



Washington Fair Trade Coalition
washingtonfairtrade.org

606 Maynard Ave. S. #252, Seattle WA. 98104

September 22, 2008

Dear Representative,

We urge you to vote to move HR. 5480 “The Insurance Information Act” off the suspension calendar, so that it can be properly studied and deliberated by Congress. If it is brought to a vote, we urge you to vote NO.

HR 5840 sets a dangerous precedent by allowing the Secretary of the Treasury, through the Office of Insurance Information, to pre-empt any state insurance law or regulation that it deems discriminatory toward foreign companies. Since laws and regulations are, by definition, discriminatory – legislating who can and cannot write policies, and under what circumstances – this proposed law could have broad and far-reaching consequences. It could water down protections put in place for a state’s residents and substitute them with much weaker standards advocated by a foreign insurer.

HR 5840 is essentially a deregulatory measure designed to remove consumer protections in conformance with negotiated trade agreements. This moment in our financial history is certainly no time to be proposing more deregulation of financial markets. Never before has the U. S. government allowed a federal agency to interpret or enter into international agreements on subjects under the authority of the legislative branch, and then preempt states through rule-making on the basis that state policies are in contradiction to those agreements.

Please examine the implications of HR 5840 carefully, and act in the interests of Main Street, not Wall Street, in opposing this dangerous attack on consumer based market regulation.

Sincerely yours,

Marina Skumanich
President, Washington Fair Trade Coalition