

2020 Summer National Meeting
Virtual Meeting

EXECUTIVE (EX) COMMITTEE AND PLENARY
Friday, August 14, 2020
1:00 – 2:00 p.m.

Meeting Summary Report

The Executive (EX) Committee and Plenary met Aug. 14, 2020. During this meeting, the Committee and Plenary:

1. Adopted the report of the Executive (EX) Committee, which included the following action:
 - a. Adopted the report of the joint meeting of the Executive (EX) Committee and the Internal Administration (EX1) Subcommittee, which met July 14 and took the following action:
 1. Adopted its May 12 minutes.
 2. Adopted the Internal Administration (EX1) Subcommittee’s May 20 minutes, which included the following action:
 - i. Received an update on the Defined Benefit Plan portfolio as of March 31.
 - ii. Received an update on the NAIC long-term investment plan portfolio as of March 31.
 - iii. Approved a recommendation to replace one of the NAIC’s fund managers responsible for short-term bond funds.
 3. Adopted the report of the Audit Committee, which met June 2 and received the 2019/2020 Service Organization Control (SOC) 1 and SOC 2 reports.
 4. Received an update on the 2020 financial results and preliminary 2021 budget assumptions and approved an extension of unused 2020 grant funds to the end of 2021.
 5. Established a Special Committee on Race and Insurance.
 6. Established the Climate & Resiliency (EX) Task Force and adopted its draft charges.
 7. Received a System for Electronic Rate and Form Filing (SERFF) Assessment and directed NAIC staff to prepare and issue a request for proposal (RFP) to solicit proposals to help complete a “modernization pilot” and “Wave One” as recommended in the SERFF Assessment.
 8. Approved Management’s recommendation to extend the residential mortgage-backed securities (RMBS)/commercial mortgage-backed securities (CMBS) modeling contract with BlackRock for another year.
 9. Approved the release of the Economic Scenario Generator (ESG) fiscal for a two-week public review period prior to a final vote of the Executive (EX) Committee during a future meeting.
 10. Approved a U.S. Department of Labor (DOL) Information Sharing Agreement.
 11. Selected the meeting locations for the 2024 summer and fall national meetings: the 2024 Summer National Meeting will be held in Chicago, IL, and the 2024 Fall National Meeting will be held in Denver, CO.
 12. Received the joint chief executive officer (CEO)/chief operating officer (COO) report.
 - b. Adopted the report of the Executive (EX) Committee, which met May 12, April 2, Feb. 13 and Jan. 10 and took the following action:
 1. Adopted the 2019 Fall National Meeting minutes of the joint meeting of the Executive (EX) Committee and the Internal Administration (EX1) Subcommittee.
 2. Adopted its April 2, Feb. 13 and Jan. 10 minutes.
 3. Adopted the report of the Audit Committee.
 4. Adopted the report of the Investment Committee.
 5. Adopted the recommendation of the Life Actuarial (A) Task Force to delay the start of Principle-Based Reserving (PBR) Experience Data Reporting from 2020 to 2021.
 6. Appointed Commissioner Vicki Schmidt (KS) and Director Bruce R. Ramge (NE) to serve on the National Insurance Producer Registry (NIPR) Board of Directors effective May 12.
 7. Heard a report on a change in membership for the SERFF Advisory Board. Andrea Davey (Athene Annuity and Life Company) will serve as the Life Insurance Representative on the SERFF Advisory Board.
 8. Discussed the National Association of Registered Agents and Brokers (NARAB) Board recommendations.
 9. Heard an update on the ESG RFP.
 10. Heard an update on the SERFF Assessment.
 11. Heard an update on NAIC cybersecurity.
 12. Discussed the status of the Mid-Year Roundtable and the Summer National Meeting.
 13. Heard a joint CEO/COO report.

