

**DEPARTMENT OF INSURANCE**

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**CDI INSURANCE DIVERSITY TASK FORCE (IDTF)  
 2<sup>nd</sup> QUARTERLY MEETING MINUTES**

**Wednesday, June 05, 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 – CDI staff, Rebecca Ball.**
  - i. Quorum Met. Task Force Members Present:**
    - (Located in Sacramento) Salvador (Sal) Peinado, Jr., Annalisa Barrett; Pat Fong Kushida;
    - (Located in Los Angeles) Mark Morales;
    - (Located in San Francisco) Jay Greene;
    - (Via Phone) Linda Akutagawa, Beverly Cole, Scott Diener, Cecil Plummer, Imelda Alejandrino
    - Absent: Dawn Marchand
- B. 2019 IDTF 1<sup>st</sup> Quarterly Meeting Minutes – Pat Fong Kushida moved to approve the minutes. Annalisa Barrett seconded the motion. With 10 Ayes, 0 Nays, 0 Abstentions, the Minutes were approved.**
- C. Guest Introductions – (In-Person) Theresa Martinez, Human Resources Management (CDI-Sac), Anthony Belcher - Wes-Tech Environmental (CDI-Sac); (Via Phone) Arnold Dicran- World Wide Technology, Brianne Chappel – Inyo County, Dave Clauser – Agrilogic Consulting, Edna Zapata-Fuller – State Compensation Insurance Fund (SCIF), Amber Kemp – California Hospital Association, Gabriela Morioka - Automobile Club of California, Daniel Schinler – First American, John Shirikian – Association of CA Life & Health, Sally Wilson – AFLAC**

**II. Insurance Diversity Initiative – 8<sup>th</sup> Annual Insurance Diversity Summit**

- A. 8<sup>th</sup> Annual Insurance Diversity Summit –**
  - i. Rebecca Ball, CDI – Announced that “Save the Date” email has been sent notifying stakeholders of the 8<sup>th</sup> Annual Insurance Diversity Summit that will take place in San Francisco, CA on Friday, November 15, 2019.**
    - Theme: “Uplifting our Communities”
    - Location: Mission Bay Conference Center – San Francisco, CA
    - Date: November 15, 2019
    - For any questions, please contact us at: [diversity@insurance.ca.gov](mailto:diversity@insurance.ca.gov)
    - Registration opens Summer 2019 – Please stay tuned since we are also planning to launch a mobile application for the Summit!
  - ii. Pat Fong Kushida, IDTF – Asked for CDI to provide list of 2018 sponsors and corresponding sponsorship amounts/tiers**
  - iii. Mark Morales, IDTF – Asked about Summit Matchmaking and if CDI can include, as part of registration, a request for their capability statement, business categories. Also, if it would be possible to have City National Bank (CNB) at the Resource Expo.**

- iv. Chandara Phanachone, CDI – Pat: Our team can provide you with the 2018 sponsorship information, and to Mark: We can certainly incorporate that as part of our registration portal, and we can look into seeing if there's availability for CNB at the Resource Expo.
- v. Annalisa Barrett, IDTF – Asked if it was possible to obtain a list of the attendees to see how many were directors, Vice Presidents, managers, etc.
- vi. Chandara Phanachone, CDI – Annalisa: Yes, we can provide that information to you in a spreadsheet from the 2018 Diversity Summit.

