

Original sponsors: Zawacki, Navarre,
Gruenberg, et al.

1 IN THE HOUSE BY THE JUDICIARY COMMITTEE

2 CS FOR HOUSE JOINT RESOLUTION NO. 25 (Judiciary)

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 FIFTEENTH LEGISLATURE - FIRST SESSION

5 Relating to federal regulation of the
6 insurance industry.

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

8 WHEREAS the McCarran-Ferguson Act, enacted in 1945, exempts the insur-
9 ance industry from federal antitrust laws and allows insurance companies to
10 fix prices; and

11 WHEREAS this antitrust exemption results in fixed rates for many types
12 of insurance; and

13 WHEREAS repeal of the exemption from antitrust regulation would still
14 allow the insurance industry to exchange past cost data and allow accurate
15 forecasting of future claims; and

16 WHEREAS, even if the exemption were repealed, the individual states
17 would continue to be able to regulate insurance rates and competition and
18 could continue to allow anticompetitive activity by insurance companies as
19 an expressed state policy; and

20 WHEREAS both the National Conference of State Legislatures and the
21 National Association of Attorneys General have passed resolutions calling
22 for repeal of the insurance industry exemption from antitrust laws; and

23 WHEREAS a significant portion of the insurance industry has indicated
24 support for changes in the immunity granted by the McCarran-Ferguson Act;

25 BE IT RESOLVED by the Alaska State Legislature that the United States
26 Congress is respectfully requested to amend the McCarran-Ferguson Act in
27 order to subject the insurance industry to antitrust regulation.

28 COPIES of this resolution shall be sent to the Honorable Ronald
29 Reagan, President of the United States; the Honorable George Bush, Vice-

1 President of the United States and President of the U.S. Senate; the Honor-
2 able Joseph R. Biden, Jr., chairman of the U.S. Senate Committee on the
3 Judiciary; the Honorable Jim Wright, Speaker of the U.S. House of Represen-
4 tatives; the Honorable Peter W. Rodino, Jr., chairman of the U.S. House of
5 Representatives Committee on the Judiciary and the Subcommittee of the
6 Judiciary on Monopolies and Commercial Law; and to the Honorable Ted
7 Stevens and the Honorable Frank Murkowski, U.S. Senators, and the Honorable
8 Don Young, U.S. Representative, members of the Alaska delegation in Con-
9 gress.