



**Department of Consumer and Business Services**

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**Interstate Insurance Product Regulation Compact  
HB 2095**

The Oregon Department of Consumer and Business Services must review most insurance products before they are offered to Oregonians. This state approval provides important consumer protections for products that vary depending on location, such as health, automobile, and homeowners insurance. However, policies for certain insurance products, such as life insurance and annuities, do not generally vary from state to state since these products tend to travel with consumers as they move across state lines and are not as sensitive to local costs and conditions. For these products, a national standard can protect consumers' interests.

Historically, if a company wanted to offer a new life insurance or annuity product on a national basis, it would have to go through separate regulatory approval processes in 56 jurisdictions across the country. This process could result in a company submitting 30 or 40 versions of the same product to satisfy state-specific requirements and could take more than a year to obtain all the necessary approvals.

The Interstate Insurance Product Regulation Compact was created to allow insurance companies to get new products approved and on the market in a timely and cost-effective manner. Thirty-eight jurisdictions (37 states and Puerto Rico) belong to the compact, which reviews and approves insurance products that meet uniform standards, including strong consumer protections. Once approved, the products can be sold in each of the participating states. The compact covers products in four insurance lines: life insurance, annuities, disability insurance, and long-term care insurance.

This bill would add Oregon to the Interstate Insurance Product Regulation Compact. Joining the compact would streamline the approval process for certain insurance products while maintaining high consumer protection standards. New insurance products would be more quickly available to consumers, and Oregonians may have more products to choose from since additional companies may choose to offer products in Oregon. We would retain the ability to enforce consumer protections and assist Oregonians with insurance problems at the state level.

The compact creates consistent, nationwide standards for certain products but still maintains the important consumer protections provided by state regulation.

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