December 16, 2011

Department of the Treasury
Federal Insurance Office, MT 1001
1500 Pennsylvania Avenue, NW
Washington, DC  20220
Attention: Michael T. McRaith, Director

Re: Public Input on the Report to Congress on How To
Modernize and Improve the System of Insurance Regulation in the United States
76 Fed. Reg. 64174 (October 17, 2011)

Dear Mr. McRaith:

Please find attached for your consideration the following policies of the American Bar Association that are relevant to the Notice published by the Department of the Treasury on October 17, 2011. The Notice requested comment on a study being conducted by the Federal Insurance Office, pursuant to requirements of the Dodd-Frank Wall Street Reform and Consumer Protection Act of 2010, on how to modernize and improve the system of insurance regulation in the United States.

Resolution 105, adopted by the ABA’s House of Delegates in February 2003, recommends specific ways in which states can “improve procedures for dealing with insolvent insurance companies and improve the operation of the current state receivership system.” The Background Report that accompanied Resolution 105 when it was considered by the House of Delegates is included as well. While the report is not official ABA policy, it does provide excellent background on the work and recommendations of the Insurance Insolvency Task Force of the ABA’s Tort Trial and Insurance Practice Section.

Also attached is Resolution 303, adopted by the House of Delegates in August 2009. Through this resolution, the ABA expresses its support for “the enactment of federal legislation to establish a non-regulatory insurance information office within the Treasury Department” with certain enumerated powers.
We appreciate the opportunity to submit these documents. If you have any questions regarding the ABA’s views on this important matter, please contact ABA Governmental Affairs Director Thomas M. Susman at (202) 662-1765.

Sincerely,

[Signature]

Thomas M. Susman

Enclosures
RESOLVED, That the American Bar Association recommends that states (including the District of Columbia, Puerto Rico and U.S. territories) improve procedures for dealing with insolvent insurance companies and improve the operation of the current state receivership system by enacting legislation and/or adopting regulations:

1. To improve the selection and oversight of insurance receivers by:
   a. Transferring certain receivership functions to qualified individuals or entities in the private sector to achieve efficiencies in the administration of estates of insolvent insurers;
   b. Transferring the role of the insurance commissioner in appointing and overseeing the special deputy receiver, once a final order of liquidation has been issued, to a three-person panel, consisting of representatives of the state insurance commissioner, the guaranty funds and the receivership court, and such panel would select and oversee the receiver, subject to the jurisdiction of the receivership court;
   c. Encouraging the use of special masters to assist receivership courts in administering the estates of insolvent insurers;
   d. Experimenting with the appointment of private institutional receivers;
   e. Granting a statutory right of standing and intervention in receivership proceedings to the state guaranty funds; and
   f. Permitting voluntary restructurings similar to “schemes of arrangement” (an agreement in the United Kingdom, approved by the High Court entered into by and between an insolvent insurer and its creditors on the handling of the insurer’s liabilities).

2. To enhance the ability of receivers to bring estates to more efficient and expeditious closure by providing a menu of options to be used in connection with long-term obligations including, for example, cutoff dates, runoff provisions, liquidating trusts, and a reliable method for estimating outstanding claims.
REPORT

PREFACE

The resolution set forth is based on the assumption that the current state system (including those of the District of Columbia, Puerto Rico and U.S. territories) for dealing with insurance receiverships, including the state insurance guaranty fund system, works reasonably well, but can be improved. Also, it has been determined that, after studying the problems in the current state insurance insolvency system and noting the absence of reliable cures in alternative approaches, including the federal bankruptcy system, that a complete replacement, or even a major modification, of the current state system is not warranted.

INTRODUCTION TO INSURER INSOLVENCY

The TIPS Insurance Insolvency Task Force (the “Task Force”) was created to analyze the current state-based system for dealing with insurance insolvencies, to consider improvements or alternative structures, and to make recommendations. In considering possible alternative structures, the Task Force considered an interstate compact, the existing federal receivership system for federal financial institutions, a federal bankruptcy approach, other federal alternatives, and the insurance receivership system in the United Kingdom.

