

# NAIFA's Themes & Conditions for Support of the Concept of An Optional Federal Charter for Insurance

## 1. True Agent Choice

### Federal insurance legislation shall:

- a. Permit producers to choose federal or state regulation
- b. Prohibit companies from discriminating against a producer based on his or her choice of federal or state regulation
- c. Address producer regulation for all major lines of insurance



## 2. Enhanced Consumer Protections

### Federal insurance legislation shall:

- a. Encompass the NAIC's model Unfair Trade and Unfair Claims Settlement Practices Acts
- b. Adhere to generally accepted replacement regulations
- c. Include file and use of rates with appropriate regulator review and approval of products
- d. Maintain ability of insurers to share loss, underwriting and trending data
- e. Not exceed the 2004 NAIC standard for insurance commission disclosure
- f. Ensure adequate solvency standards for insurers
- g. Include regulator responsiveness and accessibility to consumers

## 3. Single Federal Voice & Preserve State Regulation

### Federal insurance legislation shall:

- a. Provide a single, comprehensive regulatory structure for all producers who opt for federal regulation
- b. Include a federal entity with expertise in insurance to weigh in on national and international policy with regard to insurance
- c. Provide producers with a position at the table when new regulations are being considered by the national insurance regulator
- d. Allow for creation of a new self regulatory organization (SRO) to address insurance and/or securities issues
- e. Allow for increased efficiencies and cost savings for our members
- f. Create a federal insurance regulator who is the sole regulator of insurance for federally licensed entities -- not any other federal body
- g. Be cost neutral to the states
- h. Promote cooperation between state and federal regulators
- i. Not impede the operation or expansion of the Interstate Insurance Product Regulation Commission (Interstate Compact) or other efforts to improve state insurance regulation
- j. Fully preserve McCarran-Ferguson antitrust exemption for state regulation of insurance

*For more information, please visit [www.naifa.org/advocacy/irr](http://www.naifa.org/advocacy/irr)*