



NEWS RELEASE



CONNECTIONS THAT COUNT

FOR IMMEDIATE RELEASE

CONTACT: Lee Allen, VP, Communications and Marketing
leeallen@naifa.org
703-770-8112 (office)
703-336-2462 (mobile)

NAIFA Supports Introduction of National Insurance Consumer Protection Act

NICPA Allows For Agent Choice

FALLS CHURCH, VIRGINIA — April 2, 2009 — Today, U.S. Representatives Melissa Bean (D-IL) and Ed Royce (R-CA) introduced the *National Insurance Consumer Protection Act* (NICPA). The bill is a new iteration of legislation introduced in the last Congress to reform regulation of the insurance industry. The previous bill, the *National Insurance Act*, was better known as the optional federal charter bill.

The NICPA would continue to allow for an optional federal charter for insurance agents and companies, but adds provisions for enhanced consumer protections and the establishment of a new Financial Services Coordinating Council, which includes the new National Insurance Commissioner, to serve in an advisory capacity to a new systemic risk regulator.

On September 10, 2008, NAIFA's National Council nearly unanimously voted to support the concept of an OFC, provided that it meets defined principles of our support (available at www.naifa.org/advocacy/irr/documents/themesandconditions.pdf). The principles include true agent choice, enhanced consumer protections, the preservation of state regulation and the establishment of a single federal entity with expertise in insurance matters.

"NAIFA supports the introduction of the NICPA. Representatives Bean and Royce have taken great steps to incorporate the principles of NAIFA's support into the bill" says NAIFA President Cliff Wilson, CLU, ChFC, LUTCF.

"We are particularly happy with the enhanced consumer protection provisions of the bill, such as the inclusion of the NAIC Unfair Trade and Unfair Claims Settlement Practices Acts, as well as the call for increased accountability to Congress for the processing of

-- More --

NATIONAL ASSOCIATION OF INSURANCE AND FINANCIAL ADVISORS

2901 Telestar Court • P.O. Box 12012 • Falls Church, VA 22042-1205 • 703/770-8100 • www.naifa.org

complaints through the Office of National Insurance's Division of Consumer Affairs," continued Wilson. "We look forward to continuing to engage Representatives Bean, Royce, and the other members of the House Financial Services Committee and the Congress as this process moves forward."

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.

-30-