

NATIONAL ASSOCIATION OF REGISTERED AGENTS AND BROKERS REFORM ACT OF 2013

Mr. NEUGEBAUER. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 1155) to reform the National Association of Registered Agents and Brokers, as amended, and for other purposes.

The Clerk read the title of the bill.

The text of the bill is as follows:

H.R. 1155

*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 2013”.

**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 (referred to in this subtitle as the ‘Association’).

“(b) STATUS.—The Association shall—

“(1) be a nonprofit corporation;

“(2) not be an agent or instrumentality of the Federal Government;

“(3) be an independent organization that may not be merged with or into any other private or public entity; 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.) or any successor thereto.

**“SEC. 322. PURPOSE.**

“The purpose of the Association shall be to provide a mechanism through which licensing, continuing education, and other nonresident insurance producer qualification requirements and conditions may be adopted and applied on a multi-state basis without affecting the laws, rules, and regulations, and preserving the rights of a State, pertaining to—

“(1) licensing, continuing education, and other qualification requirements of insurance producers that are not members of the Association;

“(2) resident or nonresident insurance producer appointment requirements;

“(3) supervising and disciplining resident and nonresident insurance producers;

“(4) establishing licensing fees for resident and nonresident insurance producers so that there is no loss of insurance producer licensing revenue to the State; and

“(5) prescribing and enforcing laws and regulations regulating the conduct of resident and nonresident insurance producers.

**“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 the insurance license of the insurance producer in that State.

“(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 the insurance producer in the State in which the license was suspended or revoked, or otherwise terminates or vacates the suspension or revocation; or

“(B) the suspension or revocation expires or is subsequently overturned by a court of competent jurisdiction.

“(4) CRIMINAL HISTORY RECORD CHECK REQUIRED.—

“(A) IN GENERAL.—An insurance producer who is an individual shall not be eligible to become a member of the Association unless the insurance producer has undergone a criminal history record check that complies with regulations prescribed by the Attorney General of the United States under subparagraph (K).

“(B) CRIMINAL HISTORY RECORD CHECK REQUESTED BY HOME STATE.—An insurance producer who is licensed in a State and who has undergone a criminal history record check during the 2-year period preceding the date of submission of an application to become a member of the Association, in compliance with a requirement to undergo such criminal history record check as a condition for such licensure in the State, shall be deemed to have undergone a criminal history record check for purposes of subparagraph (A).

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

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

“(ii) PROCEDURES.—The board of directors of the Association (referred to in this subtitle as the ‘Board’) shall prescribe procedures for obtaining and utilizing fingerprints or other identification information and criminal history record information, including the establishment of reasonable fees to defray the expenses of the Association in connection with the performance of a criminal history record check and appropriate safeguards for maintaining confidentiality and security of the information. Any fees charged pursuant to this clause shall be separate and distinct from those charged by the Attorney General pursuant to subparagraph (I).

“(D) FORM OF REQUEST.—A submission under subparagraph (C)(i) shall include such fingerprints or other identification information as is required by the Attorney General concerning the person about whom the criminal history record check is requested, and a statement signed by the person authorizing the Attorney General to provide the information to the Association and for the Association to receive the information.

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

“(F) LIMITATION ON PERMISSIBLE USES OF INFORMATION.—Any information provided to

the Association under subparagraph (E) may only—

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

“(ii) be disclosed to State insurance regulators, or Federal or State law enforcement agencies, in conformance with applicable law; or

“(iii) be disclosed, upon request, to the insurance producer to whom the criminal history record information relates.

“(G) 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 not more than \$50,000 per violation as determined by a court of competent jurisdiction.

“(H) RELIANCE ON INFORMATION.—Neither the Association nor any of its Board members, 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.

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

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

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

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

“(K) 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 an insurance producer to contest the accuracy of information regarding the insurance producer provided under subparagraph (E).

“(L) 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 record information provided under subparagraph (E), or where the insurance producer has been subject to disciplinary action, as described in paragraph (2).

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

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

“(II) challenge the denial of membership based on the accuracy and completeness of the information.

“(M) DEFINITION.—For purposes of this paragraph, the term ‘criminal history record check’ means a national background check of criminal history records of the Federal Bureau of Investigation.

“(b) AUTHORITY TO ESTABLISH MEMBERSHIP CRITERIA.—The Association may establish membership criteria that bear a reasonable relationship to the purposes for which the Association was established.

“(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) BUSINESS ENTITIES.—The Association shall establish a class of membership and membership criteria for business entities. A business entity that applies for membership shall be required to designate an individual Association member responsible for the compliance of the business entity with Association standards and the insurance laws, standards, and regulations of any State in which the business entity seeks to do business on the basis of Association membership.

“(3) CATEGORIES.—

“(A) SEPARATE CATEGORIES FOR INSURANCE PRODUCERS PERMITTED.—The Association may establish separate categories of membership for insurance producers and for other persons or entities 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 that 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. The Association shall not establish criteria that unfairly limit the ability of a small insurance producer to become a member of the Association, including imposing discriminatory membership fees.