The insolvency of an insurance company can cause disruption in the lives of individuals and in the operations of businesses. An insurer insolvency can disrupt the flow of periodic payments, such as annuities, pensions and workers compensation benefits, that individuals depend on for financial support. It can delay personal injury and other civil litigation involving the insolvent insurer or its insureds. The insolvency of an insurer can delay claims payments. Businesses can find that they are suddenly responsible for losses that they previously insured with a now insolvent insurer. An insurer insolvency causes unemployment, which affects not only individual employees but also the community in which the insolvent insurer was based. The consequences of an insurer insolvency are many and varied. The insolvency can have a devastating impact on those affected, and can erode the public’s confidence in the insurance industry and in government’s ability to regulate the insurance industry.

The insurance industry is largely a state-regulated industry. Insurer insolvencies are administered under state insurance laws, rather than under the federal bankruptcy code. The state insurance receivership system is unique in that the private sector honors the policy contracts of licensed insolvent insurers through the guaranty fund mechanism. All states have enacted guaranty fund statutes to mitigate the impact of an insolvency. The state guaranty funds provide benefits, as defined by statute, on a relatively prompt and timely basis, to insureds and third party claimants. The guaranty funds, to the extent of claims paid, then file claims as creditors with the receiver of the insolvent insurer’s estate for payment out of the insolvent insurer’s remaining assets.

A defining characteristic of insurer insolvencies is that each one is different. Life and health estates are different from property/casualty estates. Individual insolvencies vary further by lines of business written, the number of states in which the insurer did business, the assets
available, the condition of the insurer’s books and records upon insolvency, the magnitude
and mix of claims and the underlying causes of the insolvency. Given these variables, there
is no one single or best way to administer an insurer insolvency.

Recent insurer insolvencies have generated significant legal, practical, and administrative
issues, as well as questions about the adequacy of the current state insurance receivership
system.

While not wholly endorsing the current state insurance receivership system, the Task Force
decided that the best approach was to recommend improvements within the existing system
to correct the problems it identified. The Task Force did not think that it was reasonable to
conclude that movement to alternative systems it examined would effectively cure the
problems in the current state system. In fact, alternative approaches may contain the same
weaknesses and may generate additional problems as well.

KEY PROBLEMS IN THE CURRENT STATE INSURANCE RECEIVERSHIP SYSTEM

Criticism of the state insurance receivership system often focuses on the lack of uniformity
among state insurance insolvency laws. The Task Force concluded that there were more
significant issues. Key problems identified by the Task Force in the current insurance
receivership system are the selection of qualified receivers, the accountability for and
oversight of their performance, and the lack of incentives, statutory authority and
procedures to bring estates to closure. The Task Force believes that any significant
weakesses of the state receivership system relate back, directly or indirectly, to these
three issues.

Under state insurance receivership laws, the insurance commissioner becomes the
statutory receiver, but the commissioner in turn appoints a special deputy to serve as the de
facto receiver to administer the day-to-day operations of the insolvent insurer’s estate.
Appointees may have little or no insurance expertise, which can worsen the many
complicated problems in the administration of an insolvent insurer’s estate, particularly in
the initial phases. Sometimes receivers retain outside consultants, including lawyers and
accountants, who may have little insurance expertise. Such actions may prolong the
duration of the estate, dissipate its assets and increase the expenses of administration.

There is also inadequate oversight over receivers in many states. Insurance departments
have limited resources for such functions. State receivership courts routinely approve the
actions of receivers because there is no adverse party before the court to challenge a
receiver’s activities. Because there are relatively few insurer insolvencies in any individual
state, judges may be assigned an insurer insolvency only once in their careers.
Receivership courts do not generally gain the insolvency expertise needed to effectively
oversee an insolvent insurer’s estate.

Appointed special deputy receivers often have little incentive to bring an estate to prompt
closure as, by doing so, they would render themselves unemployed. Even where some
receivers want to bring estates to closure, they sometimes lack the statutory authority and
procedures to do so. The current state insurance receivership system has a virtual built in
incentive to prolong the administration of estates, rather than structural incentives for
efficient administration and early closure of estates.
TASK FORCE CONCLUSIONS

The Task Force drew the following conclusions:

1. The Task Force does not endorse the current state insurance receivership system in all respects. After studying the problems in the present system and noting the absence of reliable cures in alternative approaches, however, the Task Force concluded that a complete replacement, or even a major modification, of the present system is not warranted.

2. The Task Force believes that the best way to improve insurance receiverships is to provide practical and politically realistic solutions, rather than merely theoretical alternatives.

