

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Kansas (Mr. MOORE) that the House suspend the rules and pass the bill, H.R. 2664.

The question was taken; and (two-thirds being in the affirmative) the rules were suspended and the bill was passed.

A motion to reconsider was laid on the table.

NONADMITTED AND REINSURANCE REFORM ACT OF 2009

Mr. MOORE of Kansas. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 2571) to streamline the regulation of nonadmitted insurance and reinsurance, and for other purposes.

The Clerk read the title of the bill.

The text of the bill is as follows:

H.R. 2571

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

SECTION 1. SHORT TITLE AND TABLE OF CONTENTS.

(a) SHORT TITLE.—This Act may be cited as the “Nonadmitted and Reinsurance Reform Act of 2009”.

(b) TABLE OF CONTENTS.—The table of contents for this Act is as follows:

Sec. 1. Short title and table of contents.
Sec. 2. Effective date.

TITLE I—NONADMITTED INSURANCE

Sec. 101. Reporting, payment, and allocation of premium taxes.
Sec. 102. Regulation of nonadmitted insurance by insured’s home State.
Sec. 103. Participation in national producer database.
Sec. 104. Uniform standards for surplus lines eligibility.
Sec. 105. Streamlined application for commercial purchasers.
Sec. 106. GAO study of nonadmitted insurance market.
Sec. 107. Definitions.

TITLE II—REINSURANCE

Sec. 201. Regulation of credit for reinsurance and reinsurance agreements.
Sec. 202. Regulation of reinsurer solvency.
Sec. 203. Definitions.

TITLE III—RULE OF CONSTRUCTION

Sec. 301. Rule of construction.
Sec. 302. Severability.

SEC. 2. EFFECTIVE DATE.

Except as otherwise specifically provided in this Act, this Act shall take effect upon the expiration of the 12-month period beginning on the date of the enactment of this Act.

TITLE I—NONADMITTED INSURANCE

SEC. 101. REPORTING, PAYMENT, AND ALLOCATION OF PREMIUM TAXES.

(a) HOME STATE’S EXCLUSIVE AUTHORITY.—No State other than the home State of an insured may require any premium tax payment for nonadmitted insurance.

(b) ALLOCATION OF NONADMITTED PREMIUM TAXES.—

(1) IN GENERAL.—The States may enter into a compact or otherwise establish procedures to allocate among the States the premium taxes paid to an insured’s home State described in subsection (a).

(2) EFFECTIVE DATE.—Except as expressly otherwise provided in such compact or other

procedures, any such compact or other procedures—

(A) if adopted on or before the expiration of the 330-day period that begins on the date of the enactment of this Act, shall apply to any premium taxes that, on or after such date of enactment, are required to be paid to any State that is subject to such compact or procedures; and

(B) if adopted after the expiration of such 330-day period, shall apply to any premium taxes that, on or after January 1 of the first calendar year that begins after the expiration of such 330-day period, are required to be paid to any State that is subject to such compact or procedures.

(3) REPORT.—Upon the expiration of the 330-day period referred to in paragraph (2), the NAIC may submit a report to the Committee on Financial Services and Committee on the Judiciary of the House of Representatives and the Committee on Banking, Housing, and Urban Affairs of the Senate identifying and describing any compact or other procedures for allocation among the States of premium taxes that have been adopted during such period by any States.

(4) NATIONWIDE SYSTEM.—The Congress intends that each State adopt nationwide uniform requirements, forms, and procedures, such as an interstate compact, that provides for the reporting, payment, collection, and allocation of premium taxes for nonadmitted insurance consistent with this section.

(c) ALLOCATION BASED ON TAX ALLOCATION REPORT.—To facilitate the payment of premium taxes among the States, an insured’s home State may require surplus lines brokers and insureds who have independently procured insurance to annually file tax allocation reports with the insured’s home State detailing the portion of the nonadmitted insurance policy premium or premiums attributable to properties, risks or exposures located in each State. The filing of a nonadmitted insurance tax allocation report and the payment of tax may be made by a person authorized by the insured to act as its agent.

