



# Dakota Advisor

NAIFA-North Dakota

## President's Message by Jay Burgad, LUTCF

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### College SAVE 529—Our name says it all:

Saving for college doesn't just happen. It should be part of your clients' overall financial plans. **College SAVE** is the tax-advantaged, flexible way to invest today in children's (or grandchildren's) future education. (See page 6)

Here we are already with only a little more than 4 months left of the NAIFA fiscal year. I hope each of your locals by now have provided a venue to finish the year packed full of great meetings. I know Fargo is looking forward to and excited about seeing all of our members joining them at the NAIFA state convention in May. (Details to come) I'm looking forward to another great convention! Hats off to Grand Forks for a job well done at last years convention!

Thank you Jason Midgaugh and all of your local PAC chairs throughout the state for doing an outstanding job in succeeding your state PAC goals for the year! Jason was recognized recently at the PIC/PAC training meeting in DC last month. PAC-ND received best in reaching goal for the number of members contributing, having over 30% of members contribute, and percentage of fundraising goal reached. While in DC Jason Midgaugh, Jim Simons and myself visited all of the offices of our congressional leaders. All of the

meetings were very well received by all of our congressional representatives and or staff. Topics were to the point, very specific about current bills that would affect our business and future benefits for our clients.

Thank you Jim for organizing that and being a great PIC chair! :)

February 4th we had a legislative reception in Bismarck with all of our legislators throughout the state. We had 28 sponsors that funded the event and a room full of legislators and NAIFA-ND members discussing bills that were of significance to our clients and members. What a great way to understand our political process a little better. Some of us also sat on the floor during session! Our legislators do seem to enjoy having visitors!

Thank you Dave Midgaugh for making this event happen for finding the sponsorships! Also thank you to Norbert and Nancy for all the time to track our bills and creating the

relationships necessary so legislators want to use us as a reference for bills pertaining to Insurance and financial concerns. If you have any questions about a bill or voting record of a particular legislator call Norbert or Nancy! What a great resource!

Looking forward to seeing all of you at our state convention!

Thank you to all of our members for the commitment you make every day for the financial well being of your clients!

Go out and help another! :)

Respectfully your President,

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*Your Success  
is our bottom line.*

We're on the web...  
[www.naifa-nd.org](http://www.naifa-nd.org)

Mark your  
calendars....

NAIFA-ND State  
Convention  
**May 15-17, 2013**  
Doublewood Inn, Fargo

**Renew your NAIFA  
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will need your user  
name (NAIFA ID num-  
ber) and password (last  
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## Local Association Reports

### NAIFA - North Valley by *Shari Hanson, President*

NAIFA North Valley had representatives go to the Legislative Reception. Gregg Webster, John Halsten-son and Harlynn Bjerke attended. Looking forward the next few months we have for our February speaker Susan Drenth an elder law attorney from the Vogel Law Firm speaking March we have Deb Thompson, Executive Director from the YMCA in Grand Forks and April we have Barry Wilfhart from the Chamber. Bonnie Baglien our Membership chair and our committee continue to work at increasing membership.

### NAIFA – Central by *Mike Bergquist, President*

Central will be holding the first meeting of 2013 in February. We will be addressing a membership drive, as we do have many potential prospects.

### NAIFA – Minot by *Jim Simons, President*

The highlight of our quarter was our October Meeting where we presented our Legislative Forum. We invited all the legislators as well as candidates for the legislative seats from around the Minot and NW North Dakota area. We had an excellent turn out from both legislators and candidates. We discussed pass issues where the legislators had supported our bills and discussed new items that may appear on the floor in the 2013 session. We also discussed statewide issues on the ballot. Each legislator and candidate was given the floor for a few minutes to talk about issues important to them. We also finished up the year with a successful IFAPAC campaign. We had over a 40% contribution rate from our mem-bers. We welcome new member John Carlson of Thrivent Financial.

### NAIFA—Missouri Slope by *Pat Saltsman, President*

We are over ½ way into the year and I feel like we are so far from the finish line. My goal is to have 115 members by the end of June and but we can't beat apathy. For me it seems as though the apathy is coming from lack of knowledge. I really don't believe that agents would refuse to join NAIFA if they knew what we are facing in Congress.

Below is what will be discussed at the Congressional Conference in Washington D.C in April.

Congress should strip every tax deduction and exclusion from the federal tax code (including, for exam-ple, those for employer-provided health insurance, pension payments and life insurance and annuity cash values). No tax benefit should be returned to the tax code unless Congress concludes that "on bal-ance, the public policy benefit of providing that benefit ... outweighs the complexity it imposes on taxpay-ers."

