115th Congress  1st Session  

H. R. 3762

To preserve the State-based system of insurance regulation and provide greater oversight of and transparency on international insurance standards setting processes, and for other purposes.

IN THE HOUSE OF REPRESENTATIVES

September 13, 2017

Mr. Duffy (for himself and Mr. Heck) introduced the following bill; which was referred to the Committee on Financial Services, and in addition to the Committee on Rules, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned

A BILL

To preserve the State-based system of insurance regulation and provide greater oversight of and transparency on international insurance standards setting processes, and for other purposes.

1  Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

2  SECT. 1. SHORT TITLE.

3  This Act may be cited as the “International Insurance Standards Act of 2017”.

4  SEC. 2. CONGRESSIONAL FINDINGS.

5  The Congress finds the following:
(1) The State-based system for insurance regulation in the United States has served American consumers well for more than 150 years and has fostered an open and competitive marketplace with a diversity of insurance products to the benefit of policyholders and consumers.

(2) Protecting policyholders by regulating to ensure an insurer’s ability to pay claims has been the hallmark of the successful United States system and should be the paramount objective of domestic prudential regulation and emerging international standards.

(3) The Dodd-Frank Wall Street Reform and Consumer Protection Act (Public Law 111–203) reaffirmed the State-based insurance regulatory system.

SEC. 3. REQUIREMENT THAT INSURANCE STANDARDS REFLECT UNITED STATES POLICY.

(a) Requirement.—Parties representing the Federal Government in any international regulatory, standard-setting, or supervisory forum or in any negotiations of any international agreements relating to the prudential aspects of insurance shall not agree to, accede to, accept, or establish, and shall use their voice and shall vote to oppose, any proposed agreement, including agreements or
proposed agreements for an international insurance stand-
ard, including proposals developed by the International
Association of Insurance Supervisors (or a successor enti-
ty), that—

(1) is inconsistent with and does not reflect ex-
esting Federal and State laws, regulations, and poli-
cies on regulation of insurance, including the pri-
macies of policyholder protection in solvency regula-
tion; and

(2) would not recognize existing Federal and
State laws, regulations, and policies on the regula-
tion of insurance as satisfying such proposals.

(b) FEDERAL INSURANCE OFFICE FUNCTIONS.—

Subparagraph (E) of section 313(c)(1) of title 31, United
States Code, is amended by inserting “Department of the
Treasury of the” before “United States”.

SEC. 4. STATE INSURANCE REGULATOR INVOLVEMENT IN
INTERNATIONAL STANDARD SETTING.

In developing international insurance standards pur-
suant to section 3, and throughout the negotiations of
such standards, parties representing the Federal Govern-
ment shall, on matters related to insurance, closely con-
sult, coordinate with and include in such meetings, State
insurance commissioners or, at the option of the State in-
insurance commissioners, designees of the insurance commissioners acting at their direction.

SEC. 5. CONSULTATION WITH CONGRESS.

(a) Consultation.—Before initiating negotiations to enter into an agreement under section 3, during such negotiations, and before entering into any such agreement, parties representing the Federal Government shall provide written notice to and consult with the Committee on Financial Services of the House of Representatives and the Committee on Banking, Housing, and Urban Affairs of the Senate, and any other relevant committees of jurisdiction, regarding—

(1) the intention of the United States to participate or enter into such negotiations;

(2) the nature and objectives of the negotiations;

(3) the implementation of the agreement, including how it is consistent with and does not materially differ from or otherwise affect Federal or State laws or regulations; and

(4) the impact on the competitiveness of United States insurers.

(b) Submission and Layover Provisions.—Parties representing the Federal Government may not sign the final text or otherwise agree to, accept, or establish
an agreement under section 3 that would not have the
force and effect of law before—

(1) such parties submit to the committees specified in subsection (a), on a day in which both
Houses of Congress are in session, a copy of the
final legal text of the agreement; and

(2) the later of—

(A) the expiration of 90-day period begin-
ning on the date on which the copy of the final
legal text of the agreement is submitted to the
congressional committees under paragraph (1);
or

(B) if the President has vetoed a joint res-
olution described in section 6(b) relating to the
agreement, the expiration of the 15-day period
described in section 6(a)(2).

