



“Simplifying Regulation for Agents and Brokers...”

FOR IMMEDIATE RELEASE

April 24, 2007

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Agents for Change Delivers Open Letter to Congress Urging Support for an Optional Federal Charter

Agents for Change delivered an open letter to Congress today urging members to support an optional federal charter (OFC). The letter was signed by over 300 insurance agents and brokers nationwide from across all lines of insurance who recognize that an OFC will mitigate licensing burdens and increase speed to market of new products.

“The Agents for Change open letter demonstrates the breadth of support an OFC has in the producer community. Our members support an OFC for one simple reason: to better serve their customers. In the 21st century there is no reason why a product is offered in one state but not another. I have customers who would be a perfect fit for a product that is not offered in their state. Nobody wins under these antiquated rules. Moreover, it is completely unnecessary to force consumers to find a new trusted insurance agent if they move across state lines,” said Robert Poli, Chairman of Agents for Change.

Peter Ludgin, who serves as the executive director of the association, said that recruitment has increased by over 250 percent in less than one year. Ludgin attributes this substantial increase in membership to frustration in the producer community.

Ludgin stated, “insurance agents and brokers face unnecessary hardships on a daily basis to serve their customers. They are forced to deal with licensing hassles and struggle to keep up with the required paperwork and bureaucratic stumbling blocks that are in place. Insurance producers across all lines of insurance want efficiency, ease, and consistency when serving their customers.”

Ludgin further stated, “Currently state regulation is unevenly enforced. Agents for Change would proudly support a strong national regulator whom consistently enforced high consumer protections across the country.”

Chairman Poli continued, “It is important to stress that the first word in OFC is ‘optional.’ We do not advocate the abolishment of the state based insurance regulatory system nor would we support a weak federal regulatory system. An OFC would leave the existing state system wholly intact for producers who choose to continue to be licensed at the state level, and for their customers who want to do business with an agent, or company, that only does business locally.”

Agents for Change supports open markets, choice and competition. Promoting competition by enacting an OFC is the best policy proposal to modernize insurance regulation. An OFC will decrease regulatory barriers, enhance speed to market of products, and allow producers to serve their customers no matter where they live (or move). An OFC is a win-win for anybody who buys or sells insurance.

Agents for Change is a trade association of insurance agents and brokers from across all lines of insurance. Members of Agents for Change offer expert advice to public policy makers as they move forward to enact an optional federal charter to allow producers the option of being regulated at either the federal or the state level. Agents for Change has over 3,750 members nationwide.