This is the advice of National Taxpayer Advocate Nina Olsen, who as head of the government's Tax-payer Advocate Service offered her recommendations to Congress last week. Olsen's is just one of many voices Congress will hear as tax-reform efforts begin in earnest this year. NAIFA members need to join the conversation and explain to Congress that life insurance products are crucial to the 75 million middle-American families we serve. Making these products less attractive to consumers or more difficult to obtain is simply bad policy.

Let your voice be heard!

I realize we all can't attend the conference but we can let our voices be heard by joining NAIFA to sup-port those that are fighting for our careers. Most of our \$41/month dues goes to National to get our lob-byist in front of Congress to be OUR VOICES!!

I have said it many times, NAIFA is our career insurance!! It is the one that fights the tax free benefits of our products. So my dear fellow agents, it is not apathy it is lack of knowledge that keeps our fellow agents from joining. So it is our JOB to get the word out.

With that said, I invite ALL of you to our March 11<sup>th</sup> meeting at the Elks. Please bring a guest so we can explain what NAIFA is about. Our March 11 meeting will be in the TR bar at the Elks from 5-7!!! The board will buy you one beer and one burger!! PLUS the guest you bring will also have a beer and burger on the board.... Just doesn't get any better than that. Being this is a NAIFA meeting it is only for NAIFA members and prospects, not family members. I really hope to see all of you there. Please try and bring one prospect to our meetings. WE NEED MEMBERS...

Blessings to all of you.

## Government Relations *by Norbert Mayer*

The NAIFA-ND Board met on Monday, February 4th and took positions on six bills before the ND Legislature. Those positions and current Legislative action taken are included here for your information and were made available to the 70+ Legislators attending the Legislative reception.

Thank you to all who took time to sit with your Senator or Representative during the Monday floor sessions, attended the Monday evening reception and attended Committee hearings on Tuesday morning. This grassroots involvement is the true strength of our Legislative influence. Whenever you contact your Senator or Representative, be sure to let them know that you are a constituent. If you have not already made this personal contact, there is still time. Please let Nancy or me know if we can be of assistance.

**Support HB 1098** This bill permits the ND Ins. Commissioner to make a written request to the ND Tax Commissioner for confidential tax information, but only if the commissioner has started an investigation of an applicant or licensee of a suspected or actual fraudulent insurance act. The Tax Commissioner may only release information as to the tax type, the tax period for which a return has not been filed and if the taxpayer has failed to pay any tax, the amount of tax, penalty and interest owed. (Passed House 86-0) We support because it gives the commissioner another fraud investigative tool.

**Support HB 1117** This bill provides that personal financial and health information related to requests for consumer assistance received by the ND Ins. Commissioner is confidential, unless the consumer gives written permission to release the information. Nothing in this bill prohibits the commissioner from using this information in the furtherance of any regulatory or legal action brought as a part of the commissioner's official duties. (Passed House 87-0) We support because it provides confidentiality of a consumer's personal and financial information.

**Support HB 1168** This bill permits the ND Ins. Comm. to provide requirements for initial health plan enrollment periods, annual open enrollment periods and requirements for any special enrollment periods to mitigate adverse selection or other undesirable market effects in individual health plans sold inside or outside a health benefit exchange under the Affordable Care Act. (Passed House 91-0) We support because it limits enrollment to prescribed enrollment periods as opposed to enrolling only when a need for insurance exists.

**Support SB 2074** This bill increases the penalties for insurance fraud by creating a new class B felony if the value of property or services involved exceeds ten thousand dollars, and changing the class C felony level from current values in excess of five thousand dollars to five hundred dollars. All other values remain a class A misdemeanor. (Passed Senate 44-3) We support because the increased penalties provide a greater disincentive to committing fraudulent insurance transactions.

**Oppose SB 2235** This bill would prohibit insurance companies from basing policy rating differentials on gender. This would restrict the ability to underwrite/rate on an actuarially sound basis. The proposal to eliminate the use of gender in rating auto policies represents a significant deviation from sound underwriting principles. (Failed Senate 3-42) We oppose because statistical information indicates a significant differential in risk exposure based upon the gender of the insured.

