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NCOIL ENCOURAGES STUDY INTO PROBLEM OF UNDERINSURED LIFE INSURANCE MARKET, ADOPTS RESOLUTION

Newport, Rhode Island, July 13, 2005 — In an effort to find solutions to reportedly growing underserved life insurance markets, legislators at the National Conference of Insurance Legislators' (NCOIL) recent Summer Meeting in Newport, Rhode Island, adopted a resolution encouraging states to analyze how they might expand coverage in underserved areas, including low-income and minority populations.

A Resolution to Improve Access to Underinsured Life Insurance Markets, sponsored by Rep. Shirley Bowler (LA), recognizes that underserved markets are significant and growing, and that the situation places consumers, families, and communities at risk of financial hardship. According to the resolution, the problem is exacerbated by an aging and decreasing number of life insurance agents, to whom most consumers turn in order to purchase coverage.

The resolution encourages state legislators, insurance commissioners, industry and community groups, and other interested parties to undertake a complete and comparative study of possible solutions to the problem, including, among others, the option of granting limited term life insurance licenses for certain agents.

The resolution also reserves the right of state legislatures to implement any such solutions, or others not addressed in the study, as they find appropriate.

Regulators at the National Association of Insurance Commissioners (NAIC) are examining issues related to expanding life insurance coverage, particularly as related to limited life insurance licenses.

The NCOIL Summer Meeting was held at the Hotel Viking in Newport, Rhode Island.

NCOIL is an organization of state legislators whose main area of 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.

A copy of the NCOIL *Resolution to Improve Access to Underinsured Life Insurance Markets* is available on the NCOIL Web site at www.ncoil.org.

For more information, please contact the NCOIL National Office at (518) 687-0178.

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