SEC. 102. REGULATION OF NONADMITTED INSURANCE BY INSURED’S HOME STATE.

(a) HOME STATE AUTHORITY.—Except as otherwise provided in this section, the placement of nonadmitted insurance shall be subject to the statutory and regulatory requirements solely of the insured’s home State.

(b) BROKER LICENSING.—No State other than an insured’s home State may require a surplus lines broker to be licensed in order to sell, solicit, or negotiate nonadmitted insurance with respect to such insured.

(c) ENFORCEMENT PROVISION.—With respect to section 101 and subsections (a) and (b) of this section, any law, regulation, provision, or action of any State that applies or purports to apply to nonadmitted insurance sold to, solicited by, or negotiated with an insured whose home State is another State shall be preempted with respect to such application.

(d) WORKERS’ COMPENSATION EXCEPTION.—This section may not be construed to preempt any State law, rule, or regulation that restricts the placement of workers’ compensation insurance or excess insurance for self-funded workers’ compensation plans with a nonadmitted insurer.

SEC. 103. PARTICIPATION IN NATIONAL PRODUCER DATABASE.

After the expiration of the 2-year period beginning on the date of the enactment of this Act, a State may not collect any fees relating to licensing of an individual or entity as a surplus lines broker in the State unless the State has in effect at such time laws or regulations that provide for participation by the State in the national insurance producer database of the NAIC, or any other equivalent

uniform national database, for the licensure of surplus lines brokers and the renewal of such licenses.

SEC. 104. UNIFORM STANDARDS FOR SURPLUS LINES ELIGIBILITY.

A State may not—

(1) impose eligibility requirements on, or otherwise establish eligibility criteria for, nonadmitted insurers domiciled in a United States jurisdiction, except in conformance with such requirements and criteria in sections 5A(2) and 5C(2)(a) of the Non-Admitted Insurance Model Act, unless the State has adopted nationwide uniform requirements, forms, and procedures developed in accordance with section 101(b) of this Act that include alternative nationwide uniform eligibility requirements; and

(2) prohibit a surplus lines broker from placing nonadmitted insurance with, or procuring nonadmitted insurance from, a nonadmitted insurer domiciled outside the United States that is listed on the Quarterly Listing of Alien Insurers maintained by the International Insurers Department of the NAIC.

SEC. 105. STREAMLINED APPLICATION FOR COMMERCIAL PURCHASERS.

A surplus lines broker seeking to procure or place nonadmitted insurance in a State for an exempt commercial purchaser shall not be required to satisfy any State requirement to make a due diligence search to determine whether the full amount or type of insurance sought by such exempt commercial purchaser can be obtained from admitted insurers if—

(1) the broker procuring or placing the surplus lines insurance has disclosed to the exempt commercial purchaser that such insurance may or may not be available from the admitted market that may provide greater protection with more regulatory oversight; and

(2) the exempt commercial purchaser has subsequently requested in writing the broker to procure or place such insurance from a nonadmitted insurer.

SEC. 106. GAO STUDY OF NONADMITTED INSURANCE MARKET.

(a) IN GENERAL.—The Comptroller General of the United States shall conduct a study of the nonadmitted insurance market to determine the effect of the enactment of this title on the size and market share of the nonadmitted insurance market for providing coverage typically provided by the admitted insurance market.

(b) CONTENTS.—The study shall determine and analyze—

(1) the change in the size and market share of the nonadmitted insurance market and in the number of insurance companies and insurance holding companies providing such business in the 18-month period that begins upon the effective date of this Act;

(2) the extent to which insurance coverage typically provided by the admitted insurance market has shifted to the nonadmitted insurance market;

(3) the consequences of any change in the size and market share of the nonadmitted insurance market, including differences in the price and availability of coverage available in both the admitted and nonadmitted insurance markets;

(4) the extent to which insurance companies and insurance holding companies that provide both admitted and nonadmitted insurance have experienced shifts in the volume of business between admitted and nonadmitted insurance; and

(5) the extent to which there has been a change in the number of individuals who have nonadmitted insurance policies, the type of coverage provided under such policies, and whether such coverage is available in the admitted insurance market.

