

October 14, 2016

The Honorable Denny Heck
U.S. House of Representatives
425 Cannon House Office Building
Washington, DC 20515

Re: The U.S. Insurance Regulation Works Act of 2016

Dear Congressman Heck:

On behalf of the National Association of Insurance Commissioners (NAIC)¹, we applaud your leadership and write in support of the U.S. Insurance Regulation Works Act of 2016. Your legislation will ensure that state insurance regulators are included in any international negotiations regarding the regulation of insurance and that international agreements are compatible with and reflect the current U.S. insurance regulatory framework, which has successfully protected U.S. policyholders for over 145 years.

First, it is critical that any international standard setting respect the current U.S. insurance regulatory framework. We take great pride in our system's proven ability to protect policyholders and allow our insurance marketplaces to grow and thrive. We remain wary of any efforts by others to use international discussions to drive changes to our domestic regulatory regime that could potentially disadvantage U.S. insurers and policyholders and undermine the strength and stability of our system. Our track record demonstrates our ability and capacity to deliver regulatory solutions on a full range of issues through effective and ongoing state-based reforms and international supervisory college leadership and participation. Your legislation will ensure that any agreements that U.S. representatives make internationally will reflect existing U.S. law and our insurance regulatory system.

Second, it is important that the U.S. state insurance regulatory perspective is reflected in international discussions. As you know, the NAIC is a founding member of the International Association of Insurance Supervisors (IAIS). Through our participation at the IAIS, we have been working diligently to ensure our sector and regulatory system are fairly represented at the IAIS. However, we are currently excluded from participating in other important discussions, such as the vast majority of those taking place at the Financial Stability Board, that directly relate to insurance. In fact, several IAIS work streams are actually driven by work at the Financial Stability Board. Your legislation would ensure that state insurance regulators and their perspective are included in any international discussions relating to insurance.

¹ Founded in 1871, the NAIC is the U.S. standard-setting and regulatory support organization created and governed by the chief insurance regulators from the 50 states, the District of Columbia and the five U.S. territories. Through the NAIC, state insurance regulators establish standards and best practices, conduct peer review, and coordinate their regulatory oversight. NAIC members, together with the central resources of the NAIC, form the national system of state-based insurance regulation in the U.S.

Thank you for introducing this important piece of legislation. We appreciate your efforts to ensure more inclusion of state insurance regulators in international negotiations, and to ensure international agreements reflect the current U.S. insurance regulatory framework. Thank you for your attention to this issue, and we look forward to working with you.

Sincerely,



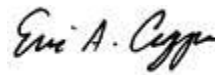
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