

And I would also like to take a moment to honor a departed colleague and friend, the late Congresswoman Stephanie Tubbs Jones. In previous years, she championed this resolution in the House and was a strong advocate for financial literacy through her career. I know that I am not alone in saying that her presence is missed here on the House floor.

Mr. Speaker, let me just say once again that I urge my colleagues to join Congresswoman JOHNSON, Congressman HINOJOSA, and me in supporting this resolution and sound saving habits during America Saves Week and throughout the year.

I reserve the balance of my time.

Mr. SCOTT of Georgia. Mr. Speaker, it is my pleasure to introduce to you and yield to her such time as she may consume, the sponsor and author of this bill, the gentlewoman from Texas (Ms. EDDIE BERNICE JOHNSON), who has put in just a tremendous amount of work on this effort. She is certainly to be commended for her hard work and dedication to this issue.

Ms. EDDIE BERNICE JOHNSON of Texas. Mr. Speaker, I rise today in strong support of H. Res. 1082, supporting the goals and ideals of the fourth annual America Saves Week, which really runs from February 21 through February 28.

I want to take this opportunity to thank Chairman FRANK for his assistance in bringing this important and timely resolution to the floor. I also would like to thank Congressman HINOJOSA and Congresswoman BIGGERT and Congressman SCOTT for their tireless efforts for consumer protection and financial literacy.

America Saves was established 9 years ago as an annual nationwide campaign that encourages consumers, especially those in lower-income households, to increase their financial literacy, enroll as American savers, and establish a personal savings goal in an effort to build personal wealth and enhance financial security.

America Saves focuses on saving, a focus which creates a national culture of financial responsibility, which is incredibly important in these difficult economic times. I believe that a financially literate public is a key component to having a strong and robust economy. We really are only as rich as our poorest citizens.

Resolutions like America Saves promote broad-based financial literacy initiatives and are absolutely necessary for the well-being of our country. A recent survey done by the National Foundation for Credit Counseling has shown that only 42 percent of adults say they keep close track of their spending, and roughly 7 percent of the adult population, or about 16 million people, don't know how much they spend on food, housing, and entertainment.

Other statistics show even more distressing trends: 26 percent of the adults, or 58 million people, admit to

not paying all of their bills on time, and 6 percent of the households carry credit card debt of \$10,000 or more from month to month.

I am always surprised to hear statistics like this. It is alarming because they are very simple things that people can do to save money and lead more financially stable lives.

My father said to me when I was a little girl: Whatever you make, large or small, save some of it. That really started me with a little trend, so now for the last 40-plus years, I give a piggy bank to all newborns of my family and friends so that saving money becomes an institutionalized activity for small children.

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And there is some good news; personal savings, as a percentage of disposable income, has risen from 1.2 percent in the first quarter of 2008 to 4.8 percent in the fourth quarter of 2009. And I might say, Mr. Speaker, that that is one of the reasons why the economy is not that great, because people are saving their money.

It is important to provide the public with education on financial matters and developing unbiased and successful financial literacy programs, and that will only increase in importance in the coming years. I hold very frequent summits and workshops on financial literacy with adults throughout the Dallas area, and our Dallas Independent School District has made it now a part of the curriculum. So I want to acknowledge and thank all the people involved.

Again, I would like to acknowledge former Congresswoman Stephanie Tubbs Jones, who worked hard to improve the overall economic situation for all those residing in the United States.

Mr. Speaker, I believe that together we can continue to make a difference and help empower people to take control of their financial lives. I thank you, I thank all of the people involved.

Mrs. BIGGERT. I reserve the balance of my time.

Mr. SCOTT of Georgia. Mr. Speaker, I would like to yield 3 minutes to the distinguished gentleman from Indiana, Mr. ANDRE CARSON.

Mr. CARSON of Indiana. Thank you, Representative SCOTT.

Mr. Speaker, I come to the floor in support of House Resolution 1082, supporting the goals and ideals of the fourth annual America Saves Week.

The economy in the last couple of years has increased everyone's awareness of the need to take control of their personal finances. Rather than spending more than they have coming in, households are making a concerted effort to save.

Learning to be a disciplined saver is the key to building wealth. It really does not make a difference how much your paycheck is each month if you're not saving a portion of it for the future. Most importantly, we should be

able to teach our kids how to save. They should be able to understand the concept of money and investment in early childhood. This will prepare them to learn money management, especially as they grow older and begin to think about credit cards, car loans, and mortgages.

I also have legislation that will provide grants to programs and financial literacy education for young adults and families, as it is of utmost importance we begin the financial literacy learning process early in life. I applaud this resolution's core principles.

Mrs. BIGGERT. Mr. Speaker, having no further requests for time, I would just, in closing, say I urge my colleagues to support this resolution.

I yield back the balance of my time.

Mr. SCOTT of Georgia. Mr. Speaker, having no further requests for time, I yield back the balance of my time, and I would urge a positive vote on this very, very important and timely legislation.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Georgia (Mr. SCOTT) that the House suspend the rules and agree to the resolution, H. Res. 1082.

The question was taken; and (two-thirds being in the affirmative) the rules were suspended and the resolution was agreed to.

A motion to reconsider was laid on the table.

#### NATIONAL ASSOCIATION OF REGISTERED AGENTS AND BROKERS REFORM ACT OF 2010

Mr. SCOTT of Georgia. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 2554) to reform the National Association of Registered Agents and Brokers, and for other purposes, as amended.

The Clerk read the title of the bill.

The text of the bill is as follows:

H.R. 2554

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,*

#### SECTION 1. SHORT TITLE.

This Act may be cited as the "National Association of Registered Agents and Brokers Reform Act of 2010".

