TO: **Management Committee**

FROM: **Rulemaking Committee**

DATE: **July 27, 2026**

SUBJECT: **Transmittal to Management Committee Request to Review and Respond to Comments Submitted During the Rulemaking Process Regarding the Recommended Intermediate Review Operating Procedure**

On March 31, 2026, the Management Committee published the recommendation from the Rulemaking Committee for a new operating procedure entitled *Operating Procedure for the Intermediate Review of the Application of Uniform Standards or Operating Procedures During the Review of a Product Filing Submission* ("*Interim Review Operating Procedure*"). This procedure was created pursuant to a Compass 2.0 Strategic Plan action item seeking to add an appeals procedure.

The 60-day comment period closed on June 1st. The Management Committee held a public hearing during a conference call on June 2nd to receive oral comments with respect to this recommendation.

The ACLI submitted a comment letter on May 26th and presented oral comments during the June 2nd Management Committee call. At this meeting, the Management Committee requested input from the Rulemaking Committee whether it would recommend changes or clarifications to the Rulemaking Committee in response to the ACLI comments.

The Rulemaking Committee has prepared a chart listing each of ACLI's comments and its recommended response. The Rulemaking Committee suggests one amendment in response to these comments with respect to the Requestor's right to withdraw its request, including after the Report has been prepared.

The Rulemaking Committee agrees the Requestor should have a right to withdraw its request until the Report is final and posted to the Compact website. However, if the request to withdraw is made between the time the Member Review Board issues the Report and before it is final, the Rulemaking Committee recommends the Board have the discretion to share its work product, including its findings, with the Management Committee in case further action is needed in terms of rulemaking or Compact product operations.

The Rulemaking Committee recommends the following provision be added at the end of the current draft of the *Interim Review Operating Procedure*:

§103(o) The Requestor may withdraw its request for Intermediate Review at any procedural step prior to the issuance of the Report under §103 (m). The Member Review Board shall promptly approve withdrawal requests. All information regarding a withdrawn request for Intermediate Review, including the unredacted version of the Report, shall be the confidential work product of the Commission and may not be publicly disclosed unless ordered otherwise by a majority vote of the Commission or by a court that has jurisdiction over the Commission. If the request to withdraw is made after the Member Review Board has issued the Report but before the Report is final under §103 (m), the Member Review Board retains the discretion to refer the Report, subject to redaction for company specific and trade secret information, to the Management Committee in view of the possibility of rulemaking or other action as may be applicable.

The Rulemaking Committee has redlined its original recommended version of the *Intermediate Review Operating Procedure* for the consideration of the Management Committee and Commission.

Chart of ACLI Comments and Proposed Rulemaking Committee Response

ACLI Comments	Proposed Committee Response
Section 103(b)(2) – Practical Implementation of the "Complete Filing" Requirement	
From a practical standpoint, it is unclear how the requirement to provide a "complete copy of the product filing" will operate given that a filing often evolves throughout the review process. Clarification would be helpful regarding how filers are expected to maintain and submit an updated "complete" version on an ongoing basis. While the inclusion of correspondence occurring outside of SERFF is understandable, information housed within SERFF should already be readily accessible to the Compact Office. It is not evident why a separate, complete copy of the filing is necessary. Additionally, the language refers specifically to a "complete copy of the product filing," which raises the question of whether this process is intended to apply exclusively to product filings, as opposed to applications or other types of filings submitted to the Compact.	A complete copy of the filing means a complete copy of the submission as it exists at the time of the submission for Intermediate Review. Yes, this would include any outside correspondence, should there be any that is not retained on SERFF.
Section 103(b)(3) – Submission of Applicable Uniform Standards	
This subsection requires the carrier to provide a copy of the relevant Uniform Standards or Operating Procedures. It is unclear why this is necessary, as the Compact Office and Member Review Board presumably already have access to and familiarity with these materials. Clarification as to the purpose or intended use of this requirement would be helpful.	If the filer provides a copy of the Uniform Standard or Operating Procedure used to create the items that are the subject of the Intermediate Review, then the Compact Office or the review body can confirm that the right document(s) was/were used in the creation of the filing. On rare occasions, there is an opportunity to redirect a filer to the correct instructions and thus resolve a conflict.
Section 103(c) – Submission Method and File Management	
The cumulative size of the materials required to be submitted could become unmanageable, particularly if complete filings and extensive correspondence are required. Consideration should be given to whether links to documents may be provided in lieu of full copies, or whether submissions could be made through a dedicated portal rather than by email. Additionally, development of a standardized template for the Request for Intermediate Review could improve efficiency and consistency for both industry participants and regulators.	We agree that submissions could become unmanageable. We would like to see how many requests for Intermediate Review and what materials are submitted before investing in a dedicated portal or other solution. Should the need arise, the Compact will likely take such action.

