

NATIONAL COUNCIL OF INSURANCE LEGISLATORS
EXECUTIVE COMMITTEE
2022 NCOIL SUMMER MEETING – JERSEY CITY, NJ
JULY 16, 2022
DRAFT MINUTES

The National Council of Insurance Legislators (NCOIL) Executive Committee met at the Hyatt Regency in Jersey City, New Jersey on Saturday July 16, 2022 at 12:00 PM (EST).

NCOIL President, Assemblyman Ken Cooley (CA), Chair of the Committee, presided.

Other members of the committee present

Rep. Deborah Ferguson, DDS (AR)
Sen. Jason Rapert (AR)
Rep. Matt Lehman (IN)
Rep. Brenda Carter (MI)
Sen. Michael McLendon (MS)

Sen. Bob Hackett (OH)
Rep. Carl Anderson (SC)
Rep. Jim Dunnigan (UT)

Other legislators present were:

Rep. Forrest Bennett (OK)
Sen. Mary Felzkowski (WI)

Also in attendance were:

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

QUORUM

Upon a motion made by Rep. Brenda Carter (MI) and seconded by Sen. Michael McLendon (MS), the Committee voted without objection by way of a voice vote to waive the quorum requirement.

MINUTES

Upon a motion made by Rep. Carl Anderson (SC) and seconded by Sen. Jason Rapert (AR), NCOIL Immediate Past President, the Committee voted without objection by way of a voice vote to approve the minutes of the Committee's March 6, 2022 meeting in Las Vegas, NV.

DISCUSSION AND CONSIDERATION OF RESOLUTION IN HONOR OF VERMONT REPRESENTATIVE WARREN KITZMILLER

Asm. Cooley stated that the first order of business relates to the passing of longtime NCOIL member and Vermont Representative Warren Kitzmiller. A Resolution has been presented honoring Rep. Kitzmiller, sponsored by Rep. Matt Lehman (IN), NCOIL Immediate Past President, and Asm. Kevin Cahill (NY), NCOIL Vice President.

Rep. Lehman stated that Rep. Kitzmiller was a genuine man who loved his family, Montpelier, and Vermont. Rep. Lehman also stated that it was some time before he learned that Rep. Kitzmiller was a Democrat which speaks to the heart of what NCOIL stands for and Rep. Kitzmiller was the epitome of that bipartisanship. Rep. Kitzmiller was a true gentleman and a selfless person who had a high standard when it came to being a proper person. Rep. Lehman stated that Rep. Kitzmiller will be missed and NCOIL sends its condolences to Rep. Kitzmiller's family. Rep. Lehman stated that he is honored to offer this Resolution to honor our friend.

Sen. Rapert stated that he agrees with everything that Rep. Lehman said and added that the other Vermont State legislators he knew also thought of Rep. Kitzmiller in a similar way. Sen. Rapert stated that he appreciated NCOIL for considering this resolution.

Asm. Cooley stated that the quality of an organization depends on the quality of the people who participate. Rep. Kitzmiller's work in his own state and his devotion to the public well-being was great to have at NCOIL.

Upon a motion made by Rep. Anderson and seconded by Rep. Deborah Ferguson DDS (AR), NCOIL Secretary, the Committee voted unanimously by way of a voice vote to adopt the resolution.

FUTURE MEETING LOCATIONS

Asm. Cooley noted that the 2022 Annual Meeting in New Orleans will take place from November 16th-19th. He also noted that preceding the Annual Meeting on November 16th will be the first annual NCOIL Open Golf Outing to benefit the Insurance Legislators Foundation (ILF) scholarship fund. Additional upcoming meetings include the 2023 Spring Meeting in San Diego, CA from March 9th to 12th, the 2023 Summer Meeting in Minneapolis, MN from July 19th-23rd and the 2023 Annual Meeting in Columbus, OH from November 15th-18th.

Will Melofchik, NCOIL General Counsel, stated that the 2024 Spring Meeting will be in April in Nashville, TN and noted that this will be the start of all NCOIL Spring Meetings being held in April instead of early March. The 2024 Summer Meeting will be in mid-July in Costa Mesa, CA and the 2024 Annual Meeting will be held in San Antonio, TX in November. The only meeting NCOIL has gone to contract with for 2025 is the Annual Meeting in Atlanta, GA. NCOIL is still in discussions with Maryland for the 2025 Spring Meeting contingent on Maryland rejoining NCOIL as a Contributing Member State. The same goes for the 2025 Summer Meeting, with NCOIL looking at Chicago contingent on Illinois rejoining as a Contributing Member State.

Asm. Cooley noted that moving the Spring Meetings from March to April allows for more lawmakers to be able to attend because five additional legislatures are out of session in April as compared to March.

Rep. Anderson stated that South Carolina is open for hosting an NCOIL Meeting in Charleston in 2025 if other location negotiations fall through.

ADMINISTRATION

Mr. Melofchik stated that there were 325 total registrants consisting of 48 legislators from 26 states including seven first time legislators from six states. Additionally, 12 insurance commissioners had registered but a couple ended up not being able to make it. Regardless, that

is still an NCOIL record in terms of Commissioner participation. In total, 16 Insurance Departments were represented.

Mr. Melofchik gave the 2022 unaudited financials through June 30th of this year showing revenue of \$873,627.56 and expenses of \$548,933.45 leading to a surplus of \$324,694.11 heading into this meeting.