#### SEC. 2. REESTABLISHMENT OF THE NATIONAL ASSOCIATION OF REGISTERED AGENTS AND BROKERS.

(a) IN GENERAL.—Subtitle C of title III of the Gramm-Leach-Bliley Act (15 U.S.C. 6751 et seq.) is amended to read as follows:

##### "Subtitle C—National Association of Registered Agents and Brokers

#### "SEC. 321. NATIONAL ASSOCIATION OF REGISTERED AGENTS AND BROKERS.

"(a) ESTABLISHMENT.—There is established the National Association of Registered Agents and Brokers (hereafter in this subtitle referred to as the 'Association').

"(b) STATUS.—The Association shall—

"(1) be a nonprofit corporation;

"(2) have succession until dissolved by an Act of Congress;

"(3) not be an agent or instrumentality of the United States Government; and

"(4) except as otherwise provided in this subtitle, be subject to, and have all the powers conferred upon a nonprofit corporation

by the District of Columbia Nonprofit Corporation Act (D.C. Code, sec. 29-301.01 et seq.).

**“SEC. 322. PURPOSE.**

“The purpose of the Association shall be to provide a mechanism through which licensing, continuing education, and other non-resident insurance producer qualification requirements and conditions can be adopted and applied on a multi-state basis (without affecting the laws, rules, and regulations pertaining to resident insurance producers or appointments or producing a net loss of producer licensing revenues to States), while preserving the right of States to license, supervise, discipline, and establish licensing fees for insurance producers, and to prescribe and enforce laws and regulations with regard to insurance-related consumer protection and unfair trade practices.

**“SEC. 323. MEMBERSHIP.**

**“(a) ELIGIBILITY.—**

“(1) IN GENERAL.—Any insurance producer licensed in its home State shall, subject to paragraphs (2) and (4), be eligible to become a member of the Association.

“(2) INELIGIBILITY FOR SUSPENSION OR REVOCATION OF LICENSE.—Subject to paragraph (3), an insurance producer is not eligible to become a member of the Association if a State insurance regulator has suspended or revoked such producer's license in that State during the 3-year period preceding the date on which such producer applies for membership.

“(3) RESUMPTION OF ELIGIBILITY.—Paragraph (2) shall cease to apply to any insurance producer if—

“(A) the State insurance regulator reissues or renews the license of such producer in the State in which the license was suspended or revoked; or

“(B) the suspension or revocation is subsequently overturned.

“(4) CRIMINAL BACKGROUND RECORD CHECK REQUIRED.—

“(A) IN GENERAL.—An insurance producer shall not be eligible to become a member of the Association unless the producer has undergone a national criminal background record check that complies with regulations prescribed by the Attorney General under subparagraph (L).

“(B) CRIMINAL BACKGROUND RECORD CHECK REQUESTED BY HOME STATE.—An insurance producer who is licensed in a State and who has undergone a national criminal background record check in compliance with such requirements as a condition for such licensure shall be deemed to have undergone a national criminal background record check for purposes of subparagraph (A).

“(C) CRIMINAL BACKGROUND RECORD CHECK REQUESTED BY ASSOCIATION.—

“(i) IN GENERAL.—The Association shall, upon request by an insurance producer licensed in a State, submit identification information obtained from such producer, and a request for a national criminal background record check of such producer, to the Federal Bureau of Investigation.

“(ii) BYLAWS OR RULES.—The board of directors of the Association shall prescribe bylaws or rules for obtaining and utilizing identification information and criminal history record information, including the establishment of reasonable fees required to perform a criminal background record check and appropriate safeguards for maintaining confidentiality and security of the information.

“(D) FORM OF REQUEST.—A submission under subparagraph (C)(i) shall include such identification information as required by the Attorney General concerning the person about whom the record is requested and a statement signed by the person authorizing the Association to obtain the information.

“(E) PROVISION OF INFORMATION BY ATTORNEY GENERAL.—Upon receiving a submission under subparagraph (C)(ii) from the Association, the Attorney General shall search all records of the Criminal Justice Information Services Division of the Federal Bureau of Investigation that the Attorney General deems appropriate for criminal history records corresponding to the identification information provided under subparagraph (D) and provide all information contained in such records that pertains to the request to the Association.

“(F) LIMITATION ON PERMISSIBLE USES OF INFORMATION.—The Association may use information provided under subparagraph (E) only—

“(i) for purposes of determining compliance with membership criteria established by the Association;

“(ii) to disclose to State insurance regulators, or Federal or State law enforcement agencies, in conformance with applicable law.

“(G) APPLICANT ACCESS TO CRIMINAL HISTORY RECORDS.—Notwithstanding subparagraph (F), a producer shall have the right to obtain from the Association a copy of any criminal history record information concerning the producer that is provided to the Association under subparagraph (E).

“(H) PENALTY FOR IMPROPER USE OR DISCLOSURE.—Whoever knowingly uses any information provided under subparagraph (E) for a purpose not authorized in subparagraph (F), or discloses any such information to anyone not authorized to receive it, shall be fined under title 18, United States Code, imprisoned for not more than 2 years, or both.

“(I) RELIANCE ON INFORMATION.—Neither the Association nor any of its directors, officers, or employees shall be liable in any action for using information provided under subparagraph (E) as permitted under subparagraph (F) in good faith and in reasonable reliance on its accuracy.

“(J) FEES.—The Attorney General may charge a reasonable fee to defray the expense of conducting the search and providing the information under subparagraph (E), and any such fee shall be collected and remitted by the Association.

“(K) RULE OF CONSTRUCTION.—Nothing in this paragraph shall be construed as—

“(i) requiring a State insurance regulator to perform criminal background checks under this section; or

“(ii) limiting any other authority that allows access to criminal background records.

