



State of New Mexico  
*Office of the Governor*

Bill Richardson  
*Governor*

August 29, 2006

Senator Pete Domenici  
328 Hart Senate Office Building  
Washington, D.C. 20510-3101

Representative Tom Udall  
1414 Longworth House Office Building  
Washington, D.C. 20515-3103

Honorable Senator Jeff Bingaman  
703 Hart Senate Office Building  
Washington, DC 20510

Representative Steve Pearce  
1607 Longworth House Office Building  
Washington, D.C. 20515-3102

Representative Heather Wilson  
318 Cannon House Office Building  
Washington, D.C. 20515-3101

RE: Opposition to S. 2509 - The National  
Insurance Act of 2006

Dear Senators Domenici and Bingaman and Representatives Wilson, Udall and Pearce:

This letter is to express my strong opposition to S. 2509 also known as the National Insurance Act of 2006, which is currently receiving hearings in the Senate Banking, Housing and Urban Development Committee.

The existing state-based system of insurance licensing, regulations, and consumer protections has served New Mexico's citizens since Congress granted such authority. Under S.2509, Congress will create an unnecessary federal bureaucracy by creating a federal layer of regulations, accountability requirements, and concerns regarding taxes, fees and assessments necessary to fund the massive obligations of a federal insurance regulator.

New Mexico has a cost-effective and responsive regulatory agency which serves the best interests of our citizens and the companies, agents, and brokers operating within our state. Creating a new federal insurance regulator endangers on-going modernization efforts, ignores 135 years of state regulation, threatens consumer access, and promises regulatory

complications, market uncertainty and serious concerns over solvency regulation and state guaranty funds.

I ask you to oppose S. 2509 and instead seek to continue efforts to modernize our state-based system of insurance to serve the best interests of New Mexico's citizens.

Thank you for your consideration and I look forward to hearing from you on this important issue.

Sincerely,

A handwritten signature in cursive script, appearing to read "Bill Richardson".

Bill Richardson  
Governor

BR/mrw

cc Speaker of the House Ben Lujan  
Senate Pro Tem Ben Altamirano  
Public Regulation Commissioners E. Shirley Baca, David King, Ben R. Lujan,  
Linda Lovejoy and Jason Marks