



**MEETING OF THE MANAGEMENT COMMITTEE OF THE
INTERSTATE INSURANCE PRODUCT REGULATION COMMISSION**

**Monday, October 23, 2017
1:30 pm ET / 12:30 pm CT / 11:30 am MT / 10:30 am PT**

1. Roll Call
2. Public Hearing on the Proposed 2018 Annual Budget and Schedule of Fees, and Proposed Amendments to the *Terms and Procedures for IIPRC Filing Fees*
3. Operational Update
4. Any Other Matters
5. Adjourn

Members of the Commission and Department Staff in Attendance:

Commissioner Jaqueline K. Cunningham, Chair, Virginia
Tom Record as a designated representative for Superintendent Eric A. Cioppa, Vice Chair, Maine
Director Jillian E. Froment, Treasurer, Ohio
Steve Ostlund, Alabama
Mayumi Gabor, Alaska
Bill Lacy, Arkansas
Michael Conway, Colorado
Martha Im, Hawaii
Tom Donovan as a designated representative for Director Dean L. Cameron, Idaho
Michael Chrysler, Illinois
Kate Kixmiller, Indiana
Julie Holmes, Kansas
Commissioner Nancy G. Atkins, Kentucky
Sheri Cullen as a designated representative for Acting Commissioner Gary D. Anderson, Massachusetts
Sarah Wohlford as a designated representative for Director Patrick M. McPharlin, Michigan
Bob Williams as a designated representative for Commissioner Mike Chaney, Mississippi
Director Chlora Lindley-Myers, Missouri
Mary Mealer, Missouri
Richard Hersey, Montana
Commissioner Roger A. Sevigny, New Hampshire
Brendan Peppard as a designated representative for Commissioner Richard J. Badolato, New Jersey
Terry Seaton, New Mexico
Cuc Nguyen as a designated representative for Commissioner John D. Doak, Oklahoma
Stephen Kooyman, Oregon
Tracie Gray as a designated representative for Commissioner Teresa D. Miller, Pennsylvania
Superintendent Elizabeth Kelleher Dwyer, Rhode Island
Sarah Neil, Rhode Island
Doug Danzeiser as a designated representative for Commissioner Kent Sullivan, Texas
John Carter, Texas
Don Beatty, Virginia
Emily Brown, Vermont
Phil Keller, Vermont
Alan Hudina, Washington
Cari Lee as a designated representative for Commissioner Ted Nickel, Wisconsin
Sue Ezalarab, Wisconsin
John Kitslaar, Wisconsin
Joylynn Fix, West Virginia

Members of the Industry Advisory Committee in Attendance:

Hugh Barrett, MassMutual
Michael Hitchcock, Pacific Life
Emily Micale, American Council of Life Insurers

Members of the Consumer Advisory Committee in Attendance:

Sonja Larkin-Thorne, NAIC Funded Consumer Liaison Representative

Members of the Insurance Compact Legislative Committee in Attendance:

Senator Robert D. Hackett, Ohio
Senator Travis Holdman, Indiana
Representative Sam Kito III, Alaska

Insurance Compact Staff in Attendance:

Karen Schutter, Executive Director
Becky McElduff, Assistant Director of Product Operations and Counsel
Sara Dubsy, Senior Operations Manager
Mindy Bradford, Product Reviewer
Ed Charbonnier, Product Reviewer
Jeanne Daharsh, Actuary
Karen Givens, Product Reviewer
Anne Marie Narcini, Regulatory Consultant
Maureen Perry, Product Review Consultant

Commissioner Cunningham called to order the Meeting of the Management Committee of the Interstate Insurance Product Regulation Commission (Compact or Commission). Ms. Schutter took the roll call of the Management Committee, the Commission, the Legislative Committee, and the Industry and Consumer Advisory Committees.

Commissioner Cunningham proceeded to the second agenda item and asked Ms. Schutter to provide background on the proposed amendments to the *Terms and Procedures for IIPRC Filing Fees* and the proposed 2018 Annual Budget and Schedule of Fees. Ms. Schutter stated that the most notable of the changes included in the amendments to the *Terms and Procedures for IIPRC Filing Fees* would move the date on which the Annual Registration Fee is prorated from July 1 to October 1. Ms. Schutter then summarized the two fee increases proposed in the 2018 Schedule of Fees. Ms. Schutter stated that the per filing fees collected from companies with an asset-based premium volume of less than \$50 million would increase to \$625 from \$600, to reflect 50% of the per filing fee collected from companies with an asset-based premium volume of greater than \$50 million. Ms. Schutter stated that the fee for self-certification filings would increase from \$50 to \$100 to better reflect the amount of reviewer resources devoted to this type of filing. Ms. Schutter then summarized the proposed 2018 Annual Budget.

Commissioner Cunningham opened the public hearing to receive comments on each of the proposed items. Ms. Kixmiller asked if the proposed changes to the Schedule of Fees would be revenue neutral. Ms. Schutter confirmed that they would be revenue neutral for the states. There were no further questions or comments. Commissioner Cunningham concluded the hearing, and stated that the Management Committee and Commission will consider the proposed amendments to the *Terms and Procedures for IIPRC Filing Fees*, the proposed 2018 Annual Budget and the proposed 2018 Schedule of Fees for adoption at the November 27th joint teleconference of the Management Committee and Commission.

Commissioner Cunningham continued to the next agenda item and asked Ms. Schutter to provide an operational update. Ms. Schutter reported that the Product Standards Committee is holding a public call on October 24th to discuss the Committee's progress to date on Phase 8 of the Five-Year Review. Ms. Schutter stated that the Insurance Compact Office is conducting a series of webinars geared toward industry filers covering a variety of topics. Ms. Schutter provided an overview of product operations, and reported that the Commission is 7% under budgeted expenses and 99% actual to budgeted revenues through the end of September. Ms. Schutter stated that she is continuing to conduct State of the Compact conference calls with Compacting State Commissioners and their senior staff. Ms. Schutter then provided an update on the ongoing Colorado federal district court case with third-party litigation involving a Compact-approved product. Ms. Schutter stated that the NAIC and the Insurance Compact Office are preparing separate *amicus* briefs to provide historical background and context to several of the legal questions raised by the federal district court regarding the legality of the Compact and its Uniform Standards. Ms. Schutter concluded her update and there were no further questions.

As there were no other matters, Mr. Record moved to adjourn. Ms. Mealer seconded and the meeting was adjourned.