(c) CONSULTATION WITH NAIC.—In conducting the study under this section, the Comptroller General shall consult with the NAIC.

(d) REPORT.—The Comptroller General shall complete the study under this section and submit a report to the Committee on Financial Services of the House of Representatives and the Committee on Banking, Housing, and Urban Affairs of the Senate regarding the findings of the study not later than 30 months after the effective date of this Act.

SEC. 107. DEFINITIONS.

For purposes of this title, the following definitions shall apply:

(1) ADMITTED INSURER.—The term “admitted insurer” means, with respect to a State, an insurer licensed to engage in the business of insurance in such State.

(2) AFFILIATE.—The term “affiliate” means, with respect to an insured, any entity that controls, is controlled by, or is under common control with the insured.

(3) AFFILIATED GROUP.—The term “affiliated group” means any group of entities that are all affiliated.

(4) CONTROL.—An entity has “control” over another entity if—

(A) the entity directly or indirectly or acting through one or more other persons owns, controls or has the power to vote 25 percent or more of any class of voting securities of the other entity; or

(B) the entity controls in any manner the election of a majority of the directors or trustees of the other entity.

(5) EXEMPT COMMERCIAL PURCHASER.—The term “exempt commercial purchaser” means any person purchasing commercial insurance that, at the time of placement, meets the following requirements:

(A) The person employs or retains a qualified risk manager to negotiate insurance coverage.

(B) The person has paid aggregate nationwide commercial property and casualty insurance premiums in excess of \$100,000 in the immediately preceding 12 months.

(C)(i) The person meets at least one of the following criteria:

(I) The person possesses a net worth in excess of \$20,000,000, as such amount is adjusted pursuant to clause (ii).

(II) The person generates annual revenues in excess of \$50,000,000, as such amount is adjusted pursuant to clause (ii).

(III) The person employs more than 500 full time or full time equivalent employees per individual insured or is a member of an affiliated group employing more than 1,000 employees in the aggregate.

(IV) The person is a not-for-profit organization or public entity generating annual budgeted expenditures of at least \$30,000,000, as such amount is adjusted pursuant to clause (ii).

(V) The person is a municipality with a population in excess of 50,000 persons.

(ii) Effective on the fifth January 1 occurring after the date of the enactment of this Act and each fifth January 1 occurring thereafter, the amounts in subclauses (I), (II), and (IV) of clause (i) shall be adjusted to reflect the percentage change for such five-year period in the Consumer Price Index for All Urban Consumers published by the Bureau of Labor Statistics of the Department of Labor.

(6) HOME STATE.—

(A) IN GENERAL.—Except as provided in subparagraph (B), the term “home State” means, with respect to an insured—

(i) the State in which an insured maintains its principal place of business or, in the case of an individual, the individual’s principal residence; or

(ii) if 100 percent of the insured risk is located out of the State referred to in subparagraph (A), the State to which the greatest percentage of the insured’s taxable premium for that insurance contract is allocated.

(B) AFFILIATED GROUPS.—If more than one insured from an affiliated group are named insureds on a single nonadmitted insurance contract, the term “home State” means the home State, as determined pursuant to subparagraph (A), of the member of the affiliated group that has the largest percentage of premium attributed to it under such insurance contract.

(7) INDEPENDENTLY PROCURED INSURANCE.—The term “independently procured insurance” means insurance procured directly by an insured from a nonadmitted insurer.

(8) NAIC.—The term “NAIC” means the National Association of Insurance Commissioners or any successor entity.

(9) NONADMITTED INSURANCE.—The term “nonadmitted insurance” means any property and casualty insurance permitted to be placed directly or through a surplus lines broker with a nonadmitted insurer eligible to accept such insurance.

(10) NON-ADMITTED INSURANCE MODEL ACT.—The term “Non-Admitted Insurance Model Act” means the provisions of the Non-Admitted Insurance Model Act, as adopted by the NAIC on August 3, 1994, and amended on September 30, 1996, December 6, 1997, October 2, 1999, and June 8, 2002.

