

**North Carolina Innovation Council**  
**Thursday, March 31, 2022**  
**1:30 – 2:30 p.m.**  
**(WebEx Only)**

**Meeting Agenda**

- I. Call to Order – Commissioner Bosken, Chair
  - a. Welcome & Pledge of Allegiance
  - b. Roll Call & Determination of Quorum
  - c. Conflict of Interest Statement/Call for Conflicts
  - d. Proposed Mission Statement (Exhibit 1)
- II. Introduction of Counsel – Commissioner Bosken (Exhibit 2)
  - a. James Bernier, Esq. – NC DOJ
- III. Approval of February 18, 2022 Minutes – Commissioner Bosken (Exhibit 3)
- IV. Milestones for the Sandbox
  - a. Legislative Initiative – Tariq Bokhari
  - b. Request from Gaming Benefits Corporation (Exhibit 4)
- V. Open Forum/Public Comment

## **Exhibit 1 – Proposed Mission Statement**

The purpose of the Innovation Council is to support responsible innovation, investment, and job creation within North Carolina by encouraging participation in the regulatory sandbox.

The Council shall endeavor to do this by, among other things:

- Championing safe consumer access to useful financial services and products in North Carolina;
- Supporting development of the banking, insurance, and related industries in a manner that benefits rural, urban, and suburban areas of the State;
- Grant experimental waivers, where authorized, of current rules and regulations to permit new financial services that benefit consumers and take advantage of emerging technology developments that render traditional business and regulatory arrangements out of date; and
- Conducting the business of the Council fairly, openly, and with integrity.

**Exhibit 2 – Brief Bio for James Bernier, Esq.**

James Bernier, Jr. is a Special Deputy Attorney General with the North Carolina Department of Justice. He has practiced law for eighteen years. His practice over the years varied but has maintained a focus on litigation of contract, construction, and insurance disputes. He is admitted to and has practiced in the state and federal district courts of the U.S. Virgin Islands and North Carolina, as well as the Third and Fourth Circuit Courts of Appeals. He is also admitted to practice before the U.S. Supreme Court. James worked as an associate and then partner in a law firm in the U.S. Virgin Islands prior to joining the DOJ in September 2014. In his time with the DOJ, James has worked with the Department of Environmental Quality, the Sedimentation Control Commission, the State Board of Elections, and the Bankruptcy Unit of the Department of Revenue. He is currently assigned as counsel to the State Construction Office and the State Building Commission. He represents the State in construction matters, disputes, and litigation.

**Exhibit 3 – Minutes of the February 18, 2022 Meeting**

**Minutes of the Inaugural Meeting of the  
North Carolina Innovation Council**

**Friday, February 18, 2022**

The North Carolina Innovation Council (IC) convened in regular session for the first time in Room 240 of the Albermarle Building, at the NC Department of Insurance, 325 N. Salisbury Street, Raleigh, North Carolina at 1:00 p.m.

Secretary of State, Elaine Marshall, as Interim Chair of the IC, called the meeting to order and led the participants in the Pledge of Allegiance. Secretary Marshall then called the roll and determined that a quorum was present.

Secretary Marshall administered the oath of office to all recently appointed members, and noted that the *ex officio* members of the IC had already taken their oaths in connection with their official duties. After administering the oaths to all council members, Secretary Marshall's staff asked to take a photograph, which is reproduced below these minutes.

Secretary Marshall next read the conflict of interest statement, and issued a call for conflicts. None were identified.

Secretary Marshall called for the adoption of rules of order, and specifically identified Robert's Rules of Order as a suitable set of rules. A motion was made and seconded, and the motion carried unanimously.

Secretary Marshall called for a motion to adopt the previously distributed agenda. A motion was made and seconded, and the motion carried unanimously.

Secretary Marshall noted that the authorizing legislation for the IC requires the election of a Chairman, to serve for a period of two years. Secretary Marshall nominated Commissioner of Banks, Katherine Bosken to serve as Chairman of the IC. Commissioner of Insurance, Mike Causey, seconded the motion. The motion carried unanimously. Secretary Marshall congratulated Commissioner Bosken, and passed the agenda.

Commissioner Bosken noted that the authorizing legislation for the IC requires the election of a Vice Chairman, to serve for a period of two years, and called for nominations. Council member Vijay Srinivasan nominated Council member Lawrence Baxter, and noted Mr. Baxter's qualifications to serve as Vice Chair. No other nominations or objections were made, and Mr. Baxter became Vice Chair by acclamation. Commissioner Bosken congratulated Mr. Baxter on becoming Vice Chair of the IC.

