

Congress of the United States

Washington, DC 20515

August 22, 2008

Honorable Christopher Cox
Chairman
U.S. Securities and Exchange Commission
100 F Street, NE
Washington, DC 20549

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2008 AUG 22 PM 5:00
CHAIRMAN'S
CORRESPONDENCE UNIT

RE: Request for Extension of Comment Period for Proposed Rule on Indexed
Annuities and Certain Other Insurance Contracts
File No. S7-14-08; Release Nos. 33-8933 and 34-58022

Dear Chairman Cox:

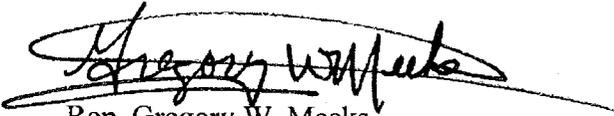
As members of the U.S. House of Representatives, we write to express our concern about a recent proposal from the Securities and Exchange Commission ("SEC") that would significantly change the regulation of certain annuity contracts and has the potential to negatively impact companies, agents, and consumers in our districts. For the reasons stated below, we urge the SEC to extend the comment period for this rulemaking proposal by at least ninety (90) days to afford sufficient time for stakeholders, the public, and Congress to evaluate and comment on it.

On July 1, 2008, the SEC published for comment a proposed new rule to reclassify, prospectively, state-regulated insurance products called indexed annuities as securities ("Proposed Rule 151A"). These products are currently used by millions of Americans to help achieve their savings goals. Proposed Rule 151A would have profound implications for the way these products are developed, marketed and sold. It would subject already state-regulated insurance products to dual regulation by federal securities law, registration requirements, and oversight, adding filing obligations and compliance costs. It would also require such products to be distributed exclusively by registered representatives of SEC-licensed broker-dealers, rather than independent insurance agents who are solely state-licensed. Finally, Proposed Rule 151A could stifle innovation in annuities and other life insurance products at a time when growing numbers of Americans are searching for ways to preserve and increase their retirement nest-eggs.

We strongly support initiatives by the SEC to better protect investors, and seniors in particular. However, we are concerned that the current September 10 deadline for comments is far too short a period to thoughtfully consider a proposal of such magnitude. Ample opportunity should be given to stakeholders and the public to review and discuss the proposal and offer meaningful comment on it. Congress should also be given sufficient time to hear and consider constituents' views on the proposal and provide representative feedback to the SEC. Collecting, reviewing, and synthesizing input from our constituents is a time-consuming, but very important part of our responsibilities as legislators. Many members are right now engaged in meetings with constituents, working on a broad range of issues throughout our districts. Congress reconvenes on September 8, just two days before the comment period is set to expire, and additional time is required to complete this process.

It has been over ten years since the SEC last took formal, public action in regard to indexed annuities by issuing a concept release. Further, we understand there was neither notice to, nor consultation with, state insurance regulators or the life insurance industry about the development of Proposed Rule 151A. This time lapse, the lack of input from key stakeholders, and the far-reaching consequences of Proposed Rule 151A all support the provision of additional time to perform the careful consideration and contemplation of alternative approaches that due diligence requires. Thus, we urge the SEC to extend the comment period for its proposal by at least ninety (90) days.

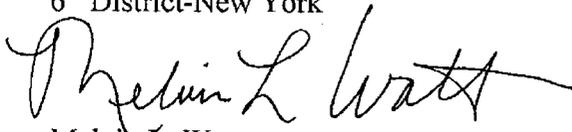
Sincerely,



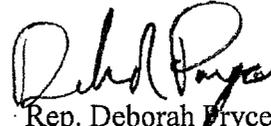
Rep. Gregory W. Meeks
Member of Congress
6th District-New York



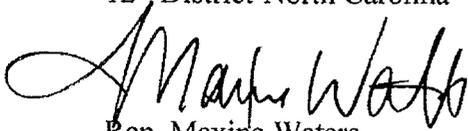
Rep. Tom Price
Member of Congress
6th District-Georgia



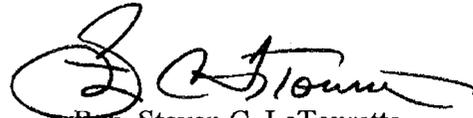
Melvin L. Watt
Member of Congress
12th District-North Carolina



Rep. Deborah Pryce
Member of Congress
15th District-Ohio



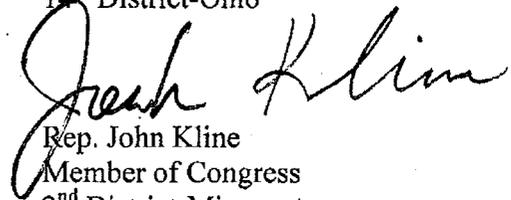
Rep. Maxine Waters
Member of Congress
35th District-California



Rep. Steven C. LaTourette
Member of Congress
14th District-Ohio



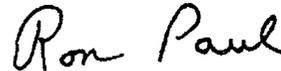
Rep. Elijah E. Cummings
Member of Congress
7th District-Maryland



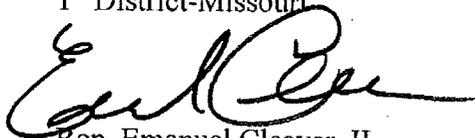
Rep. John Kline
Member of Congress
2nd District-Minnesota



Rep. W. Lacy Clay
Member of Congress
1st District-Missouri



Rep. Ron Paul
Member of Congress
14th District-Texas



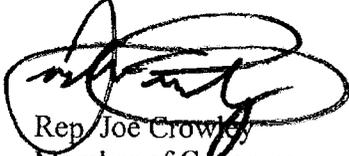
Rep. Emanuel Cleaver, II
Member of Congress
5th District-Missouri



Rep. Leonard Boswell
Member of Congress
3rd District-Iowa



Rep. David Loebsock
Member of Congress
2nd District-Iowa



Rep. Joe Crowley
Member of Congress
7th District-New York



Rep. Bruce L. Braley
Member of Congress
1st District-Iowa



David Scott
Member of Congress
13th District-Georgia



Rep. Tom Latham
Member of Congress
4th District-Iowa



Rep. Peter J. Roskam
Member of Congress
6th District-Illinois

cc:

Kathleen L. Casey, Commissioner, Securities and Exchange Commission
Elise B. Walter, Commissioner, Securities and Exchange Commission
Louis A. Aguilar, Commissioner, Securities and Exchange Commission
Troy A. Paredes, Commissioner, Securities and Exchange Commission
Florence E. Harmon, Acting Secretary, Securities and Exchange Commission