

1 (1) IN GENERAL.—The Commission shall termi-
2 nate 6 months after the date on which the report is
3 submitted under subsection (c)(2).

4 (2) ADMINISTRATIVE ACTIVITIES BEFORE TER-
5 MINATION.—The Commission may use the period be-
6 tween the submission of its report and its termi-
7 nation for the purpose of concluding its activities,
8 including providing testimony to the committee of
9 Congress concerning its report.

10 (h) AUTHORIZATION OF APPROPRIATIONS.—There is
11 authorized to be appropriated to carry out this section
12 \$1,000,000, which shall remain available until the date on
13 which the Commission terminates.

14 **TITLE XI—IMPROVING INSUR-**
15 **ANCE COORDINATION**
16 **THROUGH AN INDEPENDENT**
17 **ADVOCATE**

18 **SEC. 1101. REPEAL OF THE FEDERAL INSURANCE OFFICE;**
19 **CREATION OF THE OFFICE OF THE INDE-**
20 **PENDENT INSURANCE ADVOCATE.**

21 (a) ESTABLISHMENT.—Section 313 of title 31,
22 United States Code, is amended to read as follows (and
23 conforming the table of contents for chapter 3 of such title
24 accordingly):

1 **“§ 313. Office of the Independent Insurance Advocate**

2 “(a) ESTABLISHMENT.—There is established in the
3 Department of the Treasury a bureau to be known as the
4 Office of the Independent Insurance Advocate (in this sec-
5 tion referred to as the ‘Office’).

6 “(b) INDEPENDENT INSURANCE ADVOCATE.—

7 “(1) ESTABLISHMENT OF POSITION.—The chief
8 officer of the Office of the Independent Insurance
9 Advocate shall be known as the Independent Insur-
10 ance Advocate. The Independent Insurance Advocate
11 shall perform the duties of such office under the
12 general direction of the Secretary of the Treasury.

13 “(2) APPOINTMENT.—The Independent Insur-
14 ance Advocate shall be appointed by the President,
15 by and with the advice and consent of the Senate,
16 from among persons having insurance expertise.

17 “(3) TERM.—

18 “(A) IN GENERAL.—The Independent In-
19 surance Advocate shall serve a term of 6 years,
20 unless sooner removed by the President upon
21 reasons which shall be communicated to the
22 Senate.

23 “(B) SERVICE AFTER EXPIRATION.—If a
24 successor is not nominated and confirmed by
25 the end of the term of service of the Inde-
26 pendent Insurance Advocate, the person serving

1 as Independent Insurance Advocate shall con-
2 tinue to serve until such time a successor is ap-
3 pointed and confirmed.

4 “(C) VACANCY.—An Independent Insur-
5 ance Advocate who is appointed to serve the re-
6 mainder of a predecessor’s uncompleted term
7 shall be eligible thereafter to be appointed to a
8 full 6 year term.

9 “(D) ACTING OFFICIAL ON FINANCIAL
10 STABILITY OVERSIGHT COUNCIL.—In the event
11 of a vacancy in the office of the Independent
12 Insurance Advocate, and pending the appoint-
13 ment and confirmation of a successor, or during
14 the absence or disability of the Independent In-
15 surance Advocate, the Independent Member
16 shall appoint a federal official appointed by the
17 President and confirmed by the Senate from a
18 member agency of the Financial Stability Over-
19 sight Council, not otherwise serving on the
20 Council, who shall serve as a member of the
21 Council and act in the place of the Independent
22 Insurance Advocate until such vacancy, ab-
23 sence, or disability concludes.

24 “(4) EMPLOYMENT.—The Independent Insur-
25 ance Advocate shall be an employee of the Federal

1 Government within the definition of employee under
2 section 2105 of title 5, United States Code.

3 “(c) INDEPENDENCE; OVERSIGHT.—

4 “(1) INDEPENDENCE.—The Secretary of the
5 Treasury may not delay or prevent the issuance of
6 any rule or the promulgation of any regulation by
7 the Independent Insurance Advocate, and may not
8 intervene in any matter or proceeding before the
9 Independent Insurance Advocate, unless otherwise
10 specifically provided by law.

