

HOUSE JOINT RESOLUTION NO. 24 am

IN THE LEGISLATURE OF THE STATE OF ALASKA
TWENTY-FIFTH LEGISLATURE - SECOND SESSION

BY REPRESENTATIVES COGHILL, Roses

Amended: 3/28/08

Introduced: 5/9/07

A RESOLUTION

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

27 **FURTHER RESOLVED** that the Alaska State Legislature opposes any law that
28 would establish a federal insurance regulatory system or otherwise alter the McCarran-
29 Ferguson Act; and be it

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

1 **COPIES** of this resolution shall be sent to the Honorable Henry M. Paulson, Jr.,
2 United States Secretary of the Treasury; the members of the U.S. Senate Committee on
3 Banking, Housing, and Urban Affairs; the members of the U.S. House Committee on
4 Financial Services; and the Honorable Ted Stevens and the Honorable Lisa Murkowski, U.S.
5 Senators, and the Honorable Don Young, U.S. Representative, members of the Alaska
6 delegation in Congress.