

DEPARTMENT OF INSURANCE

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**CDI INSURANCE DIVERSITY TASK FORCE (IDTF)
3rd QUARTERLY MEETING MINUTES**

**Thursday, September 12, 2019
10:00 a.m. – 12:00 p.m. PST
California Department of Insurance
300 Capitol Mall, Sacramento, CA 95814**

I. Housekeeping– Task Force Chair Sal Peinado, Jr

- A. Task Force Roll Call – California Department of Insurance (CDI) staff, Rebecca Ball.**
- i. Quorum Met. Task Force Members Present:**
- (Located in Sacramento) Salvador (Sal) Peinado, Jr.
 - (Located in Los Angeles) Mark Morales, Rebecca Aguilera-Gardiner
 - (Located in San Francisco) No Task Force Members present
 - (Via Phone) Imelda Alejandrino, Annalisa Barrett, Scott Diener, Cecil Plummer, Pat Fong Kushida
 - Absent: Linda Akutagawa, Beverly Cole, Dawn Marchand
- B. 2019 IDTF 2nd Quarterly Meeting Minutes – Mark Morales moved to approve the minutes. Pat Fong Kushida seconded the motion.**
- C. Guest Introductions – (In-Person) Peter Streit – COIN – California Department of Insurance (CDI); (Via Phone) Janice Green – WBEC Pacific, David Weber – Farmers Insurance, Sally Wilson – AFLAC, Joy Wong – New York Life**

II. Insurance Diversity Initiative Updates

- A. Senate Bill 534 (Bradford) Update –**
- i. Chandara Phanachone, CDI – Announced that SB534, authored by Senator Bradford and sponsored by Commissioner Lara, was signed by Governor Newsom on September 5, 2019. Chandara thanked all of the supporters and stakeholders for letters of support throughout the campaign. Among other provisions, his bill codifies the Insurance Diversity Task Force, which has not been done in previous legislation. Chandara expressed that this is an exciting time for the Diversity Initiative and we are looking forward to what the future holds.**
- ii. Mark Morales, IDTF – Expressed that the inclusion of LGBT and Veteran-Owned Business Enterprises (VOBE) is meaningful and appreciated the addition to the language of SB 534.**
- iii. Amorette Yang, CID – Thanked the Task Force for their work on this new legislation. Formerly, SB 488 (Bradford), a bill introduced during the 2017 legislative session, also sought to expand existing law to include LGBT and veteran owned businesses, codified the governing board diversity survey and extended the supplier diversity survey to January 1, 2025, did not make it through the legislative process. Following that, the Department engaged with stakeholders for future ideas regarding this legislation which were discussed among attendees during the 7th Annual Insurance Diversity Summit.**
- B. Task Force Advisory Groups Update –**
- i. Sal Peinado, Jr., IDTF – Advised Task Force that two meeting invitations have been sent for Advisory Group meetings. One for supplier diversity and one for governing board diversity. There was great dialogue during previous meetings, but then the conversation and ideas seemed to slow down. Asked for each Task Force member to plan on joining one advisory group (but can join both if interested.) Work with the objective to have some recommendations to Commissioner Lara for the Q2 Task Force meeting next year. There is a great deal of energy on the Task Force and we can flesh out what we want in the next three years.**
- ii. Mark Morales, IDTF – Attended a Financial Services Roundtable session at the National LGBT Chamber of Commerce Conference (NGLCC) recently in Tampa, Florida, and spoke with some**

supplier diversity representatives from the insurance companies. Mark suggested that CDI reach out to some companies and see if they are ready to report, ask how we can help them reach their supplier diversity goals so they do not have zeroes to report on the insurance diversity survey.

