



APPROVED 12/02/20

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

**Wednesday, September 16, 2020
10:00 a.m. – 12:00 p.m. (PDT)**

Task Force Meeting held virtually

I. Task Force Meeting Call to Order

A. Task Force Roll Call – California Department of Insurance (CDI) staff, Amy Ives

i. Task Force Members Present:

- (All attendees participated via Zoom and phone.) Sal Peinado, Jr., Linda Akutagawa, Imelda Alejandrino, Annalisa Barrett, Rebecca Aguilera-Gardiner, Mark Morales, Cecil Plummer, Vikita Poindexter, Blong Xiong
- Absent: Milton Dellossier, Jay Greene, Maria Salinas

B. Establishment of quorum – Quorum met

II. Review and Approval of 2020 2nd Quarterly Task Force Meeting Minutes

Blong Xiong moved to approve, Annalisa Barrett seconded motion

III. Attendee Introductions –

- a) CDI Executives/Staff –** Senior Deputy Commissioner and Legislative Director Michael Martinez, Deputy Commissioner Julia Juarez, Chandara Phanachone, Monica Macaluso, Karisa Yocham, Uzma Rahman, Dystanie Flores, Zuleimy Gonzalez, Amy Ives
- b) Public Attendees –** Anthony Belcher (WesTech Environmental), Venita Johnson (WesTech Environmental)

Michael Martinez, CDI – Provided an update from the Policy & Legislation Branch of the Department. First, thanked the Insurance Diversity Task Force for their commitment. During this time, there is an increased attention on race and diversity in the insurance marketplace. This is the time to leverage the good work we have been doing and continue moving forward.

Legislative Update: [Assembly Bill 979](#) (Holden, Chiu and Cristina Garcia) is currently on the Governor's desk. This bill would require a mandatory number of board directors from underrepresented communities to serve on boards for public companies with principle executive offices in California. These directors would include members from underrepresented communities by both race/ethnicity and sexual orientation. Specifically, the bill calls for representation on boards from individuals who self-identify as Black, African American, Hispanic, Latino, Asian, Pacific Islander, Native American, Native Hawaiian, or Alaska Native, or members of the LGBT community. This bill has been successful on both sides of the Legislature, and rightly so, as it should not be a partisan issue. Hopeful that by the end of September, the bill will be signed into law by Governor Newsom.

NAIC Update: Commissioner Lara has been serving as a leading member of the National Association of Insurance Commissioners (NAIC) newest Special Committee on Race and Diversity in the insurance industry. His commitment to this issue has largely been shaped by his personal experiences from early life and by his dedicated career in public service which has guided his goals to advocate for all consumers in California. His goals reach beyond the NAIC initiative, and we are aware that given that California's Diversity Initiative is a leader with regard to diversity in the insurance industry, we will be looked upon as a national model. Michael thanked Chandara and team for all of their work.

California Wildfires Update: Today is a big day for the Department as Commissioner Lara announced a Virtual
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Homeowners' Insurance Investigatory Hearing to be held on October 19, 2020. Currently, there are over 100 wildfires burning in the state, and almost everyone has been adversely impacted in some way. We, as a Department, are wondering what more we can do for the wildfire victims. The goal of the hearing will be to look at changing regulatory actions to protect residents from the increasing risk of wildfires by looking at the affordability and availability of insurance at this time. The Commissioner's actions aim to help stabilize the insurance market while protecting lives and homes, reducing catastrophic wildfire losses, and increasing transparency for consumers. [Proposition 103](#) grants the Commissioner the authority to tackle the issue concerning the increase of non-renewals in order to continue to make homeowners insurance available in California.

Michael is pleased that the Diversity Initiative is placed under the Policy & Legislation branch within the Department. This is an important issue to the Commissioner and the work that we are doing is important to him both personally and professionally.

Linda Akutagawa, IDTF Member – Thanked Michael for update, especially regarding wildfires. Wondering how this impacts communities of color. She is aware that all communities are impacted by the wildfires, but concerned that communities of color are subject to further hardships.

