



July 28, 2025

The Honorable Tim Scott
Chairman
Senate Banking, Housing, and Urban
Affairs Committee
534 Dirksen Senate Office Building
Washington, DC 20510

The Honorable Bryan Steil
Chairman, Subcommittee on Digital Assets,
Financial Technology, and Artificial
Intelligence
House Financial Services Committee
1526 Longworth House Office Building
Washington, DC 20515

Re: The Business of Insurance Regulatory Reform Act

Dear Chairman Scott and Chairman Steil:

On behalf of the NAIC¹, we would like to express our support for the *Business of Insurance Regulatory Reform Act of 2025*. Consumer protection is the hallmark of our national state-based insurance regulatory system. That is why Congress has repeatedly reaffirmed the states' role in overseeing the insurance sector, including most recently in the Dodd-Frank Act. While the Dodd-Frank Act contains an exception to CFPB authority with respect to entities regulated by state insurance regulators, this legislation would make this exception more explicit and further effectuate congressional intent to defer to the states with respect to insurance policyholder protection.

We are proud of our track record in uncovering abuses and wrongful behavior in the insurance sector. Given the interconnected nature of our financial sector and the relative newness of the CFPB, it is understandable that some unintended overlap or duplication of effort with other regulators can occur. For that reason, it is appropriate for Congress to assess the operationalization of a new agency like the CFPB to clarify the scope of its authority and minimize redundancies or confusion such that both the states and the CFPB can focus on their respective areas of responsibility. *The Business of Insurance Regulatory Reform*

¹ As part of our state-based system of insurance regulation in the United States, the National Association of Insurance Commissioners (NAIC) provides expertise, data, and analysis for insurance commissioners to effectively regulate the industry and protect consumers. The U.S. standard-setting organization is governed by the chief insurance regulators from the 50 states, the District of Columbia and five U.S. territories. Through the NAIC, state insurance regulators establish standards and best practices, conduct peer reviews, and coordinate regulatory oversight. NAIC staff supports these efforts and represents the collective views of state regulators domestically and internationally. For more information, visit www.naic.org.



Act of 2025 provides important clarifications to the existing statute and helps mitigate these concerns.

We greatly appreciate your sponsorship of this legislation that confirms the authority of state insurance regulators. Thank you for your attention to this important issue.

Sincerely,

Jon Godfread
NAIC President
Commissioner
North Dakota Insurance and Securities
Department

Scott White
NAIC President-Elect
Commissioner
Virginia Bureau of Insurance

Elizabeth Kelleher Dwyer
NAIC Vice President
Director
Rhode Island Department of Business
Regulation

Jon Pike
NAIC Secretary-Treasurer
Commissioner
Utah Insurance Department