(c) DELIVERY OF DOCUMENTS TO BOTH HOUSES.—
Whenever, pursuant to this section, written notice or a
document is required to be transmitted to the Congress,
copies of such notice or document shall be delivered to
both Houses of Congress on the same day and shall be
delivered to the Clerk of the House of Representatives if
the House is not in session and to the Secretary of the
Senate if the Senate is not in session.
SEC. 6. CONGRESSIONAL REVIEW.

(a) DISAPPROVAL.—

(1) IN GENERAL.—In the case of any agreement under section 3 that would not have the force and effect of law, the United States shall not be considered a party to such agreement if, before the expiration of the 90-day period beginning on the day that the final legal text of the agreement is submitted to the Congress pursuant to section 5(b)(1), a joint resolution described in subsection (b) is enacted into law.

(2) VETO.—If the President vetoes the joint resolution, the joint resolution shall be treated as enacted into law before the end of the 90-day period under paragraph (1) if both Houses of Congress vote to override such veto on or before the later of—

(A) the last day of such 90-day period; or

(B) the last day of the 15-day period (excluding any day described in subsection (h)) beginning on the date the Congress receives the veto message from the President.

(b) CONTENTS OF RESOLUTION.—For purposes of this section, the term “resolution” means only a joint resolution of the two Houses of the Congress, that is introduced during the 60-day period beginning upon the submission to the Congress pursuant to section 5(b)(1) of the
agreement to which such resolution relates, and the matter
after the resolving clause of which is as follows: “That
the Congress does not approve the agreement transmitted
to the Congress pursuant to section 5(b)(1) of the Inter-
national Insurance Standards Act of 2017, on
__________.”, the blank space being filled with the ap-
proprietate date.

(c) REFERENCE TO COMMITTEES.—All resolutions
introduced in the House of Representatives shall be re-
ferred to the Committee on Financial Services and all res-
olutions introduced in the Senate shall be referred to the
Committee on Banking, Housing, and Urban Affairs.

(d) DISCHARGE OF COMMITTEES.—

(1) IN GENERAL.—If the committee of either
House to which a resolution has been referred has
not reported it at the end of 30 days after its intro-
duction, not counting any day which is excluded
under subsection (h), it is in order to move either to
discharge the committee from further consideration
of the resolution or to discharge the committee from
further consideration of any other resolution intro-
duced with respect to the same matter, except that
a motion to discharge—

(A) may only be made on the second legis-
lative day after the calendar day on which the
Member making the motion announces to the
House his intention to do so; and

(B) is not in order after the committee has
reported a resolution with respect to the same
matter.

(2) PRIVILEGE.—A motion to discharge under
paragraph (1) may be made only by an individual fa-
voring the resolution, and is highly privileged in the
House and privileged in the Senate; and debate
thereon shall be limited to not more than 1 hour, the
time to be divided in the House equally between
those favoring and those opposing the resolution,
and to be divided in the Senate equally between, and
controlled by, the majority leader and the minority
leader or their designees. An amendment to the mo-
tion is not in order, and it is not in order to move
to reconsider the vote by which the motion is agreed
to or disagreed to.

(c) FLOOR CONSIDERATION IN THE HOUSE.—

(1) IN GENERAL.—A motion in the House of
Representatives to proceed to the consideration of a
resolution shall be highly privileged and not debat-
able. An amendment to the motion shall not be in
order, nor shall it be in order to move to reconsider
the vote by which the motion is agreed to or dis-
agreed to.

(2) **Debate; No Reconsideration.**—Debate in the House of Representatives on a resolution shall be limited to not more than 20 hours, which shall be divided equally between those favoring and those opposing the resolution. A motion further to limit debate shall not be debatable. No amendment to, or motion to recommit, the resolution shall be in order. It shall not be in order to move to reconsider the vote by which a resolution is agreed to or disagreed to.

