

119<sup>TH</sup> CONGRESS  
2<sup>D</sup> SESSION

# H. R. 7130

To eliminate the Federal Insurance Office of the Department of the Treasury and to establish a United States Insurance Representative within the Department of the Treasury, and for other purposes.

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## IN THE HOUSE OF REPRESENTATIVES

JANUARY 16, 2026

Mr. DOWNING (for himself, Mr. FITZGERALD, and Mr. OGLES) introduced the following bill; which was referred to the Committee on Financial Services

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## A BILL

To eliminate the Federal Insurance Office of the Department of the Treasury and to establish a United States Insurance Representative within the Department of the Treasury, 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 “McCarran-Ferguson  
5       Restoration Act”.

6       **SEC. 2. ELIMINATION OF FEDERAL INSURANCE OFFICE.**

7       (a) IN GENERAL.—The Federal Insurance Office of  
8       the Department of the Treasury, and the position of the

1 Director of the Federal Insurance Office, are hereby elimi-  
2 nated.

3 (b) **TREASURY AUTHORITY.**—This section may not  
4 be construed to repeal or otherwise limit any authority of  
5 the Secretary of the Treasury with respect matters relat-  
6 ing to insurance.

7 **SEC. 3. ESTABLISHMENT OF UNITED STATES INSURANCE**  
8 **REPRESENTATIVE.**

9 Title 31, United States Code, is amended—

10 (1) in the table of sections for subchapter I of  
11 chapter 3, by striking “Federal Insurance Office”  
12 and inserting “United States Insurance Representa-  
13 tive”; and

14 (2) by amending section 313 to read as follows:

15 **“§ 313. United States Insurance Representative**

16 “(a) **IN GENERAL.**—Not later than 1 year after the  
17 date of the enactment of this section, the Secretary shall,  
18 for the purpose of carrying out this section—

19 “(1) appoint an United States Insurance Rep-  
20 resentative; and

21 “(2) hire and retain individuals with expertise  
22 in matters related to insurance.

23 “(b) **DUTIES.**—The United States Insurance Rep-  
24 resentative shall—

1           “(1) coordinate Federal efforts and develop  
2 Federal policy on prudential aspects of international  
3 insurance matters;

4           “(2) represent the United States Department of  
5 the Treasury, as appropriate, in the International  
6 Association of Insurance Supervisors (or a successor  
7 entity);

8           “(3) assist the Secretary in negotiating covered  
9 agreements;

10          “(4) determine whether State insurance meas-  
11 ures are preempted by covered agreements;

12          “(5) assist the Secretary in administering the  
13 Terrorism Insurance Program established in the De-  
14 partment of the Treasury under the Terrorism Risk  
15 Insurance Act of 2002 (15 U.S.C. 6701 note);

16          “(6) consult with the States (including State in-  
17 surance regulators) with respect to insurance mat-  
18 ters of national importance and prudential insurance  
19 matters of international importance; and

20          “(7) advise the Secretary on prudential inter-  
21 national insurance policy issues.

22          “(c) SCOPE.—The authority of the United States In-  
23 surance Representative shall extend to prudential aspects  
24 of all lines of insurance offered in the United States, ex-  
25 cept—

1           “(1) health insurance, as determined by the  
2           Secretary in coordination with the Secretary of  
3           Health and Human Services based on section 2791  
4           of the Public Health Service Act (42 U.S.C. 300gg–  
5           91);

6           “(2) long-term care insurance, except long-term  
7           care insurance that is included with life or annuity  
8           insurance components, as determined by the Sec-  
9           retary in coordination with the Secretary of Health  
10          and Human Services, and in the case of long-term  
11          care insurance that is included with such compo-  
12          nents, the Secretary shall coordinate with the Sec-  
13          retary of Health and Human Services in performing  
14          the functions under this paragraph; and

15          “(3) crop insurance, as established by the Fed-  
16          eral Crop Insurance Act (7 U.S.C. 1501 et seq).