(11) NONADMITTED INSURER.—The term “nonadmitted insurer” means, with respect to a State, an insurer not licensed to engage in the business of insurance in such State.

(12) QUALIFIED RISK MANAGER.—The term “qualified risk manager” means, with respect to a policyholder of commercial insurance, a person who meets all of the following requirements:

(A) The person is an employee of, or third party consultant retained by, the commercial policyholder.

(B) The person provides skilled services in loss prevention, loss reduction, or risk and insurance coverage analysis, and purchase of insurance.

(C) The person—

(i)(I) has a bachelor’s degree or higher from an accredited college or university in risk management, business administration, finance, economics, or any other field determined by a State insurance commissioner or other State regulatory official or entity to demonstrate minimum competence in risk management; and

(II)(aa) has three years of experience in risk financing, claims administration, loss prevention, risk and insurance analysis, or purchasing commercial lines of insurance; or

(bb) has one of the following designations: (AA) a designation as a Chartered Property and Casualty Underwriter (in this subparagraph referred to as “CPCU”) issued by the American Institute for CPCU/Insurance Institute of America;

(BB) a designation as an Associate in Risk Management (ARM) issued by the American Institute for CPCU/Insurance Institute of America;

(CC) a designation as Certified Risk Manager (CRM) issued by the National Alliance for Insurance Education & Research;

(DD) a designation as a RIMS Fellow (RF) issued by the Global Risk Management Institute; or

(EE) any other designation, certification, or license determined by a State insurance commissioner or other State insurance regulatory official or entity to demonstrate minimum competency in risk management;

(ii)(I) has at least seven years of experience in risk financing, claims administration, loss prevention, risk and insurance coverage

analysis, or purchasing commercial lines of insurance; and

(II) has any one of the designations specified in subitems (AA) through (EE) of clause (i)(II)(bb);

(iii) has at least 10 years of experience in risk financing, claims administration, loss prevention, risk and insurance coverage analysis, or purchasing commercial lines of insurance; or

(iv) has a graduate degree from an accredited college or university in risk management, business administration, finance, economics, or any other field determined by a State insurance commissioner or other State regulatory official or entity to demonstrate minimum competence in risk management.

(13) PREMIUM TAX.—The term “premium tax” means, with respect to surplus lines or independently procured insurance coverage, any tax, fee, assessment, or other charge imposed by a government entity directly or indirectly based on any payment made as consideration for an insurance contract for such insurance, including premium deposits, assessments, registration fees, and any other compensation given in consideration for a contract of insurance.

(14) SURPLUS LINES BROKER.—The term “surplus lines broker” means an individual, firm, or corporation which is licensed in a State to sell, solicit, or negotiate insurance on properties, risks, or exposures located or to be performed in a State with nonadmitted insurers.

(15) STATE.—The term “State” includes any State of the United States, the District of Columbia, the Commonwealth of Puerto Rico, Guam, the Northern Mariana Islands, the Virgin Islands, and American Samoa.

TITLE II—REINSURANCE

SEC. 201. REGULATION OF CREDIT FOR REINSURANCE AND REINSURANCE AGREEMENTS.

(a) CREDIT FOR REINSURANCE.—If the State of domicile of a ceding insurer is an NAIC-accredited State, or has financial solvency requirements substantially similar to the requirements necessary for NAIC accreditation, and recognizes credit for reinsurance for the insurer’s ceded risk, then no other State may deny such credit for reinsurance.

(b) ADDITIONAL PREEMPTION OF EXTRATERRITORIAL APPLICATION OF STATE LAW.—In addition to the application of subsection (a), all laws, regulations, provisions, or other actions of a State that is not the domiciliary State of the ceding insurer, except those with respect to taxes and assessments on insurance companies or insurance income, are preempted to the extent that they—

(1) restrict or eliminate the rights of the ceding insurer or the assuming insurer to resolve disputes pursuant to contractual arbitration to the extent such contractual provision is not inconsistent with the provisions of title 9, United States Code;

(2) require that a certain State’s law shall govern the reinsurance contract, disputes arising from the reinsurance contract, or requirements of the reinsurance contract;

(3) attempt to enforce a reinsurance contract on terms different than those set forth in the reinsurance contract, to the extent that the terms are not inconsistent with this title; or

(4) otherwise apply the laws of the State to reinsurance agreements of ceding insurers not domiciled in that State.

