

Executive (EX) Committee, Aug. 14, 2024, Minutes

Executive (EX) Committee Interim Meeting Report (Attachment One)

Executive (EX) Committee Task Force Reports (Attachment Two)

Adopted Revisions to the NAIC Consumer Participation Plan of Operation (Attachment Three)

Report of Model Law Development Requests (Attachment Four)

Executive (EX) Committee  
Chicago, Illinois  
August 14, 2024

The Executive (EX) Committee met in Chicago, IL, Aug. 14, 2024. The following Committee members participated: Andrew N. Mais, Chair (CT); Jon Godfread, Vice Chair (ND); Scott A. White, Vice President (VA); Elizabeth Kelleher Dwyer, Secretary-Treasurer (RI); Chlora Lindley-Myers, Most Recent Past President (MO); Alan McClain (AR); Michael Conway (CO); Trinidad Navarro (DE); Vicki Schmidt (KS); Sharon P. Clark (KY); Anita G. Fox (MI); Eric Dunning (NE); Andrew R. Stolfi (OR); Michael Humphreys (PA); Carter Lawrence (TN); Cassie Brown (TX); and Kevin Gaffney (VT). Also participating was: Grace Arnold (MN).

1. Adopted the Aug. 13 Report of the Executive (EX) Committee and the Internal Administration (EX1) Subcommittee

Commissioner Mais reported that the Executive (EX) Committee and Internal Administration (EX1) Subcommittee met Aug. 13 in regulator-to-regulator session, pursuant to paragraph 4 (internal or administrative matters of the NAIC) and paragraph 6 (consultations with NAIC staff) in the agenda. The committee approved the appointment of Gayle D. Anderson to the National Insurance Producer Registry (NIPR) Board of Directors; 3) approved the following fiscal requests: a) retention of a consultant to assist with CEO onboarding training; b) retention of a public relations firm to assist in communications campaigns; c) approval of two full-time employees (FTEs) for the Member Services department; and d) retention of a consultant to assist with the Property & Casualty Market Intelligence (PCMI) data call; 4) approved a recommendation to revise the zone funding methodology; 5) received a May year-to-date (YTD) financial update and overview of the preliminary 2025 budget; 6) approved the new 2025 Fall National Meeting site in Hollywood, FL; 7) approved the appointment of Director Lindley







Virtual Meetings

EXECUTIVE (EX) COMMITTEE  
June 25, 2024 / April 4, 2024

Summary Report

The Executive (EX) Committee met on June 25 and April 4, 2024, in regulator-to-regulator session, pursuant to paragraph 4 (internal or administrative matters of the NAIC or any NAIC member) of the NAIC Policy Statement on Open Meetings.

1. During its



barriers to access to life insurance particularly on how criminal history is used in underwriting life insurance and whether it is a barrier to access. The Workstream exposed a draft survey of insurers asking how they consider criminal history in underwriting for a 30 day public comment period ending Sept 5. The Life Workstream anticipates meeting mid-September to discuss any comments received.

- x Property/Casualty (P/C) Workstream The P/C Workstream met Aug. 12



Reflects Edits Adopted by the NAIC Consumer Board of Trustees on ~~August 12, 2024~~ ~~May 12, 2024~~  
Adopted by NAIC/Executive (EX) Committee on August 12, 2022.

Reflects Status Change Revisions Suggested by the Chair Drafting Group and Consumer Representatives

PLAN OF OPERATION  
NAIC CONSUMER PARTICIPATION PROGRAM  
April 11, 2017

The National Association of Insurance Commissioners (NAIC) is the U.S. standard-setting and regulatory support organization created and governed by the chief insurance regulators from the fifty states, the District of Columbia and five U.S. territories. Through the NAIC, state insurance regulators establish standards and best practices, conduct peer review, and coordinate their regulatory oversight. NAIC staff supports these efforts and represents the collective views of state regulators domestically and internationally. NAIC members, together with the central resources of the NAIC, form the national system of state-based insurance regulation in the U.S.

The mission of the NAIC is to assist state insurance regulators, individually and collectively, in serving the public interest and achieving the following fundamental insurance regulatory goals in a responsive, efficient and cost-effective manner, consistent with the wishes of its members:

- Protect the public interest;
- Promote competitive markets;
- Facilitate the fair and equitable treatment of insurance consumers;
- Promote the reliability, solvency and financial solidity of insurance institutions; and
- Support and improve state regulation of insurance.

To promote consumer representation and participation, the NAIC, the Consumer Participation Program was established by the NAIC.

Section 1. Mission

The mission of the NAIC Consumer Participation Program is to assist the NAIC in its efforts to support state insurance regulation by providing consumer views on insurance regulatory issues.

