

116TH CONGRESS  
1ST SESSION

# S. 1298

To amend the Financial Stability Act of 2010 to include the State insurance commissioner as a voting member of the Financial Stability Oversight Council, and for other purposes.

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## IN THE SENATE OF THE UNITED STATES

MAY 2, 2019

Mr. SCOTT of South Carolina (for himself and Mr. JONES) introduced the following bill; which was read twice and referred to the Committee on Banking, Housing, and Urban Affairs

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## A BILL

To amend the Financial Stability Act of 2010 to include the State insurance commissioner as a voting member of the Financial Stability Oversight Council, and for other purposes.

1       *Be it enacted by the Senate and House of Representa-*  
2       *tives of the United States of America in Congress assembled,*

3       **SECTION 1. SHORT TITLE.**

4       This Act may be cited as the “Primary Regulators  
5       of Insurance Vote Act of 2019”.

1 **SEC. 2. ESTABLISHMENT OF STATE INSURANCE COMMIS-**  
 2 **SIONER AS A VOTING MEMBER OF THE FI-**  
 3 **NANCIAL STABILITY OVERSIGHT COUNCIL.**

4 (a) IN GENERAL.—Section 111 of the Financial Sta-  
 5 bility Act of 2010 (12 U.S.C. 5321) is amended—

6 (1) in subsection (b)—

7 (A) in paragraph (1)—

8 (i) by redesignating subparagraph (J)  
 9 as subparagraph (K);

10 (ii) in subparagraph (I), by striking  
 11 “and” at the end; and

12 (iii) by inserting after subparagraph  
 13 (I) the following:

14 “(J) a State insurance commissioner, ap-  
 15 pointed by the President, by and with the ad-  
 16 vice and consent of the Senate, as described in  
 17 paragraph (4); and”; and

18 (B) by adding at the end the following:

19 “(4) STATE INSURANCE COMMISSIONER.—In  
 20 selecting an individual to appoint as a State insur-  
 21 ance commissioner under paragraph (1)(J), the  
 22 President shall request a list of recommendations for  
 23 the individual from State insurance commissioners  
 24 through a process determined by the State insurance  
 25 commissioners. The recommendations shall not be  
 26 binding on the President. If the State insurance

1 commissioners fail to submit a list of recommenda-  
 2 tions within 15 business days after the date of the  
 3 request, the President may select an individual to  
 4 appoint without considering the recommendations.”;  
 5 and

6 (2) in subsection (c)—

7 (A) in paragraph (1), by inserting “, the  
 8 State insurance commissioner shall serve for a  
 9 term of 4 years” after “6 years”;

10 (B) in paragraph (2), by inserting at the  
 11 end the following: “For vacancy in the member-  
 12 ship of the State insurance commissioner serv-  
 13 ing under subsection (b)(1)(J), the President  
 14 shall appoint another State insurance commis-  
 15 sioner to serve on the Council for the remainder  
 16 of the term or until a successor is appointed  
 17 and confirmed under paragraph (5), whichever  
 18 is earlier.”; and

19 (C) by adding at the end the following new  
 20 paragraph:

21 “(5) TERM OF STATE INSURANCE COMMIS-  
 22 SIONER.—Notwithstanding paragraph (1), if a suc-  
 23 cessor to the State insurance commissioner serving  
 24 under subsection (b)(1)(J) is not appointed and con-  
 25 firmed by the end of the term of service of such

1 commissioner, such commissioner may continue to  
 2 serve until the earlier of—

3 “(A) 18 months after the date on which  
 4 the term of service ends; or

5 “(B) the date on which a successor to such  
 6 member is appointed and confirmed.”.

7 (b) **TECHNICAL AND CONFORMING AMENDMENT.**—  
 8 Section 111(c)(4) of the Financial Stability Act of 2010  
 9 (12 U.S.C. 5321(c)(4)) is amended by striking “sub-  
 10 section (b)(1)(J)” and inserting “subsection (b)(1)(K)”.

11 **SEC. 3. REPEAL OF STATE INSURANCE COMMISSIONER AS**  
 12 **NONVOTING MEMBER OF FSOC.**

13 (a) **IN GENERAL.**—Section 111(b)(2) of the Finan-  
 14 cial Stability Act of 2010 (12 U.S.C. 5321(b)(2)) is  
 15 amended by striking subparagraph (C) and redesignating  
 16 subparagraph (D) and (E) as subparagraphs (C) and (D),  
 17 respectively.

18 (b) **TECHNICAL AND CONFORMING AMENDMENT.**—  
 19 Section 111(c)(1) of the Financial Stability Act of 2010  
 20 (12 U.S.C. 5321(c)(1)) is amended by striking by “sub-  
 21 paragraphs (C), (D), and (E)” and inserting “subpara-  
 22 graphs (C) and (D)”.

23 **SEC. 4. TEMPORARY SERVICE; TRANSITION.**

24 Notwithstanding the amendments made by this Act,  
 25 during the period beginning on the date of the enactment

1 of this Act and ending on the date on which the State  
2 insurance commissioner is appointed and confirmed pursu-  
3 ant to section 111(b)(1) of the Financial Stability Act of  
4 2010 (12 U.S.C. 5321(b)(1)), as amended by section 2  
5 of this Act, section 111(b)(2)(C) of the Financial Stability  
6 Act of 2010 (12 U.S.C. 5321(b)(2)(C)), as in effect before  
7 the date of enactment of this Act, shall continue to apply.

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