

1-1 By: Averitt S.C.R. No. 60  
1-2 (In the Senate - Filed April 19, 2007; April 24, 2007, read  
1-3 first time and referred to Committee on Business and Commerce;  
1-4 May 1, 2007, reported favorably by the following vote: Yeas 9,  
1-5 Nays 0; May 1, 2007, sent to printer.)

1-6 SENATE CONCURRENT RESOLUTION

1-7 WHEREAS, State insurance regulators have ensured the  
1-8 solvency of this nation's insurers, implemented a comprehensive  
1-9 consumer protection scheme, licensed insurance companies and  
1-10 agents, and supervised other areas of the insurance business for  
1-11 over 150 years; and

1-12 WHEREAS, State regulators oversee thousands of insurance  
1-13 companies and millions of agents and respond to more than three  
1-14 million inquiries per year; and

1-15 WHEREAS, State insurance regulation has been largely  
1-16 successful and effective, has adapted to changes in the  
1-17 marketplace, and encourages innovation; and

1-18 WHEREAS, State legislatures and state insurance regulators  
1-19 are more responsive to the needs of consumers and are more aware of  
1-20 and responsive to the unique characteristics and demands of  
1-21 individual states; and

1-22 WHEREAS, Many states, including Texas, regularly update  
1-23 state insurance laws and have recently enacted legislation that  
1-24 enables the insurance industry to more effectively respond to  
1-25 changing market conditions; and

1-26 WHEREAS, Governors, state legislators, and insurance  
1-27 commissioners have acknowledged the need to streamline and simplify  
1-28 insurance regulation and are working to enact reforms to remedy the  
1-29 unnecessary differences in state laws and eliminate requirements  
1-30 that prevent insurers and agents from serving the needs of  
1-31 insurance consumers in an effective and timely manner; and

1-32 WHEREAS, The 109th Congress considered, and the 110th  
1-33 Congress is expected to consider, legislation that would establish  
1-34 an entirely new insurance regulatory system at the federal level  
1-35 and threaten the continued viability of the state system in the  
1-36 process; and

1-37 WHEREAS, A new and untested federal insurance regulatory  
1-38 system would almost certainly be more remote and politicized and  
1-39 less accessible and responsive to consumers than the current state  
1-40 system; and

1-41 WHEREAS, If enacted by congress, these proposals would  
1-42 bifurcate insurance regulation between the states and the federal  
1-43 government, conflicting with the state system of consumer  
1-44 protections and financial surveillance, as well as inevitably  
1-45 causing a loss of jobs, taxes, fees, and other vital and necessary  
1-46 state revenues needed to effectively regulate the insurance market  
1-47 and provide revenues to support residual market programs; and

1-48 WHEREAS, Insurance companies paid \$13.8 billion in annual  
1-49 premium taxes to the states in 2004, and a federalization of  
1-50 insurance regulation could put these payments and other fees and  
1-51 revenues at risk; now, therefore, be it

1-52 RESOLVED, That the 80th Legislature of the State of Texas  
1-53 hereby respectfully declare to the Congress of the United States  
1-54 the legislature's commitment to maintaining the states as the sole  
1-55 regulators of the business of insurance and to supporting state  
1-56 efforts to streamline, simplify, and modernize insurance  
1-57 regulation; and, be it further

1-58 RESOLVED, That the 80th Legislature of the State of Texas  
1-59 hereby respectfully urge the Congress of the United States to  
1-60 oppose any proposed law that would establish a federal insurance  
1-61 regulatory system or otherwise alter the McCarran-Ferguson Act;  
1-62 and, be it further

1-63 RESOLVED, That the Texas secretary of state forward official  
1-64 copies of this resolution to the president of the United States, the

2-1 speaker of the house of representatives and the president of the  
2-2 senate of the United States Congress, to the members of the United  
2-3 States House Financial Services Committee, to the members of the  
2-4 United States Senate Banking, Housing, and Urban Affairs Committee,  
2-5 to the United States secretary of the treasury, and to all the  
2-6 members of the Texas delegation to the congress with the request  
2-7 that this resolution be officially entered in the Congressional  
2-8 Record as a memorial to the Congress of the United States of  
2-9 America.

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