“(2) QUALIFICATIONS.—In establishing criteria under paragraph (1), the Association shall not adopt any qualification less protective to the public than that contained in the National Association of Insurance Commissioners (referred to in this subtitle as the ‘NAIC’) Producer Licensing Model Act in effect as of the date of enactment of the National Association of Registered Agents and Brokers Reform Act of 2013, and shall consider 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 the eligibility of a prospective member for membership in the Association.

“(B) AUTHORIZATION OF INFORMATION SHARING.—A submission under subsection (a)(4)(C)(i) made by an insurance producer licensed in a State shall include a statement signed by the person about whom the assistance is requested authorizing—

“(i) the State to share information with the Association; and

“(ii) the Association to receive the information.

“(C) 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, or negotiate insurance in any State for which the member pays the licensing fee set by the State for any line or lines

of insurance specified in the home State license of the insurance producer, and exercise all such incidental powers as shall be necessary to carry out such activities, including claims adjustments and settlement to the extent permissible under the laws of the State, risk management, employee benefits advice, retirement planning, and any other insurance-related consulting activities;

“(B) be the equivalent of a nonresident insurance producer license for purposes of authorizing the insurance producer to engage in the activities described in subparagraph (A) in any State where the member pays the licensing fee; and

“(C) be the equivalent of a nonresident insurance producer license for the purpose of subjecting an insurance producer to all laws, regulations, provisions or other action of any State concerning revocation, suspension, or other enforcement action related to the ability of a member 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) VIOLENT CRIME CONTROL AND LAW ENFORCEMENT ACT OF 1994.—Nothing in this subtitle shall be construed to alter, modify, or supercede any requirement established by section 1033 of title 18, United States Code.

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

“(4) NOTIFICATION OF ACTION.—

“(A) IN GENERAL.—The Association shall notify the States (including State insurance regulators) and the NAIC when an insurance producer has satisfied the membership criteria of this section. The States (including State insurance regulators) shall have 10 business days after the date of the notification in order to provide the Association with evidence that the insurance producer does not satisfy the criteria for membership in the Association.

“(B) ONGOING DISCLOSURES REQUIRED.—On an ongoing basis, the Association shall disclose to the States (including State insurance regulators) and the NAIC a list of the States in which each member is authorized to operate. The Association shall immediately notify the States (including State insurance regulators) and the NAIC when a member is newly authorized to operate in one or more States, or is no longer authorized to operate in one or more States on the basis of Association membership.

“(5) PRESERVATION OF CONSUMER PROTECTION AND MARKET CONDUCT REGULATION.—

“(A) IN GENERAL.—No provision of this section shall be construed as altering or affecting the applicability or continuing effectiveness of any law, regulation, provision, or other action of any State, including those described in subparagraph (B), to the extent that the State law, regulation, provision, or other action is not inconsistent with the provisions of this subtitle related to market entry for nonresident insurance producers, and then only to the extent of the inconsistency.

“(B) PRESERVED REGULATIONS.—The laws, regulations, provisions, or other actions of any State referred to in subparagraph (A) include laws, regulations, provisions, or other actions that—

“(i) regulate market conduct, insurance producer conduct, or unfair trade practices;

“(ii) establish consumer protections; or

“(iii) require insurance producers to be appointed by a licensed or authorized insurer.

“(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 the home State of the member.

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

“(4) LIMITATION ON THE 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 the membership of the insurance producer in the Association, or assess monetary fines or penalties, as the Association determines to be appropriate, if—

“(A) the insurance producer fails to meet the applicable membership criteria or other standards established by the Association;

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

“(C) an insurance license held by the insurance producer has been suspended or revoked by a State insurance regulator; or

“(D) the insurance producer has been convicted of a crime that would have resulted in the denial of membership pursuant to subsection (a)(4)(L)(i) at the time of application, and the Association has received a copy of the final disposition from a court of competent jurisdiction.

“(2) VIOLATIONS OF ASSOCIATION STANDARDS.—The Association shall have the power to investigate alleged violations of Association standards.

“(3) REPORTING.—The Association shall immediately notify the States (including State insurance regulators) and the NAIC when the membership of an insurance producer has been placed on probation or has been suspended, revoked, or otherwise terminated, or when the Association has assessed monetary fines or penalties.

“(i) CONSUMER COMPLAINTS.—

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

“(A) refer any complaint against a member of the Association from a consumer relating to alleged misconduct or violations of State insurance laws to the State insurance regulator where the consumer resides and, when appropriate, to any additional State insurance regulator, as determined by standards adopted by the Association; and

“(B) make any related records and information available to each State insurance regulator to whom the complaint is forwarded.

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

“(3) FINAL DISPOSITION OF INVESTIGATION.—State insurance regulators shall provide the Association with information regarding the final disposition of a complaint referred pursuant to paragraph (1)(A), but nothing shall be construed to compel a State to release confidential investigation reports or other

information protected by State law to the Association.

