

Draft: 11/20/25

Market Regulation Certification (D) Working Group
Virtual Meeting
November 17, 2025

The Market Regulation Certification (D) Working Group of the Market Regulation and Consumer Affairs (D) Committee met Nov. 17, 2025. The following Working Group members participated: Bryan Stevens, Chair (WY); T.J. Patton, Vice Chair (MN); Chelsy Maller (AK); Teri Ann Mecca (AR); Daniel Mathis (IA); Mary Kwei (MD); Jo A. LeDuc and Teresa Kroll (MO); Shane Quinlan (NC); Martin Swanson (NE); Erin Porter (NJ); Elouisa Macias (NM); Rodney Beetch (OH); Landon Hubbard (OK); Cassie Soucy (OR); Gary Jones (PA); Rachel Moore (SC); Tanji J. Northrup (UT); Andrea Baytop and Julie Fairbanks (VA); Isabelle Turpin Keiser (VT); Sandy Ray (WA); and Allan L. McVey (WV). Also participating were: Tolanda McNeal (AZ); Pam O'Connell (CA); Victoria Hastings (IN); Danielle Torres (MI); Hermoliva Abejar (NV); Matthew Gendron (RI); Stacie Parker (TX); and Darcy Paskey (WI).

1. Adopted its Aug. 6 Minutes

The Working Group met Aug. 6 and took the following action: 1) adopted its May 21 minutes; and 2) discussed the proposed market analysis certification requirement.

Commissioner McVey made a motion, seconded by Ray, to adopt the Working Group's Aug. 6 minutes (Attachment XX). The motion passed unanimously.

2. Discussed Voluntary Market Regulation Certification Program Implementation Plan and Certification Applications

Stevens said that in 2024 and 2025, the Working Group received 22 applications for provisional certification. He said this was in accordance with step one of the adopted implementation plan. According to the program's implementation plan, each jurisdiction that submits a self-certification will automatically be provisionally certified. He said each of the 22 jurisdictions that submitted self-certifications has received an acknowledgement, and the appointed peer review group is currently doing assessments of the jurisdictions' self-certifications.

Stevens stated that, after the initial self-certification, the implementation plan requires the provisionally certified jurisdiction to submit a self-certification report annually. While the Working Group continues to receive some new self-certifications, it has not, to date, received any of the annual self-certifications from the jurisdictions that have already been provisionally certified. He stated that, as this is the first year that the Working Group has been receiving and assessing the self-certification applications, the annual requirement will not be enforced this year.

Stevens reminded attendees that self-certification applications can still be sent to Randy Helder (NAIC), and all applications will be acknowledged with provisional certification. He said that if a state/territory can submit its self-certification prior to the Market Regulation and Consumer Affairs (D) Committee's Dec. 11 meeting at the Fall National Meeting, he will be able to report to the Committee the total number of provisionally certified states. This report will include all 22 submitted self-certifications plus any new submissions. He said he would like to have 25 applications by the Fall National Meeting and 35 by the end of next year.

Stevens said the Working Group will meet Dec. 9 at the Fall National Meeting to begin discussions on developing the mechanisms for implementing full certification. He asked Helder to send the implementation plan to all interested regulators and interested parties so the Working Group can prepare to discuss how to proceed during the Fall National Meeting.

Torres asked how long it takes to get the assessment for the peer review group. Stevens said the self-certifications are being reviewed in order, and not all 22 have been reviewed yet. He believes there is one more meeting planned for the review group.

Hastings asked whether it is expected that the self-certifications have the state's or territory's policies and procedures attached to the checklist or if only the checklist is required. Stevens said that if a state/territory is comfortable with submitting its policies and procedures, that is helpful to the review team. Hastings asked what type of feedback a state should expect to see. Stevens said it varies but mostly consists of requests for clarification. He said that clarification is sometimes needed because the checklist formatting is off and the answer is unclear. At other times, it may be a request for the policies and procedures once they are drafted by the state.

O'Connell asked who comprises the review panel. Stevens said the review panel consists of Patton, Baytop, Soucy, LeDuc, Jones, and himself.