- G. Consumer Members of the Board shall serve staggered, two-year terms with three different consumer members of the Board rotating on ~~off~~ the Board annually; however, each must submit a recertification form for the second year of their term. NAIC members of the Board will review second-year recertification forms to determine if there is a reason a consumer representative should not continue to serve on the Board. If no reason is determined, the designated consumer representatives shall serve the second year of his or her two-year term.
- H. Consumer representatives shall be asked to indicate their interest to serve on the Board when they apply to be consumer representatives.
- I. The Board may meet in person or via teleconference to conduct its business.
- J. Meetings of the Board are not public meetings and matters discussed are to be kept confidential unless publicly disclosed by the Chairperson of the Board. However, no change to the Plan of Operation may be taken by the Board without prior disclosure to and opportunity for comment by current consumer representatives of the proposed changes.
- K. A consumer representative Board member may be removed by a majority vote of the Board (four of the six NAIC members and four of the six consumer representative members) whenever, in their judgment, the best interests of the Board would be served thereby. Prior to the vote, the consumer representative Board member under consideration for removal will be afforded an opportunity to address the Board and present justification for retention of his or her Board seat and/or to answer any questions of the Board members.
- L. If a vacancy occurs on the Board prior to October 1 due to the resignation or removal of a Board member, a new Board member shall be appointed to serve out the remainder of the term. If the open position is that of

Section 5. Consumer Representative Application Process

- A. By August 31 of each year, a link for web access to the blank consumer representative applications shall be posted on the NAIC website along with: 1) a statement that the NAIC encourages those individuals and consumer advocacy groups with a commitment to experience with consumer advocacy regarding insurance regulatory issues; 2) a statement describing the NAIC and its services to the state insurance departments; 3) a schedule of the NAIC meetings for the following year and their locations; 4) a list of the NAIC committees and their memberships; 5) an explanation that the role of the consumer representatives at NAIC meetings is to serve as a liaison to the consumer advocacy community and to offer the consumer perspective; and 6) the following statement:

The NAIC provides an equal opportunity for all applicants and does not discriminate based on: race, creed, color, sex, sexual orientation, gender identity or expression, religion, age, national origin or ancestry, handicap or disability, marital status, pregnancy, genetic information, veteran or military status or any other status protected by law.

- B. Prospective consumer representatives are required to submit fully completed applications to the NAIC by October 31. (Partial or late applications will not be considered.) To be considered a fully completed application, the applicant must:
1. Submit a copy of his or her organization's by-laws, if available, reflecting the organization's mission to represent consumer interests and promote consumer protection, if the applicant is applying as a representative of a consumer organization.
  2. Submit a completed and signed application with all required attachments.
  3. Submit a signed NAIC Conflict of Interest Statement to disclose conflicts, if any, and acknowledge the NAIC's expectation that he or she will notify the Board of any potential conflict of interest as soon as one arises during the year. The Board will determine if a conflict exists and what action may be required on a case-by-case basis.

Section 6. Consumer Representative Qualifications

- A. Applicants for the position of NAIC consumer representative shall:
1. Demonstrate a commitment to and experience with consumer advocacy regarding

- D. The current Board will determine if unsuccessful applicants for funded positions may be considered for unfunded positions.

Section 7. Reimbursement of Expenses

NAIC funded consumers shall submit expense reports optimizing the costs of attending NAIC meetings according to the NAIC Funded Consumer Representative Guidelines Reimbursement of Expenses located on the NAIC Consumer Participation web site.

Unfunded consumer representatives will not receive reimbursement for travel expenses from the NAIC but are eligible for other benefits, including waiver of the NAIC national meeting registration fees.

Section 8. Designated Consumer Representative Term

Designated consumer representatives are appointed by NAIC and consumer members of the Board and shall serve two-year terms; however, each must submit a re-election form for the second year of the term.

NAIC and consumer members of the Board will review re-election forms to determine if there is a reason a designated consumer representative should not continue to serve. If no reason is determined, the designated consumer representatives shall serve the second year of his or her term. J25050505050504

Section 11. NAIC/Consumer Liaison Committee

- A. The purpose of the NAIC Consumer Liaison Committee is to assist the NAIC in its mission to support state insurance regulation by providing consumer views on insurance regulatory issues. The Liaison Committee provides a forum for ongoing dialogue between NAIC members and NAIC consumer representatives.
- B. To promote participation at NAIC meetings, the agenda of the NAIC Consumer Liaison Committee shall be set and distributed no later than 21 days prior to the next NAIC national meeting by the Chairperson of the NAIC Consumer Liaison Committee in consultation with one of the six consumer members of the Consumer Participation Board of Trustees. Any amendments made



16, and 19 of the model to strengthen regulatory standards regarding individuals acting as licensed public adjusters; contractors who are also acting as public adjusters on the same claim; and inappropriate assignment of benefit rights. During its July 17 meeting, the Working Group adopted proposed amendments.

The Producer Licensing (D) Task Force received comments on the model during its Aug. 13 meeting.

Amendments to the Privacy of Consumer Financial and Health Information Regulation (#672)—During the 2022 Summer National Meeting, the Executive (EX) Committee approved a Request for NAIC Model Law Development for a new model that would replace existing models in order to enhance consumer protections and corresponding obligations of entities licensed by insurance departments to reflect the extensive innovations that have been made in communications and technology. The Privacy Protections (H) Working Group approved this request on Aug. 2, 2022. The drafting process continued through 2023. In January 2024, the Working Group paused its public activities to allow subject matter experts (SMEs) the time necessary to review the comments received, discuss the detailed concerns with individual companies, and develop wording that would address the needs of industry to conduct business while providing important consumer protection. The SMEs