



September 18, 2023

Honorable Scott Fitzgerald  
U.S. House of Representatives  
Washington, D.C. 20515

Dear Representative Fitzgerald:

On behalf of the National Association of Professional Insurance Agents (PIA),<sup>1</sup> thank you for introducing the Insurance Data Protection Act. Your legislation will meaningfully reform the Federal Insurance Office (FIO), an unnecessary federal bureaucracy created in the 2010 Dodd-Frank Wall Street Reform and Consumer Protection Act.

Insurance should be regulated by state authorities, not the federal government. State regulation has benefited consumers and industry for over a century. Plus, the FIO's duties are duplicative of other state or federal government offices. Since its creation, the FIO's mandate has only grown. In 2021, the Biden administration issued an Executive Order directing the FIO to assess climate risks to carriers and identify possible sources of coverage disruption in areas prone to weather-related events. The FIO recently announced plans to issue a granular data call on climate-related insurance risks.

The Insurance Data Protection Act would repeal the FIO Director's subpoena and enforcement powers. Its subpoena power is the FIO's most powerful tool, so its elimination will help to counteract the FIO's ever-expanding reach. The bill would also require the FIO to coordinate with state insurance regulators and consult publicly available sources to gather readily available data and limit unnecessary or duplicative efforts. It would set forth confidentiality procedures and disclosure requirements governing the way insurance carrier data, once collected, can be used by financial regulators. Finally, it would protect consumers by limiting the sharing of non-publicly available data with or by the FIO and other federal agencies and state insurance regulators. This bill would reset the balance of power between the FIO and state insurance regulators.

In November 2016, PIA became the first national insurance association to call for the full repeal of the FIO, and its repeal remains a PIA top priority. At the same time, we strongly support practical reforms to the FIO and view this bill as a way of restoring the primacy of state regulation.

Sincerely,

Mike Becker  
CEO  
National Association of Professional Insurance Agents

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<sup>1</sup> PIA represents independent insurance agents in all 50 states, Puerto Rico, and the District of Columbia.