

2010 -- H 7332

=====
LC01072
=====

STATE OF RHODE ISLAND

IN GENERAL ASSEMBLY

JANUARY SESSION, A.D. 2010

JOINT RESOLUTION

OPPOSING THE CREATION OF AN OFFICE OF NATIONAL INSURANCE
(ONI)/FEDERAL INSURANCE OFFICE (FIO)

Introduced By: Representatives Gemma, Kennedy, Schadone, Marcello, and San Bento

Date Introduced: February 03, 2010

Referred To: House Corporations

1 WHEREAS, The United States House of Representatives passed H.R. 4173, the Wall
2 Street and Consumer Protection Act. Contained within the bill is language to establish a Federal
3 Insurance Office (FIO); and

4 WHEREAS, Currently, the Senate Committee on Banking, Housing, and Urban Affairs is
5 revising the Restoring American Financial Stability Act. An Office of National Insurance (ONI)
6 is being considered for inclusion under Title V of that bill; and

7 WHEREAS, The draft legislation contained in the revised Restoring American Financial
8 Stability Act would allow an ONI to preempt unspecified state insurance laws without input from
9 individual states; and

10 WHEREAS, Additionally, the ONI could potentially “perform such other related duties
11 and authorities as may be assigned to the Office by the Secretary,” and could be authorized to
12 conduct a study on how to “modernize and improve” insurance regulations. In essence, the very
13 agency that would benefit by the expansion of federal insurance presence would be the same
14 agency conducting the study to determine whether it is necessary, again, with no input from
15 individual states; and

16 WHEREAS, The establishment of either the FIO or an ONI will be a first step toward an
17 optional federal charter (OFC)—an idea that has been soundly rejected by consumers, insurance
18 agents, and industry representatives; and

19 WHEREAS, Rhode Island has a healthy insurance market, built on a comprehensive

1 system of insurance regulations. This state’s licensing, unfair trade practice, and guaranty fund
2 laws provide crucial protections for insurance policyholders; and

3 WHEREAS, Enhancing communication and information sharing between federal and
4 state officials and including state officials as equal partners on any council created by Congress to
5 monitor financial markets will better accomplish the goals and purpose for which the ONI/FIO is
6 to be established; now, therefore be it

7 RESOLVED, That this General Assembly of the State of Rhode Island and Providence
8 Plantations hereby opposes any measures that would preempt state insurance authority, initiate
9 federal insurance regulation, and/or establish an Office of National Insurance, a Federal Insurance
10 Office, or an optional federal charter; and be it further

11 RESOLVED, That the Secretary of State be and he hereby is authorized and directed to
12 transmit duly certified copies of this resolution to The Honorable Senator Jack Reed, The
13 Honorable Senator Sheldon Whitehouse, and the National Conference of Insurance Legislators
14 President Representative Robert Damron.

=====
LC01072
=====