

Received(Date): 17 DEC 2001 09:24:58

From: Sheila.Bair@do.treas.gov (Sheila.Bair@do.treas.gov [UNKNOWN])

To: Peter.Fisher@do.treas.gov (Peter.Fisher@do.treas.gov [UNKNOWN]), D. Marcus Sumerlin (CN=D. Marcus Sumerlin/OU=OPD/O=EOP@EOP [OPD]), Kristen Silverberg (CN=Kristen Silverberg/OU=WHO/O=EOP@EOP [WHO]), Matthew Kirk (CN=Matthew Kirk/OU=WHO/O=EOP@EOP [WHO]), Brian C. Conklin (CN=Brian C. Conklin/OU=WHO/O=EOP@EOP [WHO]), Brett M. Kavanaugh (CN=Brett M. Kavanaugh/OU=WHO/O=EOP@EOP [WHO]), Amy.Smith@do.treas.gov (Amy.Smith@do.treas.gov [UNKNOWN])

Subject: : FW: NAIC Letter to Daschle/Lott

[P_L0415004_OPD.TXT_1.doc](#)

Begin Original ARMS Header

RECORD TYPE: PRESIDENTIAL (NOTES MAIL)

CREATOR:Sheila.Bair@do.treas.gov (Sheila.Bair@do.treas.gov [UNKNOWN])

CREATION DATE/TIME:17-DEC-2001 09:24:58.00

SUBJECT:: FW: NAIC Letter to Daschle/Lott

TO:Peter.Fisher@do.treas.gov (Peter.Fisher@do.treas.gov [UNKNOWN])

READ:UNKNOWN

TO:D. Marcus Sumerlin (CN=D. Marcus Sumerlin/OU=OPD/O=EOP@EOP [OPD])

READ:UNKNOWN

TO:Kristen Silverberg (CN=Kristen Silverberg/OU=WHO/O=EOP@EOP [WHO])

READ:UNKNOWN

TO:Matthew Kirk (CN=Matthew Kirk/OU=WHO/O=EOP@EOP [WHO])

READ:UNKNOWN

TO:Brian C. Conklin (CN=Brian C. Conklin/OU=WHO/O=EOP@EOP [WHO])

READ:UNKNOWN

TO:Brett M. Kavanaugh (CN=Brett M. Kavanaugh/OU=WHO/O=EOP@EOP [WHO])

READ:UNKNOWN

TO:Amy.Smith@do.treas.gov (Amy.Smith@do.treas.gov [UNKNOWN])

READ:UNKNOWN

End Original ARMS Header

FYI

-----Original Message-----

From: Wetmore, David M. MS-DMW [mailto:DWetmore@naic.org]

Sent: Friday, December 14, 2001 6:46 PM

To: 'sheila.bair@do.treas.gov'

Cc: 'edward.demarco@do.treas.gov'

Subject: NAIC Letter to Daschle/Lott

This attached letter urging Senate action was sent just about the time we learned of the 'agreement.' We are urging our members to keep communicating with their senators. If you need us over the weekend, the best way to reach me is:

dwetmore@naic.org (e-mail)

P6/b(6) (cell)
(H)

> <<Daschle-Lott.12-13-01.doc>>

- Daschle-Lott.12-13-01.doc
ATT CREATION TIME/DATE: 0 00:00:00.00
File attachment <P_L0415004_OPD.TXT_1>

NAIC

NATIONAL ASSOCIATION OF INSURANCE COMMISSIONERS

December 14, 2001

EXECUTIVE HEADQUARTERS

2301 McGEE STREET
SUITE 800
KANSAS CITY MO
64108-2604
VOICE 816-842-3600
FAX 816-783-8175

FEDERAL AND INTERNATIONAL RELATIONS

HALL OF THE STATES
444 NORTH CAPITOL ST NW
SUITE 701
WASHINGTON DC
20001-1512
VOICE 202-624-7790
FAX 202-624-8579

SECURITIES VALUATION OFFICE

7 WORLD TRADE CENTER
19TH FLOOR
NEW YORK NY
10048-1102
VOICE 212-285-0010
FAX 212-285-0073

WORLD WIDE WEB

www.naic.org

Senator Thomas A. Daschle
United State Senate
Washington, DC 20510

Senator Trent Lott
United States Senate
Washington, DC 20510

Dear Senators Daschle and Lott:

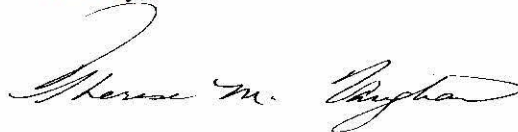
We are writing on behalf of the chief regulators of the nation's insurance industry to urge final action on terrorism insurance legislation before the Congress adjourns this year.

The terrorist attacks on our country have created enormous uncertainty in our nation's commercial property and casualty (P&C) insurance markets. We continue to believe the federal government can and should play a critical, limited role in helping this marketplace adjust to these new market realities. We are aware of the efforts the Senate and the House of Representatives are putting forward to advance this legislation. However, further delay will have a negative impact on insurers and insurance consumers who in this instance are predominantly the nation's business community.

Absent federal assistance, many businesses will be without coverage for future losses related to acts of terrorism. In the event insurance is still available, the costs may be unaffordable for many. Anticipating this possibility, many insurers have asked state regulators to grant terrorism exclusions against future losses. Some carriers are indicating that beginning January 1st they will not renew workers' compensation coverage, a business necessity if an employer is to retain employees. These steps will leave consumers without protection. State insurance regulators must act on these requests in the coming days, and we will be hard-pressed to deny many of these specific requests in the absence of a federal "backstop." Otherwise, we would be exposing the industry to potentially unmanageable financial risks that would have consequences industry-wide and among all insurance consumers.

For these reasons, we urge action on terrorism insurance legislation this year.

Sincerely,



Terri Vaughan
Insurance Commissioner, State of Iowa
President, NAIC