- iii. Sal Peinado, Jr., IDTF – Sal said that our goal is California-based insurers first and then would work into expanding areas.. He agrees that it is important to get insurers to engage with the process instead of just complying with the law.
- iv. Pat Fong Kushida, IDTF - Many discussions recently with insurers regarding disaster mitigation. There should be a focus on education and outreach regarding disaster preparedness. Many of those who are impacted by the most recent wildfires were from underserved communities.
- v. Mark Morales, IDTF – We know that the prospect of wildfires and rebuilding efforts are eminent; it's not a matter of if it will happen, but a matter of when it happens. Is CDI working on a platform/database of diverse suppliers so we won't have to say "We don't have anyone in this area." Can we facilitate the introduction of diverse suppliers to Department after a wildfire or other disaster?
- vi. Pat Fong Kushida, IDTF – Utility companies are focusing on prevention and are spending money on drones and surveying areas to prevent disasters. What is the next big spend for insurers? Construction? Is there a focused area of development for diverse suppliers?
- vii. Cecil Plummer, IDTF – Echoes the thoughts of other Task Force members. Currently working on an initiative for the banking industry – leveraging past work in the automotive industry, to find large categories of suppliers and identifying gaps where we need to find more companies. We can tailor our development activity to make sure suppliers are ready to do business with insurers.
- viii. Sal Peinado, Jr., IDTF – The leads of the respective advisory groups will report back at the Q4 meeting with highlights of what was discussed at prior advisory group meetings.
- ix. Chandara Phanachone, CDI – The September 2019 Advisory Group meetings will be conducted on 9/26/19. Invitations were sent based upon previous interest expressed by Task Force members. If you are interested, and did not receive invitation, please contact Chandara directly.
- x. Pat Fong Kushida, IDTF – Is it possible for Task Force member to send someone in their place to advisory group meetings? Chandara advised that Task Force members are expected to attend the advisory group meetings.
- xi. Mark Morales, IDTF – As an example, Mark mentioned that for the Los Angeles Gay & Lesbian Chamber of Commerce (LAGLCC), the Chamber has committees set up, and the general membership attends, sub-committees are only open to Task Force members.

C. 2019 Insurance Diversity Summit Update –

- i. Chandara Phanachone, CDI – There is much excitement and energy following SB 534 being signed and new Task Force appointments. Traditionally, the Summit has been in the fall, but we are coming close to the holiday season and we don't intend to compete with everyone's holiday plans. This year's Summit will be rescheduled for a later date beyond 2019. Commissioner Lara is still very excited about the Summit and committed to diversity and we will be scheduling a meet and greet and planning meeting for all Task Force members and the Commissioner in the coming weeks. At this meeting, we will discuss ideas and plans for how to make the next Summit valuable.
- ii. Rebecca Aguilera-Gardiner, IDTF – What is the purpose of the Summit? Sal advised that there are two main goals for the Summit:
 - Recap, share and celebrate the data as reported by insurers from the insurance diversity survey; and
 - Connect diverse suppliers with insurers.

The Summit event is open to the public and many diverse suppliers attend each year.

III. Task Force Member Updates

Past and Upcoming Events

- i. Chandara Phanachone, CDI – Rebecca Ball and Chandara attended the CalPERs and CalSTRS Diversity Forum in June. Event was for investment officers, government agencies and diversity advocates. Highlight was the keynote from Sallie Krawcheck, CEO of Ellevest, on why diversity matters. Discussion about what happens when there is only one diverse member at the table and how it is not reasonable to commit to a strong D/I program without including the supplier diversity component.
- ii. Rebecca Ball, CDI – On behalf of Task Force member Jay Greene, the Golden Gate Business Association (GGBA) held their June Make Contact event entitled the "Pride of Retail" at Goorin