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Section 103(d) – Discretionary Nature of Review Board Decisions	
The discretionary authority of the Member Review Board to recommend or decline an Intermediate Review would benefit from additional transparency. Without any articulated criteria, examples, or guardrails, carriers may be unable to meaningfully assess whether submitting a Request for Intermediate Review is likely to be productive. Providing non-binding examples or illustrative factors could help conserve both industry and regulatory resources and reduce inefficient or unnecessary submissions.	As the process has not yet been tested, we are unable to provide examples that can be used to assess whether a request for Intermediate Review will be productive. The discretionary authority provided allows the Review Board to refuse a frivolous request or to determine that a request would be more appropriately addressed in an alternate setting, such as a court of law.
Section 103(k) – Timing and Distribution of the Report	
Clarification is requested regarding whether the distribution of the Report under this subsection occurs concurrently with the ten-business-day review period described in Section 103(j), or only upon expiration of that period. In addition, it is recommended that the Report be provided to the Requestor at this stage. In some cases, the Requestor may be a carrier represented by the Industry Advisory Committee, which further supports providing the Report directly to the Requestor when it is distributed.	The Member Review Report will be provided to the Requestor and the Compact Office at the same time and both entities will have the same ten days to review and submit requests for changes or clarifications. At the end of the ten days, a redacted version of the report will be distributed to the members and designated representatives of the Commission, members of the Legislative Committee and Industry Advisory Committee.
Section 103(l) – Ability to Withdraw the Request	
It is unclear whether the Requestor has the option to forgo this step if it is satisfied with the Report. As drafted, this provision could extend an "Agreed Written Extension" to 75 days or more, even where the Requestor may prefer to proceed with the filing. The procedure should expressly permit the Requestor to withdraw its Request for Intermediate Review at any time. There may be valid business or strategic reasons for doing so, and it would be reasonable to allow withdrawal even if the associated fee is forfeited.	As with any appeal, a Requestor may withdraw the request at any procedural step prior the Report being final. The Committee would recommend an amendment in the pending *Interim Review OP* to add new section: *§103(o) The Requestor may withdraw its request for Intermediate Review at any procedural step prior to the issuance of the Report under §103 (m). The Member Review Board shall promptly approve withdrawal requests. All information regarding a withdrawn request for Intermediate Review, including the unredacted version of the Report, shall be the confidential work product of the Commission and may not be publicly disclosed unless ordered otherwise by a majority vote of the Commission or by a court*

ACLI Comments	Proposed Committee Response
	that has jurisdiction over the Commission. If the request to withdraw is made after the Member Review Board has issued the Report but before the Report is final under §103 (m), the Member Review Board retains the discretion to refer the Report, subject to redaction for company specific and trade secret information, to the Management Committee in view of the possibility of rulemaking or other action as may be applicable.
Section 105(b) – Impact on Previously Approved Filings	
This provision raises several significant concerns: • *It is unclear whether this language could introduce litigation or regulatory risk for previously approved products and policies already issued, potentially creating a de facto "class" of impacted filings.* • *The provision appears to allow one filer's Request for Intermediate Review to adversely affect other carriers' existing books of business, raising concerns about unintended competitive or arbitrage impacts.* • *The requirement for filers to "update their products" is ambiguous. Clarification is needed regarding whether this applies to in-force policies. At a minimum, any such provision should expressly exclude in-force business and should incorporate reasonable minimum timeframes to allow carriers adequate time to implement updates, if required.* • *Given these concerns, it is recommended that implementation be limited to Section 105(c), thereby ensuring that material changes to Uniform Standards or Operating Procedures occur through the formal rulemaking process.*	If the Report impacts the Compact Office application of the Uniform Standards or Operating Procedures in previously approved filings, the Compact Office will issue a Filing Information Notice to explain the process for filers in updating their products and whether such updates are optional or required. The Filing Information Notice will provide specific information regarding how and when the change will affect forms that are not yet issued. There is no intent to utilize the Intermediate Review Process to require retroactive applications of the Report's conclusions.