Gendron asked if there is an appeals process if a state disagrees with an assessment. Stevens said there is not. He said everyone is just trying to get on the same page right now, and the review panel is willing to talk about any disagreements. He said this is a collaborative effort.

3. Discussed the Proposed Draft of a New Market Analysis Certification Requirement

Stevens said that prior to this meeting, the Working Group exposed a draft of a new definition of what would be considered market analysis. He said the new definition broadens what counts as market analysis to include baseline, Market Analysis Review System (MARS) Level 1, MARS Level 2, and certain continuum actions that involve market analysis. He said that if the Working Group agrees on what would be included in and counted as market analysis for purposes of the new requirement, it can then decide what an appropriate number of analyses would be needed to meet the requirement.

Patton thanked the drafting group for its work on the proposal. He stated that the drafting group is working on a proposed requirement focused on two topics, and two considerations were taken into account for each topic. The first topic is developing a definition of what counts as market analysis. Once a consensus is reached on the definition, the second topic is to determine a sufficient amount of market analysis to meet the requirement. He said that for each topic, the drafting group is considering the resources available to each state/territory and ensuring that the analysis done by jurisdictions is analysis that other jurisdictions can obtain and utilize.

Patton said the market analysis definition was broadened to include baselines, MARS Level 1, MARS Level 2, and general market analysis projects. The definition also provides some examples of what would qualify as a general market analysis project. He said the list includes special data calls, market-wide surveys, and interrogatories, but the examples are not all-inclusive. Other types of activities could also qualify. He said the drafting group took into account the Working Group's discussion on how different jurisdictions conducted market analysis. He said that for an analysis to be counted, it had to be performed during the calendar year.

Stevens thanked the drafting group for its work on the proposal. He said the value of the requirement is for other jurisdictions to be able to share their analyses and not duplicate each other's work.

Gendron said this is a good list of market analysis activities. He said Rhode Island will do projects on topics such as title insurance or annuities and conduct between six and 20 Level 1 or Level 2 analyses on different companies prior to issuing a public report on the topic.

Paskey said Wisconsin just conducted a survey of 164 private passenger automobile (PPA) companies. She asked if the expectation was that Wisconsin would have to do a Level 1 analysis on each of the 164 companies to get credit for the national analysis. LeDuc said the general market analysis category is a way for a state to count activities that it has done that are outside of the routine baseline, Level 1, or Level 2 reviews. She said it is not the expectation that all these are input into MARS. She said it is great that Rhode Island does that because it helps inform other states, but it is not part of the requirement. The definition attempts to encompass all the things states report that do not fall into the standardized systems.

Moore said she is the only person doing market analysis in South Carolina, and her state uses State Based Systems (SBS). She asked if analyses in SBS would be considered and counted. Patton said they would.

Helder said North Carolina submitted a question regarding the way the definition was worded. It was unclear whether the requirement was for the analyses to be done in the same calendar year as the data. He said this will be clarified, but the intention is that the requirement is to count the number of market analyses conducted in the calendar year, not the number of analyses by data year. Quinlan said that answered North Carolina's question.

Patton asked if a vote needed to be taken on the definition of the market analysis prior to moving into a discussion on the appropriate number of analyses to be done by the state per year. Helder said the vote can wait until the entire requirement is drafted with the analysis definition, the quantity of market analyses to be conducted, and whether the requirement is a mandatory or secondary requirement.

Patton asked whether the current Market Analysis Procedures (D) Working Group requirement of 30 analyses is workable for jurisdictions, given the broadened definition. Quinlan said 30 can be a start. Stevens said that just as South Carolina only has one market analyst, he is the only market analyst in Wyoming. He said that Wyoming was planning for 20 reviews in 2026. While 30 is not unreasonable, he would prefer 20 reviews as the baseline. Soucy agreed with Stevens and said that it would be a good floor for smaller states with fewer resources.

Gendron said he liked the goal of conducting 30 reviews. He said it is unlikely a jurisdiction would lose its certification if it only did 26 reviews. He said that often states use the financial accreditation program standards to argue for sufficient staffing. He said he thinks the standards should be a little higher.

