

FOR IMMEDIATE RELEASE

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### ILF TO HOLD HEARING ON MARKET CONDUCT EXAMINATIONS

**Albany, New York, May 8, 2001 --** The Board of Directors of the Insurance Legislators Foundation (ILF), a research and educational arm of the National Conference of Insurance Legislators (NCOIL), will hold a hearing to assess improvements to market conduct examinations following its report entitled, *Insurance Market Conduct Examination Public Policy Review* (MCEPPR), Illinois State Rep. Terry Parke, President of the ILF and NCOIL, announced today.  Rep Parke said the hearing will also focus on other specific issues related to market conduct insurance regulation.

According to a notice of hearing released today, the ILF will hold the hearing at the Hotel Inter-Continental Chicago, North Michigan Avenue, Chicago, Illinois, on Thursday, July 12, 2001, from 1:00 to 3:30 p.m.  The ILF will hold the hearing in conjunction with the NCOIL summer meeting, July 12 through 15.

The ILF report, prepared by PricewaterhouseCoopers last year, found, among other things:

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| -- a wide disparity regarding the purpose of market conduct examinations, specifically whether examinations should focus on general business practices or strictly on specific violations; |
| -- an absence of separate market conduct examination units in a significant percentage of state insurance departments; and |
| -- a significant state-by-state discrepancy in the training of market conduct examiners. |

According to the notice of hearing, the ILF seeks testimony on current efforts made by individual state insurance commissioners and the National Association of Insurance Commissioners (NAIC) to improve and modernize market conduct examinations.  The notice of hearing recognizes that improvements in market conduct regulation are a major goal of the NAIC, as evidenced by its Statement of Intent dated March 28, 2000. Rep. Parke said the ILF Board is interested in hearing about state regulatory progress with regard to regulators' efforts to:

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| -- achieve uniformity in the examination process; |
| -- resolve self-critical analysis issues; and |
| -- establish minimum standards in market conduct regulation. |

Those wishing to testify at the hearing must submit a summer meeting registration form and a request to testify form to NCOIL by mail: 139 Lancaster Street, Albany, NY 12210-1903, or by fax: (518) 432-5651.  This notice of hearing and the registration and request to testify forms are available on the NCOIL web site at [www.ncoil.org](http://www.ncoil.org/), or by calling the NCOIL National Office at (518) 449-3210.  Persons testifying must submit an electronic copy of their written testimony to the ILF by June 20, 2001, and bring 50 copies with them on the day of the hearing.  The ILF will accept written testimony from persons unable to testify at the hearing until August 15.

Rep. Parke said the ILF Board will hold the hearing pursuant to a decision made during its last meeting on March 1, 2001.

The ILF conducted an earlier public hearing on the MCEPPR on July 6, 2000.  The July 12, 2001 hearing will assess progress made with regard to coordination, uniformity, training, insurer self-policing and other issues raised in relation to the report at the earlier hearing.