

**OPENING REMARKS OF THE HONORABLE RUBEN HINOJOSA
SUBCOMMITTEE ON CAPITAL MARKETS
HOUSE COMMITTEE ON FINANCIAL SERVICES
HEARING ON “H.R. 5840, THE INSURANCE INFORMATION ACT OF 2008”**

Chairman Kanjorski, I want to thank you for holding this very important and timely hearing today. You and your staff always seem to have your finger on the pulse of the capital markets system, and today’s hearing reflects that fact.

I want to commend you for introducing H.R. 5840, which would establish an Office of Insurance Information in the Department of the Treasury. I have had my staff read the bill and consult with me on it last night.

It is my understanding, and perhaps you can correct me, that the draft of H.R. 5840 completed on June 4th, would create an Office of Insurance Information in the Department of Treasury. It is also my understanding that the Office basically would have the authority to preempt state insurance laws – excluding health insurance – if those state laws were deemed to be contrary to treaties or other agreements the United States has entered into with a foreign government, authority or regulatory entity.

Some of the groups that oppose the legislation have characterized the new Office and its duties and powers as a way to preempt virtually all state insurance laws, excluding health insurance.

I have not taken a position on the Draft bill, nor have I stated my position on the idea of a new Office of Insurance Information to those who have visited my office to discuss the proposal on insurance issues, mainly because the draft just became available.

My understanding is that because the Office of Insurance Information will serve as a Treasury representative to the Trade Promotion Coordinating Committee, it will have the power to determine, or at least influence, the language included in agreements that will be entered into between the United States and foreign governments, authorities or regulatory entities on insurance matters. Basically, the proposal gives the Office of Insurance Information the power to preempt any and all state laws. I support states rights, allowing them to have the power and ability to oversee their insurance sector.

To help me take a position on this legislation, I would like today’s witnesses to provide me in writing with a list of current agreements/treaties the U.S has entered into with foreign governments, authorities and/or regulatory entities on insurance of all kinds, excluding health insurance. The titles and brief description will suffice.

I also would like today’s witnesses to provide me in writing with any insurance negotiations the U.S currently has under consideration with any foreign governments, authorities or regulatory entities. The titles and brief description will suffice.

Some groups in my district have expressed concern with any and all legislation that could preempt state laws on insurance. Hopefully today’s witnesses will shed some light on the

concerns that have been raised by small insurance entities in not only my district but in others around the country.

Again, I commend you, Chairman Kanjorski, for holding today's hearing and look forward to working with you and your staff as the bill moves forward in Committee and to the floor.

Thank you.