

Susan K. Neely
“We Make Certain”
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Good morning! What a pleasure to be together and welcome you to our nation’s capital once again.

Before we begin, I want to take a moment to extend our gratitude to someone whose leadership has taken us the extra mile – our Chairman of the Board, Andy Sullivan.

Many may not know, but Andy stepped into the role of Chairman a year earlier than was anticipated. He never skipped a beat. Andy’s personal connection to our advocacy mission was on display. He walked the halls of ACLI and inspired our staff with stories of purpose. He walked the halls of Congress and inspired Members of Congress on the powerful work of this industry.

Andy leads with a measured resolve that has advanced industry dialogue and preserved the unity that is vital to our success.

Andy -- thank you for your leadership and service to this industry. And thank you for the invaluable counsel you provided to the ACLI team and me. We appreciate you.

You learn very quickly in the world of Associations that you cannot be effective without engaged leadership. We are so fortunate at ACLI to have leaders that engage *and* do so proactively. Our incoming chair Paul Quaranto is no stranger to proactive leadership, and we’re looking forward to working together with him.

As we come together as an industry this week, we do so with a landscape ahead of us that is not easy to traverse. It’s fraught with political headwinds, macroeconomic ebbs and flows, and cultural shifts.

But no one is better prepared for that landscape than us – who better to navigate uncertainty and manage risk?!

Today I want to talk about that landscape, the risks it involves for our industry and ACLI, and how we – as your trade association – continue to build on our already strong advocacy capability for now and in the long term.

For over a century, this industry has been a pioneer of financial innovation. You’ve shaped the modern retirement system, maneuvered through changing regulations, explored new markets, and launched new innovative products that address the needs of modern family structures.

Change is constant, and we are not strangers to it. You earn your stripes as an 170-year-old industry by being self-aware, looking ahead and addressing risks in new ways.

Today, you are taking on digital transformation, climate change and disaster relief, investments, and the demographics of the 100-year life. You are grappling with the potential and challenges of AI technology and how it will shape claims, distribution, and underwriting processes to enhance customer experience while managing risk effectively.

You are leading in a rapidly evolving labor market, finding ways to retain and motivate a modern workforce. You are recruiting a workforce with the best mathematical, actuarial, and technical experts WHO ALSO care about mission and purpose.

You are expanding digital capabilities to meet consumers where they are and you're equipping the agent force with tools to reach modern consumers.

And we know, because we work with you day in and day out, that you are addressing these realities, not because they are trendy – but because they are *trending*. And addressing them is necessary to success.

There is no better industry to dissect trends than one that is long-term focused at its core. And through your smart planning, you are continuing to help customers fortify their lives through life insurance, retirement savings, annuities, long-term care insurance, short-term disability income insurance, and supplemental benefit insurance – just as you have done for a century and a half or more.

We are not a risk-averse industry. We are a risk-aware industry. We prepare so people can face the risks of life head on.

The same is true for us as your trade association. Like you, ACLI is studying trend lines and assessing political risk.

There are many political forces at play that connect directly to our advocacy. Here are three that have our eye.

First, the typical factors that have driven politics and elections have been upended.

Culture wars continue to dominate the political landscape. It's challenging to engage in productive policy discussions when the focus remains on choosing sides.

Many voters believe that the American Dream is no longer attainable, and that government is not working for them ... or anyone. This sentiment is fueled by a growing economic and opportunity divide.

Education has become a dividing line in political affiliation. Progressives tend to have an edge with college-educated voters. Conservatives have advantage with non-college educated voters, including in-roads with Black and Hispanic non-college voters.

America's suburbs are more diverse, and they are more than ever the new ground zero for presidential elections.

The educational sorting, the geographic shifts, and the economic changes have reshaped the political landscape.

The majority of states are no longer politically competitive. That means the battleground states *in the middle* now hold the key to the 2024 presidential election.

Second, we're facing unprecedented levels of hyper-partisanship.

Decades of political science trends have shown that while constituents disapproved of and criticized Congress as a whole, they would support their own Representative – if he or she was “bringing home the bacon.” Not today. Trend lines show that people are more willing to vote for their political party, in spite of the results the candidate from the opposed party might deliver.

As an industry who serves all people, regardless of political ideology, our mission to preserve our bipartisan brand is more essential – and more difficult - than ever before.

Third, our digital world has fueled a shift to nationalized politics.

Policymakers from the same political party, regardless of whether they are state or federal, borrow ideas, soundbites, and narratives. State politics are no longer confined within their borders.

What emerges in Virginia can appear in Iowa and Oklahoma. Or what appears in Connecticut can emerge in Illinois or California. Add to that, the average tenure of an insurance commissioner today is only three years. That makes it easier for aggressive commissioners to take an action that can ripple across state lines quickly.

Just as you are adapting to the new business realities and accounting for trends, we are doing our own evaluation of these political realities.

From the beginning, ACLI has been in the business of building strong relationships. We've been carrying the message of this industry to policymakers. That's not new. That's effective lobbying. And we do a damn good job of it!