17          “(d) PREEMPTION OF STATE INSURANCE MEAS-  
18          URES.—

19                 “(1) STANDARD.—A State insurance measure  
20                 shall be preempted pursuant to this paragraph or  
21                 section 314 if, and only to the extent that the  
22                 United States Insurance Representative determines,  
23                 in accordance with this paragraph, that the meas-  
24                 ure—

1           “(A) results in less favorable treatment of  
2 a non-United States insurer domiciled in a for-  
3 eign jurisdiction that is subject to a covered  
4 agreement than a United States insurer domi-  
5 ciled, licensed, or otherwise admitted in that  
6 State; and

7           “(B) is inconsistent with a covered agree-  
8 ment.

9           “(2) DETERMINATION.—

10           “(A) NOTICE OF POTENTIAL INCONSIST-  
11 ENCY.—Before making any determination  
12 under paragraph (1), the United States Insur-  
13 ance Representative shall—

14           “(i) notify and consult with the appro-  
15 priate State regarding any potential incon-  
16 sistency or preemption;

17           “(ii) notify and consult with the  
18 United States Trade Representative re-  
19 garding any potential inconsistency or pre-  
20 emption;

21           “(iii) publish in the Federal Register  
22 a notice of the potential inconsistency or  
23 preemption, including a description of each  
24 State insurance measure at issue and any  
25 applicable covered agreement;

1           “(iv) provide interested parties a rea-  
2           sonable opportunity to submit written com-  
3           ments to the United States Insurance Rep-  
4           resentative; and

5           “(v) consider any comments received.

6           “(B) SCOPE OF REVIEW.—For purposes of  
7           this subsection, any determination of the  
8           United States Insurance Representative regard-  
9           ing State insurance measures, and any preempt-  
10          tion under clause (i) as a result of such deter-  
11          mination, shall be limited to the subject matter  
12          contained within the covered agreement involved  
13          and shall achieve a level of protection for insur-  
14          ance or reinsurance consumers that is substan-  
15          tially equivalent to the level of protection  
16          achieved under State insurance or reinsurance  
17          regulation.

18          “(C) NOTICE OF DETERMINATION OF IN-  
19          CONSISTENCY.—Upon making any determina-  
20          tion under paragraph (1), the United States In-  
21          surance Representative shall—

22                 “(i) notify the appropriate State of  
23                 the determination and the extent of the in-  
24                 consistency;

1 “(ii) establish a reasonable period of  
2 time, which shall not be less than 30 days,  
3 before the determination shall become ef-  
4 fective; and

5 “(iii) notify the Committees on Finan-  
6 cial Services and Ways and Means of the  
7 House of Representatives and the Commit-  
8 tees on Banking, Housing, and Urban Af-  
9 fairs and Finance of the Senate.

10 “(3) NOTICE OF EFFECTIVENESS.—Upon the  
11 conclusion of the period referred to in paragraph  
12 (2)(C)(ii), if the basis for such determination still  
13 exists, the determination shall become effective and  
14 the United States Insurance Representative shall—

15 “(A) publish a notice in the Federal Reg-  
16 ister that the preemption has become effective,  
17 as well as the effective date; and

18 “(B) notify the appropriate State of the  
19 preemption of the State measure.

20 “(4) LIMITATION.—No State may enforce a  
21 State insurance measure that has been preempted  
22 under this subparagraph.

23 “(e) APPLICABILITY OF ADMINISTRATIVE PROCE-  
24 DURES ACT.—Determinations of under subsection (d)  
25 shall be subject to the applicable provisions of subchapter

1 II of chapter 5 of title 5, United States Code (relating  
2 to administrative procedure), and chapter 7 of such title  
3 (relating to judicial review), except that in any action for  
4 judicial review of a determination of inconsistency, the  
5 court shall determine the matter de novo.

6 “(f) REGULATIONS, POLICIES, AND PROCEDURES.—  
7 The Secretary may issue orders, regulations, policies, and  
8 procedures to implement this paragraph.

9 “(g) CONSULTATION.—The United States Insurance  
10 Representative shall consult with State insurance regu-  
11 lators, individually or collectively, to the extent the United  
12 States Insurance Representative determines appropriate,  
13 in carrying out this paragraph.