Stevens asked if the proposed requirement would be mandatory or secondary. LeDuc said the drafting group did not discuss that, but she thought initially it could be a secondary requirement. Patton and Stevens agreed that it should initially be secondary, but wondered if that would lead some states not to be concerned with meeting the requirement. LeDuc said it would not always have to be secondary.

Turpin Keiser asked whether 30 is too low a number for larger states with more resources. Stevens said states like California have a large staff, but in the last meeting, they indicated that most of the staff is composed of examiners with very few analysts. Parker noted that Texas is similar to California in terms of the number of examiners versus analysts. LeDuc said that if the requirement was to be scalable by the size of the staff, it would be necessary to tighten the definition around what constitutes an analyst and how to count the number of analysts.

Baytop said the requirement should be secondary since it has just been added to the certification program. She said maybe in the future, it can be changed to a mandatory requirement, and consideration can be given to scaling it per the full-time-equivalent number of analysts.

Patton asked if states that wanted 20 analyses as the minimum would be comfortable with 30 if it were a secondary requirement. Moore, Soucy, and Stevens all agreed that they would be comfortable with 30 analyses. Abejar said that regardless of the number, the prioritization of the companies to be reviewed is more important.

Stevens agreed that it is important for states with limited resources to use their time wisely, but at the same time, it is good to have a stretch goal. He said a jurisdiction will not be told it is not certified because it fell short of 30 analyses. LeDuc said that if a state does not meet enough secondary requirements, it could mean that it is not certified. Stevens agreed that would be the case with full certification, but the state would still be provisionally certified.

Patton said the drafting group will meet again to put together a requirement that the Working Group can vote on. Stevens said the Working Group can consider adoption of the proposed requirement at the Fall National Meeting. Stevens said the Fall National Meeting will be used to wrap up the work of the Working Group for 2025 and plan for 2026. He said he would like to have 25 states provisionally certified by the end of 2025 and 35 by the end of 2026.

Having no further business, the Market Regulation Certification (D) Working Group adjourned.

SharePoint/Member Meetings/D CMTE/2025 Fall National Meeting/MRCWG/1117/11-MRCWG T.docx

Minimum Market Analysis Requirement

Contents

SME Group Proposal	2
Current Requirement	5
SME Group Summary	7

SME Group Proposal

Requirement 12 – Department Market Analysis Activity

The jurisdiction or department must demonstrate proactive oversight of its market by engaging in a minimum level of market analysis activity.

Objective

This requirement's objective is to ensure the department conducts systematic market analysis to proactively and effectively identify and address potentially unfair or harmful market practices by insurers.

Measurement

To successfully meet this requirement, the jurisdiction must conduct thirty (30) or more market analysis activities in order to answer “Yes” to checklist item 12b.

Each jurisdiction will decide which line(s) of business and type(s) of analysis to conduct, but priority should be given to the lines of business and issues that have the highest potential for significant consumer harm involving either domestic carriers or foreign carriers.

Guidelines

The department should conduct market analysis in a systematic way to identify potential issues. It should routinely collect and analyze data to understand the normal operating patterns within a market and identify companies whose practices deviate significantly from the market norm and may pose a risk to consumers.

Each jurisdiction will decide which line(s) of business and type(s) of analysis to conduct, but priority will be given to the lines of business and issues that have the highest potential for significant consumer harm.

To determine the number of market analysis activities,

- the market analysis activity must be entered into the NAIC MARS Level 1, MARS Level 2 or MATS databases and completed during the calendar year. Each entry counts as one market analysis activity.

- each line of business reviewed per carrier will count as a market analysis activity. For example, if an analyst reviews both the homeowner and private passenger auto lines of business for a particular carrier, it would count as two market analysis activities.

When assessing whether the department has achieved the minimum level of market analysis activities, the following activities are regarded as fulfilling an activity for the purpose of satisfying this requirement.