(3) **Consideration of Other Motions.**—Mo-
tions to postpone, made in the House of Representa-
tives with respect to the consideration of a resolu-
tion, and motions to proceed to the consideration of other business, shall be decided without debate.

(4) **Appeals to Decisions of Chair.**—All ap-
peals from the decisions of the Chair relating to the application of the Rules of the House of Representa-
tives to the procedure relating to a resolution shall be decided without debate.

(5) **Applicability of Rules.**—Except to the extent specifically provided in the preceding provi-
sions of this subsection, consideration of a resolution
in the House of Representatives shall be governed by
the Rules of the House of Representatives applicable
to other resolutions in similar circumstances.

(f) FLOOR CONSIDERATION IN THE SENATE.—

(1) MOTION TO PROCEED.—A motion in the
Senate to proceed to the consideration of a resolu-
tion shall be privileged. An amendment to the mo-
tion shall not be in order, nor shall it be in order
to move to reconsider the vote by which the motion
is agreed to or disagreed to.

(2) DEBATE ON RESOLUTION.—Debate in the
Senate on a resolution, and all debatable motions
and appeals in connection therewith, shall be limited
to not more than 20 hours, to be equally divided be-
tween, and controlled by, the majority leader and the
minority leader or their designees.

(3) DEBATE ON MOTION OR APPEAL.—Debate
in the Senate on any debatable motion or appeal in
connection with a resolution shall be limited to not
more than 1 hour, to be equally divided between,
and controlled by, the mover and the manager of the
resolution, except that in the event the manager of
the resolution is in favor of any such motion or ap-
peal, the time in opposition thereto, shall be con-
trolled by the minority leader or his designee. Such
leaders, or either of them, may, from time under
their control on the passage of a resolution, allot ad-
ditional time to any Senator during the consider-
ation of any debatable motion or appeal.

(4) MOTION TO LIMIT DEBATE.—A motion in
the Senate to further limit debate on a resolution,
debatable motion, or appeal is not debatable. No
amendment to, or motion to recommit, a resolution
is in order in the Senate.

(g) PROCEDURES IN THE SENATE.—

(1) PROCEDURES.—Except as otherwise pro-
vided in this section, the following procedures shall
apply in the Senate to a resolution to which this sec-
tion applies:

(A)(i) Except as provided in clause (ii), a
resolution that has passed the House of Rep-
resentatives shall, when received in the Senate,
be referred to the Committee on Banking,
Housing, and Urban Affairs for consideration
in accordance with this section.

(ii) If a resolution to which this section ap-
plies was introduced in the Senate before re-
ceipt of a resolution that has passed the House
of Representatives, the resolution from the
House of Representatives shall, when received
in the Senate, be placed on the calendar. If this clause applies, the procedures in the Senate with respect to a resolution introduced in the Senate that contains the identical matter as the resolution that passed the House of Representatives shall be the same as if no resolution had been received from the House of Representatives, except that the vote on passage in the Senate shall be on the resolution that passed the House of Representatives.

(B) If the Senate passes a resolution before receiving from the House of Representatives a joint resolution that contains the identical matter, the joint resolution shall be held at the desk pending receipt of the joint resolution from the House of Representatives. Upon receipt of the joint resolution from the House of Representatives, such joint resolution shall be deemed to be read twice, considered, read the third time, and passed.

(2) NON-IDENTICAL RESOLUTIONS.—If the texts of joint resolutions described in this section concerning any matter are not identical—

(A) the Senate shall vote passage on the resolution introduced in the Senate; and
(B) the text of the joint resolution passed by the Senate shall, immediately upon its passage (or, if later, upon receipt of the joint resolution passed by the House), be substituted for the text of the joint resolution passed by the House of Representatives, and such resolution, as amended, shall be returned with a request for a conference between the two Houses.

(3) CONSIDERATION OF VETO MESSAGE.—Consideration in the Senate of any veto message with respect to a joint resolution described in subsection (b), including consideration of all debatable motions and appeals in connection therewith, shall be limited to 10 hours, to be equally divided between, and controlled by, the majority leader and the minority leader or their designees.

