

President's Message

By Al Fabricius, LUTCF



Another Year, and a new State President. Some things change and some things don't. The focus every year for me and the Executive Board is the welfare of NDAIFA (our members), our Careers as we know it today and of course the growth of our Membership.

Needless to say, as State President I am very pleased to have an excellent Exec Board Team to work with this year. Their dedication and enthusiasm is very contagious.

Oh Oh, there is that word ENTHUSIASM. I have used that word a lot over the years and I included it in my remarks at the state convention. Allow me to repeat a couple of comments. There are three (3) words that have aided me in reaching different goals in my practice as well as personal life. They are 1. Enthusiasm, 2: Commitment and 3: Loyalty. Here is how I relate those words to NDAIFA 2006.

Enthusiasm: I am excited to be a part of NDAIFA as your leader. At the time of writing this article we have done 3 separate Association Leadership Conferences (ALC's) and have found the same level of enthusiasm from those Local's as I have. We need to be excited about our individual practices AND we need to be EXCITED about NDAIFA. I pledge to bring a lot of Enthusiasm to our state association.

Commitment: When we work with our clients, they are looking for a Career Agent that will be committed to their portfolio as if it was our own. If there is no commitment from us as Advisors, we will soon lose those clients. I will adopt the "talk the talk" and "walk the walk" theory for 2006. I know the Executive Board is committed to our membership growth for 2006/2007 and we hope that each of you will continue or renew your commitment to NDAIFA as well.

Loyalty: I think that loyalty has to be earned not expected. By showing a high energy level of enthusiasm and commitment to our organization, it is my hope that your loyalty to NDAIFA will grow as well and help us reach our goals for 2006/2007.

Please feel free at any time to call me if there is some way I can be of help for you and your local association. I will always try to make time to accommodate.

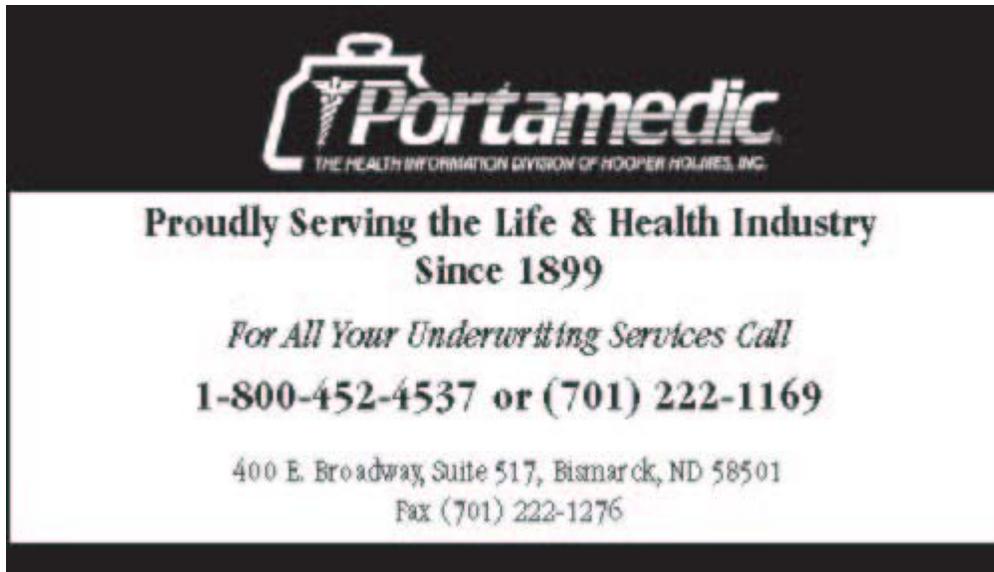
Just a couple more items I want to mention. First, please read the latest issue of The Advisor as it mentions many ways we can expose the importance of Life Insurance Awareness Month. Our fellow North Dakotans need to know and understand just how important Life Insurance REALLY is. Second, please mark February 5 on your calendar. That is the day we travel to Bismarck and attend the "Day with the Legislators" or should I say the Legislative Reception. It is critical that we have "a ton" of our members

attend. And last but certainly not least, please mark May 9,10,11 as those are the dates for our state convention to be held in Bismarck.

So, from our Executive Board and as your State President, have a terrific fall and let's make it happen in 2006. Let's start the momentum NOW for a TERRIFIC 2006!!!

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PORTAMEDIC



LILI - Leadership Development Training

By Keith Phillips

I am sure many of you have heard of LILI. This stands for Leadership In Life Institute. The first LILI class in North Dakota was held earlier this year with graduation on July 11th. If you have talked with a LILI graduate, I am sure you felt their excitement.

The next class will begin Friday, December 1st. I know that may seem like a long time from now, but applications will close on September 30, 2006. The class is limited to 10 participants, so if you are considering LILI, you need to decide fairly soon.

