



March 2, 2021

Honorable Ted Cruz
United States Senate
Washington, D.C. 20510

Dear Senator Cruz:

On behalf of the Texas Professional Insurance Agents (Texas PIA), thank you for introducing the “Federal Insurance Office Abolishment Act of 2021.”

In 2010, advocates of federal insurance regulation succeeded in getting the Federal Insurance Office (FIO) established as part of the 2010 Dodd-Frank Wall Street Reform and Consumer Protection Act (Dodd-Frank). Like most federal offices, since its creation, its power has increased. In the few years it has existed, the FIO has inappropriately called for the federal regulation of mortgage insurance; for the FIO’s inclusion in supervisory colleges with state regulators; and for uniform national standards for state guaranty associations. In addition, the FIO now seeks to administer the National Association of Registered Agents and Brokers (NARAB). Each of these acts is an overreach.

The proper place for the regulation of insurance is at the state level. For over 150 years, the state-based system of insurance regulation has worked to successfully protect consumers and has created a competitive and diverse U.S. insurance market. The federal government should not undermine the state-based system of insurance regulation.

Your legislation will remedy the error of creating the FIO by fully repealing the office and eliminating the position of director of the FIO. The creation and continued presence of the FIO serve as a threat to the system of state insurance regulation, and we have seen recent attempts to expand its power. The FIO Abolishment Act will rightfully remove this threat and ensure the states continue as the appropriate regulator of insurance.

The Texas PIA views your bill as a top priority for our membership. If we can be of any additional assistance, please contact Jon Gentile, PIA National vice president of government relations, at jonge@pianet.org.

Sincerely,

David Gorman
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Texas Professional Insurance
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