“(L) REGULATIONS.—The Attorney General shall prescribe regulations to carry out this paragraph, which shall include—

“(i) appropriate protections for ensuring the confidentiality of information provided under subparagraph (E); and

“(ii) procedures providing a reasonable opportunity for a producer to contest the accuracy of information regarding the producer provided under subparagraph (E).

“(M) INELIGIBILITY FOR MEMBERSHIP.—

“(i) IN GENERAL.—The Association may, under reasonably consistently applied standards, deny membership to an insurance producer on the basis of criminal history information provided under subparagraph (E).

“(ii) RIGHTS OF APPLICANTS DENIED MEMBERSHIP.—The Association shall notify any producer who is denied membership on the basis of criminal history record information provided under subparagraph (E) of the right of the producer to—

“(I) obtain a copy of all criminal history record information provided to the Association under subparagraph (E) with respect to the producer; and

“(II) challenge the accuracy and completeness of the information.

“(b) AUTHORITY TO ESTABLISH MEMBERSHIP CRITERIA.—The Association may establish membership criteria that—

“(1) bear a reasonable relationship to the purposes for which the Association was established; and

“(2) do not unfairly limit the access of smaller agencies to the Association membership, including imposing discriminatory membership fees on smaller insurance producers.

“(c) ESTABLISHMENT OF CLASSES AND CATEGORIES OF MEMBERSHIP.—

“(1) CLASSES OF MEMBERSHIP.—The Association may establish separate classes of membership, with separate criteria, if the Association reasonably determines that performance of different duties requires different levels of education, training, experience, or other qualifications.

“(2) CATEGORIES.—

“(A) SEPARATE CATEGORIES FOR PRODUCERS PERMITTED.—The Association may establish separate categories of membership for producers and for other persons within each class, based on the types of licensing categories that exist under State laws.

“(B) SEPARATE TREATMENT FOR DEPOSITORY INSTITUTIONS PROHIBITED.—No special categories of membership, and no distinct membership criteria, shall be established for members which are depository institutions or for employees, agents, or affiliates of depository institutions.

“(d) MEMBERSHIP CRITERIA.—

“(1) IN GENERAL.—The Association may establish criteria for membership which shall include standards for personal qualifications, education, training, and experience.

“(2) QUALIFICATIONS.—In establishing criteria under paragraph (1), the Association shall consider the NAIC Producer Licensing Model Act and the highest levels of insurance producer qualifications established under the licensing laws of the States.

“(3) ASSISTANCE FROM STATES.—

“(A) IN GENERAL.—The Association may request a State to provide assistance in investigating and evaluating a prospective member's eligibility for membership in the Association.

“(B) RULE OF CONSTRUCTION.—Subparagraph (A) shall not be construed as requiring or authorizing any State to adopt new or additional requirements concerning the licensing or evaluation of insurance producers.

“(4) DENIAL OF MEMBERSHIP.—The Association may, based on reasonably consistently applied standards, deny membership to any State-licensed insurance producer for failure to meet the membership criteria established by the Association.

“(e) EFFECT OF MEMBERSHIP.—

“(1) AUTHORITY OF ASSOCIATION MEMBERS.—Membership in the Association shall—

“(A) authorize an insurance producer to sell, solicit, negotiate, effect, procure, deliver, renew, continue, or bind insurance in any State for which the member pays the licensing fee set by such State for any line or lines of insurance specified in such producer's home State license, and exercise all such incidental powers, as shall be necessary to carry out such activities, including claims adjustments and settlement, risk management, employee benefits advice, retirement planning, and any other insurance-related consulting activities;

“(B) be the equivalent of a nonresident insurance producer license issued in any State where the member pays the licensing fee; and

“(C) subject an insurance producer to all laws, regulations, provisions or other action of any State concerning revocation or suspension of a member's ability to engage in any activity within the scope of authority granted under this subsection and to all

State laws, regulations, provisions and actions preserved under paragraph (5).

“(2) **DUPLICATIVE LICENSES.**—No State, other than the member's home State, may require an individual member to obtain a business entity license or membership in order to engage in any activity within the scope of authority granted in paragraph (1) or in order for the member or any employer, employee, or affiliate of the member to receive compensation for the member's performance of any such activity.

“(3) **AGENT FOR REMITTING FEES.**—The Association shall act as any member's agent for purposes of remitting licensing fees to any State pursuant to paragraph (1).

“(4) **REGULATOR NOTIFICATION.**—The Association shall notify the National Association of Insurance Commissioners (hereinafter in this subtitle referred to as the ‘NAIC’) or its designee when a producer becomes a member and identify, on an ongoing basis, the States in which the member is authorized to operate.

“(5) **PRESERVATION OF STATE CONSUMER PROTECTION AND MARKET CONDUCT REGULATION.**—No provision of this section shall be construed as altering or affecting the continuing effectiveness of any law, regulation, provision, or other action of any State which purports to regulate market conduct or unfair trade practices or establish consumer protections to the extent that such law, regulation, provision, or other action is not inconsistent with the provisions of this subtitle, and then only to the extent of such inconsistency.

“(f) **BIENNIAL RENEWAL.**—Membership in the Association shall be renewed on a biennial basis.

“(g) **CONTINUING EDUCATION.**—

“(1) **IN GENERAL.**—The Association shall establish, as a condition of membership, continuing education requirements which shall be comparable to the continuing education requirements under the licensing laws of a majority of the States.

“(2) **STATE CONTINUING EDUCATION REQUIREMENTS.**—A member may not be required to satisfy continuing education requirements imposed under the laws, regulations, provisions, or actions of any State other than such member's home State.

“(3) **RECIPROCITY.**—The Association shall not require a member to satisfy continuing education requirements that are equivalent to any continuing education requirements of the member's home State that have been satisfied by the member during the applicable licensing period.

