

MAYER | BROWN

GLOBAL INSURANCE INDUSTRY
YEAR IN REVIEW **2020**

EXCERPT

NAIC Tackles Race and Diversity

In 2020, the NAIC launched discussions specifically focused on issues of diversity and potential discrimination in the insurance industry. Against the backdrop of the murder of George Floyd in Minneapolis and the subsequent protests erupting throughout the US, in the Summer of 2020, the NAIC Executive (EX) Committee announced the formation of a special committee focused on Race & Insurance ("**R&I Committee**"). The R&I Committee is co-chaired by Ray Farmer, Director of the South Carolina Department of Insurance, and David Altmaier, the NAIC President and Commissioner of the Florida Office of Insurance Regulation.

The R&I Committee is charged with making recommendations to the NAIC Executive (EX) Committee and NAIC membership regarding steps that insurance regulators and the insurance industry can take to increase diversity and inclusion within the industry. The R&I Committee will review and address industry practices that potentially disadvantage minorities and actions to ensure ongoing engagement of the NAIC on these issues through charges to existing working groups, task forces and committees. To begin the NAIC's efforts, the NAIC held special sessions on race and insurance during its 2020 Summer and Fall National Meetings. Information obtained from discussions and topics addressed during these sessions will support the R&I Committee with its near and long-term objectives.

The R&I Committee has divided its work into five "workstreams." They are to:

1. Research and analyze the level of diversity and inclusion within the insurance industry;
2. Research and analyze the level of diversity and inclusion within the NAIC and the state insurance regulator community;
3. Examine and determine which practices or barriers exist in the insurance sector that potentially disadvantage people of color and/or historically underrepresented groups in the property and casualty line of business;
4. Examine and determine which practices or barriers exist in the insurance sector that potentially disadvantage people of color and/or historically underrepresented groups in the Life Insurance and Annuities lines of business; and
5. Examine and determine which practices or barriers exist in the insurance sector that potentially disadvantage people of color and/or historically underrepresented groups in the Health Insurance line of business.

Currently, each of the workstreams are in the process of collecting information—a process that will continue into 2021 and will lead to recommendations on future action steps being made to the R&I Committee. When asked about the concrete actions that the R&I Committee might take to address issues of diversity and potential discrimination in the insurance industry, Director Ray Farmer has stated that “everything is on the table.”

In addition, the NAIC, in September 2020, announced Evelyn Boswell as its first Diversity, Equity, and Inclusion Director (“**DE&I Director**”). The DE&I Director will be responsible for leading the NAIC DEI&I efforts throughout the organization, including overseeing the newly formed DE&I Council.

The creation of the R&I Committee and the DE&I Director position demonstrate the NAIC’s commitment to creating a diverse and inclusive industry. ■

Authors



Lawrence Hamilton

Partner

lhilton@mayerbrown.com

Chicago

+1 312 701 7055



Sanjiv Tata

Associate

stata@mayerbrown.com

New York

+1 212 506 2205

View the full [Global Insurance Industry 2020 Year in Review](#).

Mayer Brown is a distinctively global law firm, uniquely positioned to advise the world's leading companies and financial institutions on their most complex deals and disputes. With extensive reach across four continents, we are the only integrated law firm in the world with approximately 200 lawyers in each of the world's three largest financial centers—New York, London and Hong Kong—the backbone of the global economy. We have deep experience in high-stakes litigation and complex transactions across industry sectors, including our signature strength, the global financial services industry. Our diverse teams of lawyers are recognized by our clients as strategic partners with deep commercial instincts and a commitment to creatively anticipating their needs and delivering excellence in everything we do. Our "one-firm" culture—seamless and integrated across all practices and regions—ensures that our clients receive the best of our knowledge and experience.

Please visit mayerbrown.com for comprehensive contact information for all Mayer Brown offices.

Mayer Brown is a global services provider comprising associated legal practices that are separate entities, including Mayer Brown LLP (Illinois, USA), Mayer Brown International LLP (England), Mayer Brown (a Hong Kong partnership) and Tauil & Chequer Advogados (a Brazilian law partnership) (collectively the "Mayer Brown Practices") and non-legal service providers, which provide consultancy services (the "Mayer Brown Consultancies"). The Mayer Brown Practices and Mayer Brown Consultancies are established in various jurisdictions and may be a legal person or a partnership. Details of the individual Mayer Brown Practices and Mayer Brown Consultancies can be found in the Legal Notices section of our website.

"Mayer Brown" and the Mayer Brown logo are the trademarks of Mayer Brown.

© 2021 Mayer Brown. All rights reserved.