I invite you to visit the NAIFA website for more information on LILI (<http://www.naifa.org/benefits/education/lili.cfm>). Or, speak to one of the LILI graduates in North Dakota, they are; Nancy Bayer, NDAIFA State Executive, Jeff Case, Minot AIFA, Ted Haugan, Minot AIFA, Shawn Gruenberg, NAIFA of Fargo-Moorhead, Bob Joerger, NAIFA of Fargo-Moorhead, Jason Middaugh, NAIFA of Fargo-Moorhead, Todd Otto, NAIFA Roughrider, Julie Phillips, NAIFA of Fargo-Moorhead Local Executive & myself.

Please feel free to call me for information, I can be reached at 218-236-0948, or call the NDAIFA office at: 701-258-9525 or info@ndaifa.org

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MSAIFA REPORT

By Pat Saltsman, CLTC, Local President

What a great and busy year this will be as Bismarck is the site of the 2007 NDAIFA convention. Thank goodness for a great bunch of volunteers who have already stepped forward and for those who will volunteer as the year progresses.

The convention will begin with the annual Freedom Builder Fund golf tournament on Wednesday May 9th, 2007. Thursday May 10 we will all gather at the Kelly Inn in Bismarck for a day of fun, CE speakers and some great exhibitor booths with an awards banquet that evening. Friday will bring the convention to a close with CE on Ethics and the Annual NAIFA Meeting. Something new this year will be a Rock and Roll theme with Blue Jeans and a plain colored or white T shirt during the day and black tie for the awards banquet. So plan on attending and having some fun!!!

If anyone has a name for a speaker they would like to submit for the convention, please submit the name, topic and charge to the state office (info@ndaifa.org) by Sept. 1, 2006 and a committee will decide. This way everyone has an equal opportunity to submit names.

So, please mark your calendars now for May 9th - 11th 2007 NDAIFA Convention at the Kelly Inn in Bismarck. See you there!!!

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Advisors Political Involvement Committee

As insurance and financial advisors, NAIFA members are experts at communicating the need for various insurance and financial products. In our profession, we think nothing of calling prospective clients to talk about the benefits of life insurance and financial planning. This puts NAIFA members in an ideal position of carrying the industry's message to our elected officials. Yet, too many of us are intimidated by the thought of talking to our legislators, even though they hold the fate of our business in their hands.

As Charles Hebner, former speaker of the Delaware House of Delegates, has noted, "The most effective lobbyist I will ever face is a registered voter from my district who comes to me with a well-documented explanation of how the legislation will affect him." There is simply no substitute for informed NAIFA members who can provide their legislators with real-life examples of how a bill will affect their clients.

With thousands of trade associations and other interest groups lobbying Congress every day, it is imperative that our voices are heard loud and clear above the din. In this way, Congress gets the right message -- delivered by the right people. If we fail to talk about the issues that affect our very livelihoods, then others will step in. And, you can be sure that others will not carry the message that you would like delivered. Like the old adage says, "If you want something done right, you've got to do it yourself." This applies to the political arena as well as it does to other areas of our lives.

Communicating with your members of Congress -- that's what the Advisors Political Involvement Committee (APIC) is all about. Formerly known as LUPIC, APIC has over 2,200 NAIFA members serving as contacts for their senators and/or representative. Many are close, trusted advisors, finance chairs and personal agents of members of Congress. All have agreed to serve as NAIFA's foot soldiers on the front lines.

To sign up as a legislative contact talk to APIC chair John West or Dave Middaugh, complete the form on our website (www.ndaifa.org) or call the APIC Office at NAIFA at (703)770-8154. Or visit our web site at www.naifa.org.

Isn't it time you signed up as an APIC contact? As part of APIC's grassroots lobbying program, you will join forces with over 2,200 other insurance and financial advisors who understand the importance of political involvement and communicating with elected officials. You

don't have to be "into" politics. It's a matter of insurance -- insuring that your legislators understand the importance of your business.

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IFAPAC

The Insurance and Financial Advisors Political Action Committee (IFAPAC) is a term used to describe collectively the PAC sponsored by NAIFA at the federal level and the PACs sponsored by each state association. Each PAC is a fund that supports the campaigns of candidates for public office who understand issues important to insurance agents and financial advisors. IFAPAC's goal is to help the associations advance the legislative and regulatory interests of the members of NAIFA. While any U.S. citizen can contribute to IFAPAC, only members of local NAIFA associations may be solicited to do so.

Contributions must be voluntary. Contributions are not tax deductible for federal income tax purposes. Of approximately 3,700 political action committees registered with the Federal Election Commission, IFAPAC ranks in the top 1 percent. IFAPAC is the largest insurance PAC in the country. In the last election cycle, the national IFAPAC and the 50 state IFAPACs contributed approximately \$2.5 million to federal and state candidates and committees.