11 “(2) OVERSIGHT BY INSPECTOR GENERAL.—
12 The Office of the Independent Insurance Advocate
13 shall be an office in the establishment of the Depart-
14 ment of the Treasury for purposes of the Inspector
15 General Act of 1978 (5 U.S.C. App.).

16 “(d) RETENTION OF EXISTING STATE REGULATORY
17 AUTHORITY.—Nothing in this section or section 314 shall
18 be construed to establish or provide the Office or the De-
19 partment of the Treasury with general supervisory or reg-
20 ulatory authority over the business of insurance.

21 “(e) BUDGET.—

22 “(1) ANNUAL TRANSMITTAL.—For each fiscal
23 year, the Independent Insurance Advocate shall
24 transmit a budget estimate and request to the Sec-
25 retary of the Treasury, which shall specify the ag-

1 gregate amount of funds requested for such fiscal
2 year for the operations of the Office of the Inde-
3 pendent Insurance Advocate.

4 “(2) INCLUSIONS.—In transmitting the pro-
5 posed budget to the President for approval, the Sec-
6 retary of the Treasury shall include—

7 “(A) an aggregate request for the Inde-
8 pendent Insurance Advocate; and

9 “(B) any comments of the Independent In-
10 insurance Advocate with respect to the proposal.

11 “(3) PRESIDENT’S BUDGET.—The President
12 shall include in each budget of the United States
13 Government submitted to the Congress—

14 “(A) a separate statement of the budget
15 estimate prepared in accordance with paragraph
16 (1);

17 “(B) the amount requested by the Presi-
18 dent for the Independent Insurance Advocate;
19 and

20 “(C) any comments of the Independent In-
21 surance Advocate with respect to the proposal if
22 the Independent Insurance Advocate concludes
23 that the budget submitted by the President
24 would substantially inhibit the Independent In-

1 surance Advocate from performing the duties of
2 the office.

3 “(f) ASSISTANCE.—The Secretary of the Treasury
4 shall provide the Independent Insurance Advocate such
5 services, funds, facilities and other support services as the
6 Independent Insurance Advocate may request and as the
7 Secretary may approve.

8 “(g) PERSONNEL.—

9 “(1) EMPLOYEES.—The Independent Insurance
10 Advocate may fix the number of, and appoint and
11 direct, the employees of the Office, in accordance
12 with the applicable provisions of title 5, United
13 States Code. The Independent Insurance Advocate is
14 authorized to employ attorneys, analysts, economists,
15 and other employees as may be deemed necessary to
16 assist the Independent Insurance Advocate to carry
17 out the duties and functions of the Office. Unless
18 otherwise provided expressly by law, any individual
19 appointed under this paragraph shall be an employee
20 as defined in section 2105 of title 5, United States
21 Code, and subject to the provisions of such title and
22 other laws generally applicable to the employees of
23 the Executive Branch.

24 “(2) COMPENSATION.—Employees of the Office
25 shall be paid in accordance with the provisions of

1 chapter 51 and subchapter III of chapter 53 of title
2 5, United States Code, relating to classification and
3 General Schedule pay rates.

4 “(3) PROCUREMENT OF TEMPORARY AND
5 INTERMITTENT SERVICES.—The Independent Insur-
6 ance Advocate may procure temporary and intermit-
7 tent services under section 3109(b) of title 5, United
8 States Code, at rates for individuals which do not
9 exceed the daily equivalent of the annual rate of
10 basic pay prescribed for Level V of the Executive
11 Schedule under section 5316 of such title.

