING IN ALEXANDRIA CONT'D

first large organization to host a national meeting with significant inperson participation as the nation returns to normal,” he continued.

“I am very happy that I could see so many familiar faces safe and healthy in Alexandria. Hopefully, we will be fully back together in Tampa for the December meeting,” Considine concluded.

The Joint State-Federal Relations met to discuss Europe’s Insurance Regulatory Response to COVID-19 with Matt Brewis, Director of General Insurance and Conduct Specialists at the Financial Conduct Authority (FCA) speaking to the attendees via Zoom from the U.K. The Committee also heard a presentation on “Federal Response to Dynamex: Discussion on U.S. Department of Labor Employee Classification Regulation” by James Paretti, Jr., Shareholder at Littler Mendelson P.C., and Joe Capurro, President of the California Applicants Attorneys Association (CAAA).

The Workers’ Compensation Insurance Committee heard a presentation titled “State of the Line” – An Update on the Status of and Trends in the Workers’ Compensation Insurance Marketplace with Jeff Eddinger, Senior Division Executive of Regulatory Business Management for the National Council on Compensation Insurance (NCCI). Dr. Richard Victor, Sedgwick Fellow at the Sedgwick Institute, gave a presentation titled “Scenarios for the 2030s: Threats and Opportunities for Workers’ Compensation Systems.”

The Committee also received an update on State COVID-19 Workers’ Compensation Presumption Executive Orders/Statutes/Regulations from Jason Marcus, Legislative Chair for CAAA; Erin Collins, Vice President of State Affairs for the National Association of Mutual Insurance Companies (NAMIC); and Frank O’Brien, Vice President of State Government Relations for the American Property Casualty Insurance Association (APCIA).

The NCOIL-NAIC Dialogue consisted of an update on State Adoption of Amended NAIC Credit for Reinsurance Models, a discussion on NAIC’s Casualty Actuarial and Statistical Task Force (CASTF), a discussion on NAIC Climate and Resiliency (EX) Task Force, a discussion on the NAIC’s position on pandemic business interruption issues and the NAIC’s business interruption COVID-19 data call, and a discussion on proposed changes to SSAP No. 71.

In addition to the adoption of the NCOIL Model Act Concerning Statutory Thresholds for Settlements Involving Minors, the Financial Services & Multi-Lines Issues Committee discussed the introduction of the NCOIL Insurer Division Model Act, sponsored by CT Sen. Matt Lesser.

The Life Insurance & Financial Planning Committee heard a presentation from Kweilin Eilingrud, Leader of Life and Annuities Practice in North America & Senior Partner at McKinsey & Company on “COVID-19 and the Insurance Industry – Not Just a P&C Issue”. The Committee also heard an educational presentation on life insurance settlements.

In addition to the adoption of the NCOIL Short Term Limited Duration Insurance Model Act, the Health Insurance & Long-Term Care Issues Committee discussed the introduction of the NCOIL Telemedicine Authorization and Reimbursement Model Act, sponsored by NY Asw. Pam Hunter, Chair of the Committee. The Committee continued discussion on the NCOIL Transparency in Dental Benefits Contracting Model Act, sponsored by AR Rep. Deborah Ferguson, Vice Chair of the Committee, and ND Rep. George Keiser; and the NCOIL Vision Care Services Model Act, sponsored by OH Sen. Bob Hackett.

Committee minutes will be posted within the next week at [www.ncoil.org](http://www.ncoil.org). Discussions on model laws will continue during the 2020 Annual Meeting in Tampa, Florida, and possible interim committee calls beforehand. The NCOIL Annual Meeting will take place from December 9th – 12th .

## **NCOIL ADOPTS PRIVATE PRIMARY RESIDENTIAL FLOOD INSURANCE MODEL ACT**

At the NCOIL “Summer” Meeting in Alexandria, VA, the organization adopted the NCOIL Private Primary Residential Flood Insurance Model Act sponsored by FL Representative David Santiago and NC Senator Vickie Sawyer. The measure passed on a voice vote by both the NCOIL Special Committee on Natural Disaster Recovery and the Executive Committee.

NCOIL President Matt Lehman (Rep. – IN) stated, “This Model is extremely critical and timely as the nation is amid hurricane season. As of our meeting, the National Hurricane Center had named 20 storms in just over three months. The Hurricane Center literally ran out of traditional names for storms and had to use the Greek alphabet to name the storm since. They are now up to Epsilon. With weeks to go in the 2020 hurricane season, it is our responsibility as state legislators and for those of us insurance agents to make more options available and be transparent with consumers on their financial plan. Many homeowners do not realize that flood insurance is not already part of their policy. Natural disasters cannot be controlled, but there is control over protection for the potential immense destruction and loss.”

