

M E M O R A N D U M

To: Members of the Committee on Financial Services

From: FSC Majority Staff

Date: March 2, 2018

Re: March 7, 2018, Housing and Insurance Subcommittee hearing entitled
“Legislative Review of H.R. 5059, the State Insurance Regulation Preservation
Act”

The Subcommittee on Housing and Insurance will hold a hearing entitled “Legislative Review of H.R. 5059, the State Insurance Regulation Preservation Act” on March 7, 2018 at 10:00 a.m. in Room 2128 of the Rayburn House Office Building.

This will be a one panel hearing with the following witnesses.

- Mr. Michael Mahaffey, Chief Strategist and Risk Officer, Nationwide Mutual Insurance Company
- Mr. Kurt Bock, Chief Executive Officer, COUNTRY Financial, on behalf of the Property Casualty Insurers Association of America.

Introduced on February 15, 2018 by Representatives Keith Rothfus and Joyce Beatty, H.R. 5059, the “State Insurance Regulation Preservation Act”, amends the Home Owners’ Loan Act to create a definition of an Insurance Savings and Loan Holding Companies (ISLHC) and creates a regulatory framework that would limit the Federal Reserve’s oversight of ISLHCs. If the Federal Reserve does examine an ISLHC, the legislation requires that the Federal Reserve’s tailor the supervisory framework to the risks and activities of the business of insurance; and develop in consultation with State insurance authorities to ensure that framework does not duplicate or conflict with State insurance requirements. Furthermore, H.R. 5059 would exempt an ISLHC from the Federal Reserve’s oversight if the ISLHC meets or exceeds applicable State insurance capital standards; and meets or exceeds any minimum capital standards for an insurance savings and loan holding company promulgated by the Board under section 171 of the Financial Stability Act of 2010 (Title I of the Dodd-Frank Act).

###