“(4) **LIMITATION ON ASSOCIATION.**—The Association shall not directly or indirectly offer any continuing education courses for insurance producers.

“(h) **PROBATION, SUSPENSION AND REVOCATION.**—

“(1) **DISCIPLINARY ACTION.**—The Association may place an insurance producer that is a member of the Association on probation or suspend or revoke such producer's membership in the Association, as the Association determines to be appropriate, if—

“(A) the producer fails to meet the applicable membership criteria of the Association; or

“(B) the producer has been subject to disciplinary action pursuant to a final adjudicatory proceeding under the jurisdiction of a State insurance regulator.

“(2) **REPORTING TO STATE REGULATORS.**—The Association shall notify the NAIC or its designee when a producer's membership has been suspended, revoked, and otherwise terminated.

“(i) **CONSUMER COMPLAINTS.**—

“(1) **IN GENERAL.**—The Association shall—

“(A) receive and, when appropriate, investigate complaints from both consumers and

State insurance regulators related to members of the Association;

“(B) refer any proper complaint received in accordance with subparagraph (A) and make any related records and information available to the NAIC or its designee and to each State insurance regulator for the State of residence of the consumer who filed the complaint; and

“(C) refer, when appropriate, any such complaint to any additional appropriate State insurance regulator.

“(2) **TELEPHONE AND OTHER ACCESS.**—The Association shall maintain a toll-free telephone number for the purpose of this subsection and, as practicable, other alternative means of communication with consumers, such as an Internet web page.

#### “SEC. 324. BOARD OF DIRECTORS.

“(a) **ESTABLISHMENT.**—There is established the board of directors of the Association (hereafter in this subtitle referred to as the ‘Board’), which shall have authority to govern and supervise all activities of the Association.

“(b) **POWERS.**—The Board shall have such of the Association's powers and authority as may be specified in the bylaws of the Association.

“(c) **COMPOSITION.**—

“(1) **IN GENERAL.**—The Board shall consist of 11 members who shall be appointed by the President, by and with the advice and consent of the Senate, of whom—

“(A) 6 shall be State insurance commissioners appointed in the manner provided in paragraph (2),

“(B) 2 shall be representatives of property and casualty insurance producers,

“(C) 1 shall be a representative of life or health insurance producers,

“(D) 1 shall be a representative of property and casualty insurers, and

“(E) 1 shall be a representative of life or health insurers.

“(2) **STATE INSURANCE REGULATOR REPRESENTATIVES.**—

“(A) Before making any appointments pursuant to subparagraph (A) of paragraph (1), the President shall request a list of recommended candidates from the NAIC, which shall not be binding on the President. If the NAIC fails to submit list of recommendations within 15 days of the request, the President may make the requisite appointments without considering the views of the NAIC.

“(B) Not more than 3 members appointed to membership on the Board pursuant to subparagraph (A) of paragraph (1) shall belong to the same political party.

“(C) If fewer than 6 State insurance commissioners accept appointment to the Board, the President may appoint the remaining State insurance commissioner members of the Board from among individuals who are former State insurance commissioners, provided that any former insurance commissioner so appointed shall not be employed by or have a present direct or indirect financial interest in any insurer or other entity in the insurance industry other than direct or indirect ownership of, or beneficial interest in, an insurance policy or annuity contract written or sold by an insurer.

“(3) **PRIVATE SECTOR REPRESENTATIVES.**—In making any appointments pursuant to subparagraphs (B) through (E) of paragraph (1), the President may seek recommendations for candidates from national trade associations representing the category of individuals described, which shall not be binding on the President.

“(4) **STATE INSURANCE COMMISSIONER DEFINED.**—For purposes of this subsection, the term ‘State insurance commissioner’ means a person who serves in the position in State government, or on the board, commission, or

other body that is the principal insurance regulatory authority for the State.

“(d) **TERMS.**—

“(1) **IN GENERAL.**—The term of each Board member shall be for 2 years, except that—

“(A) the term of—

“(i) 3 of the State insurance commissioner members of the Board initially appointed under subparagraph (A) of paragraph (1),

“(ii) 1 of the property and casualty insurance producer members of the Board initially appointed under subparagraph (B) of paragraph (1), and

“(iii) 1 of the insurer representative members of the Board initially appointed under subparagraphs (D) and (E) of paragraph (1), shall be 1 year, as designated by the President at the time of the nomination of such members;

“(B) a member of the Board may continue to serve after the expiration of the term to which such member was appointed until a successor is qualified; and

“(C) any member of the Board appointed to fill a vacancy occurring before the expiration of the term for which the member's predecessor was appointed shall be appointed only for the remainder of that term.

“(2) **SUCCESSIVE TERMS.**—Board members may be reappointed to successive terms.

“(e) **MEETINGS.**—

“(1) **IN GENERAL.**—The Board shall meet at the call of the chairperson, as requested in writing to the chairperson by at least four members of the Board, or as otherwise provided by the bylaws of the Association.

“(2) **QUORUM REQUIRED.**—A majority of directors shall constitute a quorum.

“(3) **VOTING.**—Decisions of the Board shall require the approval of a majority of all directors present at a meeting, a quorum being present.

#### “SEC. 325. OFFICERS.

“(a) **POSITIONS.**—The officers of the Association shall consist of a chairperson and a vice chairperson of the Board, an executive director, secretary, and treasurer of the Association, and such other officers and assistant officers as may be deemed necessary.

“(b) **MANNER OF SELECTION.**—Each officer of the Board and the Association shall be elected or appointed at such time, in such manner, and for such terms as may be prescribed in the bylaws of the Association.

#### “SEC. 326. BYLAWS, RULES, AND DISCIPLINARY ACTION.

“(a) **ADOPTION AND AMENDMENT OF BYLAWS.**—

“(1) **COPY REQUIRED TO BE FILED.**—The board of directors of the Association shall submit to the President and the NAIC any proposed bylaw or rules of the Association or any proposed amendment to the bylaws or rules, accompanied by a concise general statement of the basis and purpose of such proposal.

