



“Simplifying Regulation for Agents and Brokers...”

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Agents for Change Lauds Chairman Kanjorski for Introducing Legislation to Create an Office of Insurance Information

Agents for Change is proud to support the Insurance Information Act of 2008 (H.R. 5840), legislation introduced by Chairman Paul Kanjorski on April 17, 2008. This bill would create a federal Office of Insurance Information (OII) within the Department of the Treasury to provide advice and expertise on insurance regulation to the Administration, Congress, and public.

Today, insurance is solely regulated at the state level providing no federal expert on the issues that are important to producers, insurers, and consumers. It is crucial to build additional knowledge of insurance policy, both in the public and private sectors, and it makes common sense to create an OII.

Chairman Kanjorski’s proposal builds on the Treasury Department’s Blueprint for a Modernized Financial Regulatory Structure, released on March 31, 2008, which also recommends the establishment of a comparable office.

Peter Ludgin, executive director of Agents for Change stated, “Chairman Kanjorski has the right goals in mind and we are proud to support his efforts. That anyone can be opposed to furthering the knowledge base of the industry is puzzling.”

Ludgin continued, “Don’t be fooled: this issue is about competition, pure and simple. Opponents of H.R. 5840 are hiding behind a failing ‘states can best protect the consumer’ argument. They believe the creation of an OII will lead to an optional federal charter. Proponents support additional competition and choice in the marketplace. Opponents do not. Additional choice and competition always benefits the consumer.”

Notably, H.R. 5840 would set up an OII while leaving the existing state system wholly intact for agents who choose to continue to be licensed at the state level, and for their customers who want to do business with an agent or company that only does business locally.

The current regulatory framework for insurance was developed in the 19th century. Over 135 years later insurance producers need a modern regulatory structure to best serve their customers. An OII will help accomplish this goal.

Agents for Change is a trade association of insurance agents and brokers from across all lines of insurance. Members of Agents for Change offer expert advice to public policy makers as they move forward to enact an optional federal charter to allow producers the option of being regulated at either the federal or the state level. Agents for Change has 6,000 members nationwide.

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