**Support SB 2304** This bill permits the ND Ins. Commissioner to require all new applicants for a resident producer license to complete a criminal history background check as provided by the ND Bureau of Criminal Investigation. It does not apply to license renewals. (Passed Senate 47-0) We support because it provides the Commissioner an additional tool to acquire adequate background information on all new applicants.

## APIC *by Jim Simons*

We had an election in November that may have resulted in new legislators in your district. Nancy has sent our APIC Contact Roster. Be sure to update your Association Roster as soon as possible.

We also have two new members in Congress. Congratulations to Senator Heidi Heitkamp and Congressman Kevin Cramer. We hope to make appointments with them as well as Senator Hoeven when we attend the PAC/PIC training set for Washington DC in late January 2013. Norbert Mayer, ND Government Relations Chair and I met with Julie Fedorchak from Senator Hoeven's staff in December and discussed issues such as tax treatment of our products and the Affordable Care Act.



*NAIFA President Robert O. Smith, NAIFA-ND PIC Chair Jim Simons, NAIFA-ND PAC Chair Jason Middaugh, NAIFA-ND President Jay Burgad, and NAIFA President Elect John Nichols.*



## NAIFA Benefits with Your Membership

The National Association of Insurance and Financial Advisors NAIFA Endorsed E&O Program offers NAIFA members *multiple coverage benefits* and *customizable coverage options* from a *top rated carrier*.

### NAIFA Endorsed E&O Coverage Benefits:

**Competitive Rates**

**Individually Underwritten Policies**

**Prior Acts Coverage & Optional Extended Reporting Period**

**Multiple Limit & Deductible Options**

### Professional Services Covered:

**Life Insurance, Including Variable Life Insurance Products**

**Annuities, Including Variable Annuity Products**

**Accident & Health Insurance, Including Long Term Care and Disability Insurance**

**Optional Endorsements for Financial Products, Mutual Funds, Property & Casualty**

Start Enjoying the Protection of NAIFA Endorsed E&O Today! If you have any questions, contact the NAIFA team at CalSurance at 888-833-2304 or visit [www.naifaeo.com](http://www.naifaeo.com).

**Advocacy Highlight:** Join us on April 8 and 9, 2013 in Washington, DC for the NAIFA Congressional Conference. With the National Debt at \$16.4 trillion and rising, comprehensive tax reform is a top priority for the new Congress. **Lawmakers and the insurance industry agree that agent involvement is necessary to create sound tax policy.** This grassroots summit will provide NAIFA members with a platform to communicate their expertise and concerns to their elected officials in a meaningful and impactful way. On April 9 NAIFA members will travel to Capitol Hill to educate **members of Congress** and their staff about the value of life insurance, annuities, retirement savings and employee benefits. Join your industry colleagues in this effort and register today at [www.naifa.org](http://www.naifa.org).



*When a quality E&O policy counts...*



### The NAIFA Endorsed Professional Liability Program

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- Subpoena compliance coverage
- Disciplinary proceeding coverage

Find out more about the NAIFA endorsed Professional Liability Program by visiting [www.naifaeo.com](http://www.naifaeo.com)

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Saving for college doesn't just happen. It should be part of your clients' overall financial plans. **College SAVE** is the tax-advantaged, flexible way to invest today in children's (or grandchildren's) future education. Choose from age-based portfolios or design your own customized investment strategy.

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**If your client is not a North Dakota taxpayer, consider before investing whether their or the designated beneficiary's home state offers any state tax or other benefits that are only available for investments in such state's qualified tuition program.**

**For more information about North Dakota's College SAVE Plan, call 1-866-SAVE-529 (1-866-728-3529), or visit [www.collegesave4u.com](http://www.collegesave4u.com) to obtain a Plan Disclosure Statement. Investment objectives, risks, charges, expenses, and other important information are included in the Plan Disclosure Statement; read and consider it carefully before investing. Upromise Investments, Inc., Distributor and Underwriter.**

The College SAVE Plan is a 529 Plan established by the State of North Dakota. Bank of North Dakota acts as trustee of the College SAVE Trust and is responsible for administering the Plan. Upromise Investments, Inc. and Upromise Investment Advisors, LLC serve as the Plan Manager and Recordkeeping and Servicing Agent, respectively, with overall responsibility for the day-to-day operations, including marketing and distribution of the Plan. The Vanguard Group, Inc., provides underlying investments for the Plan. The Plan's Portfolios, although they invest in mutual funds, are not mutual funds. Units of the Portfolios are municipal fund securities and the value of units will vary with market conditions. Investment returns are not guaranteed, and you could lose money by investing in the Plan.

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