(h) COMPUTATION OF PERIOD.—For purposes of subsection (a)(1) of this section and subsection (b)(2) of section 5, the 90-day period referred to in such subsections shall be computed by excluding—

(1) the days on which either House is not in session because of an adjournment of more than 3 days to a day certain or an adjournment of the Congress sine die; and
(2) any Saturday and Sunday, not excluded under paragraph (1), when either House is not in session.

(i) EXERCISE OF RULEMAKING POWER.—This section is enacted by the Congress—

(1) as an exercise of the rulemaking power of the House of Representatives and the Senate, respectively, and as such they are deemed a part of the rules of each House, respectively, but applicable only with respect to the procedure to be followed in that House in the case of resolutions described in subsection (b); and they supersede other rules only to the extent that they are inconsistent therewith; and

(2) with full recognition of the constitutional right of either House to change the rules (so far as relating to the procedure of that House) at any time, in the same manner and to the same extent as in the case of any other rule of that House.

(j) RULE OF CONSTRUCTION.—This section, and any failure to enact a resolution under this section, shall not be construed to be an endorsement of or to establish or expand any authority to enter into or implement an agreement described in section 3 that is not otherwise provided for under Federal law.
SEC. 7. COVERED AGREEMENTS.

(a) PREEMPTION OF STATE INSURANCE MEASURES.—Subsection (f) of section 313 of title 31, United States Code, is amended by striking “Director” each place such term appears and inserting “Secretary”.

(b) DEFINITION.—Paragraph (2) of section 313(r) of title 31, United States Code, is amended—

(1) in subparagraph (A), by striking “and” at the end;

(2) in subparagraph (B), by striking the period at the end and inserting a semicolon; and

(3) by adding at the end the following new subparagraphs:

“(C) does not include new prudential requirements for United States insurers; and

“(D) applies only on a prospective basis.”.

(e) CONSULTATION; SUBMISSION AND LAYOVER;

CONGRESSIONAL REVIEW.—Section 314 of title 31, United States Code, is amended—

(1) in subsection (b)—

(A) in paragraph (1)—

(i) by striking “and” after “House of Representatives” and inserting a comma;

and

(ii) by inserting after “Committee on Finance of the Senate” the following: “,
and the International Trade Advisory Committee on Services and Finance Industries established pursuant to section 135(c)(1) of the Trade Act of 1974 (19 U.S.C. 2155(c)(1))’’;

(B) in paragraph (2)(C), by striking ‘‘laws’’ and inserting the following: ‘‘and Federal law, and the nature of any changes in the laws of the United States or the administration of such laws that would be required to carry out a covered agreement’’; and

(C) by adding at the end the following new paragraph:

‘‘(3) ACCESS TO NEGOTIATING TEXTS AND OTHER DOCUMENTS.—Congressional committees, staff with proper security clearances, and the International Trade Advisory Committee specified in paragraph (1) shall be given access to United States negotiating proposals, consolidated draft texts, and other pertinent documents related to the negotiations, including classified materials.’’;

(2) in subsection (c)—

(A) in the matter preceding paragraph (1), by striking ‘‘only if—’’ and inserting the following: ‘‘only if, before signing the final legal
text or otherwise entering into the agreement—

(B) in paragraph (1), by striking “congres-
sional committees specified in subsection
(b)(1)” and inserting “congressional committees
and International Trade Advisory Committee
specified in subsection (b)(1) and to staff with
proper security clearances”; and

(C) by striking paragraph (2) and insert-
ing the following new paragraph:

“(2)(A) the 90-day period beginning on the
date on which the copy of the final legal text of the
agreement is submitted under paragraph (1) to the
congressional committees, International Trade Advi-
sory Committee, and staff has expired; and

“(B) if the President has vetoed a joint resolu-
tion described in subsection (d)(2) relating to the
agreement, the 15-day period described in subsection
(d)(1)(B)(ii) has expired.”; and

(3) by adding at the end the following new sub-
sections:

“(d) CONGRESSIONAL REVIEW.—

“(1) DISAPPROVAL.—

“(A) IN GENERAL.—A covered agreement
shall have no force and effect in the United
States if, before the expiration of the 90-day period beginning on the day that the final legal text of the agreement is submitted to the Congress pursuant to subsection (c), a joint resolution described in paragraph (2) is enacted into law.