Commissioner Bosken invited Professor Bob Joyce, with the UNC School of Government, to commence a presentation on the Open Meetings and Public Records Act. Professor Joyce reviewed the open meetings and public records acts thoroughly via a video conferencing solution, including an

overview of proper notice, public access, closed sessions, application to electronic communication formats, and confidentiality restrictions specific to the IC. There was no additional discussion.

Commissioner Bosken next invited David Smith of the North Carolina Ethics Commission to provide an overview of the North Carolina Ethics Act and Lobbying laws. Mr. Smyth presented in person, and covered the three affirmative duties of covered boards, including the duty to file an Statement of Economic Interest, the duty to manage external affairs so as to avoid conflicts of interest, and the duty to attend regular ethics training. Mr. Smyth reminded members to be aware of the gift ban, and admonished members to consult the NC Ethics Commission when in doubt as to conflicts of interests. A great deal of discussion ensued, and Mr. Smyth recommended that members submit specific questions to [ethics.commission@ethics.nc.gov](mailto:ethics.commission@ethics.nc.gov).

Commissioner Bosken next led the meeting through a discussion of preliminary issues with the IC, and noted that there are gaps in the authorizing legislation such as lack of funding, staffing, and filing mechanisms. Council member Tariq Bokhari clarified that the IC was designed as an anti-bureaucracy body intended to be a start-up in government, but committed to seeking legislative corrections to enable the IC to do its work. A great deal of discussion ensued, and Commissioner Bosken committed to meeting with Mr. Bokhari to identify specific near-term needs for the IC to function effectively.

Commissioner Bosken turned to the next item on the agenda, regarding meeting cadence and format, and suggested the IC consider monthly virtual meetings until such time as funding is arranged. A motion was made to adopt monthly virtual meetings, a second was made, and the motion carried.

Additional discussion ensued about using official and encrypted e-mail addresses for the IC, as well as public records compliance. No decisions were made at this time.

Commissioner Bosken postponed the discussion of rules and procedures, in anticipation of successful legislative change, and the meeting proceeded to open forum.

Council member Stephanie Dunn asked that the IC propose defined metrics of success, and some discussion ensued. Mr. Bokhari noted that he would commence research on other state's sandboxes, and bring these materials forward for future meetings of the IC. Additional items raised during open forum included member's promotion of the sandbox, assistance from non-profits, and educational items that would benefit the IC, including Regulation 101, agency innovation roadmaps, and interaction with federal requirements.

Council members thanked Secretary of State Marshall and especially Mr. Tim Crowley with the Secretary of State's office, for their efforts in arranging the inaugural meeting of the IC and onboarding members. Council members also thanked Commissioner of Insurance Mike Causey and especially Mr. Bill Toole, for their efforts in arranging a technology-enabled meeting space for the IC.

A motion was made and seconded to adjourn the meeting, and the motion carried unanimously. The meeting was adjourned at 3:45p.



*Figure 1: Inaugural Members of the NC Innovation Sandbox*

**Exhibit 4 – Request from Gaming Benefits Corporation**

Subject	<b>[External] Re: Innovation Council</b>
From	<a href="mailto:public@gamingbenefitscorp.com">public@gamingbenefitscorp.com</a>
To	Bosken, Katherine M
Sent	Wednesday, February 23, 2022 1:24 PM

CAUTION: External email. Do not click links or open attachments unless you verify. Send all suspicious email as an attachment to Report Spam.

Hello Katie,

This is Tara Sue Myers. We met at the Innovation Council kick-off last Friday and I appreciated you taking a moment to visit with me.

Thank you for inviting an email to share potential agenda items for the next meeting. As mentioned, perhaps the council could consider creating a pathway to include input from the public and feedback from council and help to create the rubric that serves to protect the public and drive innovation through a broad applicant population.

Perhaps the council could also consider quarterly physical meetings which move throughout the state? We know Greensboro and the Triad would be pleased to host a council meeting and see the state's council as a spark to drive local innovation and participation.

As you can tell, my extended team and community is excited about our state's effort. We look forward to your feedback.

Yours in service,

Tara Sue Myers  
President,  
Gaming Benefits Corporation