



## **FINANCE 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/or the Interstate Insurance Product Regulation Commission (Insurance Compact Commission).
2. To monitor the Commission's financial condition including the actual and projected revenues, expenses, and significant variances thereto, as well as appropriate resourcing levels.
3. To develop and recommend the annual operating budget of the Insurance Compact Commission.
4. To develop and recommend updates as necessary to the Commission filing fee structure to encompass the cost of the operations and activities of the Commission and its staff in a total amount sufficient to cover the Commission's annual budget.
5. To consider and recommend requests for new or reallocated resources including funding requests related to the Commission's administrative and product operations.
6. To provide regulatory expertise on budgeting, resourcing and fee structuring for the Commission and its operations, including responding to requests for technical expertise or special projects assigned by the Management Committee and the Insurance Compact Commission.

### **Committee Composition**

1. The Finance Committee can consist 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). For 2023, the Finance Committee consists of 9 Compacting States.
2. Regulators in Compacting States who are not a member of the Finance Committee may participate in all meetings of the Finance Committee.

### **Committee Responsibilities**

1. To develop an annual work plan and calendar for the development of the annual budget and Schedule of Fees, including proposed fee changes and new revenue, resource, or expense proposals.

2. To meet as often as needed to discuss and advance items on its work plan but not less than once each quarter.
3. To follow the *Committee Guidelines* to the extent applicable and practicable in carrying out Committee responsibilities.
4. To provide easy-to-follow notices, agendas, working drafts of financial and budget materials and other work product to allow Finance Committee 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 draft budget and fee recommendations.
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 Finance Committee is authorized under Article VIII, Section 4 of the Insurance Compact Commission Bylaws.
2. As a matter of practice, the Treasurer of the Insurance Compact Commission will serve as the Chair of the Finance Committee unless the Insurance Compact Commission determines otherwise.
3. The *Committee Guidelines* apply to the composition, procedures, duties, and tenure of the Committee.
5. Prior to making a recommendation for the Commission or Management Committee, the Finance 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.
6. Prior to a public meeting of the Finance Committee, the Committee shall provide notice in accordance with the Commission Bylaws.

### **Reporting**

1. The Finance Committee will report to the Insurance Compact Commission, and in certain circumstances, to the Management Committee.

**2023 Finance Committee Charter**  
**March 24, 2023**

2. The Finance Committee will provide its recommendation to the Insurance Compact Commission or Management Committee for further notice, comment, and consideration as directed by the body receiving the recommendation.
3. The Finance Committee will provide regular reporting to the Insurance Compact Commission and Management Committee 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 Finance Committee shall complete a survey regarding the effectiveness of the Finance Committee activities, meetings and support.
2. At one of the first three regulator-only meetings of an annual period, the Finance 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 Finance Committee will review and update, if needed, its Charter and adopt its annual workplan and calendar.

**2023 Workplan Goals**

1. Develop and adopt 2023 Annual Workplan and Calendar.
2. Review monthly and quarterly financial statements to monitor revenues and expenses actual to budget.
3. Review budget proposal from Compact Office and develop recommendation for 2024 Annual Budget and Schedule of Fees.
4. Explore whether and how to accomplish Priority 2, Action Item 5 of the Insurance Compact Compass Strategic Plan to *develop a program to create resource groups of Compacting State regulators with form review or actuarial experience in the Insurance Compact's authorized product lines to train and be available as a resource to the Insurance Compact Office in the regulatory review process.*



## **GOVERNANCE 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/or the Interstate Insurance Product Regulation Commission (Insurance Compact Commission).
2. To promote best practices for overall good governance and encourage effective leadership through the integration of planning, management, and quality improvement.
3. To manage the preparation and implementation of the recommendations from the independent governance review and business assessment.
4. To ensure that appropriate alternative goals and objectives are available to the Management Committee and the Insurance Compact Commission including reviewing economic, social, industry, marketplace, regulatory and legislative trends that may affect the organization's mission.
5. To maintain the Bylaws, Code of Ethics and procedural guidelines for Commission roles and responsibilities of Members and their designated representatives.

### **Committee Composition**

1. For 2023, the Governance Committee consists of 6 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 not assigned to the Governance Committee may participate in all meetings of the Governance Committee except when the Governance Committee is in executive member-only session, as permitted under the Commission Bylaws.

### **Committee Responsibilities**

1. Develop an annual work plan and calendar for the governance initiatives for the annual period.
2. Meet as often as needed to discuss and advance items on its work plan but not less than once each quarter. Meet periodically in executive sessions, including with members of management or outside counsel, as permitted under the Commission Bylaws.

