

Aetna
AIX Group, a member of
Hanover Insurance Group
Amica
Anthem Blue Cross/Blue
Shield of CT
Bank of America
Carlton Fields Jordan Burt
ConnectiCare
Conning
First Niagara Financial
Group
Grant Thornton LLP
The Hartford Financial
Services Group
Hartford Steam Boiler
Inspection & Insurance
Company/MunichRE
KPMG
Lincoln Financial Group
Massachusetts Mutual Life
Insurance Company
MiddleOak
The Navigators Group, Inc.
Northwestern Mutual
People's United Bank
The Phoenix Companies
Prudential Retirement
PwC
Symetra Financial
Travelers Companies
UnitedHealthcare
UIL Holdings
Vantis Life Insurance
Company
Voya Financial, Inc.
Webster Bank
XL Catlin

Statement on Behalf of

The Connecticut Insurance and Financial Services Cluster

in support but with modifications of

**House Bill 5343: An Act Adopting the National Association of
Insurance Commissioners' Interstate Insurance
Product Regulation Compact**

Insurance and Real Estate Committee

March 1, 2016

The Connecticut Insurance and Financial Services Cluster (CT IFS), as part of the MetroHartford Alliance, supports legislation that strengthens and advances Connecticut's insurance and financial services industry.

In the interest of maintaining Connecticut's competitive position in the national and global economy, CT IFS strongly supports the adoption of the National Association of Insurance Commissioners' Interstate Insurance Product Regulation Compact (Compact) and the passage of HB 5343 with modifications.

While we appreciate the Committee's interest in proposing HB 5343 and joining the Compact, we have serious concerns over certain provisions within the legislation. Instead, CT IFS recommends that the Committee adopt the Compact language from Governor's Bill 5051 which would allow Connecticut to participate in compliance with the 43 other states that have adopted the Compact's guidelines and terms.

Facts on the Compact itself:

- Forty-three states and Puerto Rico have already adopted the Compact, including every state in New England but Connecticut
- The Compact represents over 70% of all written premium in U.S.
- Centralized, streamlined system allows for speed-to-market products for consumers

Facts on state sovereignty and regulation:

- It maintains state regulatory controls within that state's Department of Insurance
- A state can opt-out of the Compact entirely or opt-out of a uniform product standard that doesn't meet its regulatory requirements

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Facts on governance:

- Each member state has decision-making authority and a vote
- Internal controls consist of 2/3 majority approval; open meetings; published bylaws; and an established advisory committee for consumers and insurance industry representatives.

A case for economic development:

The States that have approved the Compact have sent a *clear message to their resident insurers* that they understand the competitiveness of their business and want to preserve their economic contribution to their states while providing a tangible benefit to consumers. As the “Insurance Capital” with the largest concentration of insurance jobs in the nation [U.S. Rank #1] and one of the strongest contributors to state gross state product [U.S. Rank #2], we should be sending that same message.

I urge you to send the message to one of Connecticut’s largest industry sectors, its global companies and nearly 60,000 employees that Connecticut is ready to compete for business by virtue of our alliance with the Compact.

Thank you for your consideration.



Susan C. Winkler
Executive Director
Connecticut Insurance & Financial Services Cluster

The Connecticut Insurance and Financial Services [IFS] Cluster, formed in 2003, is a strategic initiative of the MetroHartford Alliance that is designed to create a stronger IFS industry that is critical to sustain economic and employment growth in Connecticut. Leaders from business, state government and academia collaborate to foster growth among all of the industry's segments. The Connecticut IFS Cluster is comprised of 30 corporate sponsors whose shared vision is to create competitive advantages in business attraction and retention, to assist with recruitment and education of a trained workforce, and to increase public awareness through advocacy.

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