

VIA E-MAIL

March 18, 2015

Senator David Vitter
U.S. Senate
516 Hart Senate Office Building
Washington, D.C. 20510

Senator Jon Tester
U.S. Senate
311 Hart Senate Office Building
Washington, D.C. 20510

Congressman Bill Posey
U.S. House of Representatives
120 Cannon House Office Building
Washington, DC 20515

Congressman Brad Sherman
U.S. House of Representatives
2242 Rayburn House Office Building
Washington, DC 20515

Dear Senator Vitter, Senator Tester, Congressman Posey, and Congressman Sherman:

As Officers of the National Conference of Insurance Legislators (NCOIL), we write on behalf of NCOIL to support the *Policyholder Protection Act of 2015*, legislation that would preserve state insurance regulators' critical and proven ability to safeguard insurance policyholders when complex financial firms become unstable.

NCOIL has long asserted that state officials—who establish the rules that insurers must follow—are the most appropriate arbiters of insurers' financial strength and ability to pay claimants. In line with that belief, the *Policyholder Protection Act* makes clear that state regulators have the final say in whether the assets of an insurer, however it is structured, should be used to strengthen the finances of an affiliate or other related entity.

The legislation wisely recognizes that the protection of policyholders—who buy auto and homeowners' coverage to safeguard their property, and life insurance in the event that a loved one dies—should be paramount in any insurance regulatory decision.

The *Policyholder Protection Act* holds true to the belief that insurers with strong balance sheets should not be required to shore up, at their own hazard, the finances of less prudent corporate relations. Indeed, the legislation upholds the effective "windows and walls" approach of state oversight, in which insurers are isolated from the risky and perhaps less regulated practices of other entities in a financial services group.

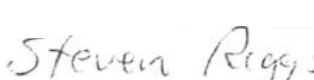
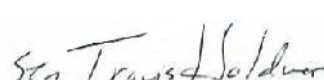
In a world where financial services firms are diverse and complex, the *Policyholder Protection Act* is a commonsense way to ensure that funds meant for policyholders are available for policyholders. NCOIL is committed to insurance oversight that is strong and fair, and so we support the legislation.

Please contact Susan Nolan, NCOIL Executive Director, at snolan@ncoil.org or 518-687-0178 with questions.

Sincerely,



Sen. Neil D. Breslin, NY
NCOIL President



Sen. Travis Holdman, IN
NCOIL Vice President

Rep. Steve Riggs, KY
NCOIL Secretary



Sen. Jason Rapert, AR
NCOIL Treasurer

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