### **III. Insurance Diversity Initiative Updates**

#### **A. 2019 Legislation – Senate Bill 534**

- i. Chandara Phanachone, CDI – Provided an update of Senate Bill (SB) 534, which is currently sponsored by Commissioner Lara and authored by Senator Steven Bradford who introduced this legislation in February 2019. As an extension of the original insurance supplier diversity bill (AB 53), SB 534 focuses on supplier and governing board diversity and seeks to:
  - Require insurance companies to report on their supplier diversity and governing board diversity efforts
  - Expand the diverse supplier categories to include LGBT and veteran-owned businesses
  - Codify the Insurance Diversity Task Force, an advisory board for the Commissioner and Department
- ii. As of Wednesday, May 29, 2019, SB 534 has officially passed out of the Senate – its house of origin. Within the coming weeks, we will be sending out a request & templates for letters of support in anticipation for SB 534's upcoming hearing in the Assembly Insurance Committee (date TBD).
- iii. The current version of the bill has resulted in the removal of industry opposition, and we received a letter of support from the Association of California Life and Health Insurance Companies (ACLHIC).
- iv. We will continue to share details of the legislative proceedings as soon as that information is made available to us. Thank you for all the support letters we have received.
- v. Annalisa Barrett, IDTF – Has the author's office considered a co-author for SB 534? It would be beneficial to help continue moving the bill forward in the Assembly with the addition of an Assembly member as co-author.
- vi. Chandara Phanachone, CDI – At this moment, we are not aware of a co-author to SB 534. We will update you if we hear otherwise.

#### **B. Other Updates – Inner City Capital Connections (Stockton-Sacramento Cohort)**

- i. Chandara Phanachone, CDI – Updated the task force that Kaiser is continuing its partnership with Inner City Capital Connections (ICIC), a tuition-free executive education program that provides small- and medium-sized businesses in economically-distressed areas with three critical elements for sustainable growth: capacity-building education, coaching, and connections to capital and capital providers. In addition to executive education led by top-tier professors from leading institutions, selected participants go through intensive coaching sessions and have the opportunity to connect with capital providers from an exclusive portfolio made available through ICIC's partners.

The culminating event is the national conference, where program participants put learning into practice and can market and pitch their businesses. Since 2005, ICCS has helped over 2,200 businesses average 160% revenue growth, create 19,907 jobs, and raise \$1.92 billion in capital, and you can read more about their impact in their 2018 Impact Report.

- ii. If you are or know of a diverse business owner that meets the qualifications, please APPLY or NOMINATE a business today. The deadline is Wednesday, June 26 for the Sacramento-Stockton Cohort. If you have any questions, please reach out directly to Nadia Larasati, Senior Program Coordinator, at [nlarasati@icic.org](mailto:nlarasati@icic.org) or 617-238-3034.

#### IV. Task Force Updates

##### A. Task Force Advisory Groups

- i. Sal Peinado Jr., IDTF – Shared that he wants to focus on building momentum after task force meetings. Focus areas of Advisory Groups:
  - Work with CDI to develop content for Summit, especially increasing insurer attendance
  - Create strategic plan
- ii. Pat Fong Kushida, IDTF – We need to be part of the solution, so let's help create the infrastructure with the advisory groups.
- iii. Chandara Phanachone, CDI – I will be facilitating the advisory groups, so please send me your requests via email.

