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## **FOR IMMEDIATE RELEASE**

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### **NCOIL REAFFIRMS COMMITMENT TO RATE MODERNIZATION**

**Troy, New York, July 27, 2006**—Lawmakers stood firm in their commitment to state insurance modernization on July 22, when legislators at the National Conference of Insurance Legislators (NCOIL) Summer Meeting in Boston, Massachusetts, reauthorized an NCOIL *Property-Casualty Insurance Modernization Model Act* that would streamline rate filings for p-c insurers.

The action marked support for ongoing state efforts to adjust rating laws to respond to an increasingly competitive, global insurance environment. According to NCOIL President Rep. Frank Wald (ND), “The model act is critical to the promotion of competitive markets that promote greater capacity and affordability for consumers. It is clear—in this era of federal threats to state oversight—that legislatures must replace restrictive rate-filing laws with more modern approaches to rate regulation.”

Initially adopted in 2001, the model law would establish a use-and-file rate regulatory system for personal lines of insurance; a no-file system for commercial lines; and an exemption from rate and regulatory requirements for sophisticated commercial insurance buyers, among other things.

State efforts to enact rate reform continue across the country, with many states adopting some form of deregulation. An NCOIL *Property-Casualty Flex-Rating Regulatory Improvement Model Act*, adopted in February 2004, serves as an interim step between restrictive and more open systems.

The NCOIL Property-Casualty Insurance Committee readopted the model act on July 21 and referred it to the Executive Committee, which likewise readopted on July 22.

The July 20 through 23 NCOIL Summer Meeting took place at the Boston Park Plaza Hotel & Towers.

NCOIL is an organization of state legislators whose main public policy concern is insurance legislation and regulation. Many legislators active in NCOIL either chair or are members of the committee responsible for insurance legislation in their respective state houses across the country. More information is available at [www.ncoil.org](http://www.ncoil.org).

For further details, please contact the NCOIL National Office at 518-687-0178.

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