Meeting Minutes

Call to order

A meeting of Local Government Premium Tax Advisory Council was held via video teleconferencing (TEAMS) on November 15th, 2022 at 1:00 pm. All members were present, except Greg Kosse (resigned) and Huston Wells due to a scheduling conflict.

Approval of minutes

Motion by Commissioner Clark @ 1:03 pm. Mark Treesh, motion, Beth Murphy in the 2nd.

Reports

John Hord updated the council on the situation with the city of Vicco. SB 106 became effective in July 2022. The bill states that the legislature will send a notification in December 2022 to dissolve the city of Vicco through administrative hearing. At the point of the hearing, whether there are defendants or not, the Department of Local Government will act accordingly. Currently, premium tax payments made by insurers to Vicco have been returned to the payee. Once the dissolution is complete, the Department will determine who and where these tax payments will be paid. JD Chaney mentioned that SB 106 is a helpful piece of policy in more places than just Vicco, he shared that Keene (Jessamine County) has not been active either and that SB 106 establishes a streamlined process. Mark Treesh inquired about specific timelines regarding Vicco and John Hord shared that at this time there are no specific dates other than those set forth in the provisions of SB 106. Zach Johnson, counsel for the Department agreed that there are few certainties concerning the issue, but the Commissioner agreed to communicate with DOLG the recommendations of DOI concerning insurers payments.

2022 Non-filers-50% down from 2021

These orders will go out in the coming weeks.

63 legal orders for Brokers

35 legal orders for Companies

Commissioner mentioned that the fees charged for non-filing do not come directly to the Department but do go to the state's general fund.

John Hord reminds the council about the 100-day rule and that he is willing to help communicate this in any way that is helpful (template letter).

Abigail Gall gave a brief update on the Department's Data Security law passed during the 2022 session. The update included mention of the administrative regulation that the Department is planning to file in the coming months. The Department will also be executing an Advisory Opinion.

Commissioner shared the # of current COA's in KY- 208 new Certificate of Authorities have been obtained since 2020. 302,000 active licensees in Kentucky.

There are several reappointments up on the Council. Paula Smith, KFB, will be replacing Greg Kosse after his December retirement. JD Chaney has recommended reappointment for Mr. Ewald, a current member with the council, and the Commissioner has agreed to accept this recommendation. The Department has yet to hear from Shellie Hampton regarding an appointment to the council to represent the counties. JD Chaney plans to follow up with the Department regarding a recommendation for the expired foreign insurer appointment.

Unfinished business

None to report

New Business

At the next meeting the Department will be able to provide a legislative overview of the 2023 session.

Announcements

Next meeting date May 15th, 2023 @ 1:00 PM.

Adjournment

JD Chaney motion, David Thornton, second @ 1:38 pm

APG //ss/ Secretary 5/15/2023 Date of approval