- Baseline Analysis
- Level 1 Review
- Level 2 Review
- General Market Analysis Projects

Baseline analysis

Baseline analysis utilized data as a benchmark from which deviations and comparisons are measured. It should be a systematic process whereby basic parameters are used to evaluate the entire marketplace for a specific line of business in order to identify those companies that may require a more detailed and thorough review.

It is to be conducted using the NAIC's Market Analysis Prioritization Tool and/or the MCAS-Market Analysis Prioritization Tool as the basis for the review. A baseline analysis that incorporates either of the MAPT tools into a jurisdiction's proprietary process/tool would also count as a baseline analysis.

Each baseline analysis is counted in the year it is completed. Each line of business reviewed will count as one review regardless of the number of companies included in the baseline review. In the absence of a business reason, reviews should be conducted using the most current data year available when the data is downloaded.

Level 1/Level 2 Reviews

Level 1 or Level 2 Reviews can be Level 1, Level 2 or a combination of both. The review must be entered into the NAIC MARS database and is counted in the year in which it is completed.

Each line of business reviewed per insurer will count as one review. For example, if a review includes both Homeowner and Private Passenger Auto for a particular insurer, it counts as two reviews. A review that included three lines of business would count as three reviews.

In the absence of a business reason, reviews should be conducted using the most current data year available when the review was created in MARS.

General Market Analysis Projects

General market analysis projects include departmental analysis activities that involve analyzing general market conditions but are outside the scope of Baseline Analysis, Level 1 Reviews or Level 2 Reviews.

These could take many forms and may include special projects or studies undertaken at the request of senior management to understand a specific market practice and/or to identify potential outliers. Examples of special market analysis projects include, but are not limited to:

- Special data calls and studies related to current and emerging issues.
- Market-wide survey designed to gather information for the purpose of understanding a specific market practice
- Interrogatories sent to significant portions of a market to collect/analyze information regarding certain practices
- Market reviews regarding the industry's implementation of new laws.
- Studies of emerging issues

To be counted, the market analysis project must be completed during the calendar year being evaluated. It may be a one-time project or a periodically recurring initiative.

Checklist

Market Analysis

12a. Did the department perform market analysis activities during the current year?

12b. Did the department complete thirty (30) or more market analysis activities during the current year?

12c. If the answer to 12(b) is "no", has the department developed a strategy for completing thirty (30) or more market analysis activities during future years? If yes, describe it.

12d. Indicate below the number of market analysis activities for which market analysis was performed in the prior review period. Market analysis means a formal review of a jurisdiction's market and/or individual companies through existing processes (e.g., baseline analysis, Level 1 reviews, Level 2 Reviews, general market analysis, and/or special analysis projects).

	Total Activities Reported in MARS	Total Activities Reported in MATS
Current Year (CY)		
CY-1		
CY-2		

Current Requirement

Market Analysis Review System (MARS)

Minimum Annual Number of Reviews

The Market Analysis Procedures (D) Working Group (MAP) was asked by the Market Regulation Accreditation (D) Working Group to consider minimum MARS review counts for each state. This document outlines the minimum MARS reviews by state, as adopted by MAP.

A phase in period is provided to allow for training and resources.

NOTES:

1. The term "REVIEWS" can be Level 1, Level 2 or a combination of both.
2. To "count", the review must be entered into the NAIC MARS database and completed during the calendar year.
3. Each line of business reviewed per carrier will count as a MARS review. For example, if an analyst reviews both Homeowner and Private Passenger Auto for a particular carrier, it would count as two MARS reviews.
4. The number of reviews completed by each state will be reported to MAP quarterly, and posted on MyNAIC.

Year 1 (2017):

Each state conducts a minimum of ten (10) reviews. The line of business and type of carrier reviewed will be at the discretion of each state, but priority given to domestic carriers or foreign carriers involved in issues that are potentially significant to the state.

Year 2 (2018):

Each state conducts a minimum of fifteen (15) reviews. The line of business and type of carrier reviewed will be at the discretion of each state, but priority given to domestic carriers or foreign carriers involved in issues that are potentially significant to the state.

