Charter: Artificial Intelligence Advisory Board

Office of the Insurance Commissioner, Washington state

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Patty Kuderer, *Insurance Commissioner*
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The charter for the Artificial Intelligence Advisory Board for the Office of the Insurance Commissioner in Washington state, designed to meet our stated objectives:

1. Purpose

The Artificial Intelligence Advisory Board (the "Board") is established to provide expert advice and guidance to the Office of the Insurance Commissioner (OIC) regarding the use of artificial intelligence (AI) within the insurance industry. The Board will play a crucial role in:

- Objective 1: Providing insights into the current and emerging applications of AI within the insurance industry in Washington State, including but not limited to underwriting, claims processing, fraud detection, customer service, and risk assessment.

- Objective 2: Assisting the OIC in understanding the implications of AI on consumers and the insurance market and providing recommendations on how the OIC can adapt to ensure consumer protection and market stability.

2. Authority

The Board serves in an advisory capacity to the Insurance Commissioner. It has no regulatory or enforcement authority. Its recommendations are intended to inform the Insurance Commissioner's policy development, regulatory oversight, and consumer education efforts.

3. Membership

The Board, appointed by the Insurance Commissioner or the Chief Deputy Commissioner, will consist of 10-12 people members who possess expertise in AI, insurance, data science, law, ethics, consumer advocacy, or related fields.

- Membership will reflect a diversity of perspectives and backgrounds.

- Members will serve 2 years terms, with the possibility of reappointment.

- The Board will include representation from:
    - Insurance industry professionals
    - Technology and AI experts
    - Consumer advocacy groups
    - Academic institutions
    - Legal professionals
- The Insurance Commissioner or a designee will be a non-voting member of the board.

4. Responsibilities

The Board will:

- Provide expertise on the potential benefits and risks associated with the use of AI in insurance.

- Analyze and report on emerging trends and best practices related to AI in the insurance sector.

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- Advise the Insurance Commissioner on the development of policies and regulations that address the ethical, legal, and consumer protection implications of AI.

- Assist in identifying potential areas of regulatory gaps or concerns related to AI.

- Offer recommendations on how the OIC can enhance its capacity to monitor and understand AI technologies.

- Facilitate dialogue and collaboration between the OIC, interested parties from the industry, and consumer groups on AI-related issues.

- Help the OIC to understand how to best educate consumers about the use of AI within the insurance industry.

- Provide insight into potential biases that can be introduced by the use of AI, and how to mitigate those biases.

5. Meetings and Operations

- The Board will meet quarterly, or as needed, at the call of the Chair or the Insurance Commissioner

- Apart from regular meetings, The Board may be convened for an annual executive retreat.

- Meeting agendas and materials will be distributed to members in advance.

- The Board may establish subcommittees to address specific issues or projects.

- The Board will operate in compliance with all applicable state laws and regulations, including the state public records law.

- The Insurance Commissioner will appoint a chair of the board.

6. Reporting

- The Board will provide regular reports to the Insurance Commissioner on its activities and recommendations.

- The Board may also publish reports or white papers on key AI-related issues.

7. Ethics and Confidentiality

- Board members will adhere to the highest ethical standards and act in the best interests of the public.

- Board members will disclose any potential conflicts of interest.

- Board members will maintain the confidentiality of sensitive information shared during meetings or discussions, as required by law.

- The Board will not disclose any confidential information (e.g., market conduct continuum data) in these meetings as some of it cannot be disclosed to the public at large.

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8. Review and Amendment

* This charter will be reviewed periodically and may be amended by the Insurance Commissioner as needed.

9. Effective Date

This charter shall be effective as of 04/16/2025.

Insurance Commissioner
Office of the Insurance Commissioner
Washington state