



Help Protect Your Constituents By Supporting State Regulation of Insurance

2016

What Agents Do

Professional insurance agents play a critical part in counseling their clients on insurance options. They help to provide strong protection for consumers by playing a key role within the state regulatory framework that provides strict oversight to prevent fraudulent practices. Agents provide essential information about available insurance products and policies to customers and potential customers with strict and appropriate oversight at the state level.

For over 150 years, America's state-based system of insurance regulation has worked very well. It has succeeded in protecting consumers, while at the same time creating a competitive, robust, and diverse insurance marketplace. As a result, our insurance industry is the envy of the world. Therefore, PIA opposes any federal or international effort that would undermine our highly successful state-based system of insurance regulation, like creating a federal regulator of insurance or adopting a one-size-fits-all approach to global insurance regulation. PIA believes that state regulators, working with agents, provide essential and integrated checks and balances necessary to ensure both transparency and accountability.

The Issue: Protecting State Regulation of Insurance

State legislatures and insurance departments are the primary regulators of insurance in the U.S.; however, developments at the international level can heavily influence laws and regulations at the state level. If global standards are developed without appropriate consideration of our unique state-based system of insurance regulation, consumer protections can be undermined.

PIA supports transparency and accountability for the Federal Insurance Office (FIO), the Financial Stability Oversight Council (FSOC), the Financial Stability Board (FSB), and the International Association of Insurance Supervisors (IAIS). PIA supports efforts to ensure that state insurance regulation is afforded appropriate deference in any federal or international decision-making process. PIA opposes any attempt to change the U.S. insurance regulatory structure to increase its resemblance to that of the European Union (E.U.).

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How You Can Help **Defend State Regulation of Insurance**

- ✓ **PASS** the **Transparent Insurance Standards Act** (H.R. 5143/no Senate bill), introduced by Rep. Blaine Luetkemeyer (R-MO).
 - The legislation, which has passed the House Financial Services Committee, sets objectives for U.S. negotiators regarding international insurance standards to ensure that the U.S. doesn't enter into an agreement that would disrupt the domestic insurance industry.
 - Requires that Congress be given 90 days to approve or reject any proposed agreement; mandates that any draft agreement be published in the Federal Register; and provides for a 30-day public comment period.
 - Notably, the legislation also prohibits the U.S. from entering into an international covered agreement that would grant the FIO any authority to supervise or regulate the business of insurance.



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