Year 3 (2019):

Each state conducts a minimum of twenty (20) reviews. The line of business and type of carrier reviewed will be at the discretion of each state, but priority given to domestic carriers or foreign carriers involved in issues that are potentially significant to the state.

Year 4 (2020):

Each state conducts a minimum of twenty-five (25) reviews. The line of business and type of carrier reviewed will be at the discretion of each state, but priority given to domestic carriers or foreign carriers involved in issues that are potentially significant to the state.

Year 5 (2021) and beyond:

Each state conducts a minimum of thirty (30) reviews. The line of business and type of carrier reviewed will be at the discretion of each state, but priority given to domestic carriers or foreign carriers involved in issues that are potentially significant to the state.

SME Group Summary

The SME Group began by discussing the purpose and reasons for creating and implementing the requirement. It offers the following background to set the stage for its revised proposal.

Background

The requirement for completing a minimum number of reviews came about at a time when state regulators were being criticized for not having uniform standards to identify market issues, leading to inconsistent responses to market conduct problems. During this time, the Government Accountability Office (GAO) also conducted a study. The primary recommendation coming out of the study was that states should develop standardized procedures for conducting market analysis and coordinating their efforts.

In response to the criticism and the GAO study, the current systematic approach to conducting market analysis was developed. This new system represented a shift away from resource-intensive, on-site market conduct examinations to a structure that allowed regulators to identify potential issues and seek corrective action before problems became widespread. The intent was to provide a data-driven process to more efficiently identify which companies and practices posed the most significant risk to consumers, helping regulators prioritize their resources.

To achieve a more systematic proactive approach to market regulation, the following were created:

- Market Conduct Annual Statement
- Baseline Analysis
- Level 1 Reviews
- Standardized Level 2 Reviews

To enhance consistency and coordination, the NAIC developed and implemented tools like MAPT, MARS, and MATS. However, creating the processes and tools was only half of the response to the criticisms. The other half was to encourage the adoption of the new 'modernized' analysis process and demonstrate that jurisdictions were utilizing it. The demonstration involved each jurisdiction completing a minimum number of Level 1 Reviews.

The initial number of reviews was established using a combination of factors intended to consider the size of each jurisdiction's market. Over the years, the initial benchmarks have been reviewed periodically. Unfortunately, the documentation showing how the minimum number of reviews was determined was not retained. Efforts to recreate were not successful, and the formula was eventually abandoned in favor of the current benchmark, which was adopted by the Market Analysis Procedures Working Group on January 28, 2016.

In discussing the issue, the SME generally agreed that the pressures that existed leading up to and resulting in the development of the current structured market analysis approach are still valid. And that failure to maintain and encourage the use of a more proactive and systematic approach to the identification of market conduct issues would not be in our best interest. As such, the SME agreed that

the initial primary purpose of establishing a minimum number of reviews, geared toward demonstrating our commitment to conducting proactive data-driven analysis, is still relevant and should continue to be the goal for establishing a minimum requirement.

The SME also recognized that the requirement, as it currently exists, is not flexible enough to accommodate the various processes used by jurisdictions in monitoring their market.

As such, the **SME recommends that a new requirement be added** to the Certification program that:

- Establishes a **minimum level of required activity** that is directly related to the market size of the individual jurisdiction.
- Not be expanded to include all regulatory actions on the continuum but remains **limited to only those activities associated with market analysis**.
- **Expands the types of market analysis activities**, beyond Level 1 and Level 2 Reviews, that count toward meeting the minimum requirement.

The SME felt that adding a new requirement would be the best approach in the long run, as none of the existing requirements address minimum performance standards. Rather, they focus on core items such as department authority, staffing resources/qualifications, and other process-related items and therefore do not provide a logical place for inserting a minimum performance standard. A new, standalone requirement, on the other hand, would allow for maximum flexibility and create an extendable structure, allowing for future growth in terms of minimum performance requirements.

