

Product Standards Committee
Call Summary
September 14, 2021

Agenda Item 2. Receive Comments on the PSC Draft Recommendation for Prioritization of Uniform Standards Development for 2022.

Jason Lapham said the Product Standards Committee (PSC) reviewed the requests for new and amended standards and suggested a priority for each request. He said that no written comments were received and asked if there were any oral comments. ACLI thanked the PSC for considering its requests for two disability insurance standards and the group term life amendments. There were no other comments.

Agenda Item 3. Receive Comments on PSC Draft Recommendation to Address Colorado Statutory Conflicts in Response to Governance Committee Referral

Jason Lapham asked Karen Schutter to provide background on the referral from the Governance Committee. She explained that the Governance Committee continues to work on a recommendation for next steps to respond to the Colorado Supreme Court opinion issued in April 2020, which concluded the Colorado General Assembly could not delegate authority to an interstate administrative agency its power to adopt regulations that conflict with a Colorado state statute if the interstate compact does not have the consent of the U.S. Congress.

As part of its multi-pronged approach, the Governance Committee has discussed the need to identify, and in certain cases, address common or key conflicts between a state statute and a provision of the Uniform Standards. The Governance Committee recommended minimizing conflicts between provisions in the Uniform Standards and state statute regardless of implied congressional consent.

Since Colorado has a binding state Supreme Court opinion that state statute rules when in conflict with the Uniform Standards, the Governance Committee suggested the Product Standards Committee address two meaningful conflicts in Colorado while it further explores the recognition of implied congressional consent. Karen Schutter explained that the PSC was asked to draft proposed draft amendments to address the Colorado state statute that limits the exclusion from policy benefits because of death by suicide to one year and a state statute that prohibits gender as a rating characteristic for individual long-term care insurance rate schedules.

The Chair asked if there were any oral comments on the proposed amendments. Both ACLI and AHIP commented that they support the Compact and its uniform standards. There were no other comments on the proposed amendments. The Chair asked that comments on the proposed amendments be submitted in writing.

Agenda Item 4. Any Other Matters

The next meeting of the PSC will be a regulator call on September 21.