

115TH CONGRESS
2D SESSION

S. 3177

To amend the Financial Stability Act of 2010 to include the State insurance commissioner as a voting member of the Financial Stability Oversight Council, and for other purposes.

IN THE SENATE OF THE UNITED STATES

JUNE 28, 2018

Mr. SCOTT (for himself and Mr. JONES) introduced the following bill; which was read twice and referred to the Committee on Banking, Housing, and Urban Affairs

A BILL

To amend the Financial Stability Act of 2010 to include the State insurance commissioner as a voting member of the Financial Stability Oversight Council, and for other purposes.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. SHORT TITLE.**

4 This Act may be cited as the “Primary Regulators
5 of Insurance Vote Act of 2018”.

1 **SEC. 2. ESTABLISHMENT OF STATE INSURANCE COMMIS-**
 2 **SIONER AS A VOTING MEMBER OF THE FI-**
 3 **NANCIAL STABILITY OVERSIGHT COUNCIL.**

4 (a) IN GENERAL.—Section 111 of the Financial Sta-
 5 bility Act of 2010 (12 U.S.C. 5321) is amended—

6 (1) in subsection (b)—

7 (A) in paragraph (1)—

8 (i) by redesignating subparagraph (J)

9 as subparagraph (K);

10 (ii) in subparagraph (I), by striking

11 “and” at the end; and

12 (iii) by inserting after subparagraph

13 (I) the following new subparagraph:

14 “(J) a State insurance commissioner, ap-

15 pointed by the President, by and with the ad-

16 vice and consent of the Senate, as described in

17 paragraph (4); and”; and

18 (B) by adding at the end the following new

19 paragraph:

20 “(4) STATE INSURANCE COMMISSIONER.—In

21 selecting an individual to appoint as a State insur-

22 ance commissioner under paragraph (1)(J), the

23 President shall request a list of recommendations for

24 such individual from State insurance commissioners

25 through a process determined by the State insurance

26 commissioners. Such recommendations shall not be

1 binding on the President. If the State insurance
 2 commissioners fail to submit a list of recommenda-
 3 tions within 15 business days after the date of the
 4 request, the President may select an individual to
 5 appoint without considering such recommenda-
 6 tions.”; and

7 (2) in subsection (c)—

8 (A) in paragraph (1), by inserting “, the
 9 State insurance commissioner shall serve for a
 10 term of 4 years,” after “6 years”;

11 (B) in paragraph (2), by inserting the fol-
 12 lowing new sentence at the end: “For vacancy
 13 in the membership of the State insurance com-
 14 missioner serving under subsection (b)(1)(J),
 15 the President shall appoint another State insur-
 16 ance commissioner to serve on the Council for
 17 the remainder of the term or until a successor
 18 is appointed and confirmed under paragraph
 19 (5), whichever is earlier.”; and

20 (C) by adding at the end the following new
 21 paragraph:

22 “(5) TERM OF STATE INSURANCE COMMIS-
 23 SIONER.—Notwithstanding paragraph (1), if a suc-
 24 cessor to the State insurance commissioner serving
 25 under subsection (b)(1)(J) is not appointed and con-

1 firmed by the end of the term of service of such
 2 member, such member may continue to serve until
 3 the earlier of—

4 “(A) 18 months after the date on which
 5 the term of service ends; or

6 “(B) the date on which a successor to such
 7 member is appointed and confirmed.”.

8 (b) CONFORMING AMENDMENT.—Section 111(c)(4)
 9 of such Act (12 U.S.C. 5321(c)(4)) is amended by striking
 10 “subsection (b)(1)(J)” and inserting “subsection
 11 (b)(1)(K)”.

12 **SEC. 3. REPEAL OF STATE INSURANCE COMMISSIONER AS**
 13 **NONVOTING MEMBER OF FSOC.**

14 (a) IN GENERAL.—Section 111(b)(2) of the Finan-
 15 cial Stability Act of 2010 (12 U.S.C. 5321(b)(2)) is
 16 amended by striking subparagraph (C) and redesignating
 17 subparagraph (D) and (E) as subparagraphs (C) and (D),
 18 respectively.

19 (b) CONFORMING AMENDMENT.—Section 111(c)(1)
 20 of such Act (12 U.S.C. 5321(c)(1)) is amended by striking
 21 by “subparagraphs (C), (D), and (E)” and inserting “sub-
 22 paragraphs (C) and (D)”.

23 **SEC. 4. TEMPORARY SERVICE; TRANSITION.**

24 Notwithstanding the amendments made by this Act,
 25 during the period beginning on the date of the enactment

1 of this Act and ending on the date on which the State
2 insurance commissioner is appointed and confirmed pursu-
3 ant to section 111(b)(1) of the Financial Stability Act of
4 2010 (12 U.S.C. 5321(b)(1)), as amended by section 2,
5 section 111(b)(2)(C) of the Financial Stability Act of
6 2010 (12 U.S.C. 5321(b)(2)(C)) shall continue to apply.

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