##### B. Past & Upcoming Events

- i. Cecil Plummer, IDTF – Shared the success of The 5<sup>th</sup> Annual Supplier Diversity Summit was a networking opportunity that has been designed to facilitate connections with diverse suppliers and State Compensation Insurance Fund's (SCIF) procurement team, prime suppliers, procurement professional from other companies, and supplier diversity business advocate organizations. The welcome plenary included remarks from CEO Vernon Steiner extolling his commitment to supplier diversity at SCIF.
- ii. Chandara Phanachone, CDI – Shared her experience at Greenlining's 26<sup>th</sup> Annual Economic Summit, "Reclaiming Our Time," on April 26<sup>th</sup> which took place April 26, 2019 in Oakland, California. Attendees grappled with new challenges and laid out bold ideas for building a more just America while recognizing the struggles of the past. "This is the place to continue the fight," said longtime Greenlining board member Olga Talamante, who served as the day's host. The program also featured an all new equity lab – a skill based interactive sessions to further social equality. The 2019 Economic Summit marked Greenlining's official farewell to longtime President Orson Aguilar as he finished up two decades with the organization, and was honored by Rep. Barbara Lee who entered a commendation for Mr. Aguilar as part of the Congressional Record, outlining his contributions to advancing employment, education, and racial equity.
- iii. Chandara Phanachone, CDI – Shared the National Association of Women Business Owner's (NAWBO's) 2019 Propel Conference, "Choosing to Own it," from April 28-30<sup>th</sup> featured a WBO to WBO matchmaking session to highlight the importance of doing business with other diverse businesses.
- iv. Chandara Phanachone, CDI – Will be attending CalPERS/CalSTRS upcoming Diversity Forum event from June 10-11 that will focus on the business case for diversity, and the state of diversity within the investment community.
- v. Chandara Phanachone, CDI – Will be attending the Women's Business Enterprise National Council (WBENC) National Conference later this month in Baltimore, MD.
- vi. Jay Greene, IDTF – The Golden Gate Business Association event, "The Pride of Retail" (in partnership with GAP Inc. and the SF Council of District Merchants Association) commemorates the 50<sup>th</sup> Anniversary of the Stonewall Riots in New York City whereby LGBT business owners had their businesses raided, so they came together to fight discrimination. This event recognizes local retail merchants, and we encourage allies to show up. The event will occur on June 18, 2019 from 5:30 PM to 7:30 PM at Goorin Brothers located at 1612 Stockton Street, San Francisco, CA 94133.
- vii. Linda Akutagawa, IDTF – Shared that the Leadership Education for Asian Pacifics (LEAP) is hosting its annual leadership awards celebration in downtown Los Angeles' Japanese American Cultural & Community Center Plaza on July 18, 2019. We want to be intentional about partnering and supporting local businesses. Please join us.
- viii. Mark Morales, IDTF – I am excited to be attending the upcoming NGLCC Business and Leadership Conference in Tampa, FL as an official sponsor with the Royal Bank of Canada – parent company to City National Bank.
- ix. Pat Fong Kushida, IDTF – California Asian Chamber of Commerce received a \$1M contract for cannabis, and there are business opportunities in 1) Manufacturing, 2) Distribution, 3) Cultivation, and 4) Retail. We need to engage nascent businesses and foster social equity in the cannabis industry.
- x. Chandara Phanachone, CDI – Thank you for these announcements.

### **C. Other Announcements**

- i. Annalisa Barrett, IDTF – Shared that following the passage of Senate Bill (SB) 826 (Jackson), other states, including Massachusetts, New Jersey, and Illinois, are considering similar legislation in regards to women on boards. Pursuant to SB 826, the first offense for non-compliance is a fine of \$100,000 followed by a \$200,000 fine for the 2<sup>nd</sup> offense. Some companies are still not in compliance, and the California Secretary of State's office will be releasing their list of companies on July 1, 2019.
- ii. Pat Fong Kushida, IDTF – How would a company find a women on a board, regardless if it's non-profit or for profit?
- iii. Annalisa Barrett, IDTF – Networking and diverse search firms, both large and boutique firms.
- iv. Sal Peinado, Jr., IDTF – Are we able to partner with another group about having a training to those that want to serve on a pubic board?
- v. Annalisa Barrett, IDTF – There are many great training opportunities that I can share with you on board readiness
- vi. Pat Fong Kushida, IDTF – The question is really what does a person do when they get on a board? What questions should they be asking as board members? You need to have expertise in shareholder pricing, compliance, and regulations.
- vii. Imelda Alejandrino, IDTF – There is a supplier diversity article regarding corporations that do not know how to connect with supplier diversity. For instance, the organization – Women Who Lead – put more diverse women on boards.
- viii. Beverly Cole, IDTF – I would like to volunteer on a board panel at the Annual Summit. I realize there is a demand for paid board positions, but of course, this also means that you need to commit to a certain number of hours as a board member.

### **V. Next Steps and Adjourn**

**A. Contact us: [diversity@insurance.ca.gov](mailto:diversity@insurance.ca.gov)**

**B. Next Meeting: September 12, 2019**

- i. Sal Peinado, Jr, IDTF Chair – Moved to adjourn.
- ii. Pat Fong Kushida – 1<sup>st</sup> the motion.
- iii. Mark Morales – 2<sup>nd</sup> the motion.