“(j) INFORMATION SHARING.—The Association may—

“(1) share documents, materials, or other information, including confidential and privileged documents, with a State, Federal, or international governmental entity or with the NAIC or other appropriate entity referred to paragraphs (3) and (4), provided that the recipient has the authority and agrees to maintain the confidentiality or privileged status of the document, material, or other information;

“(2) limit the sharing of information as required under this subtitle with the NAIC or any other non-governmental entity, in circumstances under which the Association determines that the sharing of such information is unnecessary to further the purposes of this subtitle;

“(3) establish a central clearinghouse, or utilize the NAIC or another appropriate entity, as determined by the Association, as a central clearinghouse, for use by the Association and the States (including State insurance regulators), through which members of the Association may disclose their intent to operate in 1 or more States and pay the licensing fees to the appropriate States; and

“(4) establish a database, or utilize the NAIC or another appropriate entity, as determined by the Association, as a database, for use by the Association and the States (including State insurance regulators) for the collection of regulatory information concerning the activities of insurance producers.

“(k) EFFECTIVE DATE.—The provisions of this section shall take effect on the later of—

“(1) the expiration of the 2-year period beginning on the date of enactment of the National Association of Registered Agents and Brokers Reform Act of 2013; and

“(2) the date of incorporation of the Association.

#### **“SEC. 324. BOARD OF DIRECTORS.**

“(a) ESTABLISHMENT.—There is established a board of directors of the Association, which shall have authority to govern and supervise all activities of the Association.

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

“(c) COMPOSITION.—

“(1) IN GENERAL.—The Board shall consist of 13 members who shall be appointed by the President, by and with the advice and consent of the Senate, in accordance with the procedures established under Senate Resolution 116 of the 112th Congress, of whom—

“(A) 8 shall be State insurance commissioners appointed in the manner provided in paragraph (2), 1 of whom shall be designated by the President to serve as the chairperson of the Board until the Board elects one such State insurance commissioner Board member to serve as the chairperson of the Board;

“(B) 3 shall have demonstrated expertise and experience with property and casualty insurance producer licensing; and

“(C) 2 shall have demonstrated expertise and experience with life or health insurance producer licensing.

“(2) STATE INSURANCE REGULATOR REPRESENTATIVES.—

“(A) RECOMMENDATIONS.—Before making any appointments pursuant to paragraph (1)(A), the President shall request a list of recommended candidates from the States through the NAIC, which shall not be binding on the President. If the NAIC fails to submit a list of recommendations not later than 15 business days after the date of the request, the President may make the requisite appointments without considering the views of the NAIC.

“(B) POLITICAL AFFILIATION.—Not more than 4 Board members appointed under paragraph (1)(A) shall belong to the same political party.

“(C) FORMER STATE INSURANCE COMMISSIONERS.—

“(i) IN GENERAL.—If, after offering each currently serving State insurance commissioner an appointment to the Board, fewer than 8 State insurance commissioners have accepted appointment to the Board, the President may appoint the remaining State insurance commissioner Board members, as required under paragraph (1)(A), of the appropriate political party as required under subparagraph (B), from among individuals who are former State insurance commissioners.

“(ii) LIMITATION.—A former State insurance commissioner appointed as described in clause (i) may not be employed by or have any present direct or indirect financial interest in any insurer, insurance producer, 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.

“(D) SERVICE THROUGH TERM.—If a Board member appointed under paragraph (1)(A) ceases to be a State insurance commissioner during the term of the Board member, the Board member shall cease to be a Board member.

“(3) PRIVATE SECTOR REPRESENTATIVES.—In making any appointment pursuant to subparagraph (B) or (C) of paragraph (1), the President may seek recommendations for candidates from groups 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 primary insurance regulatory authority for the State.

“(d) TERMS.—

“(1) IN GENERAL.—Except as provided under paragraph (2), the term of service for each Board member shall be 2 years.

“(2) EXCEPTIONS.—

“(A) 1-YEAR TERMS.—The term of service shall be 1 year, as designated by the President at the time of the nomination of the subject Board members for—

“(i) 4 of the State insurance commissioner Board members initially appointed under paragraph (1)(A), of whom not more than 2 shall belong to the same political party;

“(ii) 1 of the Board members initially appointed under paragraph (1)(B); and

“(iii) 1 of the Board members initially appointed under paragraph (1)(C).

“(B) EXPIRATION OF TERM.—A Board member may continue to serve after the expiration of the term to which the Board member was appointed for the earlier of 2 years or until a successor is appointed.

“(C) MID-TERM APPOINTMENTS.—A Board member appointed to fill a vacancy occurring before the expiration of the term for which the predecessor of the Board member was appointed shall be appointed only for the remainder of that term.

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

“(e) INITIAL APPOINTMENTS.—The appointment of initial Board members shall be made no later than 90 days after the date of enactment of the National Association of Registered Agents and Brokers Reform Act of 2013.

“(f) MEETINGS.—

“(1) IN GENERAL.—The Board shall meet—

“(A) at the call of the chairperson;

“(B) as requested in writing to the chairperson by not fewer than 5 Board members; or

“(C) as otherwise provided by the bylaws of the Association.

“(2) QUORUM REQUIRED.—A majority of all Board members shall constitute a quorum.

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

“(4) INITIAL MEETING.—The Board shall hold its first meeting not later than 45 days after the date on which all initial Board members have been appointed.

“(g) RESTRICTION ON CONFIDENTIAL INFORMATION.—Board members appointed pursuant to subparagraphs (B) and (C) of subsection (c)(1) shall not have access to confidential information received by the Association in connection with complaints, investigations, or disciplinary proceedings involving insurance producers.