The NCOIL Special Committee for Natural Disaster Recovery first met at the 2019 Spring Meeting in Nashville, TN. Over a dozen legislators from 13 states serve on the Committee representing coastal and inland states that have suffered flooding, hurricanes, tornadoes, and wildfires in the past few years. NCOIL 2019 President, LA Senator Dan “Blade” Morrish appointed NC Senator Vickie Sawyer as the Committee Chair during an interim call of the Committee in June 2019. Additionally, during that interim call, the Committee heard from legislators and interested parties on the best course of action regarding the private flood insurance market.

NC Sen. Vickie Sawyer stated, “I greatly appreciate the opportunity to join the NCOIL leadership team and to work with the committee on an issue where I have personally seen such devastating effects in my home state. As an insurance agent, state Senator, and resident of a coastal state, I see all too often that we need solutions to help communities after a natural disaster. I am honored to have been able to chair the committee and sponsor the Private Primary Residential Flood Insurance Model Act.”

The initial drafting discussion for the NCOIL Private Primary Residential Flood Insurance Model began at the 2019 Spring Meeting, previously taking the form of proposed amendments to an existing NCOIL Model Act - the NCOIL State Flood Disaster Mitigation and Relief Model Act. The Committee then decided to develop a standalone Model Act, initially titled the NCOIL Private Flood Insurance Model Act. The Model is based partly on existing Florida legislation that has proven to be very successful in facilitating expansion of the private flood insurance market.

During the drafting discussions, NCOIL legislators and staff heard from a wide array of interested parties including: Federal Emergency Management Association (FEMA), National Association of Mutual Insurance Companies (NAMIC), American Property Casualty Insurance Association (APCIA), National Association of Realtors (NAR), Lisa Miller & Associates, Independent Insurance Agents and Brokers of America (IIABA), Reinsurance Association of America (RAA), State Farm Insurance Company, United Policyholders (UP), National Association of Insurance Commissioners (NAIC), Farmers Insurance Group, Center for Economic Justice (CEJ), National Association for Professional Insurance Agents (NAPIA), Wholesale and Specialty Insurance Association (WSIA), and others.

The purpose of the Model is “to provide protection of lives and property from the peril of flood,” and is “designed to encourage a robust private primary residential flood insurance market to provide consumer choices and alternatives to the existing National Flood Insurance Program (NFIP).

Highlights of the Model include: a recommendation that states utilize a “use and file” or “file and use” rate filing system for private flood insurance coverage; a requirement that an insurer must attest that the rates are based on actuarial data, methodologies, standards, and guidelines relating to flood that are not excessive, inadequate, or unfairly discriminatory; and a recommendation that states do not impose greater filing requirements for private flood insurance form filings than the State requires for other property lines of insurance. The Model also requires important disclosures to be made to consumers such as: a requirement that if a consumer cur-

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## NCOIL ADOPTS PRIVATE PRIMARY RESIDENTIAL FLOOD INSURANCE MODEL ACT CONT'D

portant disclosures to be made to consumers such as: a requirement that if a consumer currently has no coverage under the NFIP, the consumer must be informed of the existence of the NFIP before placing the consumer application with private flood insurance; and that all consumers, including those that currently have coverage under the NFIP, must be informed that the coverage under the NFIP may be provided at a subsidized rate and that the full-risk rate for flood insurance may apply to the property if the applicant later seeks to reinstate coverage under the program.

The Model also sets forth that a state's diligent effort law shall not apply to flood coverage under an insurance policy issued by an eligible surplus lines insurer unless and until the Commissioner certifies in a bulletin or order that the admitted private flood insurance market is adequate; and states that writing private flood insurance does not constitute participation in the property insurance market for purposes of determining participation in the state's residual market program.

NCOIL CEO, Commissioner Tom Considine, stated, "2020 has been a record-breaking year in many distressing ways, hurricanes just one of them. With regard to natural disasters, we know all too well that not enough people are insured when a catastrophic event occurs. I am pleased with the hard work of the Special Committee and the outcome of the NCOIL Private Primary Residential Flood Insurance Model which is the result of much discussion and compromise between several legislators and interested parties."

## NCOIL ADOPTS MODEL ACT CONCERNING STATUTORY THRESHOLDS FOR SETTLEMENTS INVOLVING MINORS

During the 2020 NCOIL "Summer" Meeting in Alexandria, VA, the organization adopted the NCOIL Model Act Concerning Statutory Thresholds for Settlement Involving Minors (Minors Settlement Model), sponsored by Kentucky Representative Joe Fischer, NCOIL Secretary, and Texas Representative Tom Oliverson, M.D. The measure passed on a voice vote by both the NCOIL Financial Services and Multi-Lines Issues Committee and the NCOIL Executive Committee.

The Minors Settlement Model was introduced at the NCOIL 2020 Spring Meeting in Charlotte, North Carolina. The Model would apply mostly to situations where minimal amounts are involved, and the parties engaged want to settle without incurring additional costs for going into court and obtaining approval. It is similar to many laws in states that allow for settling small estates through affidavits. There are certain security measures in place to ensure that the settlement would be preserved for the minor.

