

**FOR IMMEDIATE RELEASE**

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**NCOIL UNVEILS NEW APPROACH TO MARKET CONDUCT REGULATION; HEARING SLATED FOR SEPTEMBER 12**

**Albany, NY, August 25** –   The National Conference of Insurance Legislators (NCOIL) released today a proposed market conduct regulation model law that envisions a fundamental rethinking of how states regulate insurers’ marketplace activities.  The development of the NCOIL *Market Conduct Surveillance Model Law* follows more than a four-year examination of market conduct regulation by NCOIL and the Insurance Legislators Foundation (ILF), a research and educational arm of NCOIL.

The model law addresses deficiencies in the present-day insurance market conduct system by creating a regulatory regime designed to prevent and remedy unfair insurer practices that have substantially adverse impacts on consumers.  The new market conduct system will also maximize regulators resources by requiring state participation in several key National Association of Insurance Commissioners (NAIC) market conduct regulation initiatives.  Key provisions of the model are:

                Vesting insurers’ domiciliary state with primary responsibility for performing market conduct surveillance.

                Requiring insurers to implement internal compliance programs and self-certify compliance.

                Requiring periodic dialogues between insurers and market conduct regulators to discuss relevant new laws and regulations.

                Requiring participation in a National Market Conduct Oversight Committee to maximize interstate communications, cooperation and coordination.

                Requiring state participation in the NAIC National Complaint Database and Examination Tracking System.

            The newly appointed NCOIL Market Conduct Task Force will hold a public hearing on the proposed model at the Chicago Hilton and Towers Hotel, 720 South Michigan Avenue, Chicago, on Friday, September 12, 2003, from 1:00 to 4:00 p.m.  A formal notice of hearing, request to testify form, and draft model are available on the NCOIL Web site at www.ncoil.org.

            Testimony should focus primarily on provisions of the proposed model law.  Hearing participants are strongly encouraged to offer specific legislative language to support their recommendations.

Those wishing to testify at the hearing must submit a request-to-testify form to NCOIL by mail: 139 Lancaster Street, Albany, NY 12210-1903, or by fax: (518) 432-5651.  Persons testifying must submit an electronic copy of their written testimony to NCOIL by September 5 to Tim Tucker at ttucker@ncoil.org  and bring 75 copies with them on the day of the hearing.  NCOIL will accept written testimony from persons unable to testify at the hearing until September 30.

            NCOIL is an organization of state legislators whose main area of public policy concern is insurance and insurance regulation.  Legislators active in NCOIL either chair or are active members of the committees responsible for insurance in their respective state legislative houses across the country.

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