May 20, 2015

Committee on Banking, Housing, and Urban Affairs  
United States Senate  
534 Dirksen Senate Office Building  
Washington, DC 20510

Dear Members of the Senate Banking Committee:

We urge your support for the Financial Regulatory Improvement Act of 2015. The legislation contains several important bipartisan insurance consumer protections that are strongly supported by the insurance regulators and the marketplace. These bipartisan insurance provisions would strengthen the Dodd-Frank Act and underscore the intent of Congress that protecting insurance consumers should be a priority in the regulation of insurance companies.

Title IV of the Financial Regulatory Improvement Act contains three provisions, all of which have broad bipartisan support. The first is a “sense of Congress” affirming the current state-based approach to the regulation of insurance, making clear that Congress does not believe in upending a system that has worked to protect consumers for 150 years. The second provision is the Policyholder Protection Act, previously introduced by Senators Vitter and Tester, which ensures that federal bank regulators cannot raid insurance money needed to protect insurance consumers in order to bail out banks, and that protects the ability of state insurance regulators to rehabilitate troubled insurance companies. The third provision is legislation previously introduced by Senators Heller and Tester encouraging federal agencies to work together with state insurance regulators to develop consensus positions in our international negotiations; requiring greater transparency in international insurance discussions; and requiring a consideration of the impact of any international insurance agreements on U.S. consumers.

All the insurance provisions in the Committee bill are bipartisan and supported by the insurance regulators – Republican and Democratic. They address specific consumer protection concerns raised in Congressional hearings. They are supported by our members ranging from small mutual insurers and independent insurance agencies to large U.S. international companies – the vast majority of the home, auto and business insurance marketplace. Please ensure that Congressional financial reform includes these critical bipartisan insurance policyholder protections.

We respectfully request that you support U.S. insurance consumers and regulators and vote “yes” tomorrow on the Financial Regulatory Improvement Act.

Sincerely,

National Association of Mutual Insurance Companies  
Property Casualty Insurance Association of America  
Independent Insurance Agents and Brokers of America