“(h) ETHICS AND CONFLICTS OF INTEREST.—The Board shall issue and enforce an ethical conduct code to address permissible and prohibited activities of Board members and Association officers, employees, agents, or consultants. The code shall, at a minimum, include provisions that prohibit any Board member or Association officer, employee, agent or consultant from—

“(1) engaging in unethical conduct in the course of performing Association duties;

“(2) participating in the making or influencing the making of any Association decision, the outcome of which the Board member, officer, employee, agent, or consultant knows or had reason to know would have a reasonably foreseeable material financial effect, distinguishable from its effect on the public generally, on the person or a member of the immediate family of the person;

“(3) accepting any gift from any person or entity other than the Association that is given because of the position held by the person in the Association;

“(4) making political contributions to any person or entity on behalf of the Association; and

“(5) lobbying or paying a person to lobby on behalf of the Association.

“(i) COMPENSATION.—

“(1) IN GENERAL.—Except as provided in paragraph (2), no Board member may receive any compensation from the Association or any other person or entity on account of Board membership.

“(2) TRAVEL EXPENSES AND PER DIEM.—Board members may be reimbursed only by the Association for travel expenses, including per diem in lieu of subsistence, at rates consistent with rates authorized for employees of Federal agencies under subchapter I of chapter 57 of title 5, United States Code, while away from home or regular places of business in performance of services for the Association.

#### **“SEC. 325. BYLAWS, STANDARDS, AND DISCIPLINARY ACTIONS.**

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

“(1) PROCEDURES.—The Association shall adopt procedures for the adoption of bylaws and standards that are similar to procedures under subchapter II of chapter 5 of title 5, United States Code (commonly known as the ‘Administrative Procedure Act’).

“(2) COPY REQUIRED TO BE FILED.—The Board shall submit to the President, through the Department of the Treasury, and the States (including State insurance regulators), and shall publish on the website of the Association, all proposed bylaws and standards of the Association, or any proposed amendment to the bylaws or standards of the Association, accompanied by a concise

general statement of the basis and purpose of such proposal.

“(3) **EFFECTIVE DATE.**—Any proposed bylaw or standard of the Association, and any proposed amendment to the bylaws or standards of the Association, shall take effect, after notice under paragraph (2) and opportunity for public comment, on such date as the Association may designate, unless suspended under section 329(c).

“(4) **RULE OF CONSTRUCTION.**—Nothing in this section shall be construed to subject the Board or the Association to the requirements of subchapter II of chapter 5 of title 5, United States Code (commonly known as the ‘Administrative Procedure Act’).

“(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, or to determine whether a member of the Association should be placed on probation (referred to in this section as a ‘disciplinary action’) or whether to assess fines or monetary penalties, the Association shall bring specific charges, notify the member of the 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 the member has been found to have been engaged;

“(B) the specific provision of this subtitle or standard of the Association that any such act or practice is deemed to violate; and

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

“(3) **INELIGIBILITY OF PRIVATE SECTOR REPRESENTATIVES.**—Board members appointed pursuant to section 324(c)(3) may not—

“(A) participate in any disciplinary action or be counted toward establishing a quorum during a disciplinary action; and

“(B) have access to confidential information concerning any disciplinary action.

#### “SEC. 326. 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 power to—

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

“(2) adopt, amend, and repeal bylaws, procedures, or standards governing the conduct of Association business and performance of its duties;

“(3) establish procedures for providing notice and opportunity for comment pursuant to section 325(a);

“(4) enter into and perform such agreements as necessary to carry out the duties of the Association;

“(5) 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;

“(6) establish personnel policies of the Association and programs relating to, among other things, conflicts of interest, rates of compensation, where applicable, and qualifications of personnel;

“(7) borrow money; and

“(8) secure funding for such amounts as 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. 327. REPORT BY THE ASSOCIATION.

“(a) **IN GENERAL.**—As soon as practicable after the close of each fiscal year, the Asso-

ciation shall submit to the President, through the Department of the Treasury, and the States (including State insurance regulators), and shall publish on the website of the Association, 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 audited 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. 328. LIABILITY OF THE ASSOCIATION AND THE BOARD MEMBERS, 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 BOARD MEMBERS, OFFICERS, AND EMPLOYEES.**—No Board member, 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. 329. 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 Board members were appointed and appoint, in accordance with section 324 and with the advice and consent of the Senate, in accordance with the procedures established under Senate Resolution 116 of the 112th Congress, new Board members to fill the vacancies on the Board for the remainder of the terms.

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

“(c) **SUSPENSION OF BYLAWS AND STANDARDS AND PROHIBITION OF ACTIONS.**—Following notice to the Board, the President, or a person designated by the President for such purpose, may suspend the effectiveness of any bylaw or standard, or prohibit any action, of the Association that the President or the designee determines is contrary to the purposes of this subtitle.

#### “SEC. 330. 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; or

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

producer that is a member of the Association.