Requirement 12		Mandatory Condition Met	(Primary)	(Secondary)		
12a	Did the department perform market analysis activities during the current year?					
12b	Did the department complete thirty (30) or more market analysis activities during the current year?					
12c	If the answer to 12(b) is "no", has the department developed a strategy for completing thirty (30) or more market analysis activities during future years? If yes, describe it.					
12d	Indicate below the number of market analysis activities for which market analysis was performed in the prior review period. Market analysis means a formal review of a jurisdiction's market and/or individual companies through existing processes (e.g., baseline analysis, Level 1 reviews, Level 2 Reviews, general market analysis, and/or special analysis projects).					
Certification Score Total						
Total Points Possible						
Score						
Pass/NoPass						
Points needed to pass						

0

29	18	20
THIS SCORE SHOULD BE THE TOTAL OF MANDATORY ITEMS IDENTIFIED IN THE CHART ABOVE -- its not necessary to assign a score value for meeting expectations	The PRIMARY GOALS should be given a scorable point basis that is weighted by the total of primary goals inside each REQUIREMENT; this would include the requirements needed of any secondary goals == this would achieve the 100% assigned overall points to each REQUIREMENT;	Secondary goals that are "working toward" meeting the requirements of the Red Mandatory or Yellow Primary goals should be partial point values that equal up to 75% of the total score value that is assessed for the primary goals in this REQUIREMENT AREA. (All other green tagged secondary goals are designed to be supportive of requirements to meet red and yellow -- so those would not be given a partial score value at all when used to support

1st assessment	all mandatory must be met
1st 5-year re-assessment	50% of remaining available points
2nd 5-year re-assessment	90% of remaining available points

Draft: 12/2/22

Implementation Plan adopted Market Regulation and Consumer Affairs (D) Committee – 8/15/2023

Implementation Plan adopted by the Market Regulation Certification (D) Working Group – 12/9/2022

Voluntary Market Regulation Certification Program Proposal for Implementation

Current Charge of the Working Group

The Market Regulation Certification (D) Working Group will develop a formal market regulation certification proposal for consideration by the National Association of Insurance Commissioners (NAIC) membership that provides recommendations for the following:

- 1) Certification standards.
- 2) A process for the state implementation of the standards.
- 3) A process to measure the states' compliance with the standards.
- 4) A process for future revisions to the standards.

As per the charges adopted for the Market Regulation Certification (D) Working Group, the following is a draft proposal for charges 2 and 4.

Implementation Proposal

The Voluntary Market Regulation Certification Program will be overseen and administered by a working group (Market Regulation Standards and Certification (D) Working Group) established by the Market Regulation and Consumer Affairs (D) Committee. Members of the Working Group shall be appointed annually pursuant to the NAIC Bylaws.

Self-Certification Program

- Upon adoption/approval of the Voluntary Market Regulation Certification Program, the Market Regulation Certification Program Self-Assessment Guidelines and Checklist Tool and the Implementation Plan by the NAIC membership, participating jurisdictions may begin self-certification. No later than two weeks prior to the first Fall National Meeting following the adoption/approval of the program, a jurisdiction may submit a self-certification report that outlines the progress achieved towards implementation of the Voluntary Market Regulation Certification Program requirements. The self-certification will follow the formatted checklist designed and finalized by the Market Regulation Certification (D) Working Group.
- A jurisdiction's self-certification report will be submitted to NAIC staff. The Market Regulation Standards and Certification (D) Working Group will monitor and assess its progress towards compliance with the *Voluntary Market Regulation Certification Program* requirements. Each jurisdiction that submits a self-certification report will be provisionally certified. The Working Group will provide the jurisdiction with an acknowledgement and its assessment of the jurisdiction's self-certification.
- Prior to each Fall National Meeting following a jurisdiction's initial provisional certification, each provisionally certified jurisdiction will submit its self-certification report to NAIC staff. Jurisdictions that have not previously submitted a self-certification report, may do so prior to any Fall National Meeting using the process noted above to receive provisional certification.
- At any time, participating jurisdictions may request peer-review, guidance, and training. To the extent necessary to accommodate such requests, NAIC staff may work with seasoned regulators with market conduct examination and/or market analysis experience to assist in meeting the needs of such requestors.

