



September 20, 2022

The Honorable Julie Calley
House Rules & Competitiveness Committee
N-1191 House Office Building
Lansing, MI 48933

Dear Chair Calley:

On behalf of the Board of Directors and membership of the American Fraternal Alliance, I appreciate the opportunity to share our support for Senate Bill 712, legislation that would strengthen fraternal life insurers doing business in Michigan. The American Fraternal Alliance is a national trade association representing more than 50 fraternal benefit societies operating in the United States, including two fraternal societies domiciled in Michigan and 320,000 policyholders across the state.

Fraternal benefit societies are 501(c)(8) member-owned organizations that provide life insurance products to help members secure their financial futures and fund a variety of benefits – from college scholarships to financial literacy programs – and community service projects. For more than 100 years, fraternal societies have served as a different kind of insurance provider and one of North America's largest volunteer networks at 7 million members strong. In Michigan, fraternal benefit society members contributed more than \$23 million to local communities and volunteered 2 million hours of their time in 2021 alone. Enactment of this proposed bill will help ensure that they are able to continue this community-focused work for years to come.

In late June, SB 712 was passed unanimously in the Senate by a vote of 38-0. Similar legislation has been enacted in Minnesota, Pennsylvania, Wisconsin, and Texas and is pending in Ohio. This common sense, pro-consumer legislation protects individuals from potential loss should the fraternal insurer reach a regulatory insolvency trigger. This bill will strengthen the entire fraternal community, allowing societies to better fulfill their financial and service missions in Michigan and across the country.

I urge you to support SB 712 so that fraternal societies can better serve both their members and those in need for decades to come. Thank you for your consideration.

Sincerely,

A handwritten signature in cursive script that reads "Allison H. Koppel".

Allison Koppel, CAE
CEO
American Fraternal Alliance

