

Exhibit 1

Minutes of the

North Carolina Innovation Council

Wednesday, August 31, 2022

The North Carolina Innovation Council [IC] convened in virtual format via Webex, for its fifth meeting on August 31, 2022, at 3:00 pm.

Chairman Katherine Bosken called the meeting to order and led the IC in the Pledge of Allegiance. Chair Bosken announced an amendment to the agenda to include the report-out Vice-Chair Baxter’s Temporary Rulemaking Working Group. This will be Agenda Item III [a]. Chair Bosken then called roll, and the following participants were in attendance:

Appointed Members		Government Members	
Lawrence Baxter	X	Commissioner Katherine M.R. Bosken [NCCOB]	X
Tariq Bokhari	X	Robert Croom [NCDOI Designee]	X
Leonardo Diosdado	X	Bill Toole [NC SOS Designee]	
Stephanie Dunn	X	Phil Woods [NCDOJ Designee]	X
Douglas Hague	X		
Vijay Srinivasan	X		
Agnes Gambill West			

Counsel for the IC, James Bernier, was also present.

After determining that a quorum was present, Chair Bosken read the conflict of interest statement, and issued a call for conflicts. Hearing none, Chair Bosken moved on to Agenda item II and asked for comments regarding the July 20, 2022 minutes. No comments were offered.

Vice-Chair Baxter moved to approve the minutes; Councilmember Woods seconded, and the motion carried unanimously.

Chair Bosken directed the IC's attention to Agenda item III and requested Vice-Chair Baxter debrief the members on the Temporary Rulemaking Working Group's findings. Vice-Chair Baxter thanked Councilmembers Woods, Hague, West, and Croom for their assistance on this working group. Vice-Chair Baxter provided a summary of Exhibit 2 which is attached. Following issues identified at the July 20, 2022 IC meeting, this Working Group met to review the possibility and practicality of applying North Carolina's temporary rulemaking procedures and other technical amendments for the purpose of expediting the IC's ability to receive applications. The Working Group recommended pursuing a technical amendment as the most expeditious way for the IC to receive applications. Councilmembers Hague and West volunteered to prepare an initial draft which would then be submitted to Councilmembers Woods and Crooms offices for review before presenting to the whole IC. Additionally, the Working Group recommended identifying the legislative sponsors of the original bill to enlist their support for the technical amendment. Vice-Chair Baxter enlisted the help of Councilmember Bokhari and Chair Bosken, as well as any IC member, to identify those sponsors. The Working Group hopes to present the technical amendment to the full IC at the next scheduled meeting. Vice-Chair Baxter asked Working Group members to provide additional input.

Councilmember Hague explained his strategy to review amendments from other states and then create an initial draft that included everything needed vis-a-vis rules, statutes, and guidelines. Those elements could then be parsed out as appropriate in later revisions from the Working Group. Additionally, he would like to include assistance from doctoral students in UNC Charlotte's Public Policy and Administration program, if approved by the IC. Chair Bosken supported the involvement of the doctoral students in drafting the technical amendment.

Councilmembers Woods and Croom offered to send Councilmember Hague reading materials on the application process. These materials may aid in the development of the amendment. Councilmember Hague intends to complete the initial draft over the next several days and will then send it to Councilmember West for review and revision.

Councilmember Croom suggested that a more detailed proposal would be helpful in justifying the budget request. For example, in addition to offering a budget, it would be helpful to include details regarding the number of staff needed, types of positions needed, etc. Councilmember Hague responded that he will include placeholders for those positions and numbers needed.

Vice-Chair Baxter reminded the IC that this funding request is still active. Councilmember Bokhari remarked that the original bill sponsors will be glad to have this moving again since it fell off the radar during the short session. Vice-Chair Baxter hopes to have the technical amendment available for review by the IC at the next scheduled meeting. Chair Bosken stated that September 28 was the date for the next meeting, noting that it might be an ambitious timeline to have a full draft prepared for the IC. Councilmember Hague stated that the overall goal was to have the draft prepared, revised and approved by the IC by December.

Chair Bosken thanked Vice-Chair Baxter and the working group for their efforts thus far and redirected the IC to agenda item 3b, discussion of the public website.