Michael Martinez, CDI – Commissioner Lara has been involved in underserved and uninsured homeowners. With the specific issue pertaining to wildfires, the Department is going to continue to push to utilize the powers granted in Proposition 103 to ensure that rates are not excessive or discriminatory. In the hearing on October 19, the Commissioner is hoping to engage with consumer groups to advocate for the insureds.

IV. 2020 Virtual Insurance Diversity Summit – Updates & Discussion

Amy Ives, CDI – Registration is open for the 2020 Summit. The Diversity team will be sending out invitations to potential exhibitors and matchmaking attendees in the next few days. We chose the WHOVA event management platform and have found it to be very accessible. Encourage any feedback from Task Force members if they have had experience with the WHOVA platform.

Annalisa Barrett, IDTF – Will exhibitors have the ability to share reports to the attendees who visit the Resource Expo?

Chandara Phanachone, CDI – Yes, exhibitors will be able to share reports and engage with those that visit their virtual “booth.”

Mark Morales, IDTF – Participated in (an unrelated) event with WHOVA previously. WHOVA seems to be suited for an in-person event as there are lots of components that are intended for use with the app. When he was working from his desktop, he was receiving notifications that he was getting messages about people wanting to connect on his phone. Would like for us to be mindful that not everyone attending the Summit will be participating via the app, so please try to make sure that we keep that in mind in creating the event.

Uzma Rahman, CDI – Thanked Mark for feedback. Invited him to share these experiences with us so we can find out from WHOVA if there is a way to work on the issues he raised. The Whova platform is designed to integrate into a mobile app, so we will be providing key instructions for users to download and successfully use the app to make the most of the Summit.

Linda Akutagawa, IDTF – There is nowhere that it prompts you to add the event to your calendar. Not in the confirmation email.

Uzma Rahman, CDI—Thanked Linda for the feedback and would brainstorm a workaround strategy to address the issue.

Cecil Plummer, IDTF – Thinks that the investment and efforts to improve the app are much greater than the desktop. He recently heard a statistic that by 2025, 85% of work will be done with a mobile device.

Uzma Rahman, CDI - Uzma will be coordinating the Matchmaking for this year's Summit. Plans to have 2 – 3 insurers and 2-3 suppliers in a virtual room together. This will ensure that attendees will have the opportunity to meet with suppliers and insurers. In the past, we dealt with no-shows, which meant some people went without meetings and we don't want that to happen this year. Pre-registration is required for the Matchmaking portion of the Summit and attendees (both insurers and diverse suppliers) will be required to participate in a webinar ahead of the Summit. More information will be provided upon registration. There are three sessions scheduled for Matchmaking at this time: 11/12 from 2:15 – 3:00 pm (PST), 11/13 from 8:00 am – 9:00 am (PST) and 11/13 from 12:00 – 1:00 pm (PST).

Mark Morales, IDTF – Will be working with Diversity staff to, as in year's past, assist in the pre-Summit webinars to prepare diverse businesses with effective elevator pitches and capability statements and prepare insurers for what to expect.

Chandara Phanachone, CDI - Summit will occur over the course of two days, with two keynotes, one on each day. The keynote on the first day will be with Commissioner Lara and insurance executives, focusing on race and diversity in the insurance industry. Previously, the Summits have focused heavily on supplier diversity. We would like to have a good balance, including an emphasis on how board diversity decisions impacts organizational practices, such as supplier diversity programs, and those focused on promoting diversity and inclusion. The second keynote will be focused on governing board diversity. Chandara and Uzma are working with Annalisa and Vikita on developing this keynote. The emphasis will be on board diversity with a historical context of California's board diversity laws, including SB 826 and AB 979. It will include a robust policy discussion and identify opportunities that exist and what the future hold for board diversity. We are still looking for speakers and panelists and ideally will have all in place by end of September. Thanked Task Force in advance for their help with providing contacts for panelists.

Linda Akutagawa, IDTF – McKinsey has publicized the 3rd version of "Diversity Wins". It might be something to consider having them to give a presentation again. Data is fresh and there is now comparative data over time. Chandara asked Linda to provide a McKinsey contact if she had one.

