The President’s Report

Another session ends in Albany and we look ahead to future events.

The 2018 Legislative session has come to an end and the Capitol has gotten a little quieter. Lawmakers have returned to their districts entering an election season and I find it doubtful they’ll return for special session. Much of the inability of the Legislature to address controversial issues this session can be traced back to the Senate, where the Senate Republicans, due to the departure of Senator Croci to active duty in the Navy, only had 31 members available to vote on legislation (32 votes are necessary to pass legislation in the Senate), which resulted in the Republicans needing the Democrats to vote in favor of each piece of legislation. This led to some interesting political tactics including the Senate Dems bringing in Lt. Governor Kathy Hochul as a potential tie breaking vote. However it mostly led to partisan gridlock.

For LICONY, it was imperative that we complete passage of our most important legislative initiative, Principle-Based Reserving. We appreciated the many hours devoted to working on this bill by the Insurance Committee chairs Assemblyman Cahill and Senator Seward and the staff at DFS to finally get this passed during the last week of legislative session.

Staff of the Department of Financial Services also served as panelists at our Compliance Seminar on July 10. It really speaks volumes of our professional relationship with DFS that they offer their time to meet with membership to answer questions and discuss current regulations as well as changes in personnel and what’s on the horizon at the department. We were also pleased to offer our membership the opportunity to attend the event via webinar.

LICONY is also hard at work preparing for the Annual Meeting which will be held at The Sagamore on Lake George this year. Pj O’Rourke, Ahmad Rashad and Maria Vullo will be our keynoters and we’ll have a great slate of workshops to offer you as well. Thanks to all of our member companies that sponsor portions of the event. We could not do it without you!

We hope you have a great summer and look forward to continuing to serve your needs.
LICONY Day on the Hill

On May 8 LICONY staff and company members had nearly 50 meetings with key members of the Legislature including members of the Insurance Committees from both houses.

LICONY staff prepared folders for all member companies and Legislators that provided information on key pieces of legislation and the insurance community’s position on the bills.

During the meetings, Legislators were informed of the urgency of enacting Principle-Based Reserving this year because domestic life insurers would not have been able to utilize PBR not only in New York but all other states where they do business -- putting them at a serious disadvantage to competitors.

Members also voiced support for other legislation which extended the time frame for carrier completion of lost policy searches. Bills introduced in both houses would extend the current time frame of 30-45 days up to the 60 day standard of the NAIC.

On the evening prior to Lobby Day, LICONY hosted a general reception at the Fort Orange Club in which many lawmakers and members of LICONY networked in a relaxed, social setting.
DID YOU KNOW?

Allstate partnered with Serena Williams to help end domestic violence and financial abuse.

This summer Purple Purse will debut six street art murals across the country to raise awareness of domestic abuse.

Allstate Foundation Purple Purse provides information on how to recognize, talk about and end domestic violence. Together with program ambassador Serena Williams they spread the word about the often invisible signs of financial abuse through powerful messaging and programming.

Life and Life Insurance in New York

John Rugel is the Senior Vice President of Life & Annuity Operations at Allstate. Here, he answers a few questions about his life and position.

What was your path to Allstate?

I spent over 25 years in the life insurance industry serving in a variety of senior leadership positions. Before joining Allstate in 2011, I worked as head of brokerage underwriting at MetLife responsible for high-end career and brokerage underwriting operations. Prior to MetLife, the majority of my life insurance career was with American International Group serving as a senior leader of operations and underwriting functions in various locations.

Allstate is known for auto and homeowners insurance in advertisements. How do you see Life Insurance working into Allstate’s business model?

95 million adult Americans have no life insurance. And those who do often don’t have nearly enough. In fact, most American households are either uninsured or underinsured.

We are a protection company. If we don’t protect everything in the entire household, somebody else will. We want customers to call us to get informed and educated about the risks they face. Instead of providing a simple quote, we are providing them with advice and guidance they need.

What issues are at the top of Allstate’s New York business?

For Allstate’s New York business, it’s finding opportunities to cover more of the middle market in a highly competitive landscape.

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Is insurance in the family?

Insurance is in the family. In fact, my brother is a financial planner. We often joke that we are like the yin and yang of the family. It’s not like sales vs. operations during the holidays. Rather, we complement each other well, you can’t have one without the other.

Are you originally from New York? Do you have ties to the area?

I was born in Queens and lived in NY well into my early 20s. My brother and my wife’s family still live in the Capital Region (Albany area), so I get back often.

How do you feel about your membership with LICONY? What is something you value that LICONY provides?

LICONY membership is an opportunity to influence as well as stay ahead of industry trends. LICONY is invaluable to companies like Allstate, the state and our industry, particularly since NY is on the forefront of emerging issues.