



March 18, 2020

Commissioner Jon Godfread
North Dakota Insurance Department
Chair, NAIC Artificial Intelligence (EX) Working Group
Via email to dmatthews@naic.org

Re: ACLI Comments on NAIC Artificial Intelligence (EX) Working Group Draft Principles

Dear Commissioner Godfread:

The American Council of Life Insurers (ACLI)¹ appreciates the opportunity to respond to the AIWG AI Principles February 19, 2020 draft. ACLI appreciates the efforts of the Working Group to develop draft principles to foster robust comments and discussion. We hope that the following comments, along with additional input from experts, will be beneficial to shape the ultimate product of the Working Group.

ACLI believes the NAIC should further define the AI system lifecycle by limiting the scope of this to the insurance parts of the business (UW, distribution, claims, etc.) and not extending this to aspects of the business which is not centric to insurance (e.g., use of AI for hiring/HR purposes).

ACLI further believes that life insurance companies should continue to emphasize compliance with existing laws & regulations as the development and usage of AI continues. Implementation of AI should involve appropriate disclosures and other steps to inform and protect consumers. All AI will not have the same level of concern, particularly in respects to causing harm to consumers. Moreover, companies must ensure that the focus remains on any harm to the consumers, if AI were to fail.

Please find attached our suggested revisions to the current version of the draft.

Thank you for the opportunity to comment on the Working Group's draft AI Principles. We look forward to working with you on this important project.

Sincerely,

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¹ The American Council of Life Insurers (ACLI) is the leading trade association driving public policy and advocacy on behalf of the life insurance industry. 90 million American families rely on the life insurance industry for financial protection and retirement security. ACLI's member companies are dedicated to protecting consumers' financial wellbeing through life insurance, annuities, retirement plans, long-term care insurance, disability income insurance, reinsurance, and dental, vision and other supplemental benefits. ACLI's 280 member companies represent 94 percent of industry assets in the United States.