Julia Juarez, CDI – Outreach branch has already reached out to the Capitol, district and congressional offices and have asked them to share the Summit's save the date with their constituents and other community groups. Will then be creating a campaign to send out later in the week that will include 629 Chambers of Commerce. Next month, there will be a larger push with phone calls. The goal is to reach everyone at least once.

Chandara Phanachone, CDI – Thanked Julia and the Outreach team for their efforts. Knows that their participation has been and will continue to be valuable in reaching as many attendees as possible.

V. 2020 California Insurance Diversity Survey – Updates & Discussion

Uzma Rahman, CDI – We are in the validation stages of the of the 2020 California Insurance Diversity Survey. In 2018, there were 239 required companies, and in 2019, there were 256 required companies. We have exceeded the 100% response rate. We have 251 companies for 2018 and 261 for 2019. We have been working very closely with Leo Lara from the Data Analytics and Reporting (DAR) team. We will begin the more extensive analysis in October and present the results at the Summit. The law requires that results are published on the Department's website by November 1, and we will meet that deadline.

Sal Peinado, Jr, IDTF – Do we have any idea how many companies reported zero in their diverse spend procurement?

Uzma Rahman, CDI – Have an idea, but not quite ready to report until all data is validated.

Venita Johnson, Public – Is it possible to get a copy of the survey?

Uzma Rahman, CDI – A copy of the survey is located on the Diversity website (www.insurance.ca.gov/diversity) with all the other survey resources.

VI. Statewide Coalition on Diversity Initiatives – Updates & Discussion

Chandara Phanachone, CDI – The idea for this Coalition started last year with Stephanie Green from the California Public Utilities Commission (CPUC) and Chandara discussing the possibility of convening a number of state agencies that have a mission to support or advance economic opportunities and/or outreach focused on supplier diversity programs and diverse businesses, etc. There are now 6 agencies involved in this Coalition, namely the California Department of Insurance (CDI), CPUC, Department of General Services (DGS), Department of Transportation (CalTrans), Office of Statewide Health Planning and Development (OSHPD), Governors' Office of Business Development (GoBiz). Coalition members are meeting bi-monthly to share resources and establish best practices. Commissioner Lara shared this new Coalition at the National Association of Insurance Commissioners (NAIC) meeting and is excited to promote the sharing of ideas that is happening.

Sal Peinado, IDTF – Is there any discussion about developing any joint events in the future? In this way, diverse supplier could meet with a number of State agencies in one place. Or also developing a statewide database that could provide opportunities for all the State agencies in one spot.

Chandara Phanachone, CDI – There are no joint events currently scheduled as our year is mostly planned, and so are the other agencies, however, there is opportunity for this in the future. Also, we have invited all of the agencies that are on the Coalition to participate in our Resource Expo at the 2020 VIDS.

VII. Past/Upcoming Events and Announcements – Updates & Discussion

Annalisa Barrett, IDTF – Has recently completed a report with [Ascend Pinnacle](#) regarding Asian representation on Fortune 1000 companies. California does have higher representation than most other states. Hawaii has the highest number of Asian Pacific Islander proportion of corporate board seats. However, that still does not come close to being a good representation of the state.

Uzma Rahman, CDI – Since the passage of SB 826, what is the number of women on boards in California?

Annalisa Barrett, IDTF – Since the passage, there has been an increase of 510 board seats. And while the gender diversity has improved, there has been little change in ethnic/racial diversity. The report with Ascend Pinnacle was done in support of Assembly Bill 979. The Ascend group emphasized the need for Asian Pacific Islander (API) to be included in the bill language. It will be interesting to see what the Governor decides to do regarding this pending legislation.

Linda Akutagawa, IDTF – For consideration, the Alliance for Board Diversity report in 2018 said that Latinos had the smallest growth in terms of Fortune 100 companies. Latinas lost seats, so it will be interesting to see if they make progress in the 2020 report. Generally speaking, it's often a game of musical chairs. Before the Latinos, it was the African American community that was losing seats. There have been two new initiatives released in the last month, [The Board Challenge](#) and [The Board Diversity Action Alliance](#), it will be interesting to watch these in the coming months.