“(B) Veto.—If the President vetoes the joint resolution, the joint resolution shall be treated as enacted into law before the end of the 90-day period under subparagraph (A) if both Houses of Congress vote to override such veto on or before the later of—

“(i) the last day of such 90-day period; or

“(ii) the last day of the 15-day period (excluding any day described in paragraph (8)) beginning on the date the Congress receives the veto message from the President.

“(2) Contents of resolutions.—For purposes of this subsection, the term ‘resolution’ means only a joint resolution of the two Houses of the Congress, that is introduced during the 60-day period beginning upon the submission to the Congress pursuant to subsection (c) of the covered agreement to
which such resolution relates, and the matter after
the resolving clause of which is as follows: ‘That the
Congress does not approve the covered agreement
transmitted to the Congress pursuant to section
314(c) of title 31, United States Code, on
__________,’ the blank space being filled with
the appropriate date.

“(3) Reference to Committees.—All resolu-
tions introduced in the House of Representatives
shall be referred to the Committee on Financial
Services and all resolutions introduced in the Senate
shall be referred to the Committee on Banking,
Housing, and Urban Affairs.

“(4) Discharge of Committees.—

“(A) In General.—If the committee of ei-
ther House to which a resolution has been re-
ferred has not reported it at the end of 30 days
after its introduction, not counting any day
which is excluded under paragraph (8), it is in
order to move either to discharge the committee
from further consideration of the resolution or
to discharge the committee from further consid-
eration of any other resolution introduced with
respect to the same matter, except that a mo-
tion to discharge—
“(i) may only be made on the second legislative day after the calendar day on which the Member making the motion announces to the House his intention to do so; and

“(ii) is not in order after the committee has reported a resolution with respect to the same matter.

“(B) PRIVILEGE.—A motion to discharge under subparagraph (A) may be made only by an individual favoring the resolution, and is highly privileged in the House and privileged in the Senate; and debate thereon shall be limited to not more than 1 hour, the time to be divided in the House equally between those favoring and those opposing the resolution, and to be divided in the Senate equally between, and controlled by, the majority leader and the minority leader or their designees. An amendment to the motion is not in order, and it is not in order to move to reconsider the vote by which the motion is agreed to or disagreed to.

“(5) FLOOR CONSIDERATION IN THE HOUSE.—

“(A) IN GENERAL.—A motion in the House of Representatives to proceed to the con-
consideration of a resolution shall be highly privileged and not debatable. An amendment to the motion shall not be in order, nor shall it be in order to move to reconsider the vote by which the motion is agreed to or disagreed to.

“(B) Debate; no reconsideration.—
Debate in the House of Representatives on a resolution shall be limited to not more than 20 hours, which shall be divided equally between those favoring and those opposing the resolution. A motion further to limit debate shall not be debatable. No amendment to, or motion to recommit, the resolution shall be in order. It shall not be in order to move to reconsider the vote by which a resolution is agreed to or disagreed to.

“(C) Consideration of other motions.—Motions to postpone, made in the House of Representatives with respect to the consideration of a resolution, and motions to proceed to the consideration of other business, shall be decided without debate.

“(D) Appeals to decisions of Chair.—
All appeals from the decisions of the Chair relating to the application of the Rules of the
House of Representatives to the procedure relating to a resolution shall be decided without debate.

“(E) Applicability of Rules.—Except to the extent specifically provided in the preceding provisions of this paragraph, consideration of a resolution in the House of Representatives shall be governed by the Rules of the House of Representatives applicable to other resolutions in similar circumstances.

“(6) Floor consideration in the Senate.—

“(A) Motion to Proceed.—A motion in the Senate to proceed to the consideration of a resolution shall be privileged. An amendment to the motion shall not be in order, nor shall it be in order to move to reconsider the vote by which the motion is agreed to or disagreed to.