14 “(h) RULES OF CONSTRUCTION.—Nothing in this  
15 paragraph or section 314 shall be construed to—

16 “(1) alter, amend, or limit any provision of the  
17 Consumer Financial Protection Agency Act of 2010;

18 “(2) affect the preemption of any State insur-  
19 ance measure otherwise inconsistent with and pre-  
20 empted by Federal law;

21 “(3) preempt—

22 “(A) any State insurance measure that  
23 governs any insurer’s rates, premiums, under-  
24 writing, or sales practices;

1           “(B) any State coverage requirements for  
2 insurance;

3           “(C) the application of the antitrust laws  
4 of any State to the business of insurance; or

5           “(D) any State insurance measure gov-  
6 erning the capital or solvency of an insurer, ex-  
7 cept to the extent that such State insurance  
8 measure results in less favorable treatment of a  
9 non-United States insurer than a United States  
10 insurer;

11          “(4) provide the United States Insurance Rep-  
12 resentative or the Department of the Treasury with  
13 general supervisory or regulatory authority over the  
14 business of insurance;

15          “(5) limit the authority of any Federal financial  
16 regulatory agency, including the authority to develop  
17 and coordinate policy, negotiate, and enter into  
18 agreements with foreign governments, authorities,  
19 regulators, and multinational regulatory committees  
20 and to preempt State measures to affect uniformity  
21 with international regulatory agreements; or

22          “(6) affect the authority of the Office of the  
23 United States Trade Representative pursuant to sec-  
24 tion 141 of the Trade Act of 1974 (19 U.S.C. 2171)  
25 or any other provision of law, including authority

1 over the development and coordination of United  
2 States international trade policy and the administra-  
3 tion of the United States trade agreements program.

4 “(i) ANNUAL REPORT TO CONGRESS.—

5 “(1) PREEMPTION REPORTS.—Beginning on the  
6 date that is 2 years after the date of the enactment  
7 of this paragraph, and annually thereafter, the  
8 United States Insurance Representative shall submit  
9 a report to the President and to the Committees on  
10 Financial Services and Ways and Means of the  
11 House of Representatives and the Committees on  
12 Banking, Housing, and Urban Affairs and Finance  
13 of the Senate on any actions taken during the pre-  
14 ceding 1-year period by the Representative pursuant  
15 to subsection (d).

16 “(2) INTERNATIONAL INSURANCE REPORTS.—

17 Not later than 2 years after the date of the enact-  
18 ment of this paragraph, the United States Insurance  
19 Representative shall conduct a study and submit a  
20 report to the Congress that describes—

21 “(A) any international coordination of in-  
22 surance regulation; and

23 “(B) the international competitiveness of  
24 United States insurers.

1       “(j) USE OF EXISTING RESOURCES.—To carry out  
2 this paragraph, the United States Insurance Representa-  
3 tive may use personnel, facilities, and any other resource  
4 of the Department of the Treasury that are available to  
5 the Secretary.

6       “(k) DEFINITIONS.—In this paragraph and section  
7 314, the following definitions shall apply:

8           “(1) COVERED AGREEMENT.—The term ‘cov-  
9 ered agreement’ means a written bilateral or multi-  
10 lateral agreement regarding prudential measures  
11 with respect to the business of insurance or reinsur-  
12 ance that—

13           “(A) is entered into between the United  
14 States and one or more foreign governments,  
15 authorities, or regulatory entities; and

16           “(B) relates to the recognition of pruden-  
17 tial measures with respect to the business of in-  
18 surance or reinsurance that achieves a level of  
19 protection for insurance or reinsurance con-  
20 sumers that is substantially equivalent to the  
21 level of protection achieved under State insur-  
22 ance or reinsurance regulation.

23           “(2) INSURER.—The term ‘insurer’ means any  
24 person engaged in the business of insurance, includ-  
25 ing reinsurance.

