COMMISSIONER’S CORNER

2022 FLOODING
Mother Nature hit hard this year. Our hearts and prayers are with the many Montanans and Montana communities hit hard and affected with flood damage. Kudos to the CSI team.

We quickly established a team to survey the damage and work with flood victims to answer questions about what was insured and what wasn’t. To the extent that we could help, we did. Above all else, we put ourselves out as a resource for Montanans during this unfortunate disaster.

We have been working with FEMA on navigating these issues and planning more outreach and education programs for Montana insurance agents. In addition, the NFIP program expires at the end of September. We are working with our congressional delegation evaluating the program including the many changes FEMA is proposing. As the Montana insurance commissioner, I will work with FEMA and the delegation to develop the best and most viable program for Montanans.

OUTREACH
The CSI team continues to reach out to industry, policyholders, communities, and tribal members to help educate, protect, and better understand issues facing all Montanans. This takes on a lot of different appearances as we do outreach on capital formation for entrepreneurs, financial empowerment and literacy education for under-served communities, consumer protection and access to insurance products in tribal communities, and general education on financial and insurance fraud.

FAST
During the National Elder Abuse Awareness Day, we announced our Financial Abuse Specialist Team (FAST) to help investigate and prosecute financial fraud against seniors. We see FAST as a resource for collaboration with county attorneys, law enforcement, State agencies, and consumers in combating financial fraud and protecting seniors.

POLICY
We will spend much of the summer with our outreach programs and working with stakeholders on policy ideas we plan to bring next legislative session. Early stakeholder involvement will help us refine policy changes quickly and give us more opportunity to present strong, meaningful, and well thought out policy to the legislature.

Kind Regards,

TROY DOWNING

CONTACT US

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GET SOCIAL WITH US

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@MTCommissionerSecuritiesInsurance
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Early bird tickets are on sale at the discounted price until July 31st! Please visit csimt.gov/events to purchase.

We are working hard on all of the details for the 2022 Montana Insurance Summit on November 7th. Below is a sneak peak at the draft agenda. Visit our website at csimt.gov/events to view the full size version.

<table>
<thead>
<tr>
<th>NOV 06</th>
<th>NOV 07</th>
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<tbody>
<tr>
<td><strong>COCKTAIL RECEPTION &amp; EARLY CHECK IN</strong></td>
<td>5-7PM</td>
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<tr>
<td></td>
<td>Join the CSI team, Commissioner Downing, and Summit presenters for a no-host cocktail reception. You will also have the opportunity to check-in early to the CSI Insurance Summit!</td>
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<tr>
<td><strong>8:00-8:30</strong></td>
<td>Registration</td>
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<tr>
<td><strong>8:30-9:00</strong></td>
<td>Introduction</td>
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<tr>
<td><strong>9:00-10:15</strong></td>
<td>The Future of Insurance &amp; Cybersecurity (1 CE)</td>
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<tr>
<td><strong>10:15-10:30</strong></td>
<td>Break</td>
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<tr>
<td><strong>10:30-11:20</strong></td>
<td>Combating Insurance Fraud (1 CE)</td>
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<td></td>
<td>Matthew Smith; Executive Director</td>
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<td>Coalition Against Insurance Fraud</td>
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<tr>
<td><strong>11:20-12:10</strong></td>
<td>Commissioners Panel (1 CE)</td>
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<td>Moderator—Commissioner Troy Downing</td>
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<tr>
<td><strong>12:10</strong></td>
<td>Lunch Buffet</td>
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<tr>
<td><strong>12:30-1:30</strong></td>
<td>Keynote Speaker with Lunch</td>
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<tr>
<td><strong>1:30-2:20</strong></td>
<td>Breakout Sessions (1 CE)</td>
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<tr>
<td></td>
<td>1:45-3:10 Property &amp; Casualty Hot Topics</td>
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<tr>
<td></td>
<td>1:45-3:10 Health Insurance Issues</td>
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<tr>
<td><strong>2:20-2:40</strong></td>
<td>Break/ Snack</td>
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<tr>
<td><strong>2:40-3:30</strong></td>
<td>Identifying and Reporting Elder Exploitation (1 CE)</td>
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<tr>
<td><strong>3:30-4:30</strong></td>
<td>2023 Legislative Session</td>
</tr>
<tr>
<td><strong>4:30-5:00</strong></td>
<td>Closing Remarks</td>
</tr>
</tbody>
</table>

*This agenda is a draft and is subject to change.*

**LOW INCOME HOUSING & DAYCARE**

While Montana’s economy is strong, two of the greatest challenges to continued growth are affordable housing and daycare. To help with these concerns, Commissioner Downing proposed exploring state land leases that would allow a developer to build low-income housing and daycare facilities on state school trust lands. Leasing state lands to a developer to build low-income housing and daycare facilities is a win, win, win, win: Montana’s economy can stay strong with qualified workers; workers can have access to affordable housing and daycare; developers can have a good return on investment while keeping rents low because they will not have to factor in the up-front expense of purchasing land; and the schools will benefit from a higher lease rate.

**TIMBER SALES**

Timber sales on state trust land in seven counties across the State were unanimously approved by the State Board of Land Commissioners this quarter. The revenue generated for Montana from the 2nd quarter timber sales is expected to exceed $2.1 million, with approximately $1.4 million of that revenue benefiting common schools across Montana.

**OIL & GAS LEASE**

In June, DNRC held another oil and gas lease auction using the online auction marketplace EnergyNet, where over 69,000 lease acres were sold. This sale yielded the highest per acre bid the State has seen at $5,905 per acre. At the June meeting, the board unanimously approved the oil and gas lease sales of 179 tracts, totaling over $361,000, all benefiting schools. If the leases are developed and begin to produce, additional revenue will be generated from the royalties.

