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July 23, 2020

To: *The Honorable Marvin L. Abney*
Chairman, House Finance Committee

The Honorable William J. Conley Jr.
Chairman, Senate Finance Committee

On behalf of the American Council of Life Insurers (ACLI), we appreciate the opportunity to support the new article in the Fiscal Year 2021 (FY 2021) budget relating to insurance.

ACLI is the leading trade association driving public policy and advocacy on behalf of the life insurance industry. 90 million American families rely on the life insurance industry for financial protection and retirement security. ACLI's member companies are dedicated to protecting consumers' financial wellbeing through life insurance, annuities, retirement plans, long-term care insurance, disability income insurance, reinsurance, and dental, vision and other supplemental benefits. ACLI's 280 member companies represent 94 percent of industry assets in the United States.

ACLI supports the regulatory capital framework included in this legislation that will help bring uniformity across the states. The legislation will bring Rhode Island in line with the NAIC model law which we support.

Each day, life insurers pay out \$6.3 million in life insurance and annuities to Rhode Island families and businesses, helping Rhode Island families secure the things that matter most through all stages in life. Our mission is to financially protect families by embracing opportunities to issue coverage to as many consumers as possible.

Life insurance companies have a need for long-term assets that match long-term, guaranteed life insurance and annuity products. Insurance risk-based capital (RBC) requirements are therefore the appropriate standards to apply to an insurance company.

Should you have questions or wish to discuss ACLI's support for the RBC provision included in the FY 2021 budget, please let me know. Thank you for your consideration.

Sincerely,

Camille Simpson

American Council of Life Insurers | 101 Constitution Ave, NW, Suite 700 | Washington, DC 20001-2133

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