

[Discussion Draft]
AMENDMENT IN THE NATURE OF A SUBSTITUTE
TO H.R. 3861
OFFERED BY MR. DUFFY OF WISCONSIN

Strike all after the enacting clause and insert the following:

1 **SECTION 1. SHORT TITLE.**

2 This Act may be cited as the “Federal Insurance Of-
3 fice Reform Act of 2017”.

4 **SEC. 2. REFORM OF FEDERAL INSURANCE OFFICE.**

5 (a) IN GENERAL.—Section 313 of title 31, United
6 States Code, is amended as follows:

7 (1) LEADERSHIP.—In the first sentence of sub-
8 section (b), by inserting before the period at the end
9 the following: “after consultation with State insur-
10 ance commissioners”.

11 (2) FUNCTIONS.—In subsection (c)—

12 (A) in paragraph (1)—

13 (i) by striking subparagraph (H);

14 (ii) in subparagraph (E), by striking
15 “to coordinate” and all that follows
16 through “United States” and inserting the
17 following: “to coordinate Federal efforts,

1 and to coordinate with the States, in devel-
2 oping Federal policy on prudential aspects
3 of international insurance matters, includ-
4 ing representing the Federal Government”;

5 (iii) in subparagraph (F)—

6 (I) by striking “to determine”
7 and inserting “to assist the Secretary
8 in determining”; and

9 (II) by inserting “and” after the
10 semicolon at the end; and

11 (iv) by striking subparagraph (G) and
12 inserting the following:

13 “(G) to consult and work toward consensus
14 with the States (including State insurance regu-
15 lators) on matters of international impor-
16 tance.”; and

17 (B) in paragraph (2), by striking “major
18 domestic and”.

19 (3) GATHERING OF INFORMATION.—In sub-
20 section (e)—

21 (A) in paragraph (1)—

22 (i) in the matter preceding subpara-
23 graph (A), by striking “may—” and in-
24 serting “may enter into information-shar-
25 ing agreements.”; and

1 (ii) by striking subparagraphs (A)
2 through (D);

3 (B) by striking paragraphs (2), (3), (4),
4 and (6); and

5 (C) by redesignating paragraph (5) as
6 paragraph (2).

7 (4) PREEMPTION OF STATE INSURANCE MEAS-
8 URES.—In subsection (f), by striking “Director”
9 each place such term appears and inserting “Sec-
10 retary”.

11 (5) CONSULTATION.—In subsection (i)—

12 (A) by striking “to the extent the Director
13 determines appropriate,”; and

14 (B) by inserting before the period at the
15 end the following: “and shall seek to include in
16 such meetings, State insurance commissioners,
17 or at the option of the State insurance commis-
18 sioners, designees acting at the direction of the
19 State insurance commissioners, throughout the
20 negotiations of a covered agreement”.

21 (6) RETENTION OF EXISTING STATE REGU-
22 LATORY AUTHORITY.—In subsection (k), by insert-
23 ing before the period at the end the following: “or
24 with the authority to participate in a supervisory col-
25 lege or similar regulatory process”.

1 (7) REPEAL OF CERTAIN REPORTS REQUIRE-
2 MENTS.—By striking subsections (o) and (p) and re-
3 designating subsections (q) through (s) as sub-
4 sections (o) through (q), respectively.

5 (8) DEFINITION.—In subsection (p)(2), as so
6 redesignated by paragraph (7)—

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

9 (B) in subparagraph (B), by striking the
10 period at the end and inserting “; and”; and

11 (C) by adding at the end the following new
12 subparagraph:

13 “(C) does not include new prudential re-
14 quirements for United States insurers.”.

15 (b) CONFORMING AMENDMENT.—Subparagraph (E)
16 of section 313(c)(1) of title 31, United States Code, is
17 amended by striking “subsection (r)” and inserting “sub-
18 section (p)”.