1           “(3) FEDERAL FINANCIAL REGULATORY AGEN-  
2           CY.—The term ‘Federal financial regulatory agency’  
3           means the Department of the Treasury, the Board  
4           of Governors of the Federal Reserve System, the Of-  
5           fice of the Comptroller of the Currency, the Office  
6           of Thrift Supervision, the Securities and Exchange  
7           Commission, the Commodity Futures Trading Com-  
8           mission, the Federal Deposit Insurance Corporation,  
9           the Federal Housing Finance Agency, or the Na-  
10          tional Credit Union Administration.

11           “(4) NON-UNITED STATES INSURER.—The term  
12          ‘non-United States insurer’ means an insurer that is  
13          organized under the laws of a jurisdiction other than  
14          a State, but does not include any United States  
15          branch of such an insurer.

16           “(5) STATE INSURANCE MEASURE.—The term  
17          ‘State insurance measure’ means any State law, reg-  
18          ulation, administrative ruling, bulletin, guideline, or  
19          practice relating to or affecting prudential measures  
20          applicable to insurance or reinsurance.

21           “(6) STATE INSURANCE REGULATOR.—The  
22          term ‘State insurance regulator’ means any State  
23          regulatory authority responsible for the supervision  
24          of insurers.

1           “(7) SUBSTANTIALLY EQUIVALENT TO THE  
2           LEVEL OF PROTECTION ACHIEVED.—The term ‘sub-  
3           stantially equivalent to the level of protection  
4           achieved’ means the prudential measures of a for-  
5           eign government, authority, or regulatory entity  
6           achieve a similar outcome in consumer protection as  
7           the outcome achieved under State insurance or rein-  
8           surance regulation.

9           “(8) UNITED STATES INSURER.—The term  
10          ‘United States insurer’ means—

11                   “(A) an insurer that is organized under  
12                   the laws of a State; or

13                   “(B) a United States branch of a non-  
14                   United States insurer.”.

15 **SEC. 4. RELATED AMENDMENTS TO ELIMINATION OF FED-**  
16 **ERAL INSURANCE OFFICE.**

17          (a) DODD-FRANK WALL STREET REFORM AND CON-  
18 SUMER PROTECTION ACT AMENDMENTS.—The Dodd-  
19 Frank Wall Street Reform and Consumer Protection Act  
20 (12 U.S.C. 5301 et seq.) is amended—

21                   (1) in section 165(i) (12 U.S.C. 5365(i))—

22                           (A) in paragraph (1)(A), by striking “and  
23                           the Federal Insurance Office” and inserting  
24                           “and the Secretary of the Treasury”; and

1 (B) in paragraph (2)(C), in the matter  
2 preceding clause (i), by striking “and the Fed-  
3 eral Insurance Office” and inserting “and the  
4 Secretary of the Treasury”; and

5 (2) in section 203(a)(1)(C) (12 U.S.C.  
6 5383(a)(1)(C)), by striking “Director of the Federal  
7 Insurance Office” in each place it appears and in-  
8 serting “United States Insurance Representative”.

9 (b) ECONOMIC GROWTH, REGULATORY RELIEF, AND  
10 CONSUMER PROTECTION ACT AMENDMENTS.—Section  
11 211(a) of the Economic Growth, Regulatory Relief, and  
12 Consumer Protection Act (31 U.S.C. 313 note) is amend-  
13 ed—

14 (1) in paragraph (1), by striking “the Secretary  
15 of the Treasury, Board of Governors of the Federal  
16 Reserve System, and Director of the Federal Insur-  
17 ance Office” and inserting the following: “the Sec-  
18 retary of the Treasury and the Board of Governors  
19 of the Federal Reserve System”; and

20 (2) in paragraph (2), by striking “the Secretary  
21 of the Treasury, the Board of Governors of the Fed-  
22 eral Reserve System, and the Director of the Fed-  
23 eral Insurance Office” each place that term occurs  
24 and inserting the following: “the Secretary of the

1 Treasury and the Board of Governors of the Federal  
2 Reserve System”.

3 **SEC. 5. FINANCIAL STABILITY OVERSIGHT COUNCIL MEM-**  
4 **BERSHIP.**

5 The Dodd-Frank Wall Street Reform and Consumer  
6 Protection Act (12 U.S.C. 5301 et seq.) is amended—

7 (1) in section 111 (12 U.S.C. 5321)—

8 (A) in subsection (b)—

9 (i) in paragraph (1)—

10 (I) in subparagraph (I), by strik-  
11 ing “and” at the end;