“(2) **EFFECTIVE DATE.**—Any proposed bylaw or rule or proposed amendment to the bylaws or rules shall take effect, after notice published in the Federal Register and opportunity for comment, upon such date as the Association may designate, unless suspended under subsection (c) of section 330.

“(b) **DISCIPLINARY ACTION BY THE ASSOCIATION.**—

“(1) **SPECIFICATION OF CHARGES.**—In any proceeding to determine whether membership shall be denied, suspended, revoked, or not renewed (hereafter in this section referred to as a ‘disciplinary action’) or to determine whether a member of the Association should be placed on probation, the Association shall bring specific charges, notify such member of such charges, give the member an opportunity to defend against the charges, and keep a record.

“(2) SUPPORTING STATEMENT.—A determination to take disciplinary action shall be supported by a statement setting forth—

“(A) any act or practice in which such member has been found to have been engaged;

“(B) the specific provision of this subtitle, the rules or regulations under this subtitle, or the rules of the Association which any such act or practice is deemed to violate; and

“(C) the sanction imposed and the reason for such sanction.

#### **“SEC. 327. POWERS.**

“In addition to all the powers conferred upon a nonprofit corporation by the District of Columbia Nonprofit Corporation Act, the Association shall have the following powers:

“(1) To establish and collect such membership fees as the Association finds necessary to impose to cover the costs of its operations.

“(2) To adopt, amend, and repeal bylaws and rules governing the conduct of Association business and performance of its duties.

“(3) To establish procedures for providing notice and opportunity for comment pursuant to section 326(a).

“(4) To enter into and perform such agreements as necessary to carry out its duties.

“(5) To hire employees, professionals or specialists, and elect or appoint officers, and to fix their compensation, define their duties and give them appropriate authority to carry out the purposes of this subtitle, and determine their qualification; and to establish the Association's personnel policies and programs relating to, among other things, conflicts of interest, rates of compensation, and qualifications of personnel.

“(6) To borrow money.

“(7) To secure funding from board member organizations and other industry associations for such amounts that the Association determines to be necessary and appropriate to organize and begin operations of the Association, which shall be treated as loans to be repaid by the Association with interest at market rate.

#### **“SEC. 328. REPORT BY ASSOCIATION.**

“(a) IN GENERAL.—As soon as practicable after the close of each fiscal year, the Association shall submit to the President and the NAIC a written report regarding the conduct of its business, and the exercise of the other rights and powers granted by this subtitle, during such fiscal year.

“(b) FINANCIAL STATEMENTS.—Each report submitted under subsection (a) with respect to any fiscal year shall include financial statements setting forth the financial position of the Association at the end of such fiscal year and the results of its operations (including the source and application of its funds) for such fiscal year.

#### **“SEC. 329. LIABILITY OF THE ASSOCIATION AND THE DIRECTORS, OFFICERS, AND EMPLOYEES OF THE ASSOCIATION.**

“(a) IN GENERAL.—The Association shall not be deemed to be an insurer or insurance producer within the meaning of any State law, rule, regulation, or order regulating or taxing insurers, insurance producers, or other entities engaged in the business of insurance, including provisions imposing premium taxes, regulating insurer solvency or financial condition, establishing guaranty funds and levying assessments, or requiring claims settlement practices.

“(b) LIABILITY OF DIRECTORS, OFFICERS, AND EMPLOYEES.—No director, officer, or employee of the Association shall be personally liable to any person for any action taken or omitted in good faith in any matter within the scope of their responsibilities in connection with the Association.

#### **“SEC. 330. PRESIDENTIAL OVERSIGHT.**

“(a) REMOVAL OF BOARD.—If the President determines that the Association is acting in

a manner contrary to the interests of the public or the purposes of this subtitle or has failed to perform its duties under this subtitle, the President may remove the entire existing Board for the remainder of the term to which the members of the Board were appointed and appoint, in accordance with section 324 and with the advice and consent of the Senate, new members to fill the vacancies on the Board for the remainder of such terms.

“(b) REMOVAL OF BOARD MEMBER.—The President may remove a member of the Board only for neglect of duty or malfeasance in office.

“(c) SUSPENSION OF RULES OR ACTIONS.—The President, or a person designated by the President for such purpose, may suspend the effectiveness of any rule, or prohibit any action, of the Association which the President or the designee determines is contrary to the purposes of this subtitle.

#### **“SEC. 331. RELATIONSHIP TO STATE LAW.**

“(a) PREEMPTION OF STATE LAWS.—State laws, regulations, provisions, or other actions purporting to regulate insurance producers shall be preempted to the extent provided in subsection (b).

“(b) PROHIBITED ACTIONS.—

“(1) IN GENERAL.—No State shall—

“(A) impede the activities of, take any action against, or apply any provision of law or regulation arbitrarily or discriminatorily to, any insurance producer because that insurance producer or any affiliate plans to become, has applied to become, or is a member of the Association;

“(B) impose any requirement upon a member of the Association that it pay fees different from those required to be paid to that State were it not a member of the Association;

“(C) impose any continuing education requirements on nonresident insurance producers; or

“(D) impose any licensing, registration, or appointment requirements upon any nonresident insurance producer that sells, solicits, negotiates, effects, procures, delivers, renews, continues, or binds insurance for commercial property and casualty risks to an insured with risks located in more than 1 State, if such nonresident insurance producer is otherwise licensed as an insurance producer in the State where the insured maintains its principal place of business and the contract of insurance insures risks located in that State.