Chair Bosken shared her screen of the draft version of the public facing website for the Regulatory Sandbox and guided the IC through various aspects of the website. The first point of discussion regarding the website was in regards to the 'expression of interest to participate form'. This form would be completed by parties with a particular request for the IC. The interest form would then go into a database and would be emailed to select members of the IC. Chair Bosken noted that the IC does not currently have a general inbox but she would propose that.

Next, Chair Bosken demonstrated how the website could be easily translated into a number of different languages. She encouraged feedback from the IC regarding additional languages that should be included.

Following a brief overview of the draft website, Chair Bosken asked the group for questions. Councilmember Hague asked if the IC needed to pay IT for creating the website, or if this was a state service. Chair Bosken responded that she believes it is a state service. IT will stand up the website but content updates will need to be done by someone at the state who has access.

Councilmember Diosdado asked how the intent form will work. Specifically, will it go to Chair Bosken's office or will it be centralized. Chair Bosken responded that she does not expect a blast email to go to every member of the council but rather to a selected member. The recipient of the intent form could then deliver a monthly report out to the IC.

Vice-Chair Baxter remarked that he anticipates a formal application page as well as other information and engagement pages on the website.

Councilmember Hague expressed some uncertainty about what interested parties may want from the IC and asked if checkboxes should be included on the form. Chair Bosken expressed

reservations about providing checkboxes in that it may cause submitted to consider it an application for waiver. She did state that the form could be built out to include additional narrative directing the interested party to be specific in their request.

Councilmember Woods raised questions of privacy, particularly if anything was uploaded. Chair Bosken stated there would be no uploads.

Chair Bosken reported September 15 as the goal for putting the website into production. Vice-Chair Baxter expressed concern about being able to get all of the information ready and on the website by then and asked if language such as “coming soon” could be added. Chair Bosken reported that the website could be delayed until November.

Councilmember Hague asked if this website would include meeting minutes for the IC to which Chair Bosken confirmed.

Councilmember Diosdado remarked that it would be good to publicize the website on social media channels, e.g. Twitter. Chair Bosken stated that public records laws on social media were complicated. Counsel for the IC, James Bernier, reported that he would look into this. Vice-Chair Baxter asked if IC members could tweet in a personal capacity and link to the site. IC Counsel Bernier posited the critical question being “are you doing council business.” If so then the tweet is subject to public records law.

Councilmember Bokhari remarked that social media was not as challenging [in regards to public records law] as text messaging since social media is already public. He felt that being able to announce the website on September 15 would be good; it would increase awareness.

Concluding discussion on this agenda item, Chair Bosken stated that she was hearing support for publishing the website on September 15. No opposition was raised.

Chair Bosken opened the floor for comment and feedback from IC members. Councilmember Hague directed a question to Councilmember Croom regarding the DOI’s filing of exceptions to the omnibus insurance bill, Senate bill 496 (pg 69). [Link](#) Councilmember Croom confirmed the exceptions filed and briefly described the nature of the exceptions to the IC. The exceptions related to residential property insurance rates, high risk auto insurance, and the financial solvency of companies. Councilmember Hague noted that further discussion may be warranted based on the nature of participation requests being received.

Councilmember Bokhari commented that the original Sandbox legislation was very specific but as it went through revision, it became more vague. He supported getting explicit authority from the regulating agency.

Chair Bosken noted that she was unaware of the insurance modifications. She asked if there were any other questions. Vice-Chair Baxter posed a question for the Counsel of the IC. In regards to a Zoom recording of a small group meeting, should those be submitted to the public record. IC Counsel stated that he didn't think small group meetings had to be recorded but if they were then the recording would need to be preserved. Councilmember Croom then inquired about the records retention policy. Chair Bosken informed the IC that she established a sharepoint site for public records of this council. She asked Vice-Chair Baxter if he could send a copy of the recording. Vice-Chair Baxter confirmed he would send a copy if in fact there was a recording made. IC Counsel stated that if it was recorded then the copy could be uploaded to the sharepoint site and that would satisfy public records law.

Hearing no further questions or comments from the IC, Chair Bosken asked for a motion to adjourn. Vice-Chair Baxter moved to adjourn and Councilmember Hague seconded. The motion was carried unanimously and the meeting adjourned at 4:00.