The IFAPAC network is needed even in years when there aren't federal elections. The candidate evaluation and support processes go on all the time. PACs that have the resources to make contributions when candidates need them most are highly visible in the political arena. IFAPAC occasionally makes debt-retirement contributions following elections and some states hold elections in odd-numbered years. On the national level, a panel of ten NAIFA members, appointed by the Executive Committee of NAIFA, determines which candidates for federal office will receive PAC contributions. This group is called the Candidate Selection Group.

On the state level, \$9,950 in contributions to 77 candidates were made last month by the IFAPAC-ND Board of Directors.

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Membership News

Keith Phillips, LUTCF - NDAIFA Membership Chair

Happy New Year! July 1st marked the beginning of the new NAIFA year. New officers start their term and our state and local Associations are putting plans together for a successful 06-07 year.

Membership is no different. I am extremely excited to say that as the state membership chair, I have two very enthusiastic, proven assistants in Sharon Opdahl from North Valley AIFA and Jeff Case from Minot AIFA. Sharon was instrumental in helping North Valley achieve 111.90% of their 05-06 membership goal and Jeff was instrumental in aiding Minot in achieving 105.08% of their membership goal. Sharon will be assisting me in helping local Associations with retention of current members and Jeff will assist in new member recruitment. These two people have a tremendous amount of membership knowledge and experience, and I would encourage you to seek their assistance.

I realize that membership plans and goals are nothing new. In fact you probably get tired of hearing about it. However, it is extremely important that everyone helps with increasing membership. Please think about the following:

1. Increased membership brings additional revenue to the state and local Associations. Costs to operate and legislate rise each year. Increased membership allows our Associations to avoid dues increases or at least minimize the increase. No one wants to see dues increases. However, as costs increase, revenue must come from somewhere.
2. New members bring new blood and fresh ideas to our Associations. If you are frustrated by being asked year after year to serve as an officer or volunteer in some other capacity, you need to recruit new members to take your place.

Last year there were some good things that happened with membership and some not so good. I really believe that our biggest obstacle to a successful membership campaign is that not everyone is on board. Too many people expect the membership committee, the local board or the membership chair to carry the load.

Let's get a good jump on the 06-07 year. "Everyone on board."

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ISSUE SUMMARY

The US Senate passed by an overwhelming margin the Pension bill (H.R. 4). Since the House passed an identical bill last week, the bill will proceed straight to President Bush for his signature. The President is expected to sign it at the earliest possible moment.

In addition to the pure pension provisions that are important to businesses and workers alike, the bill contained several provisions that insurance agents and financial advisors will find helpful in their practices. They are:

1. Investment Advice- The bill allows advisors representing 401 (k) plan administrators to provide specific advice to workers pondering their investment options under 401 (k) plans.
2. Life insurance/Annuity/LTC insurance combinations—The bill removes tax law impediments for insurance companies to make combination policies available and for life insurance and annuity owners to use policy cash values to pay for long-term care needs.

3. COLI-Clarifies the tax rules governing the business use of life insurance. Adopts industry “best practice” standards.
4. Investor Owned Life Insurance-dropped a provision to place an excise tax on insurance policies, but instructs the Treasury to conduct a study and return within two years with recommendations to address the issue.

Prior to enactment of the pension bill, the Senate failed to muster enough votes to take up the estate tax “reform” bill also passed by the House last week. The Senate will now join the House in recess until after Labor Day.

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LIAM - Life Insurance Awareness Month

State Legislators Join Growing List of Government Entities Supporting Industry-wide Initiative

July 25, 2006 – On Saturday July 22, a prominent group of state legislators adopted a resolution in support of the goals and ideals of “Life Insurance Awareness Month.”

At its summer meeting, the National Conference of Insurance Legislators (NCOIL) passed the measure, which recognizes September 2006 as “Life Insurance Awareness Month.” The goal of the public education campaign is to make consumers more aware of the essential role of life insurance in a sound financial plan and encourages them to seek information and tools that will help them better understand life insurance—studies show that 70 million Americans say they lack the life insurance coverage they need to help ensure the financial security of their loved ones.

Coordinated by the Life and Health Insurance Foundation for Education (LIFE), Life Insurance Awareness Month is an industry-wide initiative that includes the participation of some 90 life insurance companies and 14 trade associations, including the National Association of Insurance and Financial Advisors (NAIFA). The life insurance industry will conduct a wide range of sales and publicity programs in and around the month of September. For its part, LIFE plans to spend millions of dollars in September educating consumers about the benefits of life insurance and the importance of seeking financial advice from qualified insurance professionals. LIFE’s publicity plans include print, radio and television advertising. It has also retained Olympic figure skating champion Scott Hamilton as this year’s celebrity spokesperson.

