

## FIO Report — The Industry Continues to Wait



Michael McRaith

Under the financial industry reforming Dodd-Frank Act the Federal Insurance Office (FIO) is supposed to produce a report on the modernization of insurance regulation. That report was due in January of 2012. So it's over a year late.

Federal Insurance Office head Michael McRaith met with the National Association of Insurance Commissioners (NAIC) at their annual meeting. He said the report will be done in a couple of weeks. A month at the most.

Or more.

In other words, McRaith was kind of vague. The report — once done — must be submitted to the Office of Management and Budget (OMB) for scoring and costs and all.

The NAIC leadership — and specifically Sen. Ben Nelson, the association's CEO — also grilled McRaith on other issues like the international Financial Stability Board and its comments that U.S. insurance regulation should be done at a federal and not state level.

They touched on the National Flood Insurance Program (NFIP) and the possibility of the Federal Emergency Management Agency (FEMA) — who administers the NFIP — delaying the upcoming rate increases called for in the flood reforming Biggert-Waters Act.