

May 12, 2021

The Honorable John Garamendi
U.S. House of Representatives
2368 Rayburn House Office Building
Washington, DC 20515

The Honorable Barry Loudermilk
U.S. House of Representatives
2133 Rayburn House Office Building
Washington, DC 20515

Dear Congressman Garamendi and Congressman Loudermilk:

On behalf of the National Association of Insurance Commissioners (NAIC)¹, we would like to express our support for H.R. 3099, the Primary Regulators of Insurance Vote Act of 2021. We greatly appreciate your efforts in offering this legislation to provide full voting participation for the state insurance regulator who serves on the Financial Stability Oversight Council (FSOC).

State insurance regulators are the primary financial regulators for the largest, most diverse insurance sector in the world, yet we have been singled out as the only primary and functional financial regulator without a voting seat on FSOC.² By providing a vote to state insurance regulators, the legislation would ensure that the insurance regulatory perspective is adequately represented in FSOC decisions that may affect the insurance sector and its regulation. It will also enhance FSOC's ability to monitor risks to United States financial stability. As the primary regulators of the insurance sector in the U.S., state insurance regulators have the necessary expertise and access to information to inform FSOC's risk monitoring work and help identify any systemic risks that could impact the industry and consumers. Importantly, state insurance regulators are the only members that can commit to regulatory action across the insurance sector to address any risks the Council may identify or other relevant regulatory concerns that may arise.³

We thank you for your leadership on this meaningful legislation that will help ensure that FSOC can effectively monitor systemic risks to the U.S. financial system.

¹As 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.

² 12 USC 5301 (domiciliary state insurance regulator is the "primary regulatory agency" for an insurance entity); 15 USC 6711 (insurance regulators are the functional regulators of the insurance sector).

³ Neither the Independent Member with Insurance expertise nor the Federal Insurance Office has regulatory authority.

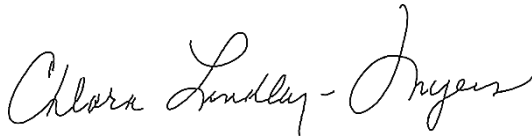
Sincerely,



David Altmaier
NAIC President
Commissioner
Florida Office of Insurance Regulation



Dean L. Cameron
NAIC President-Elect
Director
Idaho Department of Insurance



Chlora Lindley-Myers
NAIC Vice President
Director
Missouri Department of Commerce and Insurance



Andrew N. Mais (He/Him/His)
NAIC Secretary-Treasurer
Commissioner
Connecticut Insurance Department



Michael F. Consedine
Chief Executive Officer
National Association of Insurance
Commissioners