Five years ago, I told you we would raise our game. Our goal was to take our trade association from an 8 or a 9 to a 10.5 in terms of our risk awareness, preparation, and powerhouse status so we could brace any storm and navigate the choppy political waters.

Together, with the support of our Board and the involvement of many of you in this room, we have done that.

Our champion building and policymaker education is best-in-class. We are bringing ideas to the table. Policy leaders see us as solutions oriented. They are calling us to the table.

Our grassroots network continues to outpace and outperform among the top trade associations. We have 150,000 permanent members of our Protecting Every Future community. These people care about financial security enough to send texts and letters to their elected officials.

Can I tell you something? 50% of that community has acted more than once on issues we care about.

That level of engagement blows past benchmarks. That means they are committed, engaged and making a difference.

Our collaboration with our industry family is stronger than ever. We lock arms with NAIFA, Finseca, and IRI and go forward with a consistent message: we are FOR family financial security.

Here's an example. A few months ago, NAIFA's Diane Boyle organized the first-ever fly-in of all-women NAIFA agents. And 14 of those women raised their hand to share their story on camera at ACLI to tell the good work they do to help people live better lives. And now, as we battle it out on fiduciary, each of those agents is on the front lines sharing what is at stake. That's a powerful message from powerful messengers.

We're bringing data to Capitol Hill and state capitals. We have the numbers behind why good policy matters. Through our research analysis, we give policymakers tools to bolster their problem solving. We did it when we demonstrated how many people would benefit from SECURE and SECURE 2.0.

We did it to show the shattering effects of fiduciary regulation. Through consumer research, we showed how consumers respond to life insurance applications, so we can better advocate on issues like algorithmic accountability. Data speaks, and we've got it.

We're bringing the conversation to the Kitchen Table. Our video series continues to rally policymakers and community groups around common challenges they are trying to solve. Did you know an episode we recorded with Senator Casey and the National Disability Institute brought in over 1 million views? Another episode with MANA, a prominent Latino organization, is nearing 2 million. That's modern advocacy.

We have a strong unified message. We have a rock-solid industry story, built not on assumptions, but on actual data and real-life proof. Just look at the global pandemic. We paid out \$100 billion in life insurance benefits in 2021.

We were there for people and our country in the darkest hours. We've localized our impact by showing how our investments benefit local schools, roads, healthcare facilities, housing, and more.

We are resilient. Look no further than the 15-year low interest rate environment. This industry navigated that with aplomb. For 9 of those years, the Federal Funds rate was almost zero. For a highly regulated industry reliant on corporate bonds and mortgages, this is noteworthy.

We have earned our seat at the table – AND we are using it.

Our story is needed more now than ever. With financial security as our core business, we fight:

- to safeguard and expand access for all Americans to protect the people they love.
- to address anxieties about financial shocks through all stages of life.
- to meet the moment for community strength every day as a major source of capital with \$7.9T invested in the U.S. economy.
- to stand strong when our nation is challenged.

No matter what is thrown our way, we can move forward with certainty because we know we will rise to any challenge. Our story is powerful, and the proof is there.

And just as you are constantly innovating to make sure your products are the most accessible, most efficient, most effective that they can be, we are doing the same.

In order to maintain our 10.5 status in this crowded, noisy, competitive environment, we have to keep getting better.

We are elevating partnerships. We're reaching beyond the borders of our industry family to build coalitions and alliances that extend to community groups. Financial issues touch almost every person and family. We are working with community groups to find where the strength of our missions intersect. These partnerships are the cornerstone of future advocacy. They maximize our influence, and touch lives and communities in meaningful ways.

We are mastering our message. Five years ago, we set out to be known more for what we're for than what we're against. The good news is that, for those who hear our story, the more they understand and believe in what we do for society. Our reputation among policymakers is higher than ever.

The challenge is market penetration. The competition for attention in Washington is fierce. To break the sound barrier, we're embarking on the next phase of research and analysis. We are building understanding about what messages stick and what economic data is useful to policymakers.

We're staying ahead of the curve by refining the advocacy toolbox. We're preparing not just for today, but through 2025 and beyond. The regulatory and policy landscape is evolving, but we're stocking our toolbox with strategies and resources that will give us the edge. We are resolute in our commitment to these efforts.

There is uncertainty in the economy – will there be a “soft landing” or not? Will rates increase further? Will unemployment remain low? How will commercial real estate fare in a post-COVID environment?

There is uncertainty in innovation – how will AI fit into everything? Where is the next digital crisis? There is uncertainty in politics – what will happen in the 2024 elections?

Nobody knows the answers to these questions. In fact, uncertainty is life.

But do you know who is best equipped to manage uncertainty? The life insurance industry.

From this industry’s perspective, we are in the business of managing risk and uncertainty.

From this association’s perspective, there is no better story to tell than that of a successful, long-term oriented industry as the answer to uncertainty.

We bring CERTAINTY to life.

We make certain families thrive, communities thrive, businesses thrive and this country thrives.

Thank you.