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## NCOIL PLEDGES FRESH LOOK AT TRADE ISSUES, PLANS NEW RESOLUTION

**Santa Fe, New Mexico, November 20, 2011**—On November 18, legislators on the International Insurance Issues Committee vowed to take a fresh look at U.S. trade efforts and at the consequences of possible state preemption. Following more than a year's worth of discussion—focused on a resolution that warned of impacts on state preferred drug lists (PDLs)—the Committee at the Annual Meeting laid plans for a new NCOIL proposal, one that would go beyond pharmaceutical issues, in light of recent trade activity.

According to Committee Chair Sen. Travis Holdman (IN), “State legislators have a mandate to protect and promote the local consumer protections that are the bedrock of insurance regulation around the country. We also, as state officials and citizens of the U.S., are called on to appreciate the vital role that this nation plays in today’s global economy. In light of recent activity—including congressional approval of a much-anticipated U.S.-South Korea free trade agreement—it’s appropriate that we step back and evaluate how trade pieces fit together and how state legislators might influence negotiations.”

The Committee intends to hold an extended Spring Meeting discussion in which key players will probe the status of pending trade efforts, explore opportunities for state input, and debate potential ripple effects on state authority. Sen. Holdman has asked drafters of the *Resolution Opposing Commitments on Pharmaceutical Reimbursement and Insurance Regulation in Free Trade Agreements* to submit a brand new proposal for Committee consideration.

The draft resolution, as introduced, urged the Office of the U.S. Trade Representative (USTR) to defend the principles of state insurance oversight, omit drug reimbursement commitments from future agreements, cease pressuring other countries to change their reimbursement systems, and publicize drafts of trade agreements throughout negotiations. The resolution cited specific concerns with the U.S.-South Korea agreement, as well as with a previously passed U.S.-Australia arrangement and an emerging Trans-Pacific Partnership. Significant amendments to the proposed resolution, submitted just prior to the NCOIL Annual Meeting, would have broadened the resolution’s scope.

Interested parties who have weighed in over the last year have included representatives of the USTR; state Rep. Sharon Treat (ME), a member of a key U.S. trade advisory committee; and representatives of Eli Lilly and the Pharmaceutical Research and Manufacturers’ Association (PhRMA).

The Annual Meeting took place from November 17 through 20 at the Eldorado Hotel & Spa. The Spring Meeting is slated for February 24 through 26 in Biloxi, Mississippi.

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

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