“(2) **STATES OTHER THAN A HOME STATE.**—No State, other than the home State of a member of the Association, shall—

“(A) impose any licensing, 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 the State, including any requirement that the insurance producer register as a foreign company with the secretary of state or equivalent State official;

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

“(D) impose any licensing, registration, or appointment requirements upon a member of the Association, or require a member of the Association to be authorized to operate as an insurance producer, in order to sell, solicit, or negotiate insurance for commercial property and casualty risks to an insured with risks located in more than one State, if the member is licensed or otherwise authorized to operate in the State where the insured maintains its principal place of business and the contract of insurance insures risks located in that State.

“(3) **PRESERVATION OF STATE DISCIPLINARY AUTHORITY.**—Nothing in this section may be construed to prohibit a State from investigating and taking appropriate disciplinary action, including suspension or revocation of authority of an insurance producer to do business in a State, in accordance with State law and that is not inconsistent with the provisions of this section, against a member of the Association as a result of a complaint or for any alleged activity, regardless of whether the activity occurred before or after the insurance producer commenced doing business in the State pursuant to Association membership.

#### “SEC. 331. COORDINATION WITH FINANCIAL INDUSTRY REGULATORY AUTHORITY.

“The Association shall coordinate with the Financial Industry Regulatory Authority in order to ease any administrative burdens that fall on members of the Association that are subject to regulation by the Financial Industry Regulatory Authority, consistent with the requirements of this subtitle and the Federal securities laws.

#### “SEC. 332. 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 action under subsection (a), the court shall give appropriate weight to the interpretation of the Association of its bylaws and standards and this subtitle.

#### “SEC. 333. FEDERAL FUNDING PROHIBITED.

“The Association may not receive, accept, or borrow any amounts from the Federal Government to pay for, or reimburse, the Association for, the costs of establishing or operating the Association.

#### “SEC. 334. DEFINITIONS.

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

“(1) **BUSINESS ENTITY.**—The term ‘business entity’ means a corporation, association,

partnership, limited liability company, limited liability partnership, or other legal entity.

“(2) DEPOSITORY INSTITUTION.—The term ‘depository institution’ has the meaning as in section 3 of the Federal Deposit Insurance Act (12 U.S.C. 1813).

“(3) 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.

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

“(5) 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 sells, solicits, or negotiates policies of insurance or offers advice, counsel, opinions or services related to insurance.

“(6) INSURER.—The term ‘insurer’ has the meaning as in section 313(e)(2)(B) of title 31, United States Code.

“(7) PRINCIPAL PLACE OF BUSINESS.—The term ‘principal place of business’ means the State in which an insurance producer maintains the headquarters of the insurance producer and, in the case of a business entity, where high-level officers of the entity direct, control, and coordinate the business activities of the business entity.

“(8) PRINCIPAL PLACE OF RESIDENCE.—The term ‘principal place of residence’ means the State in which an insurance producer resides for the greatest number of days during a calendar year.

“(9) 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.

“(10) 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) TECHNICAL 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. Bylaws, standards, and disciplinary actions.

“Sec. 326. Powers.

“Sec. 327. Report by the Association.

“Sec. 328. Liability of the Association and the Board members, officers, and employees of the Association.

“Sec. 329. Presidential oversight.

“Sec. 330. Relationship to State law.

“Sec. 331. Coordination with regulators.

“Sec. 332. Right of action.

“Sec. 333. Federal funding prohibited.

“Sec. 334. Definitions.”

The SPEAKER pro tempore. Pursuant to the rule, the gentleman from

Texas (Mr. NEUGEBAUER) and the gentleman from Georgia (Mr. DAVID SCOTT) each will control 20 minutes.

The Chair recognizes the gentleman from Texas.

#### GENERAL LEAVE

Mr. NEUGEBAUER. Mr. Speaker, I ask unanimous consent that all Members have 5 legislative days in which to revise and extend their remarks and submit extraneous materials for the RECORD on H.R. 1155, as amended, currently under consideration.

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

There was no objection.

Mr. NEUGEBAUER. Mr. Speaker, I yield myself such time as I may consume.

Thank you for the opportunity to speak on this important piece of insurance regulatory reform legislation today.

The most serious regulatory challenges facing insurance agents and brokers are redundant, costly, and sometimes contradictory requirements that arise when they seek licenses on a multistate basis. It has become clear that the main cause of these problems is the failure of many States to issue licenses on a truly reciprocal basis.

On average, multistate agents sell insurance in eight States. That means eight different applications, eight different procedures for admittance, eight separate background checks, and a multitude of inconsistent standards and duplicative processes. These requirements are not only costly and inefficient, but they hinder the ability of insurance agents and brokers to effectively address the needs of their consumers.

Congress recognized the need to reform the insurance industry's licensing system back in 1999 when it incorporated the National Association of Registered Agents and Brokers subtitle into the Gramm-Leach-Bliley Act. The Gramm-Leach-Bliley Act did not provide for the immediate establishment of NARAB and instead included a series of provisions to encourage States to simplify the licensing process.

Unfortunately, the original NARAB that was passed in 1999 did not work. National nonresident licensing reciprocity has not been achieved, and the burden on insurance agents and brokers and the impact this burden directly has on consumers remains. Despite the best efforts of many stakeholders at making State-level improvements, it has become clear that true licensing reciprocity can be achieved only through additional congressional action.