- Brothers. The event was presented by GGBA, the San Francisco Council of District Merchants Associations (SFCDMA) and GAP, Inc.
- iii. Rebecca Ball, CDI – On behalf of Task Force member, Linda Akutagawa, the Leadership Education for Asian Pacifics (LEAP) Leadership Awards event honored a number of community members and organizations and for their contributions.
 - iv. Mark Morales, IDTF – Mark and Chandara attended the National LGBT Chamber of Commerce Conference (NGLCC) in Tampa, FL. This was the 6th NGLCC Mark attended since he got his business certified. Over 1,400 business owners, stakeholders, and government agency representatives attended. There were two significant highlights: Jane Castor, the Mayor of Tampa announced that the city of Tampa's procurement efforts would include NGLCC'S LGBT Business Enterprise certification, and Los Angeles Business Assistance Virtual Network (LABAVN) would be starting to track LGBT spend. LABAVN is the portal that all city agencies utilize for procurement.
 - v. Rebecca Ball, CDI – The Western Regional Minority Supplier Development Council (WRMSDC) held their annual event entitled "The Digitized Supplier", sponsored by Chevron. Task Force Member Cecil shared that every year, WRMSDC works to bring new and relevant content to attendees and maximized exposure to between suppliers and decision makers in the insurance industry. Imelda sat on a panel with Dr. Scott Vowels from Apple. Cecil expressed that the goal is always to bring content that has not been heard in other conferences, and this year, the focus was on technology. One of the most popular panels was a "Women of Color" segment, with two female corporate executives and two women entrepreneurs. They shared challenges and expanded upon how men can become allies.
 - vi. Rebecca Ball, CDI – The National Association of Women Business Owners (NAWBO) in Jacksonville, Florida will be in October, and Lisa Ling is slated as featured speaker. In the past, speakers have been Erin Brockovich and Elizabeth Gilbert.
 - vii. Chandara Phanachone, CDI – Chandara will be attending National Minority Supplier Development Council (NMSDC) Conference & Business Opportunity Exchange in Atlanta, GA next month. Over 6,000 attendees; CEOS, procurement executives and supplier diversity professionals are expected to be present.
 - viii. Rebecca Aguilera-Gardiner, IDTF – Rebecca's organization – VIB Network – will be hosting their 3rd annual conference in beautiful San Diego on October 28-29, 2019. Approximately 350 – 400 people are expected to attend. Highlights will be a mixed panel of corporations and government agencies talking about customizing the supplier's "business briefings" to the audience. Writing for government agencies is much different than writing a proposal for a private corporation. Tactical networking will take place at each table. Each table of ten (5 VBEs, 2 corporations, 2 government agencies and 1 facilitator) will have a few moments for diverse suppliers to discuss their core capabilities, while corporate/government representatives will share the procurement opportunities offered by their respective companies/organizations. By the end of the session, the goal is for participants to leave with a number of contacts that will connect them with procurement opportunities.
 - ix. Mark Morales, IDTF – LAGLCC will be hosting their Mega Mixer in early October. Over 500 attendees including government officials, LGBTEs from all types of businesses, corporate partners and stakeholders. The mixer will be held in West Hollywood.
 - x. Rebecca Aguilera- Gardiner, IDTF – Announced a Supplier Diversity Summit for Service Disabled Veterans in Downey, CA that will be hosted by Department of General Services next week. She will partner with Cole Woodman, Chairman of VIB, to deliver the keynote. Portfolio Managers, Program Managers and other procurement professionals will provide exposure to Service Disabled Veterans.
 - xi. Pat Fong Kushida, IDTF – Pat asked if anyone would be attending the supplier diversity En Banc in Fresno in early October. En Banc is hosted by the California Public Utilities Commission (CPUC) and participants will hear the leaders of California investor-owned utilities discuss supplier diversity and contracting opportunities. Attendees include local government officials, ethnic Chambers of Commerce, community based organizations and emerging firms. Rebecca Aguilera-Gardiner shared that she will be speaking at this event.

Other Announcements

- xii. Amorette Yang, CDI – Asked Annalisa Barrett (IDTF) how things are looking following SB826 being signed. What are the initial results? Annalisa advised that of the 670 publicly traded companies in California that are subject to the law, only 80 of them have at least one woman on the board. This provides great opportunity for improvement.

- xiii. Chandara Phanachone, CDI – The Diversity Initiative’s September 2019 newsletter highlighted the Illinois Governor’s signing of HB3394 which would require disclosure of demographics on board diversity among Illinois’ publicly traded companies by close of 2020 calendar year. Question for Annalisa Barrett, are you seeing similar bills like this in other states? Annalisa responded that there are a few bills in varying phases of the legislative process in other states. Bills either require a certain number of women on boards or that insurers provide demographic information via reporting. States with pending legislation are New Jersey, New York, Massachusetts, and Michigan.
- xiv. Mark Morales, IDTF – Mark understands that there is no budget allotted to the Task Force. Since there are some events the members of the Diversity team cannot attend, is there a budget to allow a member of the Task Force to go as a representative of the Department? Deputy Commissioner Amorette Yang (CDI) responded that Diversity Initiative has a limited budget that precludes us from attending all events, but that staff do prioritize attending key events given the budgetary constraints.
- xv. Mark Morales, IDTF – Mark inquired if Task Force members attend an event using their own resources, are they able to go as a representative of CDI? Deputy Commissioner Yang responded that we would need to review the Statement of Incompatible Activities. It is, however, acceptable to identify one’s involvement on the Task Force in bio or when speaking, but not to identify yourself as a representative of the Department.

IV. Public Comment

Public Attendee open-forum – Diversity related updates

- i. Janice Greene, WBEC Pacific –Janice spoke about the upcoming BOLD Success conference on November 5, 2019. Conference will take place at Silicon Valley Capital Club. Topics include: leveling up in business, investing in yourself and growing your business.

V. Next Steps and Adjourn

A. Contact us: diversity@insurance.ca.gov

B. Next Meeting: December 4, 2019

- i. Sal Peinado, Jr, IDTF Chair – Moved to adjourn.
- ii. Mark Morales – 1st the motion.
- iii. Rebecca Aguilera-Gardiner – 2nd the motion.