



February 25, 2018

Mr. Gordon Ito  
Insurance Commissioner  
335 Merchant Street  
Rm 213  
Honolulu, HI 96813

*Via email at [insurance@dcca.hawaii.gov](mailto:insurance@dcca.hawaii.gov)*

**Subject: Open Meetings for Actuarial Standard Setting**

Dear Mr. Ito:

In January 2018, the American Academy of Actuaries (the 'Academy') abruptly, and without prior notice, adopted a very restrictive open meeting policy. The Academy closed all meetings of the Committee on Qualifications and observers may attend meetings of the Actuarial Standards Board ('ASB') only with approval of the ASB chair and approval is left to the chair's complete discretion as to whom to admit and whom to exclude. Previously, the Academy had a broad open meeting policy. This new lack of transparency is not good for the public. It potentially allows personal bias or an individual company's financial interest to taint the process.

NAIC instructions reference membership in the Academy and meeting the Academy's Qualification Standards. Many states explicitly incorporate references to either the Qualification Standards and/or Actuarial Standards of Practices developed by the Academy in state law and regulations. As such, the Academy should have a high level of transparency. Closed meetings are inconsistent with open government and the extremely robust open meeting policy of the NAIC.

The Academy has offered multiple, inconsistent reasons for this policy change, but most recently the Academy president wrote the following:

Those who want to observe discussions at the ASB to write about them in order to generate negative feedback on proposals that they don't like is the crux of this question.

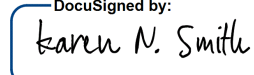
Thus, the Academy has explicitly acknowledged that the purpose of closing ASB meetings is to prevent the public from observing deliberations so that dissent will be minimized. This is a totally inappropriate reason to close meetings. Regulators, actuaries and the public should be able to observe the meetings and engage in respectful discourse about the appropriateness of any proposed change to actuarial standards and qualifications.

Mr. Ito  
February 25, 2018  
Page 2

Please contact the Academy to convey that open meetings for actuarial qualification and standard setting are in the best public interest and that the Academy should reconsider this policy change. You may contact the Academy's president, Steve Alpert at [steve.alpert.403@gmail.com](mailto:steve.alpert.403@gmail.com) and the Academy's Executive Director Mary Downs at [downs@actuary.org](mailto:downs@actuary.org).

You can find the Academy's website at [actuary.org](http://actuary.org). You can find my website at [ASBCoQsunshine.com](http://ASBCoQsunshine.com). Thank you for your consideration of this matter.

Sincerely,

DocuSigned by:  
  
15F0AE9E3C0945C...

Karen Smith  
[karens@asbcoqsunshine.com](mailto:karens@asbcoqsunshine.com)

## Certificate Of Completion

Envelope Id: 064920F60BF64F438B9CF97BFD877946	Status: Completed
Subject: Please DocuSign: Letter to hawaii commissioner final.pdf	
Source Envelope:	
Document Pages: 2	Signatures: 1
Certificate Pages: 1	Initials: 0
AutoNav: Disabled	Envelope Originator:
Envelopeld Stamping: Disabled	Karen N. Smith
Time Zone: (UTC-07:00) Arizona	10777 Northwest Freeway Ste 440
	Houston, TX 77092
	karens@nova401k.com
	IP Address: 64.9.168.2

## Record Tracking

Status: Original	Holder: Karen N. Smith	Location: DocuSign
2/25/2018 2:18:16 PM	karens@nova401k.com	

## Signer Events

Karen N. Smith  
 karens@nova401k.com  
 FSA, MAAA, MSPA, EA 14-05404  
 Nova 401k Associates  
 Security Level: Email, Account Authentication (None)

## Signature

DocuSigned by:  
  
 15F9AE9E3C0945C...  
 Using IP Address: 64.9.168.2

## Timestamp

Sent: 2/25/2018 2:18:31 PM  
 Viewed: 2/25/2018 2:18:36 PM  
 Signed: 2/25/2018 2:18:48 PM  
 Freeform Signing

**Electronic Record and Signature Disclosure:**  
 Not Offered via DocuSign

## In Person Signer Events

## Signature

## Timestamp

## Editor Delivery Events

## Status

## Timestamp

## Agent Delivery Events

## Status

## Timestamp

## Intermediary Delivery Events

## Status

## Timestamp

## Certified Delivery Events

## Status

## Timestamp

## Carbon Copy Events

## Status

## Timestamp

## Notary Events

## Signature

## Timestamp

## Envelope Summary Events

## Status

## Timestamps

Envelope Sent	Hashed/Encrypted	2/25/2018 2:18:31 PM
Certified Delivered	Security Checked	2/25/2018 2:18:36 PM
Signing Complete	Security Checked	2/25/2018 2:18:48 PM
Completed	Security Checked	2/25/2018 2:18:48 PM

## Payment Events

## Status

## Timestamps