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NAIFA Board Supports Creating a Federal Office of Insurance Information

FALLS CHURCH, VA (May 21, 2008) — Today, the Board of Trustees of the National Association of Insurance and Financial Advisors (NAIFA) voted to support federal legislation to create an office within the U.S. Department of Treasury to advise the Secretary on domestic and international insurance policy matters. In April, Chairman Paul Kanjorski of the House Financial Services Subcommittee on Capital Markets, Insurance and Government Sponsored Enterprises introduced bipartisan legislation to create an Office of Insurance Information, or OII. Known as the Insurance Information Act of 2008, the bill would not create a new federal regulatory body, but rather a means to gather and disseminate insurance information at the federal level.

In March of this year, the Department of Treasury recommended the creation of an office in the Treasury similar to the one envisioned in Chairman Kanjorski's proposal as part of its "Blueprint for a Modernized Financial Regulatory Structure."

Following an exhaustive study of current insurance regulatory reform proposals, NAIFA's Policy Formation Subcommittee and the Board of Trustees recognized a fundamental lack of understanding at the federal level regarding issues that impact professional agents and the industry on a national and international scale.

"We applaud Chairman Kanjorski and his colleagues on the committee for their leadership in introducing legislation to address the problem," said NAIFA President Jeffrey J. Taggart, CLU, ChFC, LUTCF.

At its April 11 meeting, the NAIFA Board recommended to the NAIFA National Council that it vote in September to conditionally support the concept of an optional federal charter (OFC) for insurance, while continuing to support state-based insurance regulation.

"The decision today by the NAIFA Board should not be perceived as an early indicator of how the NAIFA National Council will vote in September on the OFC issue. The Board has simply acknowledged the need for a federal entity that understands how policies made on Capitol Hill can positively or negatively impact the insurance industry and ultimately the clients we serve," said Taggart.

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About NAIFA: Founded in 1890 as the National Association of Life Underwriters, the **National Association of Insurance and Financial Advisors** comprises nearly 800 state and local associations representing the business interests of 60,000 members nationwide. Members focus their practices on one or more of the following: life insurance and annuities, health insurance and employee benefits, multiline, and financial advising and investments. NAIFA's mission is to advocate for a positive legislative and regulatory environment, enhance business and professional skills, and promote the ethical conduct of its members. Visit NAIFA's website at www.naifa.org.