

### **Agenda Item 2: Review Rulemaking Committee 2021 Evaluation Survey Results**

Commissioner Stolfi asked members if they had comments on the survey results. Surveys were sent to members and interested regulators of the Rulemaking Committee in December 2021. 17 responses were received. He said the committee would be setting work plan goals and scheduling regular meetings to respond to the survey comments. There were no comments from committee members.

### **Agenda Item 3: Review and Finalize Rulemaking Committee Charter and Workplan for 2022**

Commissioner Stolfi went over the charter and work plans for 2022. He said the committee would be meeting monthly to address items in the work plan. There were no comments or questions. The charter and work plan will be forwarded to the Governance Committee for approval.

### **Agenda Item 4: Overview of Rulemaking Committee Work on Framework for Use of Compact-Approved Products for Non-Employer Groups**

Commissioner Stolfi summarized the activity in 2021 which included regulator and industry surveys and presentations from regulators and companies on aspects of the regulatory compliance process for non-employer groups. The Compact Office summarized the background memo, the framework, and proposed operating procedure. The underlying foundation of the proposed framework is that the group, whether it falls under employer or non-employer group, must be permitted by state law in the jurisdiction where the product is issued. The operating procedure would define what is other than employer group and filers would need to certify to the Compact that they would comply with state law. The draft would permit portability trusts and labor union to come under the definition of employer groups for purposes of the procedure. PEOs would be permitted to come under the definition of employer group with a requirement to comply with state law. There would be a process for a filer to file a certification that it would not be issued in the state until the state approved the group, if that was required in the state. There is also a proposal that the Compact would collect the group information in the Statement of Intent filed with the Compact.

### **Agenda Item 5: Review and finalize for public exposure proposed Operating Procedure for the Use of Compact-Approved Products for Other than Employer Groups and recommended Framework**

Commissioner Stolfi said that this was a first draft, and it would be exposed for public comment. He asked if there were questions or comments. Tammy Lohman of Minnesota raised an issue with labor unions being part of employer groups. Minnesota does not have a statutory definition for labor union groups. She said that the members of the union are considered an association group. Most states use the definition of labor union in the NAIC group life model, but Minnesota does not. Minnesota would also suggest the definition of PEO follow or mention the IRS definition. Minnesota also has a process for discretionary groups for group disability income insurance. Commissioner Stolfi suggested strengthening the draft to make it clear that companies must follow state law. Karen Schutter said that the Compact could collect information for each state to address the concerns. There were no other comments. Commissioner Stolfi said that members can review the drafts and can send comments or questions to the Compact Office during the upcoming exposure period and there will be more opportunities to discuss and update before finalizing the recommendation for the Management Committee.

### **Agenda Item 6: Presentation from the Compact Office on the Mix and Match Process and Current Activities**

The Compact Office gave a presentation on the history of mix and match and current mix and match activities. Each uniform standard indicates if mix and match is allowed. In the early years of the Compact it was used because not all products had uniform standards. Even today there are emerging products that are not within the scope of a uniform standard. The underlying assumption was that filers would use the Compact as much as they could. Filers are required to submit a Statement of Intent listing the state forms that are used with the Compact-approved form. Commissioner Stolfi said the committee is just beginning to look at this assignment. He suggested developing a survey to gather information from members. Oregon and Virginia will work with the Compact office to draft a survey. Hawaii volunteered to assist with the draft. The three states will develop a draft and provide it to the Committee for feedback.

**Agenda Item 7: Presentation from the Compact Office Presentation from the Compact Office on the Compact Collaboration Space**

There was not enough time, and this presentation will be deferred to the next meeting.

**Agenda Item 8: Review details for Next Meeting of the Rulemaking Committee**

The next meeting will be a public call on Friday, April 22, to receive comments on the framework and operating procedure for nonemployer groups.

**Agenda Item 9: Any Other Matters and Adjourn**

Commissioner Stolfi said the Compact Office will make changes discussed to the framework and operating procedure and will then the revised draft out to the members.