The bill we are considering today, H.R. 1155, the NARAB Reform Act—or as it is commonly referred, NARAB II—modifies the original NARAB provisions in Gramm-Leach-Bliley and immediately establishes NARAB as a private, nonprofit entity managed by a board composed of eight insurance regulators and five marketplace rep-

resentatives. NARAB II provides for nonresident insurance agent and broker licensing while preserving the rights of States to supervise and discipline insurance agents and brokers. Overall, this legislation would benefit policyholders by increasing marketplace competition and consumer choice, and by enabling insurance producers to more quickly and responsibly serve the needs of their consumers.

I'd like to thank my colleague from Georgia (Mr. DAVID SCOTT) who introduced this piece of legislation with me earlier this year.

This bill has almost 90 bipartisan cosponsors and is supported by groups such as the Independent Insurance Agents and Brokers of America, the National Association of Insurance Commissioners, the National Association of Insurance and Financial Advisors, the Council of Insurance Agents and Brokers, and major insurance company trades. The legislation has passed this Chamber by voice vote twice before, and the Senate Banking Committee unanimously approved an identical companion legislation.

I ask that my colleagues support this practical and needed insurance regulatory reform by voting for the NARAB Reform Act.

With that, I reserve the balance of my time.

CONGRESS OF THE UNITED STATES,

HOUSE OF REPRESENTATIVES,

Washington, DC, September 9, 2013.

Hon. JEB HENSARLING,

Chairman, Committee on Financial Services, Rayburn House Office Building, Washington, DC.

DEAR CHAIRMAN HENSARLING, I am writing concerning H.R. 1155, the “National Association of Registered Agents and Brokers Reform Act,” which was referred to your Committee.

As you know, H.R. 1155, contains provisions within the Committee on the Judiciary's Rule X jurisdiction. As a result of your having consulted with the Committee and in order to expedite the House's consideration of H.R. 1155, the Committee on the Judiciary will not assert its jurisdictional claim over this bill by seeking a sequential referral. However, this is conditional on our mutual understanding and agreement that doing so will in no way diminish or alter the jurisdiction of the Committee on the Judiciary with respect to the appointment of conferees or to any future jurisdictional claim over the subject matters contained in the bill or similar legislation.

I would appreciate your response to this letter confirming this understanding, and would request that you include a copy of this letter and your response in the Congressional Record during the floor consideration of this bill. Thank you in advance for your cooperation.

Sincerely,

BOB GOODLATTE  
Chairman.

HOUSE OF REPRESENTATIVES,  
COMMITTEE ON FINANCIAL SERVICES,

Washington, DC, September 9, 2013.

Hon. BOB GOODLATTE,

Chairman, Committee on the Judiciary, Rayburn House Office Building, Washington, DC.

DEAR CHAIRMAN GOODLATTE: Thank you for your letter of even date herewith regarding

H.R. 1155, the National Association of Registered Agents and Brokers Reform Act.

I am most appreciative of your decision not to assert jurisdiction over H.R. 1155 so that it may be considered under suspension of the Rules this week on the House floor. I acknowledge that although you are waiving formal consideration of the bill, the Committee on the Judiciary is in no way waiving its Rule X jurisdiction over any subject matter contained in the bill. In addition, if a conference is necessary on this legislation, I will support any request that your committee be represented therein.

Finally, I shall be pleased to include your letter and this letter in the Congressional Record during floor consideration of H.R. 1155.

Sincerely,

JEB HENSARLING,  
*Chairman.*

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

First of all, Mr. Speaker, I want to just say I join many people across this Nation and around the world who are prayerful and who are hopeful that this breakthrough—this window of opportunity that we have dealing with the Syrian situation—works.

Now, Mr. Speaker, I can't tell you what a great joy this is for me. I have worked on this bill for the past 6 years. We have been dealing with many areas to fix our financial system to make it work. We have a very complex and complicated financial system. There is no industry that has the challenges that are being faced today as the insurance industry.

□ 1230

And the economy, its demands are rapidly changing because of advances in technology, mobility, the narrowing and making the world much smaller.

Essentially, what we have here is a long overdue fix to help these small business owners, because that's what our insurance agents are. H.R. 1155, the National Association of Registered Agents and Brokers Reform Act, or what we affectionately call NARAB, as my distinguished colleague from Texas (Mr. NEUGEBAUER) has just stated, is very dear to us.

Many of us in the Financial Services Committee have spent years toiling on this issue. So have many in the Senate. As my colleague, Mr. NEUGEBAUER has said, we passed one House in 1999, but look what has happened. We've had terrorist strikes. We've had all kinds of things that have happened. We've had an economy almost on the verge of depression. Standing there in the middle of this storm dealing with the wants and the needs of the American people in all the areas—property damage, health, car insurance, you name it—has been our agents.

I want to just briefly take you through exactly what we are proposing here. H.R. 1155, first of all, creates a streamlined agent and broker licensing system. That's very important. That strengthens the competitive insurance market while maintaining those ever important consumer protection items.

It strengthens the business, it strengthens the competitive insurance market—it doesn't weaken it—and at the same time strengthens and protects our consumers.

