

May 11, 2009

Dear Colleague:

The collapse of AIG, the world's largest insurer, has proven one of the most costly and dangerous corporate disasters in American financial history. With nearly \$200 billion of federal tax dollars committed to AIG and more money expected to be granted to several other insurance companies, never before has the federal government been so invested in an industry over which it has no regulatory authority. Leaving the business of insurance regulation solely to the various state insurance commissioners, while the federal government provides taxpayer-funded assistance, is simply irresponsible.

We introduced H.R. 1880, *The National Insurance Consumer Protection Act*, to create a national insurance regulator with the resources and authority to regulate insurance companies whose breadth and scope far exceed the capabilities of the state-based system. This regulator will not only monitor insurance subsidiaries, but also the activities of the holding company and non-insurance affiliates, such as AIG's well known Financial Products unit.

H.R. 1880—

- Establishes a National Insurance Commissioner who will regulate national insurance companies (reinsurance, property & casualty, and life insurance), agencies, agents and brokers similarly as the Comptroller of the Currency regulates national banks.
- Subjects all insurance companies (national or state chartered) to a systemic risk regulator. The regulator will work with all insurance regulators to properly monitor the actions taken within the insurance market that may put at risk the U.S. economy and/or the financial system.
- Implements best-in-class, uniform national consumer protections starting with the model market conduct laws of the National Association of Insurance Commissioners.
- Creates a national licensing system for insurance producers (agents and brokers) to sell insurance throughout the country.

We urge you to become a cosponsor of this important legislation. For more information, or to become a cosponsor, please contact J.D. Grom with Rep. Bean at 225-3711 or Michael Ahern with Rep. Royce at 225-4111.

Sincerely,

Melissa Bean
Member of Congress

Ed Royce
Member of Congress