

Reps. Sheen, Hune, Gaffney, Hummel, Hoogendyk, Rocca, Mortimer, Gosselin, Stahl, Acciavatti, LaJoy, Ball, Baxter, Caul, Proos, Hansen, Pearce, Sheltroun, Farrah, Condino, Green, Palmer, Nofs, Newell, Vander Veen, Leland, Bieda, Bennett, Pastor, Shaffer, Robertson, Taub, Elsenheimer, Garfield, Schuitmaker, Stakoe, Hood, Williams, Huizenga, Drolet, Anderson and Booher offered the following resolution:

House Resolution No. 162.

A resolution to memorialize the United States Congress to oppose the State Modernization and Regulatory Transparency (SMART) Act.

Whereas, Traditionally, the United States insurance industry has been regulated by individual states. Under the McCarran Ferguson Act of 1945, state legislatures are the proper governmental entity to determine public policy on insurance issues. State legislatures are more responsive to the needs of their constituents and are more knowledgeable regarding the market conditions that exist in their states and regarding the need for unique insurance products and regulation to meet their specific market demands; and

Whereas, State legislatures and such organizations as the National Conference of Insurance Legislators (NCOIL), the National Conference of State Legislatures (NCSL), and the National Association of Insurance Commissioners (NAIC) recognize that in certain states marketplace difficulties have created regulatory hurdles or delayed speed-to-market processing of insurance products. To solve these problems, state legislatures, NCOIL, NCSL, and NAIC continue to address uniformity issues among states through the adoption of model laws that address market conduct, product approval, agent licensing, and rate deregulation; and

Whereas, Many state governments derive general revenue dollars from the regulation of the insurance industry. In Michigan, the insurance industry paid more than \$241 million in state premium taxes in 2004; and

Whereas, The federal State Modernization and Regulatory Transparency (SMART) Act would create mandatory federal insurance standards preempting state law and undermining state sovereignty. By federalizing insurance regulation, this legislation would threaten the power of state legislatures, governors, insurance commissioners, and attorneys general to oversee, regulate, and investigate the insurance industry, impairing, eroding, and/or limiting their ability to protect the interests of their constituents; now, therefore, be it

Resolved by the House of Representatives, That we memorialize the United States Congress to oppose the State Modernization and Regulatory Transparency (SMART) Act; and be it further

Resolved, That copies of this resolution be transmitted to the President of the United States Senate, the Speaker of the United States House of Representatives, the members of the United States House of Representatives Committee on Financial Services, the members of the United States Senate Committee on Finance, and the members of the Michigan congressional delegation.