



TESTIMONY

John Arnold, Deputy Commissioner

Senate State and Local Government Committee

January 9, 2025

Good morning Chair Roers and members of the Senate State and Local Government Committee,

First, my apologies that I am not able to attend this morning's hearing in person. I truly wanted to testify in support of Senate Bill 2069 in person, but I trust that Matt Fischer, the Department's Chief Examiner and Division Director, will be able to answer any questions that you may have.

Secondly, I'd like to thank the Public Service Commissioner for submitting this bill for your consideration. The Insurance Department had also considered drafting similar legislation, and we feel that it is likely that many units of government will benefit from this proposal.

Twice in the current biennium, the Insurance Department has been impacted by notices that were not published in a timely manner. Once for the notification for a hearing considering the merger of two insurance companies, and again for a public hearing to received feedback on proposed administrative rules.

In the first instance, the notice was published far short of the scheduled hearing date, despite being given the notice approximately four weeks before the publication deadline, and only after we reached out to the Newspaper Association because we had not heard that the notice had been published. Since the companies involved in the merger also had to notify their members, the parties involved in the hearing agreed to the abbreviated notification timeline, and so the hearing was able to be held as scheduled. However, if the parties not come to an agreement this hearing would have been delayed a minimum of 4 weeks.

In the second instance, the notice for comment for a batch of administrative rules was published with the incorrect date, which was later than the deadlines that the Department must submit Administrative Rules for review. We had also published the correct date on both our website and the Secretary of State's public notice webpage. In consultation with Legislative Council, we held a first hearing as originally scheduled, and then held a second hearing on the date published in the newspapers. Since we received no feedback at either hearing, it was determined that we had meet the necessary timelines.

Admittedly, in both instances we were able to continue with minimal impact, but I'm sure that you can all understand the frustration and the quick work to make sure that that occurred.

Since I also have another example from prior employment with state government, I wanted to attempt to address the issue because I have to believe that it happens more than we are aware, but in those past experiences we were unable to come to agreement on a feasible proposal. I believe that the Public Service Commission has found a reasonable solution and would encourage a Do Pass recommendation on SB 2069.

Thank you.