

Opposition without answers is unfortunate

DEAR EDITOR:

I WAS INTERESTED to read Tony Ondrusek's Publisher's Note ("No Way Can Industry Regulation Work Both Ways," December 2007 edition).

Ondrusek and I agree that there is an inherent problem with today's state insurance regulatory system. However, this is where our agreements stop. While I advocate for a public policy solution (an optional federal charter, OFC) as the chairman of Agents for Change, Ondrusek offers no solutions.

An OFC will allow life, property & casualty, and health producers and life and property & casualty insurers to opt into a federal regulatory structure if it makes sense for their customers. Advantages to producers under an OFC include one national insurance license to solicit customers in 56 jurisdictions (50 states, the District of Columbia, and five territories). Advantages to insurers include enhanced speed to market of products. But most importantly, the advantages for insurance consumers include: additional products at perhaps more competitive prices, the ability to stay with their trusted agent no matter where live or move, and increased choice and competition.

Importantly, an OFC will not abolish the state regulatory system. For those insurers and producers who want to continue in the state regulatory system absolutely nothing will change.

The United States Department of Treasury is doing its job in soliciting comments on the regulatory structure associated with financial institutions. To their credit, they have recognized a problem and asked stakeholders for their views. Ondrusek is clearly mistaken when he says they are "touting a wider federal role in regulating insurance..."

The Agents for Change board of directors submitted comments last Nov. 20 – and more than 65 of our members submitted their own views. It is unfortunate when people opposed to an OFC do not propose ideas of their own to fix the problems we agree on.

ROBERT POLI
Chairman
Agents For Change

Pleased with federal charter efforts

DEAR EDITOR:

IN MY 42 years in the life insurance business, I've followed the challenges and delays in getting new policy forms to market. Serving clients in multiple states, as our companies do (there are 57 jurisdictions), is time consuming and expensive.

I'm very pleased that efforts are being made to have a charter to provide one federal license that will streamline our industry and cut annual regulatory costs by an annual estimated \$5.7 billion. This saving can be passed on and help our clients by strengthening our products. Stronger, uniform consumer protection should result. Administrative procedures and requirements will be streamlined, reducing confusion.

I urge you to contact your federal legislators and ask that they study HR 3299 and S 40 and work to enact this important legislation. I'm pleased that Chip Condron, the CEO of AXA Equitable, recently testified before Congress in support of this legislation.

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