12 (II) in subparagraph (J), by  
13 striking the period at the end and in-  
14 serting “; and”; and

15 (III) by adding at the end the  
16 following:

17 “(K) a State insurance commissioner ap-  
18 pointed by the President, by and with the ad-  
19 vice and consent of the Senate, as described in  
20 paragraph (4).”;

21 (ii) in paragraph (2)—

22 (I) in subparagraph (B), to read  
23 as follows:

24 “(B) the United States Insurance Rep-  
25 resentative;”;

1 (II) by striking subparagraph  
2 (C); and

3 (III) by redesignating subpara-  
4 graphs (D) and (E) as subparagraphs  
5 (C) and (D), respectively; and

6 (iii) by adding at the end the fol-  
7 lowing:

8 “(4) APPOINTMENT OF STATE INSURANCE COM-  
9 MISSIONER.—

10 “(A) IN GENERAL.—Before making any  
11 appointments pursuant to paragraph (1)(K),  
12 the President shall request a list of rec-  
13 ommended candidates from the States through  
14 the National Association of Insurance Commis-  
15 sioners, which shall not be binding on the Presi-  
16 dent.

17 “(B) FAILURE OF LIST SUBMISSION.—If  
18 the National Association of Insurance Commis-  
19 sioners fails to submit a list of recommenda-  
20 tions not later than 15 business days after the  
21 date of the request, the President may make  
22 the requisite appointment without considering  
23 the views of the National Association of Insur-  
24 ance Commissioners.”; and

25 (B) in subsection (c)—

1 (i) in paragraph (1)—

2 (I) by inserting “, the State in-  
3 surance commissioner shall serve a  
4 term of 4 years” after “6 years”; and

5 (II) by striking “(C), (D), and  
6 (E)” and inserting “(C) and (D)”;  
7 and

8 (ii) by adding at the end the fol-  
9 lowing:

10 “(5) ACTING STATE INSURANCE COMMISSIONER  
11 MAY SERVE.—

12 “(A) IN GENERAL.—Notwithstanding sec-  
13 tion 3345 of title 5, United States Code, in the  
14 event of a vacancy of the State insurance com-  
15 missioner of the Council or during the absence  
16 or disability of the State insurance commis-  
17 sioner of the Council, an acting State insurance  
18 commissioner of the Council shall serve as a  
19 nonvoting member of the Council until a suc-  
20 cessor is appointed and confirmed.

21 “(B) SELECTION OF ACTING STATE INSUR-  
22 ANCE COMMISSIONER.—The acting State insur-  
23 ance commissioner described in subparagraph  
24 (A) shall be selected through process deter-

1           mined by the National Association of Insurance  
2           Commissioners.

3           “(6) TERM OF STATE INSURANCE COMMIS-  
4           SIONER.—Notwithstanding paragraph (1), if a suc-  
5           cessor to the State insurance commissioner of the  
6           Council is not appointed and confirmed by the end  
7           of the term of service of the commissioner, such  
8           member may continue to serve until the earlier of—

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

11                  “(B) the date on which a successor to the  
12                  commissioner is appointed and confirmed.”, and  
13           (2) in section 112 (12 U.S.C. 5322)—

14                  (A) in subsection (a)(2)(A), by striking  
15                  “member agencies, other Federal and State fi-  
16                  nancial regulatory agencies, the Federal Insur-  
17                  ance Office” and inserting the following: “mem-  
18                  ber agencies and other Federal and State finan-  
19                  cial regulatory agencies”; and

20                  (B) in subsection (d)—

21                          (i) in paragraph (1), in the matter  
22                          preceding subparagraph (A), by striking  
23                          “the Office of Financial Research, member  
24                          agencies, and the Federal Insurance Of-

1            fice” and inserting “the Office of Financial  
2            Research and member agencies”; and

3            (ii) in paragraph (2), by striking “,  
4            any member agency, and the Federal In-  
5            surance Office,” and inserting “and any  
6            member agency”.

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