ACLI advocates in federal, state, and international forums for public policy that supports the life insurance industry marketplace and the **75 million American families who rely on life insurers’ products.**

Member companies offer life insurance, annuities, retirement plans, long-term care and disability income insurance, and reinsurance.

Approximately **290 member companies** in the U.S. and abroad represent more than **94 percent of industry assets and premiums.**
2017 (all states)

- **67,701** bills screened
- **1,893** bills tracked
- **196** enacted bills
- **104** proposed regulations
- **107** advance regulations
- **69** bulletins and administrative material
Federal-State Cooperation

Federal

DOL Fiduciary Rule Replacement
Dodd-Frank Act Reform: FSOC, SIFIs, FIIs; Covered Agreement
ACA Repeal/Replacement
Tax Reform/Infrastructure Investments
CRA’s Repealing DOL Rules

State

NAIC Annuity Suitability Rule Enhancements
NAIC Group Supervision, Reinsurance Collateral Confidentiality
State Exchange Assessments, State Budgets
State Accounting, Reserve, Investment Standards
State Run Retirement Plans for Private Sector
DOL Fiduciary

- Effective June 9, 2017
- Full Compliance – Jan. 1, 2018
- DOL is reviewing the Rule
- ACLI supports a “Harmonized Best Interest Standard of Care”
  - For all retirement product sales
- NAIC Suitability in Annuity Transaction Model Regulation + “Best Interest Standard of Care”
State-Run Retirement

- **120+** bills since 2007
- **11** state studies
- **7** bills pending (1 passed)
- **6** states have adopted plans (Only Oregon has implemented Pilot Program)
- DOL safe-harbor rules repealed
Other 2017 State Priorities

- Long-Term Care
- Guaranty Association Assessments
- Cybersecurity
- Unclaimed Property
- State Taxation of Insurance Products
- Principle-Based Reserves (PBR)
Long-Term Care

- Encourage State adoption of:
  - NAIC LTC Model provisions
  - Interstate Compact standards

- Encourage State Tax Credits

- Growing concern over premiums
  - Premium rate cap bills in 6 states
Guaranty Associations

- Penn Treaty liquidation
- Renewed effort to change assessments for LTC insolvencies
- Colorado compromise → national solution?
Guaranty Associations

CO compromise assessments for LTC

• **50%** for life insurers
• **50%** for health carriers
Cybersecurity

- 47 different state laws
- 17 states with pending legislation
- Updated definition of “breach” and “personal information”
- Notification requirements to state officials/consumers after a breach
- NAIC developing new model law
Unclaimed Property

- **25** states have adopted NCOIL Model
- **5** states with pending legislation
- Alters life insurers’ historic legal obligation
- ACLI supports uniform national standards
State Taxation of Insurance

- **Rate** – changing the premium tax rate
- **Tax Base** – including/excluding items currently or not currently taxed
- **Credits** – extending a new tax credit/limiting an existing tax credit
- **Combined Unitary Reporting** – combining insurers and non-insurers for state income tax purposes
Principle-Based Reserves (PBR)

- 47 U.S. jurisdictions adopted
- 38 states adopted the Valuation Manual
- 89% of gross U.S. premiums
- DC & MA legislation pending
- Replaces formulaic method of determining policy reserves
Contact Information

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