3. While it is not feasible to privatize the entire insurance receivership process, the Task Force believes it is possible to improve the system by providing that the selection and oversight of insurance receivers will no longer be exclusive functions of state government. The Task Force advocates privatization of some receivership functions to achieve efficiencies in the administration of estates.

4. An interstate compact could provide a new and unique type of oversight over insurance receiverships and assure that the insolvency expertise of the compact commission will be applied to all insolvencies in compacting states. Constitutional and legal hurdles and state concerns with sovereignty and delegation of powers make it a politically unattractive alternative, however, and one unlikely to be widely enacted among other states.

5. The receivership system in the United Kingdom appears to work well and may provide a model, in whole or in part, for the United States. Differences between the legal, political and social aspects of the two systems make it unlikely that the UK model could be fully transferred to the United States.

6. While there are no federal models for insurer insolvencies, the Task Force reviewed federal bankruptcy approaches, the existing federal receivership systems for financial institutions and potential new federal alternatives. The Task Force concluded that these are not viable to address the needs of insurer insolvencies. There is no guarantee that shifting insurer insolvency proceedings to a different level of government or to a different structure would cure the problems identified in the current state system.

7. All insurer estates should work toward the goal of prompt closure so that the assets of the estate can be administered effectively and distributed to creditors in a timely manner. In many cases, the state statutory framework needs to be improved to provide receivers with a variety of options to expeditiously bring estates to closure.

AN OVERVIEW OF STATE ADMINISTRATION OF INSOLVENT INSURANCE COMPANIES
A. Insurance Receivership Proceedings in General

Every state, the District of Columbia, Puerto Rico and U.S. territories have a law that governs insurance company receivership proceedings. Usually a separate chapter in the state’s insurance code dealing with insurer solvency and receiverships provides that if an insurer becomes financially impaired or insolvent or if its continued operation would be hazardous to its policyholders or the public, the state’s insurance commissioner may commence a judicial proceeding for the purpose of placing the insurer in conservation or rehabilitation or, where necessary, liquidating the company and distributing its remaining assets to its creditors.

When an insurer is placed in receivership, the insurance commissioner of the insurer’s state of domicile will generally be designated by statute to be appointed as the receiver. The receiver’s principal functions are to marshal the remaining assets of the insolvent’s estate and to distribute these assets to claimants in accordance with statutory priority provisions. Insurance company receivership proceedings are usually state proceedings because insurance is specifically excluded from the federal Bankruptcy Code. Because of their many other duties, insurance commissioners rarely act personally as the day-to-day receivers of insolvent insurers. Most usually appoint a “special deputy receiver” to act in the commissioner’s stead.

The priority for the payment of claims is statutory. Priority of distribution statues are substantially similar in most states and generally provide first for the payment of the costs and expenses of administration of the estate, followed by the payment of claims under insurance policies and contracts, which include the payments of policyholders and third party claims and the reimbursement of claims paid by the guaranty funds. The other classes include claims of the federal government, debts due employees for certain unpaid wages, claims of general creditors (including the claims of cedants and reinsurers), claims of state or local governments, late filed claims, claims arising from surplus or contribution notes and, lastly, claims of shareholders and other owners. All claims within a class must be paid in full, or reserves set aside to cover the claims in the class, before any payment is made to a subordinate class.

Because an insolvent insurer’s liabilities almost always exceed its marshaled assets at the time of distribution, and given that administrative expenses of an insolvency are usually substantial, it is unlikely that policyholders and third-party claimants will receive full reimbursement from the estate. General creditors are unlikely to receive anything. For some policyholders and third-party claimants, however, there is also the remedy afforded by the guaranty funds, as described below.

B. State Guaranty Funds

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1 To put the insurer insolvency issue in its proper perspective, it is essential to begin with a description and explanation of the current state insurance receivership system. Additional background on state regulatory tools to deal with an insurance company in financial trouble, including conservatorship and rehabilitation, are found in Appendix A to the Task Force Report.

