MEMORANDUM

TO: Members of the General Assembly
FROM: Michael Pieciak, Commissioner
SUBJECT: Regulatory sandbox/innovation waivers
DATE: July 15, 2021

Dear members of the General Assembly:

I submit this memorandum pursuant to 8 V.S.A. §15a(n), which requires the Commissioner of Financial Regulation to submit a report biannually, beginning January 15, 2020, providing the following information regarding the insurance regulatory sandbox/innovation waivers:

1. The total number of petitions for innovation waivers that have been received, granted, and denied by the Commissioner;
2. For each waiver granted by the Commissioner, the information specified under 8 V.S.A. §15a(f);
3. A list of any regulations or bulletins that have been adopted or amended as a result of or in connection with a waiver granted under 8 V.S.A. §15a(n);
4. With respect to each statute to which a waiver applies, the Commissioner's recommendation as to whether such statute should be continued, eliminated, or amended in order to promote innovation and establish a uniform regulatory system for all regulated entities; and
5. A list of waivers that have lapsed or been revoked and, if revoked, a description of other regulatory or disciplinary actions, if any, that resulted in, accompanied, or resulted from such revocation.

As of July 15, 2021, no petitions for innovation waivers have been received, granted, or denied. As noted in our January update, we believe the COVID-19 pandemic may have contributed to the lack of petitions to date. Thank you for extending the sunset of the §15a(f) by two years. We hope that the extended time frame provides opportunities for the insurance industry to develop and test innovative programs and services.

I look forward to updating you again in January. As always, please feel free to contact Director of Policy Jill Rickard or myself with any questions.

All the best,

Michael Pieciak
Commissioner