

Senator Sanborn offered the following concurrent resolution:

Senate Concurrent Resolution No. 25.

A concurrent resolution memorializing the Congress of the United States to oppose the SMART Act, which would create mandatory federal standards and regulation of insurance.

Whereas, The State Modernization and Regulatory Transparency (SMART) Act, which would create mandatory federal insurance standards preempting state law and undermining the sovereignty of state governments, is being considered by certain members of the United States Congress. State legislatures are more responsive to the needs of their constituents and are more knowledgeable regarding the market conditions that may exist in individual states and the need for unique insurance products and regulation to meet their specific market demands; and

Whereas, Regulation, oversight, and consumer protection have traditionally and historically been powers reserved to state governments. State legislatures are the proper governmental entity to determine public policy on insurance issues. This has been demonstrated in the 60 years since the enactment of the McCarran-Ferguson Act of 1945, which reserved the regulation of the business of insurance to the states; and

Whereas, In 2003, Michigan derived \$28.9 million in general revenue dollars from insurance taxes, fees, assessments, and fines and penalties. This revenue would be lost if Congress federalizes insurance regulation. Moreover, Michigan's recently revised insurance statutes not only modernize market regulation, but provide insurers with greater ability to respond to changes in market conditions; now, therefore, be it

Resolved by the Senate (the House of Representatives concurring), That the Michigan Legislature express its strong opposition to federal legislation, such as the SMART Act, that would impair, erode, and limit the ability of state governments to regulate the business of insurance; and be it further

Resolved, That a copy of this resolution be transmitted to the President of the United States Senate, the Speaker of the House of Representatives, and the members of the Michigan Congressional delegation.