

STATE OF ALASKA THE LEGISLATURE

2008

Source
SCS HJR 24(L&C)

**Legislative
Resolve No.**
69



Opposing any law that would establish a federal insurance regulatory system.

BE IT RESOLVED BY THE LEGISLATURE OF THE STATE OF ALASKA:

WHEREAS state insurance regulators have ensured the solvency of this nation's insurers, implemented comprehensive consumer protection schemes, licensed insurance companies and agents, and supervised other areas of the insurance business for over 150 years; and

WHEREAS state insurance regulators oversee thousands of insurance companies and millions of agents and respond to more than 3,000,000 inquiries a year; and

WHEREAS state insurance regulation has been largely successful and effective, has adapted to changes in the marketplace, and has encouraged innovation; and

WHEREAS state legislatures and state insurance regulators are responsive to the needs of consumers and are more aware of and responsive to the unique characteristics and demands of individual states; and

WHEREAS many states, including Alaska, regularly update state insurance laws and have recently enacted legislation that enables the insurance industry to more effectively respond to changing market conditions; and

WHEREAS governors, state legislators, and state insurance commissioners have acknowledged the need to streamline and simplify insurance regulation and are working to enact reforms to remedy unnecessary differences in state laws and to eliminate requirements that prevent insurers and agents from serving the needs of insurance consumers in an effective and timely manner; and

WHEREAS the 109th United States Congress considered and the 110th United States Congress is expected to consider legislation that would establish a new insurance regulatory system at the federal level that would threaten the continued viability of state regulatory systems in the process; and

WHEREAS a new and untested federal insurance regulatory system would almost certainly be more remote, more politicized, less accessible, and less responsive than the current state regulatory systems; and

WHEREAS a federal insurance regulatory system would bifurcate insurance regulation between the states and the federal government and undermine state regulatory systems of consumer protections and financial surveillance; and

WHEREAS insurance companies paid \$13,800,000,000 in annual premium taxes to the states in 2004; and

WHEREAS a federal insurance regulatory system would put at risk the taxes, fees, and other vital and necessary state revenue needed to effectively regulate the insurance market and to support residual market programs; and

WHEREAS a federal insurance regulatory system would cause a loss of jobs; and

WHEREAS a dual regulatory structure would create consumer confusion and result in a regulatory competition;

BE IT RESOLVED that the Alaska State Legislature is committed to maintaining the states as the sole regulators of the business of insurance and will continue to support state efforts to streamline, simplify, and modernize insurance regulation; and be it

FURTHER RESOLVED that the Alaska State Legislature opposes any law that would establish a federal insurance regulatory system; and be it

FURTHER RESOLVED that the Alaska State Legislature opposes any attempt to weaken the current regulation of insurance by the State of Alaska.

COPIES of this resolution shall be sent to the Honorable Henry M. Paulson, Jr.,

United States Secretary of the Treasury; the members of the U.S. Senate Committee on Banking, Housing, and Urban Affairs; the members of the U.S. House Committee on Financial Services; and the Honorable Ted Stevens and the Honorable Lisa Murkowski, U.S. Senators, and the Honorable Don Young, U.S. Representative, members of the Alaska delegation in Congress.