

**Vincent J. Ryan**

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**Via Electronic Submission**

The Honorable Spiros Mantzavinos  
Chairman  
Senate Committee on Banking, Business, & Insurance  
Delaware General Assembly  
411 Legislative Ave  
Dover, DE 19901

**Re: House Bill 229 – SUPPORT**

Dear Mr. Chairman:

The American Council of Life Insurers (ACLI)<sup>1</sup> appreciates the opportunity to write in favor of House Bill 229 (“H. 229”) to enact the National Association of Insurance Commissioner’s (the “NAIC”) Interstate Insurance Product Regulation Compact (the “Compact”).

The Compact was ratified in 2002 when the National Association of Insurance Commissioners developed model legislation that the states could later adopt to join the Compact. Since 2004, 44 states, the District of Columbia and Puerto Rico, have enacted Compact-enabling legislation, representing approximately 75% of premium volume nationwide.

The Compact allows insurers competing on a regional or national scale to file their products in one central filing place rather than requiring them to file in numerous individual states. Products filed under the Compact are subject to a high-quality review process. Ultimately, if insurers are able to bring their products to market more quickly and efficiently, consumers benefit as they

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<sup>1</sup> The ACLI is the leading trade association driving public policy and advocacy on behalf of the life insurance industry. 90 million American families rely on the life insurance industry for financial protection and retirement security. ACLI’s member companies are dedicated to protecting consumers’ financial wellbeing through life insurance, annuities, retirement plans, long-term care insurance, disability income insurance, reinsurance, and dental, vision and other supplemental benefits. ACLI members account for 99 percent of the annuity contracts issued in Delaware.

have faster access to newer and more competitive products. The Compact serves as a central point of electronic filing for certain insurance products, including life insurance, annuities, disability income, and long-term care insurance that are reviewed for compliance pursuant to comprehensive and detailed uniform product standards developed and adopted by member states consistent with their product content requirements.

Consumer protection is the hallmark of a state-based regulatory system and the Compact is no exception, which is good news for both insurers and consumers. The main benefits of the Compact are that it:

- Allows consumers to have faster access to competitive insurance products;
- Enhances the efficiency and effectiveness of how insurance products are filed, reviewed and approved; and
- Promotes uniformity through the development and application of uniform product standards that contain strong consumer protections.

The Compact has adopted over 100 uniform product standards, including those relating to individual and group life insurance, disability income insurance, annuities and individual long-term care insurance. The Compact also continually evaluates the need to adopt new uniform product standards and amend existing ones. If enacted, H. 229 would allow for the Delaware Insurance Commissioner to participate in the development of these uniform product standards, ensuring that Delaware consumers have a voice in the process.

ACLI commends the Department of Insurance (the “Department”) and Commissioner for proposing this legislation, as well as engaging with all stakeholders in a thorough discussion and review of the Compact and its standards. We urge the Committee to release and pass H. 229.

Thanks for your consideration and please feel free to reach out should any member of your committee have further questions.

Respectfully submitted,

A handwritten signature in black ink, appearing to read "Vincent J. Ryan", followed by a horizontal line.

VINCENT J. RYAN

Cc: Members of the Senate Committee on Banking, Business & Insurance  
Tanisha L. Merced, Chief Deputy Insurance Commissioner  
Christina Haas, Senior Policy Advisor, Delaware Department of Insurance