

INSURANCE AND REAL ESTATE COMMITTEE

March 8, 2016

HOUSE BILL NO. 5051: AN ACT ADOPTING THE NATIONAL ASSOCIATION OF INSURANCE COMMISSIONERS' INTERSTATE INSURANCE PRODUCT REGULATION COMPACT

TESTIMONY SUBMITTED BY:

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The Phoenix Companies, Inc.

Good afternoon Senator Crisco, Representative Megna, Senator Kelly, Representative Sampson and distinguished members of the Committee. My name is Laurie Lewis and I am Tax Counsel to The Phoenix Companies, Inc. headquartered in Hartford, Connecticut. On behalf of Phoenix, I submit this testimony in support of House Bill No. 5051, entitled "An Act Adopting the National Association of Insurance Commissioners' Interstate Insurance Product Regulation Compact." In years' past, we have appeared before you in support of proposals that required a study of the adoption of the Interstate Compact; we are very encouraged that we have moved beyond a study and are now supporting the adoption of the Interstate Compact itself. Adoption will provide enormous benefits to the industry located here in the State as well as to the consumers.

Phoenix creates insurance products to assist middle market families prepare for their retirements and protect their families. Our products are sold in every state. Nationwide product uniformity allows us to get our products to market quicker and to modify product specifications in order to respond to financial changes to ensure that our products remain competitive. The more states that join the Interstate Insurance Product Regulation Compact ("IIPRC"), the more efficient we can be - which benefits all involved, especially consumers.

Under the IIPRC, the State Insurance Departments have the confidence of knowing that the retirement and insurance products that are offered to individuals have been well reviewed through numerous levels of review with a focus on protecting consumers. Connecticut consumers will benefit by having products that satisfy the uniform standard that cover consumers nationwide.

The standards in the IIPRC carry strong consumer protection provisions and ensure that there is less confusion for consumers in understanding what they are purchasing. Insurers are using the same essential terms - thus, consumers are better able to compare among different insurer's products on financial grounds.

Forty-three states and Puerto Rico are members of the IIPRC. Many of these states are similar to Connecticut in size and other demographic measures. Having Connecticut join with this large group of states will provide benefits to Connecticut consumers as well as Connecticut insurers. Since its inception, the IIPRC has grown; states have not left, as they have found the experience to be of great assistance to their citizens. For the record, the Phoenix supports this Interstate Compact bill as opposed to the prior Interstate Compact bill heard by Committee, HB 5343, which also is entitled "An Act Adopting the National Association of Insurance Commissioners' Interstate Insurance Product

Regulation Compact.”

We appreciate the Committee’s attention and consideration of this important issue, and we encourage the Committee to adopt this bill. Thank you.