September 10, 2020

David Altmaier, Co-Chair
Raymond Farmer, Co-Chair
Special (EX) Committee on Race and Insurance
c/o Andy Beal, Chief Operating Officer – Abeal@naic.org
1100 Walnut St, Suite 1500
Kansas City, MO  64106-2197

Re: Notice of Meeting of Special (EX) Committee on Race and Insurance

Dear Co-Chairs and Committee Members:

On behalf of the National Association of Mutual Insurance Companies (NAMIC),\textsuperscript{1} thank you for the opportunity to provide initial comments on some of the charges and workstreams identified in the announcement of the Committee’s inaugural meeting on September 17, 2020. We look forward to working with you in advancing a constructive dialogue on all of the committee’s charges ranging from recommendations to ensure access to insurance for people of color and other underrepresented groups to identifying specific opportunities for concrete action to improve diversity and inclusion in the US insurance ecosystem. Our members understand that like our regulators and the communities we serve, we are stronger when we leverage and include diverse backgrounds, skills, knowledge, and perspectives of our policyholders, vendors, and our employees.

As was discussed during the NAIC’s August Special Session on this topic, mutual insurance companies are built on the notions of community and inclusivity; the mutual model has a long and proud history of service to minority communities. NAMIC and NAMIC’s members are adamantly opposed to discrimination on the basis of race and unfair discrimination in general, and we support legislative and regulatory policies to prevent these practices.

Beyond that, our industry has an obligation to not just stand back and watch, but to lead the way by creating diverse, inclusive, and equitable workplaces – and many of our members are already tackling the issue headfirst.

\textsuperscript{1} NAMIC is the largest property and casualty insurance trade association in the country, with more than 1,400 member companies. NAMIC supports regional and local mutual insurance companies as well as some of the country’s largest national insurers. Nationally, NAMIC members companies write $273 billion in annual premiums, and our members account for 58 percent of homeowners, 44 percent of automobile, and 30 percent of the business insurance markets. NAMIC has 243 member companies doing business in Texas.
An industry-wide approach is critical, and therefore we believe a good place to start is to understand the proactive efforts that are currently being pursued by insurers in diversity and inclusion. Insurance companies are tackling these issues in myriad ways as part of a broad and wholistic effort. Examples of just a few of the initiatives our members are undertaking in this space include:

- Signing on to the CEO ACT!ON pledge\(^2\) for diversity and inclusion
- Increasing efforts to recruit new associates from historically black colleges
- Establishing strategic partnerships with minority focused professional associations
- Establishing strategic partnerships with minority focused non-profits to promote grant, scholarship, and employee volunteer opportunities
- Establishing supplier diversity programs to provide opportunities for minority vendors
- Creating and promoting Employee Resource Groups (ERGs) to bring together employees of shared backgrounds for mentoring and development programs
- Providing financial literacy workshops in minority communities
- Purchasing and distributing diversity and inclusion training videos for associates
- Creating multicultural market strategy teams to focus on improving access to financial products
- Creating new feedback mechanisms to better assess existing diversity and inclusion efforts
- Signing on to the Credit Union DEI Collective Statement of Commitment and Solidarity with the African American and Black Community\(^3\)

As this list demonstrates, our members are actively seeking strategies to embrace diversity and inclusion because they understand such commitments to staff and customers greatly enhance attractiveness as an employer and ultimately improve company performance. We are eager to collaborate with the Committee on developing proposals to build on this list in ways that can address insurance talent pipeline concerns.

As NAMIC and our member companies look at ways to continue opposing and combating unfair discrimination as well as ways to attract, engage, and retain the employees who best represent and reflect the needs of the communities they serve, we commend the NAIC for taking up these important and timely issues, and we commit to pooling our talents to promote unity and oppose racism. NAMIC and our members strongly believe that treating all employees and policyholders with dignity and fairness is essential to the success of our industry.

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\(^2\) Pledge and list of signatories available at www.ceoaction.com/pledge.

\(^3\) Statement and list of signatories available at www.cudeicollective.org/pledge.
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Thank you again for the opportunity to comment, and we look forward to remaining engaged as a trusted resource as the Committee’s work progresses.

Sincerely,

Jonathan Bergner
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