2 “Guaranty fund” is used throughout this report generically to refer to both the life-health and property/casualty entities that have been created in all states to assess solvent licensed insurers to pay the covered claims of insolvent insurers. In most states, the funds are called “guaranty associations.”
Guaranty funds are involuntary, statutorily mandated, not-for-profit entities comprising all solvent insurers licensed to transact business in a state for the lines of coverage protected by the guaranty fund. Guaranty funds exist to pay the covered claims, as defined in each state statute, for most insolvent insurers. Guaranty funds operate through boards of directors generally composed of representatives of licensed insurers in the state. Many guaranty funds hire a full time fund manager and staff. The original intent of guaranty funds was to provide rapid payment to individual and small business policyholders and third-party claimants, but many large corporate insureds are now able to avail themselves of guaranty fund coverage.

Guaranty funds are mechanisms for collecting and pooling money from solvent insurers to pay specified policy obligations of the insolvent insurer. Members of the guaranty fund in an individual state are assessed to pay the covered claims of the insolvent insurer based on their premium volume in that state. Life-health guaranty associations are additionally required to assure continuation of coverage through reinsurance or guarantees. Unauthorized insurers and surplus lines insurers are not covered under the guaranty funds and are not subject to assessments.³

MAINTAINING PERSPECTIVE ON INSURER INSOLVENCIES

To properly evaluate the effectiveness of the current system, insurer insolvencies must first be put into proper perspective:

- **Number of Insolvencies**

Historically, the number of property/casualty insurer company failures has been small by almost any measure. From 1969 through 2000, approximately 400 property/casualty companies failed. Given that there are approximately 3,800 property/casualty insurance companies nationwide, this means that less than 1 percent of the property/casualty insurers become insolvent in a given year.

From 1983 to 2001, 157 life, health and annuity insurers doing business in more than one state failed.

By way of comparison, the banking industry comprised approximately 2,100 companies in the years 1987-1989 when the average number of failures exceeded 200 per year. There were approximately 225 thrift failures in 1988 alone.

- **Cost of Insolvencies**

The financial drain imposed on the property/casualty industry by guaranty fund assessments has never exceeded $1 billion in a year, and these assessments have consistently represented less than 0.5 percent of the net premiums written. Indeed, over the last 30 years since the guaranty funds were created, property/casualty failures have cost the insurance industry a total of approximately $8 billion.

³ The exception is New Jersey, which has established a guaranty fund comprised of all surplus lines insurers approved to write business in that state.
Since 1988 when the National Organization of Life Health Guaranty Associations (NOLHGA) was formed and began maintaining aggregate assessment data, total life, health and annuity assessments have totaled about $5.6 billion. Compare these figures, however, with the fact that in 1988 alone, the cost of failed thrifts exceeded $33 billion, and failed banks added another $6-7 billion to the tab. Further, the total bill taxpayers will be asked to pay for failed thrifts will exceed $200 billion.

- **Scope of Insolvencies**

Seven states accounted for 73 percent of the property/casualty insolvencies in the year 2000: California, Hawaii, Massachusetts, Missouri, New Jersey, Ohio and Pennsylvania. These states have regulatory oversight for less than 40 percent of all domestic companies in the industry. The average failure frequency for three of the seven states is higher than the national average of 0.7 percent.

**CONCLUSIONS AND RECOMMENDATIONS**

Although criticisms of the state insurance receivership system often revolve around uniformity, or the lack thereof, the real problem may not lie in differences between state laws. The NAIC Model Rehabilitation and Liquidation Act⁴, while being a compromise document, is a good model law. Nonetheless, the Task Force found that it could not endorse without qualification the existing state system due to three key weaknesses: the selection of qualified receivers, the oversight and accountability of receivers, and the absence of incentives and statutory provisions to bring estates to timely closure.

Moving the current state insurance receivership system to a different level of government or a different framework may not solve any of these weaknesses. Moving the appointment process for insurance receivers from the state to the federal regulatory systems, for example, would not necessarily result in the appointment of more qualified receivers.

Presumably such a transfer would be “prospective only”, meaning that the current state system would continue indefinitely with respect to existing insolvencies until they are finally brought to closure. At a minimum, there would be the additional costs of operating dual state and federal systems. Because all of the expertise in insurer insolvency currently resides at the state level, any transition of the process to a new level of government would also involve start up costs for a new federal administrative structure and a learning curve in implementing the new approach to insurer insolvencies.

