

Oregon Commissioner Andrew Stolfi, Chair of the Rulemaking Committee, welcomed committee members and interested regulators. Commissioner Stolfi indicated a summary of the May 28th regulator-only committee call was provided and asked the Compact Office to post this call summary to the website.

Review and Finalize Survey Questions to Regulators and Companies Regarding Group Products

Commissioner Stolfi asked the committee to review and finalize survey questions as the next step in the strategic action item of exploring whether to expand the types of groups available for filing, other than the employer groups which are already built into the Uniform Standards, for group life insurance, disability income insurance and annuities. Commissioner Stolfi indicated the committee had asked the Compact Office to draft suggested survey questions to solicit input from regulators and industry on requirements, approval process and the market for these products with respect to the group types other than employer group.

Commissioner Stolfi asked for comments and edits to the proposed questions to the regulators. A state indicated the first three questions which ask for filing method for product lines should include instructions to check all boxes that apply as they have prior approval requirements for certain product types and exempt with exceptions for others. The committee agreed this was a good change and suggested after each question for both surveys, a comment box be provided to allow the respondent to provide applicable explanation or background.

A state indicated the term “product” may have various meanings across the Compacting States or for filers especially when it comes to the filing and approval process. Instead of the term “product”, the committee agreed to use the term “policies and certificates” when referring to group life insurance and group disability income insurance and “contracts and certificates” when referring to group annuities.

Commissioner Stolfi asked for comments and edits to the proposed questions for the industry. The committee agreed with respect to the industry questions, there should be an option for “Other defined groups (Please specify)”, similar to the option in the regulator questions. Commissioner Stolfi asked if the percentage of business question with respect to the distribution of business among group types should be clarified. The committee agreed it should indicate it is the percentage of premium volume for each group type such that the total for group life should equal 100%, total for group disability income should equal 100% and total for group annuities should equal 100%, as applicable.

A state asked whether the survey questions need to differentiate between in-state policies/contracts and certificates and out-of-state certificates. Karen Schutter explained a Compact-approved certificate can be treated the same way by a particular Compacting State whether the group policyholder policy/contract is issued in the particular Compacting State or another Compacting

States as the both certificates are the same and based on the Uniform Standards which are accepted by the participating Compacting States.

The committee agreed both surveys should have detailed instructions for how to complete. Commissioner Stolfi asked the Compact Office to draft instructions for one final review by the committee. Commissioner Stolfi asked the Compact Office to send out the final surveys to the committee members and seek their feedback within a reasonable period of time.

Commissioner Stolfi suggested once the surveys are sent out, giving regulators and industry 45 days to respond. The committee agreed this was a reasonable period for a response time.

Receive Background Briefing on Rulemaking Notices from Insurance Compact Office and Discuss Next Step

Commissioner Stolfi indicated Rhode Island Superintendent Beth Dwyer, Chair of the Commission, asked the Rulemaking Committee to look at the current notices sent to state stakeholders including Commissioners, regulators and legislators regarding adoption, implementation, and opt-out rights with respect to Uniform Standards. Commissioner Stolfi asked the Compact Office to provide a briefing on the background regarding rulemaking notices. Ms. Schutter provided an overview of the notice obligations outlined in the Rule for Adoption, Amendment and Repeal of Rules for the Interstate Insurance Product Regulation Commission and the Operating Procedure for the Implementation of Uniform Product Standards. Ms. Schutter also briefed the committee on the requirements for notice to state legislatures and legislators.

Commissioner Stolfi suggested the committee perform a detailed review of each of the key notices suggesting a general template for the notices. A state indicated a general look and feel of certain notices would be helpful, so they are more easily identified by the regulators and legislators. The committee also asked for more information about who receives certain notices with respect to member rights to opt out of a Uniform Standard and suggested it be more widely circulated than just Commissioners and their designated representatives.

A state asked whether the committee should also look at changing or extending the effective date of a Uniform Standard to coincide with when a state legislature is back in session. Commissioner Stolfi indicated this was likely a legal question and one for outside counsel or the firm performing the governance review when looking at the issues and observations raised by the Colorado Supreme Court in *Amica v. Wertz*.

Commissioner Stolfi suggested as a next step to ask the Compact Office to provide exemplars of notices and suggestions for improvements the committee could use to develop recommendation to the Management Committee. The Rulemaking Committee plans to hold a regulator-only committee call in the third or fourth week of July.