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NCOIL PRESIDENT SPEAKS OUT ON FIO

Washington, DC, December 7, 2009 — New National Conference of Insurance Legislators (NCOIL) President Representative Robert Damron (KY) today reconfirmed the organization's opposition to federal insurance office proposals and questioned the objectivity of an insurance study approved during last week's U.S. House Financial Services Committee markup of H.R. 2609, the *Federal Insurance Office Act of 2009*.

Rep. Damron said, "As an organization dedicated to preserving the successful state-based insurance regulatory system, we are disappointed that the Congress appears set on establishing a federal insurance office. We believe that any such office will lead to an unnecessary federal regulatory presence and added costs to consumers."

Warning that an FIO will lay a path for future federal regulation of insurance, he added, "Optional Federal Charter (OFC) proponents were able to add a provision requiring the FIO to study how to improve U.S. insurance regulation, despite the potential conflict of interest that could arise from asking the FIO to study whether its insurance authorities should be expanded. NCOIL raised this concern last month in a letter to Senator Christopher Dodd (D-CT)."

Citing an NCOIL *Resolution Opposing Legislation to Create a Federal Insurance Office*, the NCOIL President said, "We believe that several of the goals behind creating an FIO could be realized by enhanced communication and information sharing between state and federal regulators on an equal basis."

The resolution was unanimously approved by the NCOIL State-Federal Relations and Executive Committees on November 19 and 22, respectively, during the organization's recent Annual Meeting in New Orleans, Louisiana.

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.

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