Draft: 12/2/22

Implementation Plan adopted Market Regulation and Consumer Affairs (D) Committee – 8/15/2023

Implementation Plan adopted by the Market Regulation Certification (D) Working Group – 12/9/2022

- Once a mechanism is in place for implementing the Full Certification Program (see *Full Certification Program* below), jurisdictions will have the option to continue self-certifying or to apply for full certification. Jurisdictions that decide to continue self-certifying will use the same process described above.

Full Certification Program

- The Market Regulation Standards and Certification Working Group will determine whether jurisdictions that apply to be fully certified meet the certification standards. An NAIC Review Team (similarly constructed as the Financial Regulation and Accreditation Standards Accreditation Review Team) will conduct the certification reviews.
- No later than two weeks prior to the first Spring National Meeting after the Market Regulation Standards and Certification Working Group has been established (or no later than two weeks prior to any subsequent Spring National Meeting), any participating jurisdiction may apply for full certification by submitting a request for full certification along with a self-certification report to NAIC staff. The jurisdiction's request will be reviewed by the NAIC Review Team, which will provide its recommendation to the Market Regulation Standards and Certification Working Group. For jurisdictions applying for full certification, the Working Group will use applicable monitoring tools to verify the self-certification information reported by the participating jurisdictions. The NAIC Review Team may use additional forms of verification deemed necessary, such as interviews or on-site visits. Each fully certified jurisdiction will be reviewed every five years to assess the jurisdiction's ongoing compliance with the certification standards.
- The requests for full certification will be reviewed in the order in which they are received. No more than 12 reviews will be conducted in each of the first five years of the certification program. In each subsequent year, jurisdictions that request to have full certification must submit their request with its self-certification report to NAIC staff two weeks prior to the Spring National Meeting. The NAIC Review Team will conduct the five-year re-assessments and review all the requests. Recommendations for full certification and re-certifications will be provided to the Market Regulation Standards and Certification Working Group prior to the Fall National Meeting of the same calendar year. The Market Regulation Standards and Certification Working Group will make its decision regarding certification or re-certification by the end of the calendar year.
- All jurisdictions that submit a request for full certification will be provisionally certified by the Market Regulation Standards and Certification Working Group (as per the process described in the *Self-Certification Program* above) until their request for full certification is reviewed and a decision on the request is made by the Market Regulation Standards and Certification Working Group.
- Fully certified jurisdictions will submit a self-certification report during the third year to NAIC staff at least two weeks prior to the Summer National Meeting.
- A jurisdiction may withdraw its request for full certification at any time. A jurisdiction that is fully certified can exit the full certification re-assessment cycle and choose to be either provisionally certified (per the process described in the *Self-Certification Program* above) or to not participate in the Voluntary Market Regulation Certification Program.

Draft: 12/2/22

Implementation Plan adopted Market Regulation and Consumer Affairs (D) Committee – 8/15/2023

Implementation Plan adopted by the Market Regulation Certification (D) Working Group – 12/9/2022

- A fully certified jurisdiction may qualify for financial incentives. (Details will be determined and approved by the Executive (EX) Committee.)

Future Revisions

- The Market Regulation Standards and Certification Working Group will regularly review feedback from jurisdictions concerning any issues or recommended changes to the *Voluntary Market Regulation Certification Program* requirements and the *Market Regulation Certification Program Self-Assessment Guidelines and Checklist Tool* based on the use of the guidelines and checklist for self-certification.
- Future revisions of the market regulation certification standards will be made from time to time by the Market Regulation Standards and Certification Working Group with approval of the Market Regulation and Consumer Affairs (D) Committee and NAIC membership. New standards will be added only as necessary and added no more frequently than once per year. Revised sets of standards will constitute a new “certification tier.” An effective date will be specified for each new requirement within a tier. Self-certified and fully certified jurisdictions that comply with a previous tier of requirements will not be measured on compliance to new tier requirements until the first self-assessment audit or the five-year re-certification review (whichever occurs first) after the effective date of the new requirement.