#### NATIONAL CONFERENCE OF INSURANCE LEGISLATORS RESOLUTION IN SUPPORT OF THE UNIFORM  ELECTRONIC TRANSACTIONS ACT (UETA)

***Adopted by the NCOIL Executive Committee on November 19, 1999.***

***Readopted by the NCOIL State-Federal Relations and Executive Committees on November 16, 2001.***

WHEREAS, the insurance industry provides valuable service and products that help the citizens, businesses and communities of the United States of America recover from property and other financial loss, afford health care and efficiently save and invest for the future; and

WHEREAS, such products and services are provided under laws and regulations, promulgated and administered by state legislative and regulatory bodies of the several states, which are designed to provide necessary protections to policyholders, insureds, third party claimants, other beneficiaries and the general public through consumer and fraud protections that are tailored to the specific needs of the citizenry of each state; and

WHEREAS, many insurers provide such products and services in more than one state or jurisdiction of the United States and thus must comply with the several states laws and regulations of the states they serve; and

WHEREAS, the insurance industry increasingly competes with other financial services providers, which are organized and regulated under a single regulatory and legal regime; and

WHEREAS, the beneficial use of electronic technologies in the insurance process can result in greater efficiencies, improved service and lower cost of delivery and administration of insurance products and services; and

WHEREAS, many laws and regulations regarding insurance were adopted at a time that such electronic technologies were not in use; and

WHEREAS, such laws and regulations often require fulfillment in physical form (such as the use of paper records and requiring physical signatures) and in so doing may prohibit or discriminate against the fulfillment of such legal and regulatory requirements using electronic media; and

WHEREAS, the essential purposes of law and regulation including important consumer and fraud protections can in large part be satisfied by electronic means; and

WHEREAS, it is appropriate and necessary that state laws and regulations be updated and harmonized to allow the beneficial use of electronic technologies for signatures and records in the insurance process while maintaining necessary consumer and fraud protections; and

WHEREAS, the National Conference of Commissioners on Uniform State Laws (NCCUSL) has developed and is recommending the adoption of the Uniform Electronic Transactions Act (UETA); and

WHEREAS, UETA allows the electronic fulfillment of current law and regulation with appropriate exceptions as determined by state legislatures and will ensure that records and signatures will not be denied legal effect solely on the basis that they are accomplished through electronic means; and

WHEREAS, UETA preserves necessary consumer protections and requires security procedures to be agreed upon among affected parties, without favoring a given technology or physical means of achieving the same, thus allowing the appropriate and most beneficial means of fulfillment to be determined among the parties; and

NOW, THEREFORE, BE IT RESOLVED, that the National Conference of Insurance Legislators hereby resolves to urge the legislatures of the states, territories and possessions of the United States to adopt UETA at the earliest possible time.