The federal system for liquidating banks and savings and loans seems to work well for those financial institutions. Yet, what may make this system successful in the banking system is that all liabilities are known as of the outset of any insolvency. The claimants are the depositors, and the values of their claims are their deposits in the insolvent financial

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⁴ Most states have adopted the NAIC Insurers Rehabilitation and Liquidation Model Act or provisions which are substantially similar. The Model Act is reprinted in III NAIC Model Laws, Regulations and Guidelines at 551-1, *et seq.* (July, 2002). The Uniform Insurer’s Liquidation Act is also a model statute upon which many state laws were based prior to the adoption of the NAIC Model Liquidation Act.
institution. There are no third party liability claims in which the value of the claim must be fixed. Nor are there IBNR (incurred but not reported) or long tail claims that are not known and which may not even be reported for decades after the inception of the insolvency proceedings. Furthermore, the federal regulatory agency responsible for insuring depositors against loss from insolvency has almost absolute authority over the assets of the insolvent financial institution, without any judicial review or oversight of Congress. This is far different from the regulatory structure of the insurance industry.

Even if transition to a new level of government or structure could resolve some or all of the key problems in the current state receivership system, such a transition could cause new problems. For example, it is unclear how the states that have enacted the interstate compact will interact with non-compacting states. Moving to a federal insolvency system is also likely to bring with it some degree of federal regulation of solvent insurers.

Non-U.S. receivership systems, despite their merits, may not function as well in the United States. Schemes of arrangement, for example, seem to work well in the United Kingdom, but they are administered in the context of a different legal, political and regulatory environment. For example, unlike experience in the U.S., there is little litigation in U.K. insolvencies against auditors, officers, directors, and agents of the insurer. Under the U.K. insurance regulatory system, officers and directors of an insurer are subject to personal liability for continuing the operations of an insurer after it is insolvent, so there is strong incentive for insurers to initiate receivership proceedings voluntarily, while U.S., insurers often contest such regulatory actions. Thus, U.K. insurers may be placed in insolvency earlier and with their books and records in better order than has been the case in many U.S. insolvencies. Moreover, while U.K. schemes of arrangement have been used largely for insolvencies of commercial insurers and reinsurers, they are untested for personal lines insolvencies, which may have many individual policyholders as creditors.

Overall, the Task Force found that no alternative it reviewed provided sufficient assurances that it could effectively correct the weaknesses identified in the current state insurance receivership system. The fact remains that substantially all of the professional expertise and practical experience in addressing the problems in an insurer insolvency now exists at the state level. Changing to a federal or other framework involves transitional problems, the risk that the new system would not cure the defects in the current state insurance receivership system and the possibility that it would create new problems. The Task Force concluded that the best approach was to recommend solutions within the current state insurance receivership system. Such a course of action is more likely to accomplish meaningful improvement than would fundamental change to a new structure or shift to a different level of government.

The Task Force also strived to recommend pragmatic and politically realistic solutions to cure the three key problems it identified in the state insurance receivership system. Complete privatization of the state system, for example, would be an unrealistic goal. Similarly, an interstate compact, such as the Interstate Insurance Receivership Compact, might resolve problems concerning the oversight of receivers and other weaknesses in the current state insurance insolvency system, but experience to date indicates that this is not a solution that will be readily accepted on a 50-state basis.
Insofar as potential federal solutions would be concerned, there would need to be legislation that would preempt significant and existing state governmental functions and assign responsibility for performing such functions to the insurance industry or to private contractors. There is no precedent for such an undertaking by Congress. Moreover, such an approach, at a minimum, would be most likely accompanied by the addition of some significant federal regulation or oversight; this would make it objectionable to many of the parties with interests in insurance insolvency issues.

In reviewing possible federal alternatives, the Task Force was particularly careful not to recommend theoretical solutions. A federal receivership system for insurer insolvencies has never existed. Rather than attempt to craft a hypothetical system, which would work on a purely theoretical basis, the Task Force reviewed existing federal receivership systems for federally regulated entities under the assumption that a federal insurance receivership system would function similar to these existing federal systems. The Task Force’s practical approach is reflected in its recommendations.

A. Task Force Recommendations

The Task Force developed a series of recommendations designed to improve the current state insurance receivership system. The recommendations are not mutually exclusive. They can be used individually or in combination, although the Task Force believes states should adopt all of them.

