

## **PRODUCT STANDARDS COMMITTEE** **CHARTER**

### **Committee Purposes**

1. To collaborate as regulators from Compacting States to develop recommendations for consideration, approval and adoption by the Management Committee and the Interstate Insurance Product Regulation Commission (Insurance Compact Commission).
2. To develop new and amended Uniform Standards that states support and companies willingly use and are robust and reflect strong and detailed consumer protections; are relevant and reflect product offerings that are available today in the several Compacting States; and, are not unduly prescriptive or restrictive.
3. To regularly review, but no less than every five years, Uniform Standards to ensure they are robust and reflect strong and detailed consumer protections; are relevant and reflect product offerings that are available today in the several Compacting States; and, are not unduly prescriptive or restrictive.
4. To provide regulatory expertise on product requirements and Uniform Standards, including responding to requests for technical expertise or special projects assigned by the Management Committee and the Insurance Compact Commission.
5. To confer with the Legislative Committee, Consumer Advisory Committee and Industry Advisory Committee regarding Uniform Standards development activities and proposed recommendations.

### **Committee Composition**

1. The Product Standards Committee consists of up to 20 Compacting States appointed in accordance with the *Guidelines for Composition, Procedures, Duties and Tenure of Committees Established Under Article VIII, Section 4 of the Bylaws of the Interstate Insurance Product Regulation Commission* (“Committee Guidelines”).
2. Regulators in Compacting States who are not a member of the Product Standards Committee may participate in all meetings of the Product Standards Committee.

### **Committee Responsibilities**

1. To develop an annual work plan and calendar of Uniform Standards development activities.
2. To meet every other week, as needed (or more often if needed), for 60 minutes (or more if needed) to discuss and advance items on its work plan.

3. To follow the *Committee Guidelines* and the *Uniform Standard Development Guidelines* (once adopted by the Insurance Compact Commission) to the extent applicable and practicable in carrying out Committee responsibilities.
4. To provide easy-to-follow notices, agendas, Uniform Standards drafts and other work product to allow PSC members, other regulators, the Legislative Committee, Consumer Advisory Committee, Industry Advisory Committee, and other interested parties to understand the nature of the items for discussion and the type of action requested.
5. To review and consider written and oral comments regarding Committee activities including comments, questions, and concerns regarding new or amended Uniform Standards.
6. To prepare and post call summaries of regulator-only and public Committee meetings to document the agenda items, the nature of the discussion, and next steps, as applicable.
7. To provide input on issues, questions, strategic planning, and other matters as requested by the Officers, Management Committee, and Insurance Compact Commission.

### **Committee Authority**

1. The Product Standards Committee is authorized under Article VIII, Section 4 of the Insurance Compact Commission Bylaws.
2. The *Committee Guidelines* apply to the composition, procedures, duties, and tenure of the Committee.
3. Prior to making a recommendation for the Commission or Management Committee, the Product Standards Committee shall hold at least one, and may hold more than one, public meeting that provides an opportunity for public comment on the proposed recommendation.
4. Prior to a public meeting of the Product Standards Committee, notice shall be provided at least fifteen (15) days prior to the meeting to members and their designated representatives in Compacting States, members of the Legislative Committee, Consumer Advisory Committee, and Industry Advisory Committee, and to parties who have requested in writing to receive such notices.

### **Reporting**

1. The Product Standards Committee will report to the Management Committee, and in certain circumstances, directly to the Insurance Compact Commission.
2. The Product Standards Committee will provide its recommendation for new and amended Uniform Standards, and if applicable Rules, to the Management Committee to initiate the rulemaking process under Section 101 of the *Rule for the Adoption, Amendment or Repeal of Rules for the Interstate Insurance Product Regulation Commission*.

3. The Product Standards Committee may provide recommendations that do not include Uniform Standards or other Rules to the Management Committee to Insurance Compact Commission as applicable.
4. The Product Standards Committee will provide regular reporting to the Management Committee and Insurance Compact Commission as applicable including providing written reports to be included in a Consent Agenda as applicable.

### **Annual Governance Effectiveness Survey and Evaluation**

1. In December of each year (or earlier or later if applicable), the members and interested regulators of the Product Standards Committee shall complete a survey regarding the effectiveness of the Product Standards Committee activities and meetings.
2. At one of the first three regulator-only meetings of an annual period, the Product Standards Committee will include an agenda item to discuss Committee Governance and Effectiveness Evaluation including review of survey results.
3. At one of the first three regulatory-only meetings of an annual period, the Product Standards Committee will review and update, if needed, its Charter and adopt its annual workplan and calendar.

### **2023 Workplan Goals**

1. Develop and adopt Product Standards Committee Charter and its 2023 Annual Workplan and Calendar.
2. Review Committee Governance and Effectiveness survey results and update for changes in committee process or materials.
3. Draft new Uniform Standards for Group Whole Life Policies and Certificates, Additional Benefits, and Graded Benefits for group whole life and term policies and individual term policies.
4. Draft non-employer group terminology and amendments to group term, group whole life and group disability income uniform standards.
5. Conduct Phase 10 of the Five-Year Review Process for Group Disability Income Uniform Standards.
6. Draft new Index-Linked Variable Annuity Uniform Standards
7. Review items on the Uniform Standards Development Identification List and recommend to the Commission the 2024 Uniform Standards Development Prioritization List.

8. Work on new Uniform Standards from the 2023 Uniform Standards Development Prioritization List including Additional Standard for Acceleration of Accumulation Value for Individual Annuities and Additional Standards for Guaranteed Living Benefits for Variable and Non-Variable Adjustable Life.