SEC. 202. REGULATION OF REINSURER SOLVENCY.

(a) DOMICILIARY STATE REGULATION.—If the State of domicile of a reinsurer is an NAIC-accredited State or has financial solvency requirements substantially similar to the requirements necessary for NAIC accreditation, such State shall be solely responsible

for regulating the financial solvency of the reinsurer.

(b) NONDOMICILIARY STATES.—

(1) LIMITATION ON FINANCIAL INFORMATION REQUIREMENTS.—If the State of domicile of a reinsurer is an NAIC-accredited State or has financial solvency requirements substantially similar to the requirements necessary for NAIC accreditation, no other State may require the reinsurer to provide any additional financial information other than the information the reinsurer is required to file with its domiciliary State.

(2) RECEIPT OF INFORMATION.—No provision of this section shall be construed as preventing or prohibiting a State that is not the State of domicile of a reinsurer from receiving a copy of any financial statement filed with its domiciliary State.

SEC. 203. DEFINITIONS.

For purposes of this title, the following definitions shall apply:

(1) CEDING INSURER.—The term “ceding insurer” means an insurer that purchases reinsurance.

(2) DOMICILIARY STATE.—The terms “State of domicile” and “domiciliary State” means, with respect to an insurer or reinsurer, the State in which the insurer or reinsurer is incorporated or entered through, and licensed.

(3) REINSURANCE.—The term “reinsurance” means the assumption by an insurer of all or part of a risk undertaken originally by another insurer.

(4) REINSURER.—

(A) IN GENERAL.—The term “reinsurer” means an insurer to the extent that the insurer—

(i) is principally engaged in the business of reinsurance;

(ii) does not conduct significant amounts of direct insurance as a percentage of its net premiums; and

(iii) is not engaged in an ongoing basis in the business of soliciting direct insurance.

(B) DETERMINATION.—A determination of whether an insurer is a reinsurer shall be made under the laws of the State of domicile in accordance with this paragraph.

(5) STATE.—The term “State” includes any State of the United States, the District of Columbia, the Commonwealth of Puerto Rico, Guam, the Northern Mariana Islands, the Virgin Islands, and American Samoa.

TITLE III—RULE OF CONSTRUCTION

SEC. 301. RULE OF CONSTRUCTION.

Nothing in this Act or amendments to this Act shall be construed to modify, impair, or supersede the application of the antitrust laws. Any implied or actual conflict between this Act and any amendments to this Act and the antitrust laws shall be resolved in favor of the operation of the antitrust laws.

SEC. 302. SEVERABILITY.

If any section or subsection of this Act, or any application of such provision to any person or circumstance, is held to be unconstitutional, the remainder of this Act, and the application of the provision to any other person or circumstance, shall not be affected.

The SPEAKER pro tempore. Pursuant to the rule, the gentleman from Kansas (Mr. MOORE) and the gentleman from New Jersey (Mr. GARRETT) each will control 20 minutes.

The Chair recognizes the gentleman from Kansas.

GENERAL LEAVE

Mr. MOORE of Kansas. Mr. Speaker, I ask unanimous consent that all Members have 5 legislative days within which to revise and extend their remarks on this legislation and to insert extraneous material thereon.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Kansas?

There was no objection.

Mr. MOORE of Kansas. I yield myself as much time as I may consume.

Mr. Speaker, I rise today in support of H.R. 2571, the Nonadmitted and Reinsurance Reform Act of 2009.

I drafted this bipartisan legislation with Congressman SCOTT GARRETT, Congressman PAUL KANJORSKI, Chairman BARNEY FRANK, and Ranking Member SPENCER BACHUS. I appreciate their support and the support of the bill's 22 cosponsors.

