



The State of New Hampshire
Insurance Department
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David J. Bettencourt
Commissioner

Keith E. Nyhan
Deputy Commissioner

December 20, 2024

TO: Elon Musk, Vivek Ramaswamy - Department of Government Efficiency

CC: Sen. Joni Ernst, Sen. John Thune, Sen. Chuck Schumer, Rep. Marjorie Taylor Greene, Rep. Mike Johnson, Rep. Steve Scalise, Rep. Hakeem Jeffries

Dear Mr. Musk and Mr. Ramaswamy,

Congratulations on your appointment to lead the soon to be established Department of Government Efficiency (DOGE). Your willingness to serve is commendable, and your impressive background, achievements, and successes position you exceptionally well to provide valuable service to the American people.

As Americans become increasingly aware of DOGE's mission to eliminate unnecessary regulations, cut wasteful spending, and streamline federal bureaucracies, it is encouraging to see bipartisan support for this initiative.

As taxpayers, we all share the responsibility to protect our hard-earned money from waste, fraud, and abuse. In that spirit, we urge you, in DOGE's advisory capacity, to recommend that Congress and President Trump abolish the Federal Insurance Office (FIO).

Historically, the insurance industry has been regulated by state governments, as established by the McCarran-Ferguson Act of 1945. This Act affirms that state regulation of insurance is in the public interest and that federal laws should not undermine state regulations unless directly related to insurance. This system stands as the last major industry not predominantly regulated by the federal government.

To maximize effectiveness and efficiency, insurance regulators from all 50 states, the District of Columbia, and U.S. territories collaborate through the National Association of Insurance Commissioners (NAIC). Established in 1871, the NAIC provides a platform for state officials to share information and develop model regulations and standards for the insurance industry.

The FIO, created by the Dodd-Frank Wall Street Reform and Consumer Protection Act of 2010, has little relevance to the insurance industry's role in the financial

crisis of 2007-2008. Its mission—monitoring the insurance industry, collecting data, identifying systemic risks, and promoting global insurance regulation—is already effectively fulfilled by state regulators.

Since its inception, FIO has fluctuated between ineffectiveness and outright dishonesty in its dealings with the states.

Recently, the NAIC attempted to collaborate with FIO to collect weather-related data affecting property coverage affordability and accessibility. Initially, FIO sought to overreach and collect this data independently, risking the accuracy and utility of the information. The motivations behind FIO's interest in this data—whether for consumer protection or to pressure the insurance industry into adopting ESG policies—remained unclear.

The NAIC resisted this misguided effort and instead established a data-sharing agreement with FIO, allowing states to collect data and provide FIO with a subset of anonymized information from participating carriers. However, rather than ensuring the accuracy of this data, FIO has chosen to proceed with flawed information, which risks misleading the public. In doing so, FIO has shifted from being unnecessary to actively harmful to consumer protection. This must come to an end.

FIO claims to play "a crucial role in ensuring the stability and resilience of the insurance sector, helping to prevent potential risks that could affect the financial system as a whole." Yet, it has never demonstrated its necessity. In reality, it is entirely devoid of usefulness and duplicitous in its actions. Any functions it purports to serve could easily be absorbed by other federal offices or reverted to the states.

Abolishing FIO will require Congressional approval, and we encourage you to collaborate with newly elected Congressman Troy Downing from Montana's Second Congressional District. Congressman Downing, a former State Auditor, Commissioner of Securities and Insurance, and Land Board Commissioner, possesses extensive knowledge of FIO's significant shortcomings.

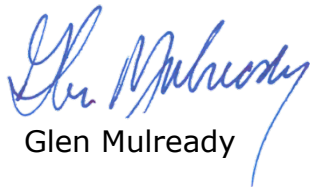
Thank you for your consideration. We are eager to support your efforts as you advance your important mission.

Sincerely,



David J. Bettencourt

Commissioner, New Hampshire Insurance Department



Glen Mulready

Commissioner, Oklahoma Insurance Department



Carter Lawrence

Commissioner, Tennessee Department of Commerce & Insurance



Mark Fowler

Commissioner, Alabama Department of Insurance



Tim Temple

Commissioner, Louisiana Department of Insurance



Vicki Schmidt

Commissioner, Kansas Department of Insurance



Alan McClain

Commissioner, Arkansas Department of Insurance



Mike Causey

Commissioner, North Carolina Department of Insurance

Allan McVey

West Virginia Insurance Commissioner