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3. Follow the *Committee Guidelines* to the extent applicable and practicable in carrying out Committee responsibilities.
4. Provide easy-to-follow notices, agendas, working drafts of recommendations, reports and other work product to facilitate the understanding of the nature of the items for discussion and the type of action requested.
5. Monitor and recommend best practices for overall good governance of the Insurance Compact Commission, including recommending relevant amendments to the Bylaws to strengthen and empower the Insurance Compact Commission in meeting its obligations related to good governance principles and abide by the organization's mission.
6. Review and approve Committee Charters and facilitate regular governance effectiveness reviews of the Management Committee, Insurance Compact Commission, and other committees.
7. Develop, and periodically review, written guidelines for and training on the roles and responsibilities of Commission members and their designated representatives as well as for members of the Management Committee and Chairs and Vice Chairs of the respective committees of the Insurance Compact Commission.
8. Review the Code of Ethics on a periodic basis and recommend updates as needed. Monitor the process for annual acknowledgement by Members and designated representatives with respect to review and compliance with the Code of Ethics.
9. Develop, and periodically review, a written policy for the immunity, indemnification and defense recognition and payment of expenses provided for under Article V., Section 5 of the Insurance Compact Statute and Article VI of the Bylaws.
10. Develop a Table of Decision Authorities as an internal control to track which decisions can be approved by their various governance functions.
11. 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 Governance 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. In accordance with the Commission Bylaws, prior to making a recommendation for the Commission or Management Committee, the Governance Committee will 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 Governance Committee, the Committee shall provide notice in accordance with the Commission Bylaws.

### **Reporting**

1. The Governance Committee will report to the Insurance Compact Commission, and in certain circumstances, to the Management Committee.
2. The Governance Committee will provide its recommendation to the Insurance Compact Commission or the Management Committee for further notice, comment, and consideration as directed by the body receiving the recommendation.
3. The Governance Committee will provide regular reporting to the Insurance Compact Commission and Management Committee 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 Governance Committee shall complete a survey regarding the effectiveness of the Governance Committee activities, meetings, and support.
2. At one of the first three regulator-only meetings of an annual period, the Governance 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 Governance Committee will adopt its annual workplan and calendar and, if needed, review and update its Charter.

### **2023 Workplan Goals**

1. Review and approve annual governance calendar, committee survey results, committee charters
2. Develop/review and recommend roles and responsibilities for officers, committee leadership, Management Committee, members, and designated representatives.
3. Review Code of Ethics and adopt acknowledgment form for members and designated representatives.
4. Develop/review a written policy for immunity, indemnification and defense recognition and payment of expenses.
5. Develop and implement board governance training for Compact-equivalent of the “board of directors”



## **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.



## **RULEMAKING COMMITTEE CHARTER** **2023**

### **Committee Purposes**

1. To collaborate as regulators from Compacting States to develop recommendations for consideration, approval, and adoption by the Management Committee and/or the Interstate Insurance Product Regulation Commission (Insurance Compact Commission).
2. To develop new and amended Operating Procedures and Rules, including guidelines and instructions, to implement, interpret, or prescribe policy or describe the organization, procedure, or practice requirements of the Commission, its rulemaking activities, and implementation of its Uniform Standards.
3. To regularly review, but no less than every five years, Operating Procedures and Rules to ensure they are relevant and appropriate for the current nature, circumstances and scope of the Commission and its committee and product operations.
4. To provide regulatory expertise on administrative and procedural requirements for the Commission and its operations, 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 Operating Procedures and Rules and proposed recommendations.

### **Committee Composition**

1. The Rulemaking Committee can consist 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*”). For 2023, the Rulemaking Committee consists of 20 Compacting States.
2. Regulators in Compacting States who are not a member of the Rulemaking Committee may participate in all meetings of the Rulemaking Committee.

### **Committee Responsibilities**

1. To develop an annual work plan and calendar for the development of new or amended Operating Procedures, Rules, guidelines, and instructions.

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**March 24, 2023**

2. To meet as often as needed to discuss and advance items on its work plan but not less than once each quarter.
3. To follow the *Committee Guidelines* to the extent applicable and practicable in carrying out Committee responsibilities.
4. To provide easy-to-follow notices, agendas, working drafts of Operating Procedures and Rules and other work product to allow Rulemaking Committee 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 Operating Procedures and Rules, including guidelines and instructions.
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 Rulemaking 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 Rulemaking 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 Rulemaking Committee, the Committee shall provide notice in accordance with the Commission Bylaws.

**Reporting**

1. The Rulemaking Committee will report to the Management Committee, and in certain circumstances, directly to the Insurance Compact Commission.
2. The Rulemaking Committee will provide its recommendation for new and amended Operating Procedures and 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*.

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3. The Rulemaking Committee may provide recommendations that do not include Operating Procedures and Rules to the Management Committee to Insurance Compact Commission as applicable.
4. The Rulemaking 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 Rulemaking Committee shall complete a survey regarding the effectiveness of the Rulemaking Committee activities, meetings, and support.
2. At one of the first three regulator-only meetings of an annual period, the Rulemaking 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 Rulemaking Committee will review and update, if needed, its Charter and adopt its annual workplan and calendar.

**2023 Workplan Goals**

1. Review Rulemaking Committee Charter and its 2023 Annual Workplan and Calendar.
2. Complete the next steps adopted by the Rulemaking Committee in October 2022 to review and recommend changes to improve the process and further minimize the need for Mix and Match.
3. Provide recommendation to amend the Rulemaking Rule to add a process when a change to an NAIC Model Act is made and incorporated by reference in the Uniform Standard for public comment.
4. Review current five-year review process and activities to recommend changes, while ensuring continued transparency and wide opportunities for member and public input, to make it a more iterative, flexible and efficient review of the Uniform Standards focused on the robust, relevant and reasonable objectives.
5. Review Compact rules to recommend changes or new rules to provide more flexibility for state insurance departments to exercise regulatory stays and opt outs if they have concerns about conflicts between the Uniform Standards and state laws.