“(2) STATES OTHER THAN A HOME STATE.—No State, other than a member's home State, shall—

“(A) impose any licensing, integrity, personal or corporate qualifications, education, training, experience, residency, continuing education, or bonding requirement upon a member of the Association that is different from the criteria for membership in the Association or renewal of such membership;

“(B) impose any requirement upon a member of the Association that it be licensed, registered, or otherwise qualified to do business or remain in good standing in such State, including any requirement that such insurance producer register as a foreign company with the secretary of state or equivalent State official; or

“(C) require that a member of the Association submit to a criminal history record check as a condition of doing business in such State.

#### **“SEC. 332. COORDINATION WITH OTHER REGULATORS.**

“(a) COORDINATION WITH STATE INSURANCE REGULATORS.—The Association may—

“(1) establish a central clearinghouse, or utilize the NAIC or any other appropriate entity as a central clearinghouse, through

which members of the Association may pursuant to section 323(e) disclose their intent to operate in 1 or more States and pay the licensing fees to the appropriate States; and

“(2) establish a national database for the collection of regulatory information concerning the activities of insurance producers or contract with the NAIC or any other entity to utilize such a database.

“(b) COORDINATION WITH THE FINANCIAL INDUSTRY REGULATORY AUTHORITY.—The Association shall coordinate with the Financial Industry Regulatory Authority in order to ease any administrative burdens that fall on persons that are members of both associations, consistent with the requirements of this subtitle and the Federal securities laws.

#### **“SEC. 333. RIGHT OF ACTION.**

“(a) RIGHT OF ACTION.—Any person aggrieved by a decision or action of the Association may, after reasonably exhausting available avenues for resolution within the Association, commence a civil action in an appropriate United States district court, and obtain all appropriate relief.

“(b) ASSOCIATION INTERPRETATIONS.—In any such action, the court shall give appropriate weight to the Association's interpretation of its bylaws and this subtitle.

#### **“SEC. 334. DEFINITIONS.**

“For purposes of this subtitle, the following definitions shall apply:

“(1) HOME STATE.—The term ‘home State’ means the State in which the insurance producer maintains its principal place of residence or business and is licensed to act as an insurance producer.

“(2) INSURANCE.—The term ‘insurance’ means any product, other than title insurance, defined or regulated as insurance by the appropriate State insurance regulatory authority.

“(3) INSURANCE PRODUCER.—The term ‘insurance producer’ means any insurance agent or broker, excess or surplus lines broker or agent, insurance consultant, limited insurance representative, and any other individual or entity that solicits, negotiates, effects, procures, delivers, renews, continues or binds policies of insurance or offers advice, counsel, opinions or services related to insurance.

“(4) STATE.—The term ‘State’ includes any State, the District of Columbia, any territory of the United States, and Puerto Rico, Guam, American Samoa, the Trust Territory of the Pacific Islands, the Virgin Islands, and the Northern Mariana Islands.

“(5) STATE LAW.—

“(A) IN GENERAL.—The term ‘State law’ includes all laws, decisions, rules, regulations, or other State action having the effect of law, of any State.

“(B) LAWS APPLICABLE IN THE DISTRICT OF COLUMBIA.—A law of the United States applicable only to or within the District of Columbia shall be treated as a State law rather than a law of the United States.”

(b) CLERICAL AMENDMENT.—The table of contents for the Gramm-Leach-Bliley Act is amended by striking the items relating to subtitle C of title III and inserting the following new items:

“Subtitle C—National Association of Registered Agents and Brokers

“Sec. 321. National association of registered agents and brokers.

“Sec. 322. Purpose.

“Sec. 323. Membership.

“Sec. 324. Board of directors.

“Sec. 325. Officers.

“Sec. 326. Bylaws, rules, and disciplinary action.

“Sec. 327. Powers.

“Sec. 328. Report by association.

“Sec. 329. Liability of the association and the directors, officers, and employees of the association.

"Sec. 330. Presidential oversight.

"Sec. 331. Relationship to State law.

"Sec. 332. Coordination with other regulators.

"Sec. 333. Judicial review and enforcement.

"Sec. 334. Definitions."

### SEC. 3. COMPLIANCE PROVISION.

The budgetary effects of this Act, for the purpose of complying with the Statutory Pay-As-You-Go Act of 2010, shall be determined by reference to the latest statement titled "Budgetary Effects of PAYGO Legislation" for this Act, submitted for printing in the Congressional Record by the Chairman of the Committee on the Budget of the House of Representatives, provided that such statement has been submitted prior to the vote on passage.

The SPEAKER pro tempore. Pursuant to the rule, the gentleman from Georgia (Mr. SCOTT) and the gentleman from Texas (Mr. NEUGEBAUER) each will control 20 minutes.

The Chair recognizes the gentleman from Georgia.

#### GENERAL LEAVE

Mr. SCOTT of Georgia. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks on this legislation and to insert extraneous material thereon.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Georgia?

There was no objection.

Mr. SCOTT of Georgia. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I am pleased to join with my fellow colleagues in bringing this important legislation to the floor for a vote today. This legislation is timely since the issue of insurance regulatory reform has remained crucial for some time now.

I am pleased to introduce H.R. 2554, the National Association of Registered Agents and Brokers Reform Act, with Congressman NEUGEBAUER to help guarantee adequate agent broker licensing as well as ensure increased competition. That is the important word in this, Mr. Speaker, "increased competition."

Insurance regulatory reform is an issue many involved agree requires action, and this bill is a good starting point for leveling the playing field for insurance agents and brokers. H.R. 2554 would simply establish the National Association of Registered Agents and Brokers to provide for nonresident insurance agent and broker licensing while preserving the rights of States to supervise and discipline insurance agents and brokers.

