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**NCOIL INTERNATIONAL TASK FORCE ADVANCES,
STEPS UP THE DIALOGUE ON CAPITAL STANDARDS**

Boston, Massachusetts, July 13, 2014 — The NCOIL International Issues Task Force moved forward at the NCOIL Summer Meeting to help ensure that state insurance regulation and state legislators remain relevant in international discussions affecting insurance. During a July 10 session that built upon Task Force and working group calls in recent weeks, legislators adopted a resolution regarding controversial efforts to develop a global capital standard, along with two other resolutions regarding vital international concerns.

According to NCOIL President and Task Force Chair Sen. Neil Breslin (NY), who serves as an *ex officio* member of all Task Force working groups:

NCOIL has an obligation, as an organization of state policymakers, to seek opportunities to create, strengthen, and expand the ability of state legislators to dialogue with domestic and international officials pursuing initiatives that, while well-meaning, may endanger U.S. insurance regulation. We recognize that we must be strong and clear in the positions we take but also that cooperation is essential to ensuring that U.S. insurance markets can continue to thrive to the benefit of consumers.

The *Resolution Regarding the States' Response to International Proposals for Insurer Solvency Regulation and a Global Capital Standard (ICS)*, sponsored by Sen. James Seward (NY), chair of the Capital Standards Working Group, cautions against imposing capital requirements on U.S. companies that may erode policyholder protections. The resolution also says that NCOIL will work with U.S. state insurance regulators and federal agencies to formulate a unified U.S. position on capital standards that is consistent with U.S. policies and laws.

According to Sen. Seward, "There is significant and understandable concern that foreign entities may create a one-size-fits-all international capital standard that would fail to recognize jurisdictional differences and successes, including the U.S. approach, and would do little to effectively prevent future financial disasters. Our resolution is an important step to address these concerns, but it is just our first."

Following its July 10 adoption of the resolution, the Task Force brought the resolution forward during a July 11 International Insurance Issues Committee meeting, where legislators amended the resolution to, among other things, further recognize the need for coordination and cooperation.

The NCOIL Executive Committee unanimously adopted the amended capital standards resolution on July 13. During the same meeting, the Executive Committee also unanimously adopted resolutions regarding coordination and transparency in international dialogues and regarding trade negotiations.

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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