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## National Conference of Insurance Legislators (NCOIL)

### **Resolution Reaffirming Support for the U.S. State-Based System of Insurance Regulation in Response to Recent Federal Encroachment**

*Adopted by the State-Federal Relations and International Insurance Issues Committees on November 18, 2016, and by the Executive Committee on November 20, 2016.*

*Sponsored by Rep. Marguerite Quinn, PA*

**WHEREAS**, the U.S. state-based system of insurance regulation has effectively protected consumers and helped create the largest, most competitive and innovative insurance market in the world; and

**WHEREAS**, Congress has repeatedly affirmed the primacy of state-based insurance regulation, including the McCarran-Ferguson Act in 1945 and most recently in the Dodd-Frank Act; and

**WHEREAS**, in the past several years a number of federal agencies, including the Federal Reserve and the Treasury, have begun intruding into state-based insurance regulatory issues through interactions with key international organizations in ways Congress did not intend; and

**WHEREAS**, in certain instances, federal agencies have taken positions during international negotiations that are different from and even contrary to the states', thereby weakening the states' voice; and

**WHEREAS**, those international negotiations are held behind closed doors, again to the detriment of the states and its companies and consumers; and

**WHEREAS**, NCOIL believes that transparency and open deliberations are a requirement in any and all international dialogues that would impact the proven U.S. state-based insurance regulatory system; and

**WHEREAS**, failure to include and respect the voice of state legislators and regulators in development of federal and global proposals regarding insurance could have far-reaching and troubling consequences for the U.S. insurance markets and its consumers and companies; and

**NOW, THEREFORE, BE IT RESOLVED**, that NCOIL reaffirms its unqualified support for the U.S. state-based insurance regulatory structure; and

**NOW, THEREFORE, BE IT FURTHER RESOLVED**, that NCOIL supports legislation such as H.R. 5143 and S. 1086, introduced during the 114<sup>th</sup> Congress, that requires transparency and accountability in any international initiatives impacting state insurance regulation; and

**AND, BE IT FINALLY RESOLVED**, that a copy of this resolution will be distributed to the Senate Majority Leader, the Senate Minority Leader, the Speaker of the House, the House Minority Leader, the Senate Banking Committee Chairman, the Senate Banking Committee Ranking Member, the House Financial Services Committee Chairman, the House Financial Services Committee Ranking Member, federal and state insurance legislators and regulators, the Financial Stability Board, the International Association of Insurance Supervisors, the Federal Insurance Office, the Department of Treasury, the Federal Reserve Board, and other interested parties.