This legislation will benefit consumers through increased competition among agents and brokers, leading to greater consumer choice. This legislation is straightforward. Insurance agents and brokers who are licensed in good standing in their home States can apply for membership to the National Association of Registered Agents and Brokers, which we call NARAB. This will allow them to operate in multiple States. Membership will be voluntary

and will not affect the rights of a non-member producer under any State license.

This legislation will benefit policyholders by increasing marketplace competition and consumer choice by enabling insurance producers to more quickly and responsibly serve the needs of consumers. A private nonprofit NARAB entity consisting of State insurance regulators and marketplace representatives will serve as a portal for agents and brokers to obtain non-resident licenses in additional States. This is provided that they pay the required State nonresident licensing fees and that they meet the NARAB standard for membership.

This bill also would establish membership criteria which would include standards for personal qualifications, education, training, and experience. And further, member applicants would be required to undergo a national criminal background check.

This very important bill clarifies current State consumer protection, and market conduct regulation would be preserved. NARAB board members would include a narrow majority of State insurance regulators. All bylaws and reports of the association will be filed with the National Association of Insurance Commissioners. This legislation directs the NARAB board to consider utilizing the NAIC as the entity that the association will collaborate with on a central clearinghouse and a national database for regulatory information. NARAB would not be a part of nor would be required to report to any Federal agency, nor would it have any Federal regulatory power.

Congress endorsed this concept through its passage of the Gramm-Leach-Bliley Act in 1999, which would have created NARAB if a number of States did not reach a certain level of licensing reciprocity. At that time, enough reciprocity was provided to avoid the creation of NARAB, but it has become clear that follow-up legislation is necessary.

So my bill addresses market entry procedures only, and it would not impact the daily regulation of insurance. Insurance agents would still be subject to the consumer protection laws of each of the States. This legislation passed in the 110th Congress by a voice vote, but this version has some important improvements. Among these improvements, sections have been added to ensure that State regulators are notified when a producer becomes a NARAB member, becomes authorized to operate in new States, or a membership is suspended or revoked. Also, this version makes revisions concerning NARAB's board of directors to clarify certain provisions, namely, that the President would formally make the appointments, and references to private-sector trade associations are eliminated.

Again, I want to thank my Republican colleague, Congressman NEUGEBAUER, for his work on this legis-

lation. He has done an excellent job, and I have enjoyed working with him. I urge its passage in the House once again.

CONGRESS OF THE UNITED STATES,  
COMMITTEE ON THE JUDICIARY,  
Washington, DC, March 2, 2010.

Hon. BARNEY FRANK,  
Chairman, Committee on Financial Services,  
House of Representatives,  
Washington, DC.

DEAR CHAIRMAN FRANK: This is to advise you that, as a result of your having consulted with us on provisions in H.R. 2554, the National Association of Registered Agents and Brokers Reform Act of 2009, that fall within the rule X jurisdiction of the Committee on the Judiciary, we are able to agree to discharging our committee from further consideration of the bill in order that it may proceed without delay to the House floor for consideration.

The Judiciary Committee takes this action with our mutual understanding that by foregoing consideration of H.R. 2554 at this time, we do not waive any jurisdiction over subject matter contained in this or similar legislation, and that our Committee will be appropriately consulted and involved as the bill or similar legislation moves forward, so that we may address any remaining issues in our jurisdiction. Our Committee also reserves the right to seek appointment of an appropriate number of conferees to any House-Senate conference involving this or similar legislation, and requests your support for any such request.

I would appreciate your including this letter in the Congressional Record during consideration of the bill on the House floor. Thank you for your attention to this request, and for the cooperative relationship between our two committees.

Sincerely,

JOHN CONYERS, JR.,  
Chairman.

COMMITTEE ON FINANCIAL SERVICES,  
Washington, DC, March 2, 2010.

Hon. JOHN CONYERS,  
Chairman, Committee on the Judiciary,  
House of Representatives, Washington, DC.

DEAR CHAIRMAN CONYERS: Thank you for your letter concerning H.R. 2554, the "National Association of Registered Agents and Brokers Reform Act of 2009." This bill will be considered by the House shortly.

I want to confirm our mutual understanding with respect to the consideration of this bill. I acknowledge that portions of the bill fall within the jurisdiction of the Committee on the Judiciary and I appreciate your cooperation in moving the bill to the House floor expeditiously. I further agree that your decision to not to proceed with a markup on this bill will not prejudice the Committee on the Judiciary with respect to its prerogatives on this or similar legislation. I would support your request for an appropriate number of conferees in the event of a House-Senate conference.

I will include a copy of this letter and your response in the CONGRESSIONAL RECORD. Thank you again for your cooperation.

BARNEY FRANK,  
Chairman.

Mr. Speaker, I reserve the balance of my time.

Mr. NEUGEBAUER. Mr. Speaker, I rise today in support of H.R. 2554, and I also want to thank my colleague from Georgia (Mr. SCOTT) for his leadership on this legislation.

We introduced this legislation almost 1 year ago with strong bipartisan support. Mr. SCOTT has worked with the

House leadership to help get this bill to the floor today, and I certainly appreciate his efforts.

This bill sets up a private nonprofit insurance system that will help insurance agents and brokers do business across State lines more efficiently. Not only does this help reduce regulatory burden for agents, but it also helps consumers by giving them more choices.

At its core, this is really a small business bill. Most insurance agents and brokers are independent small businesses; they don't have a lot of employees. So when they have to file paperwork for multiple States in order to do business across State lines, that only adds more cost for their compliance. Under this bill, they can register with the new National Association of Registered Agents and Brokers, NARAB, and that will serve as a portal for them to be licensed more easily in other States.

In today's economy, this bill makes sense for small businesses. If a customer moves to another State but wants to keep his insurance agent that has worked for him for years, this bill will streamline the process for that agent to be licensed in other States. If a customer wants that agent's trust to help them with policies for an elderly parent that they are caring for who lives in another State, this bill also makes that feasible.