Past Events

Vikita Poindexter, IDTF – National Association of Women Business Owners – California (NAWBO) held their Propel event on July 29, 2020 virtually. Over 300 attendees and the primary focus was on diversity. First Partner Jennifer Newsom and Secretary for the California Labor and Workforce Development Agency Julie Su participated in fireside chat. Chandara was a panelist in a session. Found that the number of attendees in the virtual platform was much higher than anticipated. Thinks it's because there were no geographical barriers. They are already planning for Propel 2021 in April and will be doing it virtually as well.

Mark Morales, IDTF – Long Beach Gay and Lesbian Chamber of Commerce held their first virtual Meet the Buyers event. Normally, Mark would emcee the event, but this time he was just a participant. Instead he spoke of the Task Force and the Summit.

Upcoming Events

Cecil Plummer, IDTF - Western Regional Minority Supplier Development Council (WRMSDC) is in the midst of their Summer Expo. Decided to break it up over several days. There are nearing the final installment of their Construction Series. They are completing their 4th year of the Supplier Diversity Best Practices Forum. At the end of October, will be holding the culmination of the Summer Series, and industry day for construction companies, owners and networking opportunities. They have done a soft launch of the new website and will be wrapping up the event year in November.

Rebecca Aguilera-Gardiner, IDTF – Currently in the craziness of planning the Veterans in Business (VIB) National Conference. They are almost at 400 registered attendees at this time. They are shooting for 500 attendees. Will be holding 18 breakout sessions. They opened it up to small businesses, minority owned businesses, every diverse community, excited about connecting small businesses. There will be 2 keynote speakers, [Robert Schaefer](#), a Special Forces Army Veteran who went into Afghanistan on 09/12/01. He now owns a bourbon company and they will be having an Army Special Forces Veteran being interviewed by a Navy Seal. Additionally, there will be [John Register](#), a Paralympic Veteran. Looking forward to a workshop called Certification Clarification, explaining the different types of certification.

Mark Morales, IDTF – Spoke very highly of the VIB Conference. Looking forward to attending.

VIII. Public Comment: Public Attendee open-forum related to items on Agenda

Venita Johnson, Public – Wants to go back to discussing Summit. Wes-Tech Environmental would like to go on record to reemphasize a request for the Cal-CRIS to have a workshop as well as take part in the general session. If the Task Force is making subject matter recommendations, West-Tech would like to be included. Thinks if you start

at the top with policy and board diversity, it is easier to implement down the line. Cal-CRIS can help insurers achieve their diversity goals.

Anthony Belcher, Public – One issue that he is concerned about is Proposition 16 which would repeal Proposition 209 from 1996. Also, thinks it's a good idea to allow for mini commercials or video uploads during the Summit registration.

Sal Peinado, Jr., IDTF – In regards to this item, would need to take to the Summit Planning Meeting and the decision would ultimately be made there.

Cecil Plummer, IDTF – Has some thoughts regarding the Cal-CRIS – but ultimately, more questions than answers. He is okay with the idea of recognition, but worried about the practical application. At this point, he is not convinced that West-Tech's Cal-CRIS proposal is developed enough to make a go of it. Sounds like it would be clearer for larger insurers, but not as clear for smaller to mid-size insurers.

Sal Peinado, Jr., IDTF – Is there any way to separate insurers into small and large, similar to the way that the CPUC does?

Uzma Rahman, CDI – Thinks that the best way to do this is by looking at diversity spend as a ratio instead of a dollar amount. This way, we can have a better picture of spending, without isolating smaller companies that do not have the big spend budgets as the larger ones.

IX. Closing Remarks & Meeting Adjournment

Motion to Adjourn Meeting: Mark Morales

Motion Seconded: Annalisa Barrett

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

B. Reminder for Final 2020 4th Quarterly Meeting Date: December 02, 2020 | 10:00am - 12:00pm (PST)