This bill will provide much-needed reform in the nonadmitted and reinsurance markets. In the 109th Congress, this House unanimously approved the bill by a vote of 417-0. In the 110th Congress, our bill was unanimously approved by voice vote. Unfortunately, the Senate has yet to act, but I believe the third time will be the charm.

Before he retired, Senator MEL MARTINEZ introduced the Senate version of the bill with Senators EVAN BAYH, MIKE CRAPO, and BILL NELSON. I know the other three will pick up where Senator MARTINEZ left off to help enact this legislation into law. Often called the “safety net of the insurance market,” surplus lines provides for coverage when the traditional market is not available.

Under today's laws, the regulation of the surplus lines market is, unfortunately, fragmented and cumbersome. This situation reduces insurance availability, leaving policyholders uninsured and with little choice in providers. Similarly, regulation of the reinsurance market is outdated and needs to be improved.

Accordingly, H.R. 2571 specifies that only the tax policies, licensing and other regulatory requirements of the home State of the policyholder govern a surplus lines transaction; it allows sophisticated commercial entities direct access to the surplus lines market; and it prohibits States from voiding established contractual arbitration agreements between reinsurers and primary companies.

Policyholders in a number of States are facing skyrocketing rates. The Nonadmitted and Reinsurance Reform Act provides commonsense solutions to the nonadmitted and reinsurance market. I urge my colleagues to support this bill.

I reserve the balance of my time.

Mr. GARRETT of New Jersey. I yield myself such time as I may consume.

Mr. Speaker, I would like to begin by thanking several people who played a significant role in getting us to where we are today, starting, of course, with the gentleman from Kansas (Mr. MOORE), who is the sponsor of the bill. He has exhibited tremendous leadership and persistence as well, as he indicated, in moving this legislation to the floor today, and so he should be commended for his hard work.

I would also like to congratulate the gentlewoman from Florida (Ms. BROWN-

WAITE), for she was the Republican lead sponsor on this bill in the last two Congresses, and she has worked tirelessly on this very important issue. So I am pleased now to have the opportunity to take up the mantle from Ms. BROWN-WAITE and to move this legislation forward.

Finally, I would like to thank the National Association of Insurance Commissioners and specifically Dr. Theresa Vaughan for their efforts in working closely with all of the interested parties.

Now, I believe that the inclusive and deliberative process that this legislation has undergone should serve, really, as a model as we continue to work on revamping and modernizing other aspects of our financial regulatory framework. Mr. Speaker, H.R. 2571, the Nonadmitted and Reinsurance Reform Act of 2009, will reform and will streamline the regulation of the nonadmitted—that's surplus lines—insurance market as well as the reinsurance market.

Title I, which addresses the surplus lines market, will reduce regulatory overlap, and will clarify where the appropriate taxing authority really should lie with each market transaction. It also will establish the NAIC's eligibility requirements as a standard for the participation in the surplus lines marketplace. These provisions will basically increase efficiency. They will work to reduce transaction costs, and they will work to improve access to the entire market for our consumers.

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Now, if we go into Title II legislation, that section addresses several important areas within the reinsurance market. What the bill will do is create a procedure to establish a single solvency regulator for each reinsurer, eliminate the extraterritorial application of State law with regards to reinsurance, and it also will provide for a more meaningful and really a simplified process in determining the credit for reinsurance that the companies will receive. So both the surplus lines and the reinsurance titles are vital to promoting further harmonization for transactions occurring across State lines and eliminating unnecessary red-tape, which basically will help to reduce costs for consumers.

So in this increasingly complex world, it is essential that consumers and businesses be able to purchase insurance from risks outside of their traditional realm. And I believe this legislation will further increase efficiency and reduce costs for these very important transactions.

Similar variations of this legislation, as Mr. MOORE indicated, have passed the House in the last two Congresses by unanimous votes, and it is my hope that this bipartisan legislation will once again pass today unanimously. So I ask all of my colleagues on both sides of the aisle to support this legislation.

I reserve the balance of my time.