“(B) Debate on Resolution.—Debate in the Senate on a resolution, and all debatable motions and appeals in connection therewith, shall be limited to not more than 20 hours, to be equally divided between, and controlled by, the majority leader and the minority leader or their designees.
“(C) Debate on motion or appeal.—
Debate in the Senate on any debatable motion or appeal in connection with a resolution shall be limited to not more than 1 hour, to be equally divided between, and controlled by, the mover and the manager of the resolution, except that in the event the manager of the resolution is in favor of any such motion or appeal, the time in opposition thereto, shall be controlled by the minority leader or his designee. Such leaders, or either of them, may, from time under their control on the passage of a resolution, allot additional time to any Senator during the consideration of any debatable motion or appeal.

“(D) Motion to limit debate.—A motion in the Senate to further limit debate on a resolution, debatable motion, or appeal is not debatable. No amendment to, or motion to recommit, a resolution is in order in the Senate.

“(7) Procedures in the Senate.—

“(A) Procedures.—Except as otherwise provided in this section, the following procedures shall apply in the Senate to a resolution to which this subsection applies:
“(i)(I) Except as provided in sub-
clause (II), a resolution that has passed
the House of Representatives shall, when
received in the Senate, be referred to the
Committee on Banking, Housing, and
Urban Affairs for consideration in accord-
ance with this subsection.

“(II) If a resolution to which this sub-
section applies was introduced in the Sen-
ate before receipt of a resolution that has
passed the House of Representatives, the
resolution from the House of Representa-
tives shall, when received in the Senate, be
placed on the calendar. If this subclause
applies, the procedures in the Senate with
respect to a resolution introduced in the
Senate that contains the identical matter
as the resolution that passed the House of
Representatives shall be the same as if no
resolution had been received from the
House of Representatives, except that the
vote on passage in the Senate shall be on
the resolution that passed the House of
Representatives.
“(ii) If the Senate passes a resolution before receiving from the House of Representatives a joint resolution that contains the identical matter, the joint resolution shall be held at the desk pending receipt of the joint resolution from the House of Representatives. Upon receipt of the joint resolution from the House of Representatives, such joint resolution shall be deemed to be read twice, considered, read the third time, and passed.

“(B) Non-identical Resolutions.—If the texts of joint resolutions described in this subsection concerning any matter are not identical—

“(i) the Senate shall vote passage on the resolution introduced in the Senate; and

“(ii) the text of the joint resolution passed by the Senate shall, immediately upon its passage (or, if later, upon receipt of the joint resolution passed by the House), be substituted for the text of the joint resolution passed by the House of Representatives, and such resolution, as
amended, shall be returned with a request for a conference between the two Houses.

“(C) Consideration of veto message.—Consideration in the Senate of any veto message with respect to a joint resolution described in paragraph (2), including consideration of all debatable motions and appeals in connection therewith, shall be limited to 10 hours, to be equally divided between, and controlled by, the majority leader and the minority leader or their designees.

“(8) Computation of period.—For purposes of paragraph (1)(A) of this subsection and paragraph (2)(A) of subsection (c), the 90-day period referred to in such paragraph shall be computed by excluding—

“(A) the days on which either House is not in session because of an adjournment of more than 3 days to a day certain or an adjournment of the Congress sine die; and

“(B) any Saturday and Sunday, not excluded under subparagraph (A), when either House is not in session.

“(9) Exercise of rulemaking power.—This subsection is enacted by the Congress—
“(A) as an exercise of the rulemaking power of the House of Representatives and the Senate, respectively, and as such they are deemed a part of the rules of each House, respectively, but applicable only with respect to the procedure to be followed in that House in the case of resolutions described in paragraph (2); and they supersede other rules only to the extent that they are inconsistent therewith; and

“(B) with full recognition of the constitutional right of either House to change the rules (so far as relating to the procedure of that House) at any time, in the same manner and to the same extent as in the case of any other rule of that House.

“(e) Participation of State Insurance Commissioners.—Throughout the negotiations of a covered agreement, parties representing the Federal Government shall closely consult and coordinate with, and include in such meetings, State insurance commissioners or, at the option of the State insurance commissioners, designees of the insurance commissioners acting at their direction.”.