

2005 Rhode Island House Joint Resolution No. 7779, Rhode Island 2006
Legislative Session (FULL TEXT - NETSCAN)

RHODE ISLAND BILL TEXT

VERSION: Adopted

June 23, 2006
Kennedy, Lewiss, Shanley, Lally, Lima

2006 -- H 7779 SUBSTITUTE A ===== LC02602/SUB A ===== STATE OF RHODE ISLAND IN
GENERAL ASSEMBLY JANUARY SESSION, A.D. 2006 _____ J O I N T R E S O L U T I
O N IN OPPOSITION TO FEDERAL PREEMPTIVE INSURANCE REGULATORY MEASURES Introduced
By: Representatives Kennedy, Lewiss, Shanley, Lally, and Lima Date Introduced
February 28, 2006 Referred To: House Corporations WHEREAS, Regulation, oversight,
and consumer protection have traditionally and historically been powers reserved to
state governments under the McCarran-Ferguson Act of 1945; and WHEREAS, State
legislatures are more responsive to the needs of their constituents and the need
for insurance products and regulation to meet their state's unique market demands;
and WHEREAS, Many states, including Rhode Island, have recently enacted and amended
state insurance laws to modernize market regulation and provide insurers with
greater ability to respond to changes in market conditions;
and WHEREAS, State legislators, the National Conference of Insurance Legislators,
and the National Association of Insurance Commissioners continue to address
uniformity issues between states by the adoption of model laws that address
uniformity issues between states by the adoption of model laws that address market
conduct, product approval, agent licensing,

and rate-deregulation; and WHEREAS, Initiatives are being contemplated by certain
members of the United States Congress that would destroy the state system of
insurance regulation and create unwieldy and inaccessible federal bureaucracies -
all without consumer demand; and WHEREAS, Many state governments derive general
revenue dollars from the regulation of the business of insurance, including
\$51,732,000 from total revenues generated in 2003 for the State of Rhode Island
budget according to the United States department of Commerce Bureau of Census and
the National Association of Insurance Commissioner's 2003 budget, not including
state licensing fees, employment taxes and other business fees and taxes paid to
the state of Rhode Island by insurers; and WHEREAS, These initiatives would
eventually draw premium taxes and general revenues from the states; and WHEREAS,
Such initiatives include optional federal charter proposals that would bifurcate
insurance regulation and allow companies to evade important state consumer
protections and the State Modernization and Regulatory Transparency (SMART) Act,
which would create mandatory federal insurance standards preempting Rhode Island
state law; now, therefore be it

TEXT:

RESOLVED, That the General Assembly of the state of Rhode Island and
Providence Plantations hereby expresses its strong opposition to such
federal legislation that would threaten the power of state legislators,
governors, insurance commissioners, and attorney generals to oversee,

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regulate and investigate the business of insurance, and to protect consumers; and
be it further RESOLVED, That the Secretary of State be and he hereby is authorized
and directed to transmit duly certified copies of this resolution to the members of
Rhode Island's United States House and Senate Congressional delegation in
Washington DC, the members of the United States House of Representatives Committee
on Financial Services, and the United States Senate Committee on Banking, Housing
and Urban Affairs.

===== LC02602/SUB A =====

2005 RI H.J.R. 7779 (NS)

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