Mr. MOORE of Kansas. Mr. Speaker, I want to thank, again, my friend, the gentleman from New Jersey, SCOTT GARRETT, for his work on the bill. The Nonadmitted and Reinsurance Reform Act provides bipartisan, commonsense solutions to improve the regulation of the nonadmitted and reinsurance markets. So I urge my colleagues to support this bill.

Mr. BACHUS. Mr. Speaker, I want to express my support of H.R. 2571, the Nonadmitted and Reinsurance Reform Act of 2009, and urge my colleagues to vote for its passage under suspension of the rules today.

While there are many complex regulatory programs pending before our committee, today we are seeking to advance a modest but long-overdue measure to streamline the current system for surplus lines insurance and for reinsurance.

Surplus lines insurance, also known as “nonadmitted” insurance, is highly specialized property and casualty insurance for exceptional risks, such as hazardous materials or amusement parks.

H.R. 2571 would adopt a “home state” approach to address inconsistencies in state regulation of the surplus lines insurance market, and the bill generally follows the model law on nonadmitted insurance adopted by the National Association of Insurance Commissioners.

This legislation also addresses reinsurance in a similar way by designating the home state of the insurer purchasing reinsurance as the primary regulator of credit for reinsurance and the home state of the reinsurer as the primary regulator for the reinsurer’s solvency.

As an original cosponsor of H.R. 2571, I want to commend the bill’s primary sponsors, Oversight and Investigations Subcommittee Chairman MOORE and Capital Markets Subcommittee Ranking Member GARRETT.

They deserve credit for working together to move this bipartisan legislation through the House again this year and eventually we all hope into law.

I also want to commend Congresswoman BROWN-WAITE, the original champion of this effort in the 109th Congress as well as a lead cosponsor in the 110th Congress and an original cosponsor again in this Congress.

This will be the third time we are sending this important insurance reform proposal to the other body, and I hope our colleagues across the way will be able to see the value of enacting H.R. 2571 soon.

Mr. MOORE of Kansas. Mr. Speaker, I submit the following exchange of letters regarding H.R. 2571.

HOUSE OF REPRESENTATIVES,
COMMITTEE ON THE JUDICIARY,
Washington, DC, September 9, 2009.

Hon. BARNEY FRANK,
Chairman, Committee on Financial Services,
House of Representatives, Washington, DC.

DEAR CHAIRMAN FRANK: In recognition of the desire to expedite consideration of H.R. 2571, the Nonadmitted and Reinsurance Reform Act of 2009, the Committee on the Judiciary agrees to waive formal consideration of the bill as to provisions that fall within its rule X jurisdiction.

The Committee takes this action with our mutual understanding that by foregoing consideration of H.R. 2571 at this time, it does not waive any jurisdiction over subject matter contained in this or similar legislation,

and that our Committee will be appropriately consulted and involved as the bill or similar legislation moves forward, so that we may address any remaining issues in our jurisdiction. The Committee also reserves the right to seek appointment of an appropriate number of conferees to any House-Senate conference involving this or similar legislation, and requests your support for any such request.

I would appreciate your including this letter in the Congressional Record during consideration of the bill on the House floor.

Thank you for your attention to this matter, and for the cooperative working relationship between our two committees.

Sincerely,

JOHN CONYERS, Jr.,
Chairman.

HOUSE OF REPRESENTATIVES,
COMMITTEE ON FINANCIAL SERVICES,
Washington, DC, September 9, 2009.

Hon. JOHN CONYERS,
Chairman, Committee on the Judiciary, House of Representatives, Washington, DC.

DEAR CHAIRMAN CONYERS: Thank you for your letter concerning H.R. 2571, the “Nonadmitted and Reinsurance Reform Act of 2009.” This bill will be considered by the House shortly.

I want to confirm our mutual understanding with respect to the consideration of this bill. I acknowledge that portions of the bill fall within the jurisdiction of the Committee on the Judiciary and I appreciate your cooperation in moving the bill to the House floor expeditiously. I further agree that your decision to not to proceed with a markup on this bill will not prejudice the Committee on the Judiciary with respect to its prerogatives on this or similar legislation. I would support your request for conferees on those provisions within your jurisdiction in the event of a House-Senate conference.