NARAB will allow agents and brokers to more efficiently operate on a multistate basis. Now, that's so important. Business is no longer conducted around the corner or down the street or just in the next town; it is all over the country. And our insurance agents and brokers need the flexibility and the smoothness in our system to be able to negotiate in the best interest of not just the insurance industry but, most importantly, for the benefit of consumers who move from State to State to city to city.

Next, NARAB would allow our agents and brokers to also address the increasing concern and greater importance of our technological and mobile-connected world. As we know, we are all connected.

Next, our NARAB Reform Act will be a one-stop licensing compliance mechanism for insurance agents and brokers operating out of their home States. Each will have a home State. But NARAB will work as a one-place clearinghouse to satisfy that, while at the same time preserving the longstanding authority of States to supervise and discipline the insurance producers.

Nothing is being taken from State control in this bill. As a matter of fact, it strengthens State controls. That is why all of the State insurance commissioners support this legislation.

Through a nonprofit board for insurance agents and brokers to obtain approval to operate on a multistate basis, the NARAB Reform Act deals only with marketplace entry and will not impact the day-to-day State regulation of insurance agencies. We sat down, we brought the State insurance agencies in and the commissioners to work with us so that we could have a joint understanding on this bill.

NARAB will be governed by a board dominated by State regulators—again, dominated by State regulators—and would establish standards for the membership that exceed the existing requirements of any State. Again, exceeds the requirements of any State. A prospective NARAB member will be required to be fully licensed in his or her home State and satisfy rigorous membership criteria. An approved NARAB member could utilize the association to obtain the regulatory approval necessary to operate in any other selected jurisdiction.

This is a crucial piece of legislation, an excellently drafted piece of legislation. For those of us who are concerned about small government, it is very important to note that NARAB would not—would not—be a part of a report to any Federal agency and would not have any kind of Federal regulatory power. We are out of the business. Once we pass this bill, it is in the hands, where it belongs, of the State and local level.

The legislation is supported by nearly the entire insurance industry, including all the major agents and brokers associations, as well as the major insurers associations. Additionally, the National Association of Insurance Commissioners, NAIC, which represents all State insurance commissioners, has formally—formally—endorsed this version of the legislation.

The State-based reform benefits our consumers first, and that is at the head of the line of our concerns. It benefits our consumers through increased competition among agents and brokers and leads to greater consumer choice at lower prices. That is what the consumer is looking for.

This bill also will assist in an important sector of our economy—small businesses—by streamlining non-resident licensing regulation. The House has twice recognized the need for this commonsense reform by passing nearly this identical legislation, as I said before, subsequent to suspension rules.

Once again, we ask for your support.

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

Mr. NEUGEBAUER. Mr. Speaker, I yield 2 minutes to the gentleman from New Jersey (Mr. GARRETT), the chairman of our Capital Markets Subcommittee.

Mr. GARRETT. Mr. Speaker, I thank the gentleman from Texas for his leadership on this legislation today.

I rise in support of H.R. 1155, which is the National Association of Registered Agents and Brokers Reform Act.

This bill is, as we like to say, a commonsense step that will create a clearinghouse, if you will, for insurance agents and brokers alike to obtain approval to operate on a multistate basis.

Under current law, an insurance agent who has clients in more than one State has to obtain licenses in each and every one of those States. The regulatory process, as you can imagine, varies from State to State. Obtaining and maintaining a license is both time-consuming and very expensive.

Having to complete this process over and over and over again basically compounds the difficulty and often proves daunting, quite honestly, to smaller agents who are just trying to do their job and to serve their clients and meet their needs.

What we have here is the NARAB clearinghouse. This would allow the agents to complete the process only twice—once in their home State and then once again for NARAB. Then they would be eligible to sell basically in all the States.

Here is an important point: NARAB is supported by all the stakeholders, including, as the gentleman just said, by the State insurance regulators. It does so because it brings much-needed efficiency to a multistate licensing process.

While doing this, the legislation would also preserve—and to me this is very important—State-based insurance



regulation and also consumer protections.

Finally, this legislation would not—as was just pointed out—create a brand new Federal insurance regulator in its place. By law, NARAB would not be a regulator or a part of any Federal agency. It would have no regulatory authority.

With 56—56—different approaches to life insurance, this bipartisan bill would reduce needless red tape and complexity that is out there, and it would help insurance agents better serve their clients.

I urge this House to adopt this legislation today.

Mr. DAVID SCOTT of Georgia. Mr. Speaker, I reserve the balance of my time.

Mr. NEUGEBAUER. Mr. Speaker, I yield 2 minutes to the gentleman from Tennessee (Mr. FINCHER).

Mr. FINCHER. Mr. Speaker, I rise today as a cosponsor in support of H.R. 1155, the National Association of Registered Agents and Brokers Reform Act of 2013.

As mentioned, this important legislation strikes the appropriate balance between easing the licensing requirements for insurance agents and preserving State authority to supervise and discipline insurance producers for their actions.

Through this legislation, I hope all consumers, especially the citizens of Tennessee, will benefit from a more competitive insurance market. NARAB is supported by all insurance industry stakeholders, including State insurance regulators, regional and national insurance companies, and trade associations.

H.R. 1155 is seen as the most effective, efficient way to enable insurance agents and brokers to be licensed on a multistate basis while retaining State regulatory authority.

