AMENDMENT IN THE NATURE OF A SUBSTITUTE
TO H.R. 3861
OFFERED BY MR. DUFFY OF WISCONSIN

Strike all after the enacting clause and insert the following:

1 SECTION 1. SHORT TITLE.

This Act may be cited as the “Federal Insurance Office Reform Act of 2017”.

2 SEC. 2. REFORM OF FEDERAL INSURANCE OFFICE.

(a) IN GENERAL.—Section 313 of title 31, United States Code, is amended as follows:

(1) LEADERSHIP.—In the first sentence of subsection (b), by inserting before the period at the end the following: “after consultation with State insurance commissioners”.

(2) FUNCTIONS.—In subsection (c)—

(A) in paragraph (1)—

(i) by striking subparagraph (H);

(ii) in subparagraph (E), by striking “to coordinate” and all that follows through “United States” and inserting the following: “to coordinate Federal efforts,
and to coordinate with the States, in developing Federal policy on prudential aspects of international insurance matters, including representing the Federal Government’’;

(iii) in subparagraph (F)—

(I) by striking “to determine” and inserting “to assist the Secretary in determining”; and

(II) by inserting “and” after the semicolon at the end; and

(iv) by striking subparagraph (G) and inserting the following:

“(G) to consult and work toward consensus with the States (including State insurance regulators) on matters of international importance.”; and

(B) in paragraph (2), by striking “major domestic and”.

(3) GATHERING OF INFORMATION.—In subsection (e)—

(A) in paragraph (1)—

(i) in the matter preceding subparagraph (A), by striking “may—” and inserting “may enter into information-sharing agreements.”; and
(ii) by striking subparagraphs (A)
through (D);

(B) by striking paragraphs (2), (3), (4),
and (6); and

(C) by redesignating paragraph (5) as
paragraph (2).

(4) PREEMPTION OF STATE INSURANCE MEAS-
URES.—In subsection (f), by striking “Director”
each place such term appears and inserting “Sec-
retary”.

(5) CONSULTATION.—In subsection (i)—

(A) by striking “to the extent the Director
determines appropriate,”; and

(B) by inserting before the period at the
end the following: “and shall seek to include in
such meetings, State insurance commissioners,
or at the option of the State insurance commis-
sioners, designees acting at the direction of the
State insurance commissioners, throughout the
negotiations of a covered agreement”.

(6) RETENTION OF EXISTING STATE REGU-
LATORY AUTHORITY.—In subsection (k), by insert-
ing before the period at the end the following: “or
with the authority to participate in a supervisory col-
lege or similar regulatory process”.

(7) Repeal of certain reports requirements.—By striking subsections (o) and (p) and redesignating subsections (q) through (s) as subsections (o) through (q), respectively.

(8) Definition.—In subsection (p)(2), as so redesignated by paragraph (7)—

(A) in subparagraph (A), by striking “and” at the end;

(B) in subparagraph (B), by striking the period at the end and inserting “; and”; and

(C) by adding at the end the following new subparagraph:

“(C) does not include new prudential requirements for United States insurers.”.

(b) Conforming amendment.—Subparagraph (E) of section 313(c)(1) of title 31, United States Code, is amended by striking “subsection (r)” and inserting “subsection (p)".