Visit csimt.gov/land-board for meeting details or to watch live!
In a recent letter to the Securities and Exchange Commission, Commissioner Troy Downing expressed concerns and strong opposition to proposed rules that could have devastating impacts for Montana’s investors, natural resource development, energy production, agriculture, and thousands of jobs.

The letter, sent to SEC Chairman Gary Gensler, outlines the Commissioner’s concerns regarding the proposed “Enhancement and Standardization of Climate Related Disclosures for Investors” rule. Visit csmt.gov/news (6/6/22—“Downing Strongly Opposes SEC Proposed Rules”) to read the entire letter.

CSI & MONTANA’S TRIBAL NATIONS

Our agency continues to take positive steps in our efforts to expand outreach to Montana’s tribal nations and drive open discussion at the National Association of Insurance Commissioners (NAIC) American Indian and Alaska Native Liaison Committee.

Recently, Commissioner Downing led an informative session at the NAIC Spring Meeting with Montana tribal community leaders. Insurance commissioners from across the nation received information on tribal successes in response to COVID-19, discussion of access to insurance products on Montana tribal lands, and overall cultural awareness.

This summer, Commissioner Downing will commence the first stop on our statewide tribal listening tour with the Confederated Salish and Kootenai Tribes. With our tribal partners, we are actively engaged in exploring opportunities to support community initiatives addressing financial empowerment, homeownership, and the role of insurance in building businesses and protecting assets.

Our hearts are with all Montana communities affected by recent flooding. Please use our agency as a resource. Our Policyholder specialists are always ready to answer questions and walk those affected through insurance questions and options. CSI is available at 406.444.2040 or visit our website at csmt.gov/your-insurance/flood.

PURCHASING FLOOD INSURANCE

Whether you’re buying a new policy or renewing an existing policy, you can buy flood insurance by calling your insurance company or calling your local insurance agent, many of whom can write flood insurance directly with the National Flood Insurance Program (NFIP).

If you don’t have an insurance company or if your insurance agent does not sell flood insurance, use the NFIP insurance provider locator to find a provider near you—floodsmart.gov/flood-insurance-provider.

To purchase NFIP flood insurance, you must live in a participating community. Find out if your community participates in the NFIP and learn if your community receives discounted flood insurance rates at fema.gov/flood-insurance/work-with-nfip/community-status-book.

INSURANCE PROFESSIONALS: BECOME AN NFIP SELLER OR SERVICER

If you are an agent interested in helping to protect your neighbors and earn more income, visit agents.floodsmart.gov/agents-guide/eligibility.

DID YOU KNOW?

To protect your home or business from flooding, the National Flood Insurance Program covers up to $1,000 for sandbags, pumps, and lumber to help you avoid losses due to flooding.
MONTANA’S NEW FINANCIAL ABUSE SPECIALIST TEAM (FAST)

The mission of the CSI Financial Abuse Specialist Team (FAST) is to provide a coordinated response to elder exploitation referrals with a time-sensitive, targeted evaluation by securities and insurance specialists. FAST consists of a dedicated a securities investigator, an insurance investigator, and at least one prosecutor to coordinate responses.

We are proud to introduce our highly qualified CSI FAST members:

- **Ryan Sullivan**, Examiner Investigator, has over 17 years of extensive investigative experience advocating for victims of fraud. He started in the private sector before joining the Montana Department of Justice and most recently with the Office of the Montana State Auditor Securities Division.

- **Rodney Harker**, Insurance Fraud investigator, previously worked as a Senior Investigator/Analyst for the State of Washington Medicaid Fraud Control Division. His experiences consist of working complex Medicaid fraud, neglect, abuse cases, and serving as a law enforcement officer.

- **Mark Mattioli**, Deputy Chief Legal Counsel, has extensive civil and criminal trial and appellate experience. He previously served as , Chief Deputy Attorney General, and most recently, Chief of the Montana Office of Consumer Protection. He has led efforts to increase public awareness of elder justice issues, while overseeing civil enforcement actions and criminal prosecutions involving elderly victims of financial exploitation.

- **Chris McConnell**, CSI attorney, has over 12 years of prosecution experience, including white collar crime and elder abuse prosecution. Chris was a member of Montana’s Elder Abuse Task Force and provided trainings across Montana to law enforcement, victim service providers, county attorneys, and financial professionals.

The goal of CSI FAST is to review referrals within 72 hours, consider feedback, present options, and take appropriate action. We will partner with industry stakeholders and other state agencies to provide resources to vulnerable persons while formulating real-time, strategies.

REIGNING IN THE BAIL BONDS INDUSTRY

Fugitive recovery agents have unique powers and authorities usually only granted to highly trained law enforcement professionals. Under the current law, this industry with broad arrest powers, has little oversight, qualifications, or basic training standards required to operate in Montana communities. The abuses from a small set of bad actors in this industry are a clear threat to the rights of Montanans.

In the 2023 Legislative Session, CSI will introduce a bill to reform fugitive recovery. We will be seeking two changes to statute that we believe will help solve many of the problems in fugitive recovery in our great State:

- **Require all recovery agents to be licensed surety insurance producers.**

  Through licensure, our agency can enforce minimum qualifications, training standards, and background checks. Bondsmen and recovery agents abusing their authority will have their licenses revoked and lose their authority to write bonds or arrest defendants.

- **Implement transparent reporting requirements.**

  Bondsmen will also be required to report all arrests to our agency as a condition of licensure. Reporting will dissuade bad actors from engaging in abusive behaviors without unduly restricting bondsmen from protecting their interests.