



News Release

NATIONAL ASSOCIATION OF INSURANCE COMMISSIONERS

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Contact: Roger Hoadley, (816) 783-8003
Matt Brisch, (816) 783-8016

EXECUTIVE HEADQUARTERS

2301 MCGEE STREET
SUITE 800
KANSAS CITY MO
64108-2662
VOICE 816-842-3600
FAX 816-783-8175

FEDERAL AND INTERNATIONAL RELATIONS

HALL OF THE STATES
444 NORTH CAPITOL ST NW
SUITE 701
WASHINGTON DC
20001-1509
VOICE 202-624-7790
FAX 202-624-8579

SECURITIES VALUATION OFFICE

1411 BROADWAY
9TH FLOOR
NEW YORK NY
10018-3402
VOICE 212-398-9000
FAX 212-382-4207

WORLD WIDE WEB

www.naic.org

Regulators Emphasize Progress, Technology at 2004 NAIC/NIPR E-Regulation Conference

KANSAS CITY, MO (May 26, 2004) – When members of the National Association of Insurance Commissioners (NAIC) adopted an aggressive regulatory modernization initiative last fall, aptly entitled *A Reinforced Commitment: Insurance Regulatory Modernization Action Plan*, they were months, if not years, ahead of federal proposals to further streamline insurance regulation on a national scale. The NAIC’s comprehensive regulatory blueprint that calls for uniformity and reciprocity of product and market-conduct standards was a focal point at this week’s 2004 NAIC/National Insurance Producer Registry (NIPR) E-Regulation Conference here.

“While the state-based system of insurance regulation has been around for a very long time, there is considerable interest by some in Washington, D.C., and others within the industry to investigate other regulatory alternatives, from federal tools to an optional federal charter. As far as I’m concerned, the only ‘option’ is building on 133 years of success, enhancing the manner in which we regulate the business of insurance,” said NAIC President/South Carolina Insurance Director Ernst Csiszar in opening-day remarks.

Csiszar referenced the NAIC’s action plan and its technological elements as a cutting-edge barometer for measuring current and future accomplishments at the state level, specifically citing rate and form filing, solvency regulation, and market conduct as key components.

More than 525 individuals—a 27 percent increase over last year—representing the regulatory, industry, and consumer sectors were in attendance at the conference, now in its fifth year. The three-day event comprised several concentrated tracks that included company licensing, producer licensing and market analysis.

Of particular interest to attendees was speed-to-market, which emphasizes collaboration among the states in bringing new insurance products to market in streamlined fashion. Through the Interstate Insurance Product Regulation Compact, half a dozen states are setting the pace in creating uniform product standards, breaking down state borders for insurers looking to expand their services nationally. With 24 more states preparing to follow suit by introducing Interstate Compact legislation, NAIC Vice President/North Dakota Insurance Commissioner Jim Poolman spoke of immediate results.

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“Where speed-to-market initiatives are concerned, the future is here,” Poolman said. “The states are committed to offering more choices to more consumers, and the Interstate Compact is one of our solutions.”

NAIC Secretary-Treasurer/Oregon Insurance Administrator Joel Ario, speaking on the final day of the three-day event, focused his comments on the state regulators’ commitment to consumer protection through market regulatory reform and technology.

“Consumer protection, a hallmark of state-based insurance regulation, is defined by our ability to strengthen our relationship with an ever-changing industry,” he said. “Through market analysis; interstate collaboration; and development of a uniform, electronic licensing system for producers, consumers and industry will benefit that much more.”

Conference presentations are available for viewing on the NAIC Web site (www.naic.org), on the home page via the “E-Regulation Conference 2004” link.

About the NAIC

Headquartered in Kansas City, Missouri, the National Association of Insurance Commissioners (NAIC) is a voluntary organization of the chief insurance regulatory officials of the 50 states, the District of Columbia and four U.S. territories. The association’s overriding objective is to assist state insurance regulators in protecting consumers and helping maintain the financial stability of the insurance industry by offering financial, actuarial, legal, computer, research, market conduct and economic expertise. Formed in 1871, it is the oldest association of state officials. For more information, visit NAIC on the Web at: <http://www.naic.org/pressroom/>.

About the NIPR

Incorporated in October 1996, the National Insurance Producer Registry (NIPR) is a non-profit affiliate of the National Association of Insurance Commissioners (NAIC). The mission of the NIPR is to be the premier public-private partnership supporting the work of the states and the NAIC in reengineering, streamlining and making uniform the insurance producer licensing process for the benefit of regulators, insurers, producers and consumers. The NIPR is governed by a board of directors, structured to include five members representing the NAIC and four industry members representing a cross section of the insurance industry. For more information, visit the NIPR on the Web at <http://www.licenseregistry.com/>.