

# Congress of the United States

Washington, DC 20515

## *Increase Consumer Choice and Market Efficiency! Be a Cosponsor of The National Insurance Act*

August 2, 2007

Dear Colleague:

Although the insurance sector is a major segment of the U.S. financial services industry, it continues to operate under 51 different state regulators. The current patchwork system of regulation creates market inefficiencies that harm consumers by delaying the introduction of new products, and making them more costly.

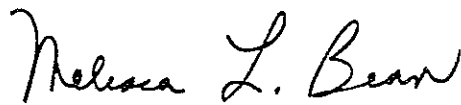
Introduced by Rep. Bean and Rep. Royce, H.R. 3200, *The National Insurance Act* is designed to mirror the regulatory structure found in the dual banking system, and would provide the insurance industry with a more effective regulatory alternative. This legislation would create an optional federal charter which would allow all insurance providers to choose to continue to be regulated at the state level or, instead, by the new federal regulator.

Importantly, as the Schumer-Bloomberg Report on capital markets competitiveness suggested earlier this year, the creation of an optional federal charter for insurers must be a top priority if the United States is to remain a global leader in the financial services industry. An optional federal charter would provide a viable alternative to the current system, which lacks uniformity and has been defined by government price and product controls, and allow U.S. insurers to compete more freely and effectively.

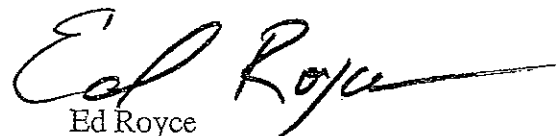
Furthermore, we believe consumers will benefit most from an optional federal charter. The increased competition among insurance providers will result in the availability of more diverse products with lower premiums, thereby affording consumers with greater choice.

We urge you to become a cosponsor of this important legislation. For more information, or to become a cosponsor, please contact Elizabeth Hart with Rep. Bean at 5-3711 or Michael Ahern with Rep. Royce 5-4111.

Sincerely,



Melissa L. Bean  
Member of Congress



Ed Royce  
Member of Congress