I will include your letter and this response in the Congressional Record. Thank you again for your assistance.

BARNEY FRANK,
Chairman.

Mr. MOORE of Kansas. I yield back the balance of my time.

Mr. GARRETT of New Jersey. I also yield back the balance of my time.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Kansas (Mr. MOORE) that the House suspend the rules and pass the bill, H.R. 2571.

The question was taken; and (two-thirds being in the affirmative) the rules were suspended and the bill was passed.

A motion to reconsider was laid on the table.

STAR-SPANGLED BANNER COMMEMORATIVE COIN ACT

Mr. WATT. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 2097) to require the Secretary of the Treasury to mint coins in commemoration of the bicentennial of the writing of the Star-Spangled Banner, and for other purposes.

The Clerk read the title of the bill.

The text of the bill is as follows:

H.R. 2097

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

SECTION 1. SHORT TITLE.

This Act may be cited as the “Star-Spangled Banner Commemorative Coin Act”.

SEC. 2. FINDINGS.

The Congress finds as follows:

(1) During the Battle for Baltimore of the War of 1812, Francis Scott Key visited the British fleet in the Chesapeake Bay on September 7, 1814, to secure the release of Dr. William Beanes, who had been captured after the British burned Washington, DC.

(2) The release of Dr. Beanes was secured, but Key and Beanes were held by the British during the shelling of Fort McHenry, one of the forts defending Baltimore.

(3) On the morning of September 14, 1814, after the 25-hour British bombardment of Fort McHenry, Key peered through the clearing smoke to see a 42-foot by 30-foot American flag flying proudly atop the Fort.

(4) He was so inspired to see the enormous flag still flying over the Fort that he began penning a song, which he named *The Defence of Fort McHenry*, to commemorate the occasion and he included a note that it should be sung to the tune of the popular British melody *To Anacreon in Heaven*.

(5) In 1916, President Woodrow Wilson ordered that the anthem, which had been popularly renamed the *Star-Spangled Banner*, be played at military and naval occasions.

(6) On March 3, 1931, President Herbert Hoover signed a resolution of Congress that officially designated the *Star-Spangled Banner* as the National Anthem of the United States.

SEC. 3. COIN SPECIFICATIONS.

(a) \$1 SILVER COINS.—The Secretary of the Treasury (hereafter in this Act referred to as the “Secretary”) shall mint and issue the following coins in commemoration of the bicentennial of the writing of the *Star-Spangled Banner*:

(1) \$5 GOLD COINS.—Not more than 100,000 \$5 coins, which shall—

(A) weigh 8.359 grams;

(B) have a diameter of 0.850 inches; and

(C) contain 90 percent gold and 10 percent alloy.

(2) \$1 SILVER COINS.—Not more than 500,000 \$1 coins, which shall—

(A) weigh 26.73 grams;

(B) have a diameter of 1.500 inches; and

(C) contain 90 percent silver and 10 percent copper.

(b) LEGAL TENDER.—The coins minted under this Act shall be legal tender, as provided in section 5103 of title 31, United States Code.

(c) NUMISMATIC ITEMS.—For purposes of sections 5134 and 5136 of title 31, United States Code, all coins minted under this Act shall be considered to be numismatic items.

SEC. 4. DESIGN OF COINS.

(a) DESIGN REQUIREMENTS.—

(1) IN GENERAL.—The design of the coins minted under this Act shall be emblematic of the War of 1812 and particularly the Battle for Baltimore that formed the basis for the *Star-Spangled Banner*.

(2) DESIGNATION AND INSCRIPTIONS.—On each coin minted under this Act, there shall be—

(A) a designation of the value of the coin;

(B) an inscription of the year “2012”; and

(C) inscriptions of the words “Liberty”, “In God We Trust”, “United States of America”, and “E Pluribus Unum”.

(b) SELECTION.—The design for the coins minted under this Act shall be—

(1) selected by the Secretary, after consultation with the Maryland War of 1812 Bicentennial Commission and the Commission of Fine Arts; and

(2) reviewed by the Citizens Coinage Advisory Committee.