12 “(4) DETAILS.—Any employee of the Federal
13 Government may be detailed to the Office with or
14 without reimbursement, and such detail shall be
15 without interruption or loss of civil service status or
16 privilege. An employee of the Federal Government
17 detailed to the Office shall report to and be subject
18 to oversight by the Independent Insurance Advocate
19 during the assignment to the office, and may be
20 compensated by the branch, department, or agency
21 from which the employee was detailed.

22 “(5) INTERGOVERNMENTAL PERSONNEL.—The
23 Independent Insurance Advocate may enter into
24 agreements under subchapter VI of chapter 33 of
25 title 5, United States Code, with State and local

1 governments, institutions of higher education, Indian
2 tribal governments, and other eligible organizations
3 for the assignment of intermittent, part-time, and
4 full-time personnel, on a reimbursable or non-reim-
5 bursable basis.

6 “(h) ETHICS.—

7 “(1) DESIGNATED ETHICS OFFICIAL.—The
8 Legal Counsel of the Financial Stability Oversight
9 Council, or in the absence of a Legal Counsel of the
10 Council, the designated ethics official of any Council
11 member agency, as chosen by the Independent In-
12 surance Advocate, shall be the ethics official for the
13 Independent Insurance Advocate.

14 “(2) RESTRICTION ON REPRESENTATION.—In
15 addition to any restriction under section 205(c) of
16 title 18, United States Code, except as provided in
17 subsections (d) through (i) of section 205 of such
18 title, the Independent Insurance Advocate (except in
19 the proper discharge of official duties) shall not,
20 with or without compensation, represent anyone to
21 or before any officer or employee of—

22 “(A) the Financial Stability Oversight
23 Council on any matter; or

1 “(B) the Department of Justice with re-
2 spect to litigation involving a matter described
3 in subparagraph (A).

4 “(3) COMPENSATION FOR SERVICES PROVIDED
5 BY ANOTHER.—For purposes of section 203 of title
6 18, United States Code, and if a special government
7 employee—

8 “(A) the Independent Insurance Advocate
9 shall not be subject to the restrictions of sub-
10 section (a)(1) of section 203, of title 18, United
11 States Code, for sharing in compensation
12 earned by another for representations on mat-
13 ters covered by such section; and

14 “(B) a person shall not be subject to the
15 restrictions of subsection (a)(2) of such section
16 for sharing such compensation with the Inde-
17 pendent Insurance Advocate.

18 “(i) ADVISORY, TECHNICAL, AND PROFESSIONAL
19 COMMITTEES.—The Independent Insurance Advocate may
20 appoint such special advisory, technical, or professional
21 committees as may be useful in carrying out the functions
22 of the Office and the members of such committees may
23 be staff of the Office, or other persons, or both.

24 “(j) MISSION AND FUNCTIONS.—

1 “(1) MISSION.—In carrying out the functions
2 under this subsection, the mission of the Office shall
3 be to act as an independent advocate on behalf of
4 the interests of United States policyholders on pru-
5 dential aspects of insurance matters of importance,
6 and to provide perspective on protecting their inter-
7 ests, separate and apart from any other Federal
8 agency or State insurance regulator.

9 “(2) OFFICE.—The Office shall have the au-
10 thority—

11 “(A) to coordinate Federal efforts on pru-
12 dential aspects of international insurance mat-
13 ters, including representing the United States,
14 as appropriate, in the International Association
15 of Insurance Supervisors (or a successor entity)
16 and assisting the Secretary in negotiating cov-
17 ered agreements (as such term is defined in
18 subsection (q)) in coordination with States (in-
19 cluding State insurance commissioners) and the
20 United States Trade Representative;

21 “(B) to consult with the States (including
22 State insurance regulators) regarding insurance
23 matters of national importance and prudential
24 insurance matters of international importance;

1 “(C) to assist the Secretary in admin-
2 istering the Terrorism Insurance Program es-
3 tablished in the Department of the Treasury
4 under the Terrorism Risk Insurance Act of
5 2002 (15 U.S.C. 6701 note);

6 “(D) to observe all aspects of the insur-
7 ance industry, including identifying issues or
8 gaps in the regulation of insurers that could
9 contribute to a systemic crisis in the insurance
10 industry or the United States financial system;
11 and

12 “(E) to make determinations and exercise
13 the authority under subsection (m) with respect
14 to covered agreements and State insurance
15 measures.

