**NATIONAL CONFERENCE OF INSURANCE LEGISLATORS
RESOLUTION IN SUPPORT OF THE INTERSTATE INSURANCE RECEIVERSHIP COMPACT COMMISSION’S UNIFORM RECEIVERSHIP LAW**

***Adopted by the NCOIL Executive Committee on November 18, 1998.***

***Readopted by the NCOIL State-Federal Relations and Executive Committees on November 16, 2001.***

WHEREAS, NCOIL initiated and supports the concept of an interstate insurance receivership compact relating to insurer insolvencies; and

WHEREAS, the Interstate Insurance Receivership Compact (IIRC) came into existence in September, 1995; and

WHEREAS, the Receivership Compact legislation resulted from the joint efforts of the NCOIL and the insurance commissioners of the Midwest zone of the National Association of Insurance Commissioners (NAIC); and

WHEREAS, as of November 16, 2001**,** the Receivership Compact members are Illinois, Michigan and Nebraska; and

WHEREAS, the purpose of the Receivership Compact is to promote joint and cooperative action among the Compacting States to support, develop and facilitate orderly, efficient, cost-effective and uniform insurer receivership laws and operations; and

WHEREAS, pursuant to the Compact, the IIRC Commission consists of the chief insurance regulatory officials of the Compacting States; and

WHEREAS, the Commission is empowered to monitor and oversee receiverships of insolvent insurance companies in the Compacting States and, in certain circumstances, to act as Receiver; and

WHEREAS, the Commission adopted the Uniform Receivership Law (URL), in its final form on September 14, 1998; and

WHEREAS, the URL was developed, among other things, to clarify the types of entities that may be placed into receivership, minimize expenditure of state assets on litigation, require the filing and approval of a Receivership Plan, and address guaranty association concerns; and

WHEREAS, a goal of NCOIL in 1992 in promoting the notion of an interstate compact relating to insurer insolvencies was to respond to federal critics of State insurance regulation; and

WHEREAS, legislatures in non-Compacting States may join the Compact or simply enact the URL;

NOW, THEREFORE BE IT RESOLVED, that NCOIL endorses the IIRC Commission’s URL as an effective mechanism for handling insurance receiverships by establishing a uniform, fair and more efficient means of administering insurance insolvencies within the State-based system.