

**FEDERAL RESERVE SYSTEM**

**[Docket No. OP-1845]**

**DEPARTMENT OF THE TREASURY**

**Study and Report to Congress on the Impact on Consumers and Markets in the United States of a Final International Insurance Capital Standard**

**AGENCIES:** Board of Governors of the Federal Reserve System and Federal Insurance Office, Department of the Treasury.

**ACTION:** Notice of completion of report drafting; request for comments.

**SUMMARY:** The Board of Governors of the Federal Reserve System (Board) and the Federal Insurance Office (FIO) of the Department of the Treasury (together, the agencies) are providing notice that the agencies have completed drafting and submitted a report to Congress as contemplated by section 211(c)(3) of the Economic Growth, Regulatory Relief, and Consumer Protection Act (EGRRCPA), on the impact on consumers and markets in the United States before supporting or consenting to the adoption of a final international insurance capital standard. In accordance with section 211(c)(3)(B)(ii) of EGRRCPA, the agencies invite comment on the report.

**DATES:** Comments must be received by January 12, 2025.

**ADDRESSES:** Comments should be directed to:

*Board:* You may submit comments, identified by Docket No. OP-1845 by any of the following methods:

- *Email:* [regs.comments@federalreserve.gov](mailto:regs.comments@federalreserve.gov). Include the docket number in the subject line of the message.
- *Fax:* (202) 452-3819 or (202) 452-3102.

- *Mail:* Ann E. Misback, Secretary, Board of Governors of the Federal Reserve System, 20th Street and Constitution Avenue NW, Washington, DC 20551.

In general, all public comments will be made available on the Board's website at [www.federalreserve.gov/generalinfo/foia/ProposedRegs.cfm](http://www.federalreserve.gov/generalinfo/foia/ProposedRegs.cfm) as submitted, and will not be modified to remove confidential, contact or any identifiable information. Public comments may also be viewed electronically or in paper in Room M-4365A, 2001 C St. NW, Washington, DC 20551, between 9 a.m. and 5 p.m. during Federal business weekdays.

*Treasury:* Submit comments electronically through the Federal eRulemaking Portal at <http://www.regulations.gov>, in accordance with the instructions on that site, or by mail to the Federal Insurance Office, Attn: Krishna Kundu, Room 1410 MT, Department of the Treasury, 1500 Pennsylvania Avenue NW, Washington, DC 20220. Because postal mail may be subject to processing delays, it is recommended that comments be submitted electronically. If submitting comments by mail, please submit an original version with two copies. Comments should be captioned "FED-FIO ICS Impact Study Report." In general, Treasury will post all comments to [www.regulations.gov](http://www.regulations.gov) without change, including any business or personal information provided such as names, addresses, email addresses, or telephone numbers. All comments, including attachments and other supporting materials, are part of the public record and subject to public disclosure. You should submit only information that you wish to make available publicly.

**FOR FURTHER INFORMATION CONTACT:** *Board:* Lara Lylozian, Deputy Associate Director and Chief Accountant, (202) 475-6656; or Matt Walker, Manager, Insurance Supervision & Regulation, (202) 872-4971, Division of Supervision and Regulation; or Dafina Stewart, Deputy Associate General Counsel, (202) 452-2677; Andrew Hartlage, Special Counsel, (202) 452-6483; Jonah Kind, Senior Counsel, (202) 452-2045; or Jasmin Keskinen,

Senior Attorney, (202) 475–6650, Legal Division, Board of Governors of the Federal Reserve System, 20th Street and Constitution Avenue NW, Washington, DC 20551. For users of TTY–TRS, please call 711 from any telephone, anywhere in the United States.

*Treasury:* Krishna Kundu, Senior Insurance Regulatory Policy Analyst, FIO, (202) 622-2753; or Mark Schlegel, Senior Counsel, Office of the General Counsel, Department of the Treasury, (202) 622-1027, Department of the Treasury, 1500 Pennsylvania Avenue, NW, Washington, DC 20220.

#### **SUPPLEMENTARY INFORMATION:**

Under section 211(c)(3)(A) of EGRRCPA,<sup>1</sup> the Secretary of the Treasury (the Secretary), the Chair of the Board (the Chair), and the Director of FIO must, in consultation with the National Association of Insurance Commissioners, complete a study on, and submit to Congress a report on the results of the study, the impact on consumers and markets in the United States before supporting or consenting to the adoption of any final international insurance capital standard. In addition, section 211(c)(3)(B)(ii) of EGRRCPA provides that there shall be an opportunity for public comment for a period of 60 days after the date on which the report is submitted to Congress.<sup>2</sup> Previously, the Secretary, the Chair, and the Director of FIO provided public notice before commencing to draft the report, as required by section 211(c)(3)(B)(i) of EGRRCPA.<sup>3</sup> In connection with this request for comment, the Secretary, the Chair, and the Director of FIO are also providing public notice that the draft of the report is completed, as required by section 211(c)(3)(B)(i) of EGRRCPA.

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<sup>1</sup> 31 U.S.C. 313 note.

<sup>2</sup> *Id.*

<sup>3</sup> [89 FR 57154](#) (July 12, 2024).

As background, the International Association of Insurance Supervisors (IAIS) is developing the Insurance Capital Standard (ICS) as a consolidated group-wide capital standard for internationally active insurance groups, to create a common language for insurance supervisors and enhance global convergence on insurance capital regulation.<sup>4</sup> The IAIS also is assessing whether the Aggregation Method developed by the United States provides comparable outcomes to the ICS. If so, it will be considered an outcome-equivalent approach for implementation of the ICS as a prescribed capital requirement.<sup>5</sup>

On November 13, 2024, the Secretary, the Chair, and the Director of FIO submitted to Congress the report contemplated in section 211(c)(3)(A) of EGRRCPA. Pursuant to section 211(c)(3)(C) of EGRRCPA, the Secretary, the Chair, and the Director of FIO also submitted the report to the Comptroller General of the United States for review. A copy of the report is available at <https://www.federalreserve.gov/publications/the-impact-of-the-international-insurance-capital-standard-on-consumers-and-markets-in-the-united-states.htm>. The agencies invite public comment on the report. Interested persons should direct their comments as provided above in this notice. Comments must be received by January 12, 2025.

**Kayla Arslanian**

*Executive Secretary, Department of the Treasury.*

**Steven E. Seitz,**

*Director, Federal Insurance Office, Department of the Treasury.*

By order of the Chair of the Board of Governors of the Federal Reserve System.

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<sup>4</sup> International Association of Insurance Supervisors, <https://www.iaisweb.org/activities-topics/standard-setting/insurance-capital-standard/>

<sup>5</sup> IAIS statement, “The IAIS begins the AM comparability assessment,” October 17, 2023, <https://www.iaisweb.org/uploads/2023/10/IAIS-statement-IAIS-begins-the-AM-comparability-assessment.pdf>

**Ann E. Misback,**  
*Secretary of the Board.*