

1 SENATE CONCURRENT RESOLUTION

2 WHEREAS, State insurance regulators have ensured the
3 solvency of this nation's insurers, implemented a comprehensive
4 consumer protection scheme, licensed insurance companies and
5 agents, and supervised other areas of the insurance business for
6 over 150 years; and

7 WHEREAS, State regulators oversee thousands of insurance
8 companies and millions of agents and respond to more than three
9 million inquiries per year; and

10 WHEREAS, State insurance regulation has been largely
11 successful and effective, has adapted to changes in the
12 marketplace, and encourages innovation; and

13 WHEREAS, State legislatures and state insurance regulators
14 are more responsive to the needs of consumers and are more aware of
15 and responsive to the unique characteristics and demands of
16 individual states; and

17 WHEREAS, Many states, including Texas, regularly update
18 state insurance laws and have recently enacted legislation that
19 enables the insurance industry to more effectively respond to
20 changing market conditions; and

21 WHEREAS, Governors, state legislators, and insurance
22 commissioners have acknowledged the need to streamline and simplify
23 insurance regulation and are working to enact reforms to remedy the
24 unnecessary differences in state laws and eliminate requirements

1 that prevent insurers and agents from serving the needs of
2 insurance consumers in an effective and timely manner; and

3 WHEREAS, The 109th Congress considered, and the 110th
4 Congress is expected to consider, legislation that would establish
5 an entirely new insurance regulatory system at the federal level
6 and threaten the continued viability of the state system in the
7 process; and

8 WHEREAS, A new and untested federal insurance regulatory
9 system would almost certainly be more remote and politicized and
10 less accessible and responsive to consumers than the current state
11 system; and

12 WHEREAS, If enacted by congress, these proposals would
13 bifurcate insurance regulation between the states and the federal
14 government, conflicting with the state system of consumer
15 protections and financial surveillance, as well as inevitably
16 causing a loss of jobs, taxes, fees, and other vital and necessary
17 state revenues needed to effectively regulate the insurance market
18 and provide revenues to support residual market programs; and

19 WHEREAS, Insurance companies paid \$13.8 billion in annual
20 premium taxes to the states in 2004, and a federalization of
21 insurance regulation could put these payments and other fees and
22 revenues at risk; now, therefore, be it

23 RESOLVED, That the 80th Legislature of the State of Texas
24 hereby respectfully declare to the Congress of the United States
25 the legislature's commitment to maintaining the states as the sole
26 regulators of the business of insurance and to supporting state
27 efforts to streamline, simplify, and modernize insurance

1 regulation; and, be it further

2 RESOLVED, That the 80th Legislature of the State of Texas
3 hereby respectfully urge the Congress of the United States to
4 oppose any proposed law that would establish a federal insurance
5 regulatory system or otherwise alter the McCarran-Ferguson Act;
6 and, be it further

7 RESOLVED, That the Texas secretary of state forward official
8 copies of this resolution to the president of the United States, the
9 speaker of the house of representatives and the president of the
10 senate of the United States Congress, to the members of the United
11 States House Financial Services Committee, to the members of the
12 United States Senate Banking, Housing, and Urban Affairs Committee,
13 to the United States secretary of the treasury, and to all the
14 members of the Texas delegation to the congress with the request
15 that this resolution be officially entered in the Congressional
16 Record as a memorial to the Congress of the United States of
17 America.

President of the Senate

Speaker of the House

I hereby certify that S.C.R. No. 60 was adopted by the Senate on May 8, 2007, by the following vote: Yeas 28, Nays 3.

Secretary of the Senate

I hereby certify that S.C.R. No. 60 was adopted by the House on May 23, 2007, by a non-record vote.

Chief Clerk of the House

Approved:

Date

Governor