- To improve the selection and oversight of insurance receivers:
  - Transfer certain receivership functions to qualified individuals or entities in the private sector to achieve efficiencies in the administration of estates of insolvent insurers;
  - Transfer the role of the insurance commissioner in appointing and overseeing the special deputy receiver, once a final order of liquidation has been issued, to a three-person panel, consisting of representatives of the commissioner, the guaranty funds and the receivership court. This panel would select and oversee the receiver, subject to the jurisdiction of the receivership court.
  - Encourage the use of special masters to assist receivership courts in administering the estates of insolvent insurers.
  - Experiment with the appointment of private institutional receivers.
  - Grant a statutory right of standing and intervention in receivership proceedings to the state guaranty funds;
  - Permit voluntary restructurings similar to “schemes of arrangement” (an agreement in the United Kingdom, approved by the High Court, entered into by and between an insolvent insurer and its creditors on the handling of the insurer’s liabilities).
To enhance the ability of receivers to bring estates to more efficient and expeditious closure by providing a menu of options to be used in connection with long-term obligations including, for example, cutoff dates, runoff provisions, liquidating trusts, and a reliable method for estimating outstanding claims.

B. Future Directions

The Task Force believes its report is relevant because the basic causes of insurer insolvencies still exist and a new wave of insurer insolvencies is developing. Many property/casualty insolvencies are caused by unanticipated claim liabilities. Some insurers expand their books of business too rapidly by under pricing competitors; others charge premiums that later prove to be inadequate due to expanding tort liability, new exposures or catastrophic events. The result is the same in either case: inadequate premiums lead to deficient loss reserves, which deplete capital and surplus. These situations have been compounded by difficulties in collection of reinsurance recoverables. On the life insurance side, insolvencies have historically resulted from liquidity problems, namely, a significant share of the insurer’s assets become illiquid or are invested in depressed markets with a resulting loss in value. Health insurers’ and HMOs’ solvency problems are more similar to those of property/casualty companies in that premiums prove to be inadequate to cover the risks assumed.

The Task Force also believes that the state insurance receivership system could be tested in the future in a variety of new ways. The passage of the Gramm-Leach-Bliley Act\(^5\), which legalizes the move toward an integrated financial services market, has created opportunities for insurers, banks and other financial services institutions to affiliate in the same holding company system. The specter of an insolvency in a Financial Holding Company System will raise issues of first impression as to which regulatory entity or entities should be the receiver; whether insolvencies should be administered at the state or federal level; whether primary responsibility will reside with state or federal regulators; and what court system should have jurisdiction over the estate. Additional issues may arise as receivers and trustees from markedly different regulatory and receivership systems compete for the remaining assets within the sphere of the holding company system. With the increasing globalization of the insurance industry, it is also possible that, in future insolvencies, significant assets will not be held in the U.S. All of these potential factors may add to the complexity of future insurer insolventcies.

In 2002, bills were introduced in Congress proposing a system of optional federal charters for insurance companies. Introduction of these bills followed public discussions by various organizations representing banks, insurance companies, and agents and brokers. The two bills that were the subject of hearings before the House Financial Services Subcommittee in June 2002 took divergent approaches to the handling of insolventcies of federally chartered insurers. The life insurance industry bill would essentially preserve the state receivership and guaranty fund structure in all states meeting the standards incorporated in the act. The bill favored by banking interests would use the federal bankruptcy system and create a new guarantee fund.

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federal insurance guaranty fund. No definitive action is expected on these bills in the foreseeable future; therefore no detailed analysis of the bills is included in this report.

The Task Force is confident that its report and recommendations could be of value in changing the existing state insurance receivership system to reflect the lessons learned from past insolvencies, and in providing the framework for addressing new issues and challenges that the state insurance receivership system will undoubtedly face in the future.

Respectfully submitted

Alexander Gonzales
Section Chair
February, 2003
RESOLVED, That the American Bar Association supports the enactment of federal legislation to establish a non-regulatory insurance information office within the Treasury Department that would be authorized and empowered to:

a. Gather and analyze information and issue reports regarding the state of the insurance industry;

b. Advise the Secretary of the Treasury and other federal officials on major domestic and international insurance policy issues;

c. Carry out the federal government’s responsibilities under the Terrorism Risk Insurance Act;

d. Coordinate efforts on international insurance matters, including representing the United States in the International Association of Insurance Supervisors and similar forums; and

e. Serve as a liaison between the federal government and state (including those of the District of Columbia, Puerto Rico and U.S. territories) insurance regulators regarding insurance matters of national or international importance