

**COMMITTEE ON FINANCIAL SERVICES**  
**Subcommittee on Capital Markets**  
U.S. HOUSE OF REPRESENTATIVES  
WASHINGTON, D.C. 20515

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**Opening Statement**

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Thank you, Mr. Chairman, for another opportunity to review the need for insurance regulatory reform. At our October 3 hearing on this subject, there were significant differences in the views expressed as to the degree to which reform is needed and what approach this reform should take. Indeed, I expressed significant concern that the testimonies suggested big ideas for federalizing the insurance industry in the name of reform, but not a workable plan on how to implement it.

I appreciated the diverse views that were put forth at the hearing, because federalizing the insurance industry is a significant proposal that merits serious consideration. I was therefore understandably distressed to hear rhetoric that characterized the debate as one that has reached a “consensus.” Based on what I heard at the October 3 hearing, I would beg to disagree. Nothing resembling a consensus was reached. Various methods to achieve reform were mentioned and debated, and while the proposal to create an optional

federal charter for insurance was discussed, this approach to reform was also criticized. I would like to emphasize to all of my colleagues that there are plenty of views that still need to be heard, which is why I appreciate the Chairman calling this second hearing today.

Thank you, Mr. Chairman, for the opportunity to issue a brief statement. I look forward to hearing from the witnesses.