14. Discussed 2020 NAIC Strategic Priorities in light of COVID-19.
 15. Received an update on the 2019 Year-End Financial Results.
 16. Approved the fiscal impact statement for the Long-Term Care Insurance Data Call and authorized Management to contract with a selected vendor.
 17. Approved the fiscal impact statement for the SERFF Filing Review Tools Pilot.
 18. Approved the following non-regulator appointments to the SERFF Advisory Board: Birny Birnbaum (Center for Economic Justice—CEJ) as the Consumer Representative; Theresa Boyce (Chubb Group) for Property & Casualty (P&C); Amanda Wheeler (LifeSecure Insurance Company) for Life Insurance; and Rachel Benton (Bright Health) for Health Insurance and Vice Chair.
 19. Appointed Director Chlora Lindley-Myers (MO) as vice chair of the 2020 Consumer Participation Board of Trustees.
 20. Appointed Commissioner Mark Afable (WI) to serve on the NIPR Board of Directors effective Feb. 13.
 21. Received an update confirming the committee structure changes: the Executive (EX) Committee disbanded the joint Long-Term Care Insurance (B/E) Task Force, the NAIC/State Government Liaison Committee, and the NAIC/Industry Liaison Committee; and the Executive (EX) Committee also removed the membership limit on the Life Actuarial (A) Task Force and the Health Actuarial (B) Task Force.
 22. Approved the fiscal impact statement for the PBR Yearly Renewable Term Reinsurance Study.
 23. Voted to release the Long-Term Care Insurance Data Call and Analysis fiscal impact statement for public review and comment.
 24. Approved the debt restructure terms between the NAIC and Interstate Insurance Product Regulation Commission (Compact).
 25. Appointed Florida, Idaho, Kentucky, Massachusetts, Missouri, Nebraska, Nevada, Ohio and Oklahoma as members of the NAIC 2020 Audit Committee.
 - c. Adopted the reports of its task forces: 1) the Financial Stability (EX) Task Force; 2) the Government Relations (EX) Leadership Council; 3) the Innovation and Technology (EX) Task Force, including the Artificial Intelligence (AI) Principles; and 4) the Long-Term Care Insurance (EX) Task Force, including its three new subgroup charges.
 - d. Adopted Requests for NAIC Model Law Development to amend the *Insurance Holding Company System Regulatory Act* (#440), the *Insurance Holding Company System Regulation with Reporting Forms and Instructions* (#450), and the *Standard Nonforfeiture Law for Individual Deferred Annuities* (#805).
 - e. Received the 2019 Annual Report of the NAIC Designation Program Advisory Board.
 - f. Received a status report on the NAIC *State Ahead* strategic plan implementation.
 - g. Received a status report on model law development efforts for amendments to the *Model Regulation to Implement the Accident and Sickness Insurance Minimum Standards Model Act* (#171); the *Annuity Disclosure Model Regulation* (#245); the *Health Maintenance Organization Model Act* (#430); Model #440; Model #450; the *Life Insurance Disclosure Model Regulation* (#580); the *Mortgage Guaranty Insurance Model Act* (#630); the *Unfair Trade Practices Act* (#880); and new models, including the Real Property Lender-Placed Insurance Model Act, the Pet Insurance Model Law, and the Pharmacy Benefit Manager (PBM) Model Law.
 - h. Heard a report from the Compact.
2. Adopted the AI Guiding Principles.
 3. Adopted by consent the committee, subcommittee and task force minutes of the 2019 Fall National Meeting.
 4. Adopted its Feb. 13 minutes, which included the following action:
 - a. Adopted the revisions to the *Suitability in Annuity Transactions Model Regulation* (#275).
 5. Received the following committee reports: the Life Insurance and Annuities (A) Committee, the Health Insurance and Managed Care (B) Committee, the Property and Casualty Insurance (C) Committee, the Market Regulation and Consumer Affairs (D) Committee, the Financial Condition (E) Committee, the Financial Regulation Standards and Accreditation (F) Committee, and the International Insurance Relations (G) Committee.
 6. Adopted the technical revisions to *Actuarial Guideline XLVIII—Actuarial Opinion and Memorandum Requirements for the Reinsurance of Policies Required to be Valued under Sections 6 and 7 of the NAIC Valuation of Life Insurance Policies Model Regulation* (Model #830) (AG 48).
 7. Adopted the amendments to the *Valuation Manual*.
 8. Adopted the *Actuarial Guideline XLVIX-A—The Application of the Life Illustrations Model Regulation to Policies with Index-Based Interest* (AG 49-A).

9. Adopted the “Considerations for State Insurance Regulators in Building the Private Flood Insurance Market.”
10. Adopted the NAIC Continuing Education Reciprocity (CER) Agreement – 2019 Version.
11. Adopted the 2019 revisions to the *Credit for Reinsurance Model Law* (#785) and the *Credit for Reinsurance Model Regulation* (#786) as an addition to the Part A Accreditation Standards.
12. Adopted the *Term and Universal Life Insurance Reserve Financing Model Regulation* (#787) as a new Part A Accreditation Standard.
13. Received a status report on state implementation of NAIC-adopted model laws and regulations.

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