



# STATE OF CONNECTICUT

## INSURANCE DEPARTMENT

### Connecticut Insurance Department

#### Testimony Before the

#### Insurance and Real Estate Committee

February 19, 2015

#### **Raised Bill No. 871 —An Act Concerning Insurance Department’s Market Conduct Authority**

Senator Crisco, Representative Megna, Ranking Members, and Members of the Insurance and Real Estate Committee, my name is Kurt Swan, I am the Director of the Market Conduct unit of the Connecticut Insurance Department. I am here today to offer testimony in support of Senate Bill 871 - An Act Concerning Insurance Department’s Market Conduct Authority. Thank you for raising this bill at the Department’s request.

This bill amends the current market conduct statute to parallel other insurance statutes with respect to work paper confidentiality. Although, at this time the Department has general authority to keep examination work papers confidential which often contain sensitive trade and commercial information, this proposal would make it absolutely clear and would provide an explicit statutory basis to do so. This proposal would provide an explicit statutory confidentiality protection to the examination work papers which contain sensitive trade and commercial information, information which if revealed could cause harm to the company, its shareholders and its policyholders.

The Department again, thanks the Committee for raising this bill and encourages the Committee’s support of this initiative. We would be happy to answer any questions you may have.

**About the Connecticut Insurance Department:** The mission of the Connecticut Insurance Department is to protect consumers through regulation of the industry, outreach, education and advocacy. The Department recovers an average of more than \$4 million yearly on behalf of consumers and regulates the industry by ensuring carriers adhere to state insurance laws and regulations and are financially solvent to pay claims. The Department’s annual budget is funded through assessments from the insurance industry. Each year, the Department returns an average of \$100 million a year to the state General Fund in license fees, premium taxes, fines and other revenue sources to support various state programs, including childhood immunization.