16 “(3) MEMBERSHIP ON FINANCIAL STABILITY
17 OVERSIGHT COUNCIL.—

18 “(A) IN GENERAL.—The Independent In-
19 surance Advocate shall serve, pursuant to sec-
20 tion 111(b)(1)(J) of the Financial Stability Act
21 of 2010 (12 U.S.C. 5321(b)(1)(J)), as a mem-
22 ber on the Financial Stability Oversight Coun-
23 cil.

24 “(B) AUTHORITY.—To assist the Financial
25 Stability Oversight Council with its responsibil-

1 ities to monitor international insurance develop-
2 ments, advise the Congress, and make rec-
3 ommendations, the Independent Insurance Ad-
4 vocate shall have the authority—

5 “(i) to regularly consult with inter-
6 national insurance supervisors and inter-
7 national financial stability counterparts;

8 “(ii) to consult with the Board of
9 Governors of the Federal Reserve System
10 and the States with respect to representing
11 the United States, as appropriate, in the
12 International Association of Insurance Su-
13 pervisors (including to become a non-voting
14 member thereof), particularly on matters
15 of systemic risk;

16 “(iii) to participate at the Financial
17 Stability Board of The Group of Twenty
18 and to join with other members from the
19 United States including on matters related
20 to insurance; and

21 “(iv) to participate with the United
22 States delegation to the Organization for
23 Economic Cooperation and Development
24 and observe and participate at the Insur-
25 ance and Private Pensions Committee.

1 “(4) LIMITATIONS ON PARTICIPATION IN SU-
2 PERVISORY COLLEGES.—The Office may not engage
3 in any activities that it is not specifically authorized
4 to engage in under this section or any other provi-
5 sion of law, including participation in any super-
6 visory college or other meetings or fora for coopera-
7 tion and communication between the involved insur-
8 ance supervisors established for the fundamental
9 purpose of facilitating the effectiveness of super-
10 vision of entities which belong to an insurance
11 group.

12 “(k) SCOPE.—The authority of the Office as specified
13 and limited in this section shall extend to all lines of insur-
14 ance except—

15 “(1) health insurance, as determined by the
16 Secretary in coordination with the Secretary of
17 Health and Human Services based on section 2791
18 of the Public Health Service Act (42 U.S.C. 300gg-
19 91);

20 “(2) long-term care insurance, except long-term
21 care insurance that is included with life or annuity
22 insurance components, as determined by the Sec-
23 retary in coordination with the Secretary of Health
24 and Human Services, and in the case of long-term
25 care insurance that is included with such compo-

1 nents, the Secretary shall coordinate with the Sec-
2 retary of Health and Human Services in performing
3 the functions of the Office; and

4 “(3) crop insurance, as established by the Fed-
5 eral Crop Insurance Act (7 U.S.C. 1501 et seq.).

6 “(l) ACCESS TO INFORMATION.—In carrying out the
7 functions required under subsection (j), the Office may co-
8 ordinate with any relevant Federal agency and any State
9 insurance regulator (or other relevant Federal or State
10 regulatory agency, if any, in the case of an affiliate of an
11 insurer) and any publicly available sources for the provi-
12 sion to the Office of publicly available information. Not-
13 withstanding any other provision of law, each such rel-
14 evant Federal agency and State insurance regulator or
15 other Federal or State regulatory agency is authorized to
16 provide to the Office such data or information.