AUDIT COMMITTEE REPORT

Asm. Cooley stated that the Audit Committee met on Wednesday of this week in Jersey City and received the audits for both NCOIL and the ILF from Jim Cunningham of Collins & Company who has served as the NCOIL auditor for 5 years which gives him knowledge of the organization, its operations, and what has gone on in recent years. That is relevant because he reported in reviewing NCOIL and ILF financials that in each case he rendered an unqualified opinion meaning that the financials looked proper and up to industry standard practices. There was a positive change in net assets for NCOIL in excess of \$300,000.

Hearing no questions, upon a Motion made by Rep. Jim Dunnigan (UT), and seconded by Rep. Carter, the Committee voted without objection by way of a voice vote to accept the audits.

CONSENT CALENDAR

Asm. Cooley 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 in the time between Executive Committee Meetings.

The Consent Calendar included:

- The Workers' Compensation Insurance Committee adopted amendments to the NCOIL Model State Structured Settlement Protection Act and readopted said Model.
- The Life Insurance & Financial Planning Committee adopted: a Resolution Identifying Certain Enhanced Cash Surrender Value Endorsements as Violating The Standard Nonforfeiture Law; a Resolution in Support of Position Statement Recognizing Congressional Consent to the Interstate Insurance Product Regulation Compact (IIPRC); and a Resolution Regarding Recruitment, Retention, and Diversity within the Life Insurance Agent Profession.
- The Property & Casualty Insurance Committee readopted: the Auto Insurance Fraud Model Act; Asbestos Bankruptcy Trust Claims Transparency Model; Certificates of Insurance Model Act; Travel Insurance Model; and Model Act Regarding Use of Insurance Binders as Evidence of Coverage.
- Ratification of decisions made and actions taken by the NCOIL Officers in the time between Executive Committee Meetings

Asm. Cooley asked if any Committee member wanted anything removed from the consent calendar. Hearing no such requests, upon a motion made by Rep. Ferguson and seconded by Rep. Anderson, the Committee voted to adopt the consent calendar without objection by way of a voice vote.

OTHER SESSIONS

Asm. Cooley stated that The Institutes Griffith Foundation held a legislator luncheon and breakfast. The luncheon focused on the very important topic of legislative oversight and the breakfast focused on how the insurance marketplace is deliberately structured to be resilient during uncertain economic times.

There were also three great general sessions, the first focusing on private equity's involvement in the insurance marketplace. Asm. Cooley noted that it was the highest attended general session in a very long time. Other general sessions were focused on biomarker testing and precision medicine, and the debate over the term "social inflation." There were also featured speakers during the luncheon including NJ Attorney General Matthew J. Platkin as well as National Association of Insurance Commissioners (NAIC) President and Idaho Insurance Director Dean Cameron.

ORDER AND DECORUM RULES AT NCOIL COMMITTEE MEETINGS AND GENERAL SESSIONS AND IN MATERIALS

Asm. Cooley stated that draft decorum rules were distributed at the Spring Meeting in March which were in response to an unfortunate event that occurred at the 2021 Annual Meeting in Scottsdale. Asm. Cooley noted that there has been discussion about these rules for a considerable amount of time, and therefore asked for a motion to adopt the order and decorum rules.

Upon a motion by Sen. Bob Hackett (OH) and seconded by Rep. Carter, the Committee voted to adopt the order and decorum rules without objection by way of a voice vote.

ANY OTHER BUSINESS

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 at his or her first meeting. Upon a motion made by Rep. Carter and seconded by Rep. Ferguson, the Committee voted without objection by way of a voice vote to add Sen. Mary Felzkowski (WI), chair of the WI Senate Committee on Insurance, Licensing, and Forestry to the Executive Committee.

Frank O'Brien, Vice President of State Government Relations at the American Property Casualty Insurance Association (APCIA) stated that the Industry Education Council (IEC) has proposed a topic relating to surplus and excess line insurance, a growing and interesting field that is sometimes subject to a great deal of confusion. The IEC thinks it is a worthy topic for a general session educating legislators on what it is, what it does, and the what the state's role is in overseeing it.

Rep. Dunnigan stated that there were concerns in Utah about getting fire insurance due to all of the wildfires that have been occurring. He asked that the proposed IEC topic include discussion as to whether or not there is an adequate marketplace for that type of insurance.

Asm. Cooley thanked everyone for attending the meeting and noted that he is very much looking forward to the next meeting in New Orleans in November but there is a bittersweet aspect to it because Asm. Kevin Cahill (NY), NCOIL Vice President, who has devoted a great

deal of time and service to NCOIL did not prevail in his re-election and is nearing the end of his public service. Asm. Cooley stated that New Orleans will give everyone an opportunity to thank Asm. Cahill for his public service.

Commissioner Tom Considine, NCOIL CEO, thanked everyone for attending the meeting in the Garden State. He also noted that when he first started at NCOIL, some states wouldn't join because legislators and others there somehow believed NCOIL was a Republican, industry-dominated organization. Cmsr. Considine stated that when looking around during this meeting, he noticed that there was an equal representation of Democrats and Republicans showing that NCOIL is the epitome of bipartisanship. He also noted that at various times the diversity of the legislators represented at the table really did look like a cross section of America.

Mr. Melofchik thanked everyone for attending the Meeting and mentioned to Rep. Dunnigan that he would reach out regarding his inquiry about the IEC topic in order to get materials lined up so that the topic is on the agenda for the next meeting in New Orleans.

ADJOURNMENT

There being no further business, upon a motion made by Rep. Lehman and seconded by Rep. Anderson, the Committee adjourned at 12:45 PM.