While today's legislation speaks to insurance agents and brokers, similar issues exist for claims adjusters. To address these issues when consumers present a claim, I have introduced the CLAIM Act, H.R. 2156, to streamline the licensing requirements for insurance adjusters operating outside their home States.

My bill would preserve State authority to supervise and discipline adjusters for their actions, while streamlining State licensing regulations.

As we join together today to support H.R. 1155, I call upon my colleagues to similarly support and enact the CLAIM Act to ensure consumers receive the same excellent service when they need their insurance.

I thank the gentleman from Texas (Mr. NEUGEBAUER) for his hard work on this very well-thought-out legislation. I hope it will help the citizens of this country receive excellent insurance products and services.

Mr. DAVID SCOTT of Georgia. Mr. Speaker, I reserve the balance of my time.

Mr. NEUGEBAUER. Mr. Speaker, I yield 1 minute to the gentleman from Florida (Mr. RADEL).

Mr. RADEL. Mr. Speaker, I rise in support of this bill introduced by my colleague Representative NEUGEBAUER.

This bill reduces costs for homeowners and renters not only in my home State of Florida, but for everyone throughout the entire country.

Today, insurance brokers and agents face hurdles when they try to work across State lines. What this bill does is make it easier and less expensive for them to get licensed in multiple States. The best part about this is ultimately it saves you, the consumer, money.

This legislation streamlines the Federal role in real estate licensing while allowing States to continue setting standards for the work that best fits their States because, after all, we know what's best for our States and our communities.

Lowering costs for insurance agents and brokers means more options and lower prices for consumers. I am glad to support this bipartisan legislation.

I encourage all of my colleagues to vote for the NARAB Reform Act.

Mr. DAVID SCOTT of Georgia. Mr. Speaker, I reserve the balance of my time.

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

Mr. DAVID SCOTT of Georgia. If the gentleman has no more speakers, I will close and then yield back the balance of my time.

I just want to say what a distinguished pleasure it has been to work with the gentleman from Texas, my good friend on both the Financial Services Committee and the Ag Committee. We do a lot of great work together. It is a great pleasure.

I commend this bill to the full House of Representatives and hope we have a unanimous vote.

Mr. Speaker, I yield back the balance of my time.

□ 1245

Mr. NEUGEBAUER. I yield myself the balance of my time.

I also want to thank the gentleman from Georgia. He has worked tirelessly on this issue.

Mr. Speaker, what I think is nice about this issue is that it's bipartisan. It's a good piece of legislation in that it doesn't expand government, and it doesn't cost the taxpayers any money. Ultimately, I think it's going to bring better choices for consumers and, I hope, for our small business people across the country. For example, in my congressional district, it is closer to three or four other States than it is to some of the cities that are within my State, for example, from Walip to within a hundred miles of Colorado and within 100 miles of Oklahoma and Colorado and these other States. Basically, we have a lot of insurance agencies and agents who now will have the ability to do business in multiple States in a less cumbersome way, so I encourage all of my colleagues to support this bill.

With that, Mr. Speaker, I yield back the balance of my time.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Texas (Mr. NEUGEBAUER) that the House suspend the rules and pass the bill, H.R. 1155, as amended.

The question was taken.

The SPEAKER pro tempore. In the opinion of the Chair, two-thirds being in the affirmative, the ayes have it.

Mr. NEUGEBAUER. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The SPEAKER pro tempore. Pursuant to clause 8 of rule XX, further proceedings on this motion will be postponed.

#### STREAMLINING CLAIMS PROCESSING FOR FEDERAL CONTRACTOR EMPLOYEES ACT

Mr. WALBERG. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 2747) to amend title 40, United States Code, to transfer certain functions from the Government Accountability Office to the Department of Labor relating to the processing of claims for the payment of workers who were not paid appropriate wages under certain provisions of such title.

The Clerk read the title of the bill.

The text of the bill is as follows:

H.R. 2747

*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 "Streamlining Claims Processing for Federal Contractor Employees Act".

#### SEC. 2. TRANSFER OF ADMINISTRATIVE AUTHORITY TO THE DEPARTMENT OF LABOR.

(a) AUTHORITY OF COMPTROLLER GENERAL TO PAY WAGES AND LIST CONTRACTORS VIOLATING CONTRACTS.—Section 3144 of title 40, United States Code, is amended—

(1) in the section heading, by striking "of Comptroller General"; and

(2) in subsection (a)(1), by striking "Comptroller General" and inserting "Secretary of Labor".

(b) REPORT OF VIOLATIONS AND WITHHOLDING OF AMOUNTS FOR UNPAID CONTRACTS AND LIQUIDATED DAMAGES.—Section 3703(b)(3) of title 40, United States Code, is amended by striking "Comptroller General" both places it appears and inserting "Secretary of Labor".

The SPEAKER pro tempore. Pursuant to the rule, the gentleman from Michigan (Mr. WALBERG) and the gentleman from Connecticut (Mr. COURTNEY) each will control 20 minutes.

The Chair recognizes the gentleman from Michigan.

GENERAL LEAVE

Mr. WALBERG. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks on H.R. 2747.

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

There was no objection.

Mr. WALBERG. Mr. Speaker, I rise today in strong support of H.R. 2747,