17 “(m) PREEMPTION PURSUANT TO COVERED AGREE-
18 MENTS.—

19 “(1) STANDARDS.—A State insurance measure
20 shall be preempted pursuant to this section or sec-
21 tion 314 if, and only to the extent that the Inde-
22 pendent Insurance Advocate determines, in accord-
23 ance with this subsection, that the measure—

24 “(A) results in less favorable treatment of
25 a non-United States insurer domiciled in a for-

1 eign jurisdiction that is subject to a covered
2 agreement than a United States insurer domi-
3 ciled, licensed, or otherwise admitted in that
4 State; and

5 “(B) is inconsistent with a covered agree-
6 ment.

7 “(2) DETERMINATION.—

8 “(A) NOTICE OF POTENTIAL INCONSIST-
9 ENCY.—Before making any determination
10 under paragraph (1), the Independent Insur-
11 ance Advocate shall—

12 “(i) notify and consult with the appro-
13 priate State regarding any potential incon-
14 sistency or preemption;

15 “(ii) notify and consult with the
16 United States Trade Representative re-
17 garding any potential inconsistency or pre-
18 emption;

19 “(iii) cause to be published in the
20 Federal Register notice of the issue re-
21 garding the potential inconsistency or pre-
22 emption, including a description of each
23 State insurance measure at issue and any
24 applicable covered agreement;

1 “(iv) provide interested parties a rea-
2 sonable opportunity to submit written com-
3 ments to the Office; and

4 “(v) consider any comments received.

5 “(B) SCOPE OF REVIEW.—For purposes of
6 this subsection, any determination of the Inde-
7 pendent Insurance Advocate regarding State in-
8 surance measures, and any preemption under
9 paragraph (1) as a result of such determina-
10 tion, shall be limited to the subject matter con-
11 tained within the covered agreement involved
12 and shall achieve a level of protection for insur-
13 ance or reinsurance consumers that is substan-
14 tially equivalent to the level of protection
15 achieved under State insurance or reinsurance
16 regulation.

17 “(C) NOTICE OF DETERMINATION OF IN-
18 CONSISTENCY.—Upon making any determina-
19 tion under paragraph (1), the Director shall—

20 “(i) notify the appropriate State of
21 the determination and the extent of the in-
22 consistency;

23 “(ii) establish a reasonable period of
24 time, which shall not be less than 30 days,

1 before the determination shall become ef-
2 fective; and

3 “(iii) notify the Committees on Finan-
4 cial Services and Ways and Means of the
5 House of Representatives and the Commit-
6 tees on Banking, Housing, and Urban Af-
7 fairs and Finance of the Senate.

8 “(3) NOTICE OF EFFECTIVENESS.—Upon the
9 conclusion of the period referred to in paragraph
10 (2)(C)(ii), if the basis for such determination still
11 exists, the determination shall become effective and
12 the Independent Insurance Advocate shall—

13 “(A) cause to be published a notice in the
14 Federal Register that the preemption has be-
15 come effective, as well as the effective date; and

16 “(B) notify the appropriate State.

17 “(4) LIMITATION.—No State may enforce a
18 State insurance measure to the extent that such
19 measure has been preempted under this subsection.

20 “(5) APPLICABILITY OF ADMINISTRATIVE PRO-
21 CEDURES ACT.—Determinations of inconsistency
22 made pursuant to paragraph (2) shall be subject to
23 the applicable provisions of subchapter II of chapter
24 5 of title 5, United States Code (relating to adminis-
25 trative procedure), and chapter 7 of such title (relat-

1 ing to judicial review), except that in any action for
2 judicial review of a determination of inconsistency,
3 the court shall determine the matter de novo.

4 “(n) CONSULTATION.—The Independent Insurance
5 Advocate shall consult with State insurance regulators, in-
6 dividually or collectively, to the extent the Independent In-
7 surance Advocate determines appropriate, in carrying out
8 the functions of the Office.