H.R. 2554 provides a way to streamline insurance agent licensing across State lines without creating a new government bureaucracy, with no cost to the taxpayers, with consistent consumer protections, and without new mandates on States. This bill empowers insurance agents and their customers without making the government bigger or more expensive.

The option for NARAB was first included in the 1999 Gramm-Leach-Bliley Act, but the bar was not set high enough. Congress realized that in 2008 when the House passed this legislation by voice vote. While the Senate did not take up the bill last time, my hope is that broad bipartisan support in the House again will move this much-needed bill forward.

We've had a lot of debate and discussion in the Financial Services Committee about the big picture for insurance regulation. There are a lot of perspectives on that issue. The good news about this bill, however, is that this is one insurance reform that we can all agree on.

I urge my colleagues to support this bill. It's good for small businesses, it's good for our community agents, and it's good for the customers that they serve.

I also again want to thank Mr. SCOTT for his cooperation and this bipartisan bill, and I urge my colleagues to support H.R. 2554.

I yield back the balance of my time.

Mr. SCOTT of Georgia. In closing, Mr. Speaker, let me again thank my colleague, Congressman NEUGEBAUER,

for his distinguished work on this. It has been a pleasure.

Again, as he articulated eloquently a few minutes ago, the two things that this bill really does is it helps American consumers by increasing competition in the marketplace—that is really what we need as we deal with the very topical issue of insurance. And it provides the American people, the American consumer, with choice. So competition and choice are certainly the great beneficiaries of this legislation.

I might add that our act has garnered support from both sides of the aisle. We have both Democrats and Republicans working together on this. Forty-eight of us are sponsors to this bill, and 27 of us belong to the Financial Services Committee, where we have done work on it.

□ 1745

This bill has the support of NAIC, as I said earlier. It shows that the State insurance regulators, themselves, believe that this type of legislation has needed reform. In addition, the Independent Insurance Agents and Brokers of America supports this bill. The National Association of Insurance and Financial Advisors supports the bill. The National Association of Mutual Insurance Companies, the Property Casualty Insurance Association of America, the Council of Insurance Agents and Brokers, as well as a number of individual insurance companies, all are in support of this bill.

I am proud to have had an opportunity to work with and to have brought this bill before the House. I ask, certainly, for favorable support.

I yield back the balance of my time.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Georgia (Mr. SCOTT) that the House suspend the rules and pass the bill, H.R. 2554, as amended.

The question was taken; and (two-thirds being in the affirmative) the rules were suspended and the bill, as amended, was passed.

A motion to reconsider was laid on the table.

#### AUTHORIZING USE OF EMANCIPATION HALL TO PRESENT CONGRESSIONAL GOLD MEDAL TO WOMEN AIRFORCE SERVICE PILOTS

Mrs. DAVIS of California. Mr. Speaker, I move to suspend the rules and agree to the concurrent resolution (H. Con. Res. 239) authorizing the use of Emancipation Hall in the Capitol Visitor Center for a ceremony to present the Congressional Gold Medal to the Women Airforce Service Pilots.

The Clerk read the title of the concurrent resolution.

The text of the concurrent resolution is as follows:

H. CON. RES. 239

*Resolved by the House of Representatives (the Senate concurring),*

#### SECTION 1. USE OF EMANCIPATION HALL FOR PRESENTATION OF CONGRESSIONAL GOLD MEDAL TO WOMEN AIRFORCE SERVICE PILOTS.

(a) AUTHORIZATION.—Emancipation Hall in the Capitol Visitor Center is authorized to be used for a ceremony on March 10, 2010, to present the Congressional Gold Medal to the Women Airforce Service Pilots.

(b) PREPARATIONS.—Physical preparations for the conduct of the ceremony described in subsection (a) shall be carried out in accordance with such conditions as may be prescribed by the Architect of the Capitol.

The SPEAKER pro tempore. Pursuant to the rule, the gentlewoman from California (Mrs. DAVIS) and the gentlewoman from Florida (Ms. ROSELEHTINEN) each will control 20 minutes.

The Chair recognizes the gentlewoman from California.

#### GENERAL LEAVE

Mrs. DAVIS of California. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days to revise and extend their remarks in the RECORD on this concurrent resolution.

The SPEAKER pro tempore. Is there objection to the request of the gentlewoman from California?

There was no objection.

Mrs. DAVIS of California. I yield myself such time as I may consume.

Mr. Speaker, I rise today in support of House Concurrent Resolution 239. As Chair of the House Armed Services Subcommittee on Military Personnel and as co-Chair of the Women's Caucus Task Force on Women in the Military and Veterans, I am privileged to recognize their service.

We are all familiar with the icon of Rosie the Riveter, working in war factories during World War II. Her motto was, "We can do it."

Well, the Women Airforce Service Pilots did it, too. Almost 70 years ago, they became pioneers for women's equality in the armed services. As civilian pilots under the direction of the U.S. Army Air Forces, flying noncombat missions from 1942 to 1944, they bravely stepped into service while their male counterparts were sent to combat.

The Women Airforce Service Pilots are referred to as the "WASP." Unlike many acronyms used in the military, this is an apt name. For like WASP, their work demanded a unique combination of feistiness and strength, underlined by loyalty to their fellow WASP and their country. They flew every type of military aircraft in every kind of mission except combat. They ferried aircraft from factories to military installations. They towed aerial targets, transported cargo, and served in training exercises.

There were 38 of them, roughly, 1,100 women who lost their lives during the war. There are only about 300 surviving WASP. I am astounded by their tenacity and by their bravery. Yet, despite that dedication, these women have encountered difficulties in being recognized for their service. The WASP corps only received full military status