



Local
Agents
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March 31, 2015

Senator David Vitter
United States Senate
Washington, D.C. 20510

Senator Jon Tester
United States Senate
Washington, D.C. 20510

Congressman Bill Posey
U.S. House of Representatives
Washington, D.C. 20515

Congressman Brad Sherman
U.S. House of Representatives
Washington, D.C. 20515

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

On behalf of the National Association of Professional Insurance Agents (PIA National), thank you for introducing the Policyholder Protection Act of 2015 (S.798/H.R.1478). PIA National represents independent insurance agents in all 50 states, Puerto Rico, and the District of Columbia. Our members appreciate your leadership in preserving the authority of state insurance regulators to regulate insurance and protect consumers.

Your legislation allows state insurance regulators to protect policyholders in their state by ensuring that insurance companies structured under larger financial firms are not held financially responsible for an affiliated bank's failure or financial crisis. The bill does this by prohibiting federal banking regulators from moving the assets of insurance companies, which are regulated at the state level, to a bank if the state insurance regulator determines it would harm the status of the insurer.

Another area of concern in the Dodd-Frank Wall Street Reform Act (Dodd-Frank) is the possibility of the Federal Deposit Insurance Corporation (FDIC) liquidating a troubled insurer. This current process undercuts state authority, puts policyholders at risk, and negatively impacts insurers. The Policyholder Protection Act would better empower state regulators to rehabilitate a troubled insurer, rather than moving directly to liquidation, if it would benefit consumers. The bill also protects policyholders by limiting the ability of the FDIC to seize insurance company assets intended for policyholder payments when an affiliated financial entity is subject to liquidation.

PIA National greatly appreciates your continued dedication to this issue. We look forward to continuing to work with you on this matter. If PIA National can be of any additional assistance, please contact Jon Gentile, PIA National director of federal affairs, at jonge@pianet.org.

Sincerely,

Mike Becker
Executive Vice President and CEO
PIA National