9 “(o) NOTICES AND REQUESTS FOR COMMENT.—In
10 addition to the other functions and duties specified in this
11 section, the Independent Insurance Advocate may pre-
12 scribe such notices and requests for comment in the Fed-
13 eral Register as are deemed necessary related to and gov-
14 erning the manner in which the duties and authorities of
15 the Independent Insurance Advocate are carried out;

16 “(p) SAVINGS PROVISIONS.—Nothing in this section
17 shall—

18 “(1) preempt—

19 “(A) any State insurance measure that
20 governs any insurer’s rates, premiums, under-
21 writing, or sales practices;

22 “(B) any State coverage requirements for
23 insurance;

24 “(C) the application of the antitrust laws
25 of any State to the business of insurance; or

1 “(D) any State insurance measure gov-
2 erning the capital or solvency of an insurer, ex-
3 cept to the extent that such State insurance
4 measure results in less favorable treatment of a
5 non-United State insurer than a United States
6 insurer; or

7 “(2) affect the preemption of any State insur-
8 ance measure otherwise inconsistent with and pre-
9 empted by Federal law.

10 “(q) RETENTION OF AUTHORITY OF FEDERAL FI-
11 NANCIAL REGULATORY AGENCIES.—Nothing in this sec-
12 tion or section 314 shall be construed to limit the author-
13 ity of any Federal financial regulatory agency, including
14 the authority to develop and coordinate policy, negotiate,
15 and enter into agreements with foreign governments, au-
16 thorities, regulators, and multinational regulatory commit-
17 tees and to preempt State measures to affect uniformity
18 with international regulatory agreements.

19 “(r) RETENTION OF AUTHORITY OF UNITED STATES
20 TRADE REPRESENTATIVE.—Nothing in this section or
21 section 314 shall be construed to affect the authority of
22 the Office of the United States Trade Representative pur-
23 suant to section 141 of the Trade Act of 1974 (19 U.S.C.
24 2171) or any other provision of law, including authority
25 over the development and coordination of United States

1 international trade policy and the administration of the
2 United States trade agreements program.

3 “(s) CONGRESSIONAL TESTIMONY.—The Inde-
4 pendent Insurance Advocate shall appear before the Com-
5 mittee on Financial Services of the House of Representa-
6 tives and the Committee on Banking, Housing, and Urban
7 Affairs at semi-annual hearings and shall provide testi-
8 mony, which shall include submitting written testimony in
9 advance of such appearances to such committees and to
10 the Committee on Ways and Means of the House of Rep-
11 resentatives and the Committee on Finance of the Senate,
12 on the following matters:

13 “(1) OFFICE ACTIVITIES.—The efforts, activi-
14 ties, objectives, and plans of the Office.

15 “(2) SECTION 313(L) ACTIONS.—Any actions
16 taken by the Office pursuant to subsection (l) (re-
17 garding preemption pursuant to covered agree-
18 ments).

19 “(3) INSURANCE INDUSTRY.—The state of, and
20 developments in, the insurance industry.

21 “(4) U.S. AND GLOBAL INSURANCE AND REIN-
22 SURANCE MARKETS.—The breadth and scope of the
23 global insurance and reinsurance markets and the
24 critical role such markets plays in supporting insur-
25 ance in the United States and the ongoing impacts

1 of part II of the Nonadmitted and Reinsurance Re-
2 form Act of 2010 on the ability of State regulators
3 to access reinsurance information for regulated com-
4 panies in their jurisdictions.

5 “(5) OTHER.—Any other matters as deemed
6 relevant by the Independent Insurance Advocate or
7 requested by such Committees.

8 “(t) REPORT UPON END OF TERM OF OFFICE.—Not
9 later than two months prior to the expiration of the term
10 of office, or discontinuation of service, of each individual
11 serving as the Independent Insurance Advocate, the Inde-
12 pendent Insurance Advocate shall submit a report to the
13 Committees on Financial Services and Ways and Means
14 of the House of Representatives and the Committees on
15 Banking, Housing, and Urban Affairs and Finance of the
16 Senate setting forth recommendations regarding the Fi-
17 nancial Stability Oversight Council and the role, duties,
18 and functions of the Independent Insurance Advocate.

