

Local Premium Tax Advisory Council

October 19th, 2020 - 1:30 pm

Department of Insurance – Virtual (Microsoft Teams)

Minutes

Members Present

Commissioner Clark
Shellie Hampton
JD Chaney
Joseph Ewald
David Thornton
Beth Murphy
Mark Treesh

Members Absent

Greg Kosse
Houston Wells (1pm meeting regarding COVID w/ Health Department)

Others in attendance:

DJ Wasson
Abigail Gall
John Hord
Russ Hamblen
Paula Smith (proxy for Greg Kosse)

Call to Order / Roll Call / Welcome –

Commissioner Clark called the meeting to order at approximately 1:29 p.m. The commissioner welcomed all in attendance. Abigail Gall called the roll at approximately 1:31 p.m. Houston Wells was unable to make the call due to a Covid-19 briefing with the county health department.

Approval of 10/15/2019 Minutes –

Discussion of the July 20, 2020 meeting minutes occurred. Shellie Hampton moved to approve the minutes, Beth Murphy seconded and the motion passed without question

DOI Update – (provided by John Hord)

John Hord, the Department's representative in charge of administering local government premium tax issues, briefed the council on various issues.

First, he touched on old business concerning the reconciliation process and how well that was going. Mr. Hord briefed the council on the closing of the 2018 Annual Reconciliation, making note that 27 brokers and 3 companies were looking to be suspended. Out of those brokers and companies, several came back to the department and paid the \$250 fine to have the order rescinded. He mentioned that the DOI is still in the process of receiving responses from the initial letters for 2019 non-filers. There were initially 257 companies and 481 brokers. The department has found about a 50% response rate to the initial letters from non-filers, as the numbers to date of non-response had dropped to 242 brokers and 109 companies. John also stated that there is a continuing effect on the response from companies and brokers due to the Coronavirus. He reassured that the Department is here to assist in the filing process and answer any questions necessary.

Secondly, Mr. Hord provided an outstretched appreciation for the opportunities he has been given to present at several county and city conferences and events. He noted he will be attending and presenting at the KIPDA Clerks conference at the end of the month and is looking forward to it. The outreach he has provided has had a lot of positive feedback and John believes participating in these presentations is an excellent way to promote education.

Finally, Mr. Hord shared that the sample ordinances he shares with his audiences and individuals who ask questions is located on the website (www.insurance.ky.gov) and can be used by anyone at any time for clarification purposes. It was also mentioned that the yearly tax schedules are also located on the department's website. The Commissioner requested that the links to both documents be shared with the membership (follow up sent 10/19/2020). Mr. Hord concluded his update with some of the most frequently asked questions he receives.

- "How much revenue will this tax bring to my county or city?"
- "How is the tax jurisdiction determined?"
- Refund Questions

John then provided some general answers to the members that he share with the public and reassured members that if they were contacted with any questions he always happy to assist. JD Chaney made comment that he had received a very nice compliment about John Hord's presentation.

Old Business -

The Commissioner raised the issue of appointments. The DOI currently has no record of past appointments and the Commissioner requests that each member send any information regarding their appointment to Abigail Gall. When the DOI has received such information, we will then send re-appointment letters when necessary to catch all records up to date.

Mark Treesh's internet went out during this portion of the meeting, but Mr. Treesh has provided an excel spreadsheet noting the appointments of the members.

New Business –

The Commissioner made notion to call on any new business that needed addressed. No new business was brought forth. The frequency of the meetings was discussed and it was agreed upon that two meeting would suffice for the year unless a special meeting was to be called. The members also mentioned that Tuesday were better overall than Mondays, so the meeting dates would fall on the 3rd Tuesday of the months selected for the year. For 2021 the dates are as follows: Tuesday, May 18th, 2021 and Tuesday, October 20th, 2021. These dates show no conflict for members.

Suggested Next Meeting – Tuesday, May 18th, 2021 at 1:30 p.m. (virtual)

Adjourn -

Motion to adjourn by Commissioner Clark, approved by JD Chaney and seconded by David Thornton at 1:58 p.m.

Submitted By:

Approved By:

APG// Abigail Gall

Date 10/23/2020

Date