



## **CONSUMER ADVISORY COMMITTEE COMPOSITION AND SELECTION CRITERIA**

Adopted August 14, 2020

At each annual meeting of the Commission, the Management Committee appoints four (4) members of the Consumer Advisory Committee (CAC) for a two-year term. These appointments are made from the nominations and applications submitted. The Management Committee also appoints members of the CAC to fill a remaining term when it has an open seat due to a vacancy. The Committee is comprised of eight (8) members who serve for two-year terms.

The members of the CAC as of August 1, 2020 are appointed through the 2020 Annual Meeting and for a two-year term thereafter expiring on or after the 2022 Annual Meeting.

### **CONSUMER COMPOSITION CRITERIA**

The CAC is to be comprised of persons representing the interests of insurance consumers in matters before the Insurance Compact. Generally, persons eligible for consideration for appointment to the CAC have at least one of the following qualifications:

- A. Persons representing national, state, or local consumer non-profit organizations with a membership of at least 25 members as an employee, contractor or agent of such organization provided neither funding or membership includes insurance industry interests; or
- B. Persons who previously served as employees for state or federal regulatory agencies addressing consumer protection matters within the scope of the Insurance Compact's operations and is no longer affiliated with the state or federal regulator agencies or insurance industry interests; or
- C. Persons demonstrating experience in advocating or adjudicating consumer protection matters and issues related to the scope of the operations of the Insurance Compact, provided the candidate has no affiliation or remuneration from insurance industry interests.

The Insurance Compact Bylaws require an applicant demonstrate independence from the insurance industry. The following are guidelines to assist in this demonstration and the criteria for determining whether an applicant has met the independence standard are reflected in Appendix B:

- Expense reimbursement from a regulated entity for actual travel expenses, including transportation, lodging and meals, generally does not represent a conflict if the travel is related to representation of insurance consumer interests. Disclosure of such expense reimbursements is not required.
- Employment or consulting income or fees for services provided to regulated entities, or other compensation received from a regulated entity or a third party on behalf of a regulated entity, may be a conflict and must be disclosed.

- Receipt of gifts from a regulated entity valued at greater than \$50.00 per appointment year or a total of more than \$250.00 from all regulated entities in the appointment year are considered a conflict of interest and must be disclosed.
- Stipends or honoraria received from a regulated entity may be a conflict of interest and must be disclosed.
- Other compensation or remuneration from a regulated entity which may cause a direct or indirect actual or perceived conflict of interest must be disclosed

### **CAC APPLICATION PROCESS**

Persons interested in serving on the CAC should submit information which demonstrates the applicant's expertise and interest in serving on the CAC, which should include:

1. A statement of interest.
2. A resume or CV identifying employment experience and relevant education achievements supporting the applicant's expertise and/or interest in matters before the Insurance Compact.
3. Listing of all consumer-related organizations with which the applicant is affiliated or representing, including a description of the organizations' mission and purpose, and a general description of each organizations' source of funding.
4. A signed Conflict of Interest Statement.
5. Up to three (3) references that can attest to the person's experience and capabilities in representing consumer interests.
6. A recommendation from a current member of the CAC or a consumer member of the National Association of Insurance Commissioners (NAIC) Consumer Board of Trustees is optional.

Submissions should be sent to Karen Schutter, Executive Director, Interstate Insurance Product Regulation Commission by e-mail at [kschutter@insurancecompact.org](mailto:kschutter@insurancecompact.org) or by mail at 444 North Capitol Street NW, Suite 700, Washington, D.C., 20001.

### **CONSUMER SELECTION CRITERIA**

The Management Committee will consider the following factors, and may consider other relevant factors, in making an appointment to the CAC:

1. A complete application submission that clearly demonstrates fulfillment of eligibility criteria.
2. A commitment to and experience with consumer advocacy regarding insurance regulatory issues.
3. A commitment to attending regular Insurance Compact meetings absent exceptional circumstances, to participating on relevant Insurance Compact Committee conference calls, and actively participate on CAC matters.
4. If being considered for reappointment, whether the applicant attended Insurance Compact meetings and participated in Insurance Compact conference calls.

At the sole discretion of the Management Committee and when there are more consumer applicants than available positions on the CAC, the Management Committee may ask the Insurance Compact Office to conduct an electronic vote of the current members of the CAC and/or NAIC Consumer Board of Trustees. If one of the applicants is a current member of the CAC or the NAIC Consumer Board of Trustees, the person shall recuse themselves from participating in the vote.

Once a person has served on the CAC and is no longer a member of the CAC, the person may participate in the activities of the CAC. The person's activities with the CAC will not include a right to vote on any CAC action items and the person shall not be eligible for reimbursement for any expenses related to attending in-person meetings.