19 “(u) DEFINITIONS.—In this section and section 314,
20 the following definitions shall apply:

21 “(1) AFFILIATE.—The term ‘affiliate’ means,
22 with respect to an insurer, any person who controls,
23 is controlled by, or is under common control with the
24 insurer.

1 “(2) COVERED AGREEMENT.—The term ‘cov-
2 ered agreement’ means a written bilateral or multi-
3 lateral agreement regarding prudential measures
4 with respect to the business of insurance or reinsur-
5 ance that—

6 “(A) is entered into between the United
7 States and one or more foreign governments,
8 authorities, or regulatory entities; and

9 “(B) relates to the recognition of pruden-
10 tial measures with respect to the business of in-
11 surance or reinsurance that achieves a level of
12 protection for insurance or reinsurance con-
13 sumers that is substantially equivalent to the
14 level of protection achieved under State insur-
15 ance or reinsurance regulation.

16 “(3) INSURER.—The term ‘insurer’ means any
17 person engaged in the business of insurance, includ-
18 ing reinsurance.

19 “(4) FEDERAL FINANCIAL REGULATORY AGEN-
20 CY.—The term ‘Federal financial regulatory agency’
21 means the Department of the Treasury, the Board
22 of Governors of the Federal Reserve System, the Of-
23 fice of the Comptroller of the Currency, the Office
24 of Thrift Supervision, the Securities and Exchange
25 Commission, the Commodity Futures Trading Com-

1 mission, the Federal Deposit Insurance Corporation,
2 the Federal Housing Finance Agency, or the Na-
3 tional Credit Union Administration.

4 “(5) FINANCIAL STABILITY OVERSIGHT COUN-
5 CIL.—The term ‘Financial Stability Oversight Coun-
6 cil ’ means the Financial Stability Oversight Council
7 established under section 111(a) of the Dodd-Frank
8 Wall Street Reform and Consumer Protection Act
9 (12 U.S.C. 5321(a)).

10 “(6) MEMBER AGENCY.—The term ‘member
11 agency’ has the meaning given such term in section
12 111(a) of the Dodd-Frank Wall Street Reform and
13 Consumer Protection Act (12 U.S.C. 5321(a)).

14 “(7) NON-UNITED STATES INSURER.—The term
15 ‘non-United States insurer’ means an insurer that is
16 organized under the laws of a jurisdiction other than
17 a State, but does not include any United States
18 branch of such an insurer.

19 “(8) OFFICE.—The term ‘Office’ means the Of-
20 fice of the Independent Insurance Advocate estab-
21 lished by this section.

22 “(9) STATE INSURANCE MEASURE.—The term
23 ‘State insurance measure’ means any State law, reg-
24 ulation, administrative ruling, bulletin, guideline, or

1 practice relating to or affecting prudential measures
2 applicable to insurance or reinsurance.

3 “(10) STATE INSURANCE REGULATOR.—The
4 term ‘State insurance regulator’ means any State
5 regulatory authority responsible for the supervision
6 of insurers.

7 “(11) SUBSTANTIALLY EQUIVALENT TO THE
8 LEVEL OF PROTECTION ACHIEVED.—The term ‘sub-
9 stantially equivalent to the level of protection
10 achieved’ means the prudential measures of a for-
11 eign government, authority, or regulatory entity
12 achieve a similar outcome in consumer protection as
13 the outcome achieved under State insurance or rein-
14 surance regulation.

15 “(12) UNITED STATES INSURER.—The term
16 ‘United States insurer’ means—

17 “(A) an insurer that is organized under
18 the laws of a State; or

19 “(B) a United States branch of a non-
20 United States insurer.”.

21 (b) PAY AT LEVEL III OF EXECUTIVE SCHEDULE.—
22 Section 5314 of title 5, United States Code, is amended
23 by adding at the end the following new item:

24 “Independent Insurance Advocate, Department
25 of the Treasury.”.