NCOIL Secretary Joe Fischer (Rep. – KY) stated, "The objective of the Model is to save costs associated with settling small claims in order to preserve the minor's assets. Thank you to the Committee and interested parties for coming forward with an interest to make the process more efficient and help protect settlement funds."

Dr. Tom Oliverson (Rep. -TX) said, "I agree with Rep. Fischer that this Model creates more efficiencies in minor settlements. By settling through an affidavit, the Model would allow both parties in the matter to settle more quickly and allow the people who are injured to get their money faster. The insurance companies can then resolve the claims promptly and all parties can save costs."

During the drafting discussion, NCOIL legislators and staff heard from interested parties including National Association of Mutual Insurance Companies (NAMIC), the American Property Casualty Insurance Association (APCIA), and Shelter Insurance.

The purpose of the Model is "to set forth standards and procedures for settling claims involving minors."

Highlights of the Model include setting forth a procedure that allows a person having legal custody of a minor to enter into a settlement agreement with a person against whom the minor has

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## NCOIL ADOPTS MODEL ACT CONCERNING STATUTORY THRESHOLDS FOR SETTLEMENTS INVOLVING MINORS CONT'D

a claim if: a [conservator or guardian ad litem] has not been appointed for a minor; the total amount of the claim, not including reimbursement of medical expenses, liens, reasonable attorney fees and costs of suit, is \$25,000 or less if paid in cash or if paid by the purchase of a premium for an annuity; the moneys paid under the settlement agreement will be paid pursuant to certain guidelines; and the person entering into the settlement agreement on behalf of the minor completes an affidavit or verified statement that attests that the person has made a reasonable inquiry and that: to the best of the person's knowledge, the minor will be fully compensated by the settlement, or, there is no practical way to obtain additional amounts from the party entering into the settlement agreement with the minor.

If a settlement agreement is entered into in compliance with the provisions of the Model, the signature of the person entering into the settlement agreement on behalf of the minor is binding on the minor without the need for further court approval or review and has the same force and effect as if the minor were a competent adult entering into the settlement agreement.

The Model also sets forth guidelines as to how the moneys payable under the settlement agreement must be paid, and states that the moneys in a minor's savings account, trust account or trust subaccount may not be withdrawn, removed, paid out or transferred to any person, including the minor, except pursuant to court order, upon the minor's attainment of 18 years of age, or upon the minor's death.

NCOIL CEO, Commissioner Tom Considine, stated, "Thanks to the Committee, and a special thanks to Rep. Fischer and Rep. Oliverson for sponsoring this and getting the Model to a good place in such a timely manner to be ready to send to the states. The need for this Model caught me a bit by surprise because I thought that parents & guardians always had the right to settle disputes for their children without going to court. Little did I know it's not always that simple."



## NCOIL 2020 ANNUAL MEETING TENTATIVE SCHEDULE

### WEDNESDAY, DECEMBER 9TH

Special Committee on Race in Insurance Underwriting	10:00 AM	-	1:00 PM
Special Committee on Race in Insurance Underwriting	2:00 PM	-	5:00 PM
Welcome Reception	6:00 PM	-	7:00 PM

### THURSDAY, DECEMBER 10TH

Welcome Breakfast	8:30 AM	-	10:00 AM
Networking Break	10:00 AM	-	10:15 AM
NCOIL Innovation Series	10:15 AM	-	11:30 AM
Joint State-Federal Relations & International Insurance Issues Committee	11:30 AM	-	12:45 PM
The Institutes Griffith Foundation Legislation Luncheon (Tentative)	12:45 PM	-	1:45 PM
Health Insurance & Long Term Care Issues Committee	1:45 PM	-	3:15 PM
Networking Break	3:15 PM	-	3:30 PM
Financial Services & Multi-Lines Issues Committee	3:30 PM	-	4:45 PM
CIP Member & Sponsor Reception	5:00 PM	-	6:00 PM

### FRIDAY, DECEMBER 11TH

Workers' Compensation Insurance Committee	9:00 AM	-	10:30 AM
Networking Break	10:30 AM	-	10:45 AM
NCOIL—NAIC Dialogue	10:45 AM	-	12:00 PM
Luncheon with Keynote Address	12:00 PM	-	1:45 PM
Health General Session	1:45 PM	-	3:15 PM
Life Insurance & Financial Planning Committee	3:15 PM	-	4:30 PM
IEC Board Meeting (Tentative)	4:30 PM	-	5:15 PM

### SATURDAY, DECEMBER 12TH

Property & Casualty Insurance Committee	9:00 AM	-	10:45 AM
Networking Break	10:45 AM	-	11:00 AM
General Session	11:00 AM	-	12:30 PM
Business Planning Committee & Executive Committee	12:30 PM	-	1:15 PM