NCOIL joins a growing list of state and federal government entities backing Life Insurance Awareness Month. In June, the National Association of Insurance Commissioners (NAIC) Life Insurance Committee passed a similar resolution. Resolutions have also been introduced in the U.S. House of Representatives and Senate;

both houses of Congress are also expected to give their overwhelming support for the campaign. In addition, a letter of support is expected from President George Bush.

“The support given by NCOIL and other government entities reinforces the government's continued recognition of the essential role of life insurance in the financial lives of the American people,” said David F. Woods, CLU, ChFC, LUTCF, NAIFA's chief executive officer and LIFE's president. “It's critical that state and federal government officials join the life insurance industry in efforts to help Americans understand the importance of having adequate life insurance coverage to protect their loved ones.”

About LIFE: The Life and Health Insurance Foundation for Education (LIFE) was founded in 1994 in response to the public's growing need for information and education on life, health, disability and long-term care insurance. LIFE also seeks to remind people of the important role insurance professionals perform in helping families, businesses and individuals find the insurance products that best fit their needs. To learn more about these topics, please visit www.life-line.org.

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Proclamation



Governor Hoeven 1 Signing LIAM Proclamation declaring September 2006 Life Insurance Awareness Month in North Dakota



DEPARTMENT OF INSURANCE
STATE OF NORTH DAKOTA

Jim Poolman
Commissioner of Insurance

August 2, 2006

Ms. Nancy Bayer
Association Executive
North Dakota Association of
Insurance and Financial Advisors
1811 E. Thayer Avenue
Bismarck, ND 58501

Dear Nancy:

In response to concern over the large number of Americans lacking adequate life insurance protection, the NAIC Life Insurance and Annuities Committee joined the effort to designate September 2006 as "Life Insurance Awareness Month" by passing the enclosed resolution for its support.

As North Dakota's Insurance Commissioner, I am pleased that NDAIFA members are promoting "Life Insurance Awareness Month" to give North Dakotans a better understanding how life insurance works and the critical role it can play in protecting the financial security of their loved ones.

Thank you, Nancy, for the fine work your organization does on behalf of our state's insurance and financial industries. I know you will use this opportunity to continue your efforts to make North Dakotans more aware of their life insurance needs and encourage them to seek advice from our state's qualified insurance professionals.

Sincerely,

A handwritten signature in blue ink, appearing to read "Jim Poolman", written over a large, stylized blue circular mark.

Jim Poolman
Insurance Commissioner

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NATIONAL ASSOCIATION OF INSURANCE COMMISSIONERS

**Resolution in Support of Recognizing
September 2006 as Life Insurance Awareness Month**

To be considered by the NAIC Life Insurance and Annuities (A) Committee on June 11, 2006, and the Executive Committee on _____ 2006.

WHEREAS, in a letter dated August 18, 2005, President George W. Bush thanked the life insurance industry for its efforts to help America's families achieve financial security: "Life insurance companies provide valuable services that help workers and their families meet their financial needs"; and

WHEREAS, on July 25, 2005 by a vote of 377 to 4 the United State House of Representatives passed House Concurrent Resolution 181 recognizing September 2005 as Life Insurance Awareness Month in the U.S.; and

WHEREAS, on July 28, 2005, the U.S. Senate in a unanimous vote passed Senate Resolution 233 recognizing September 2005 as Life Insurance Awareness Month in the U.S.; and

WHEREAS, in 2004 and 2005 a majority of state governors signed proclamations recognizing September as Life Insurance Awareness Month; and

WHEREAS, life insurance owned by individuals and businesses provides much needed income replacement to spouses and families who have lost loved ones whose income they relied upon for sustenance and economic well-being; and

WHEREAS, nearly 50 million Americans say they lack the life insurance coverage needed to ensure a secure financial future for their loved ones; and

WHEREAS, life insurance tools such as wealth transfer, estate tax equity and estate planning help provide economic stability and security for families throughout our great Country; and

WHEREAS, life insurance usually pays for burial costs, unpaid medical fees and other unexpected expenses related to fatal illnesses, injuries and death; and

WHEREAS, the Life and Health Insurance Foundation for Education (LIFE), the National Association of Insurance and Financial Advisors (NAIFA) and a coalition representing hundreds of leading life insurance companies and organizations have designated September 2006 as "Life Insurance Awareness Month," whose goal is to make consumers more aware of their life insurance needs, encourage them to seek professional advice, and take the actions necessary to achieve the financial security of their loved ones;

NOW, THEREFORE, BE IT HEREBY RESOLVED, that the Life Insurance and Annuities (A) Committee of the National Association of Insurance Commissioners hereby recognizes September 2006, as Life Insurance Awareness Month, and directs that this resolution be presented for consideration by the NAIC Executive Committee and Plenary.