1 (c) VOTING MEMBER OF FSOC.—Paragraph (1) of
2 section 111(b) of the Dodd-Frank Wall Street Reform and
3 Consumer Protection Act (12 U.S.C. 5321(b)(1)) is
4 amended by striking subparagraph (J) and inserting the
5 following new subparagraph:

6 “(J) the Independent Insurance Advocate
7 appointed pursuant to section 313 of title 31,
8 United States Code.”.

9 (d) INDEPENDENCE.—Section 111 of Public Law 93–
10 495 (12 U.S.C. 250) is amended—

11 (1) by inserting “the Independent Insurance
12 Advocate of the Department of the Treasury,” after
13 “Federal Housing Finance Agency,”; and

14 (2) by inserting “or official” before “submitting
15 them”.

16 (e) TRANSFER OF EMPLOYEES.—All employees of the
17 Department of Treasury who are performing staff func-
18 tions for the independent member of the Financial Sta-
19 bility Oversight Council under section 111(b)(2)(J) of the
20 Dodd-Frank Wall Street Reform and Consumer Protec-
21 tion Act (12 U.S.C. 5321(b)(2)(J)) on a full-time equiva-
22 lent basis as of the date of enactment of this Act shall
23 be eligible for transfer to the Office of the Independent
24 Insurance Advocate established pursuant to the amend-
25 ment made by subsection (a) of this section for appoint-

1 ment as an employee and shall be transferred at the joint
2 discretion of the Independent Insurance Advocate and the
3 eligible employee. Any employee eligible for transfer that
4 is not appointed within 360 days from the date of enact-
5 ment of this Act shall be eligible for detail under section
6 313(f)(4) of title 31, United States Code.

7 (f) TEMPORARY SERVICE; TRANSITION.—Notwith-
8 standing the amendment made by subsection (a) of this
9 section, during the period beginning on the date of the
10 enactment of this Act and ending on the date on which
11 the Independent Insurance Advocate is appointed and con-
12 firmed pursuant to section 313(b)(2) of title 31, United
13 States Code, as amended by such amendment, the person
14 serving, on such date of enactment, as the independent
15 member of the Financial Stability Oversight Council pur-
16 suant to section 111(b)(1)(J) of the Dodd-Frank Wall
17 Street Reform and Consumer Protection Act (12 U.S.C.
18 5321(b)(1)(J)) shall act for all purposes as, and with the
19 full powers of, the Independent Insurance Advocate.

20 (g) COMPARABILITY IN COMPENSATION SCHED-
21 ULES.—Subsection (a) of section 1206 of the Financial
22 Institutions Reform, Recovery, and Enforcement Act of
23 1989 (12 U.S.C. 1833b(a)) is amended by inserting “the
24 Office of the Independent Insurance Advocate of the De-

1 partment of the Treasury,” before “and the Farm Credit
2 Administration,”.

3 (h) SENIOR EXECUTIVES.—Subparagraph (D) of sec-
4 tion 3132(a)(1) of title 5, United States Code, is amended
5 by inserting “the Office of the Independent Insurance Ad-
6 vocate of the Department of the Treasury,” after “Fi-
7 nance Agency,”.

8 **SEC. 1102. TREATMENT OF COVERED AGREEMENTS.**

9 Subsection (c) of section 314 of title 31, United
10 States Code is amended—

11 (1) by designating paragraphs (1) and (2) as
12 paragraphs (2) and (3), respectively; and

13 (2) by inserting before paragraph (2), as so re-
14 designated, the following new paragraph:

15 “(1) the Secretary of the Treasury and the
16 United States Trade Representative have caused to
17 be published in the Federal Register, and made
18 available for public comment for a period of not
19 fewer than 30 days and not greater than 90 days
20 (which period may run concurrently with the 90-day
21 period for the covered agreement referred to in para-
22 graph (3)), the proposed text of the covered agree-
23 ment;”.