



## Office of Financial Research

The Dodd-Frank Act created a new office to collect information on the financial services industry with wide-ranging powers and a broad mission.

**NAMIC opposes** the inclusion of property/casualty insurance from the jurisdiction of the Office of Financial Research.

### Background

The Dodd-Frank Wall Street Reform and Consumer Protection Act created the Office of Financial Research (OFR) within the Treasury. The OFR is charged with improving the quality of financial data available to policymakers and facilitate analysis of the financial system for agencies such as the new Financial Stability Oversight Council (FSOC) that monitors systemic risk. To execute these functions, the OFR has two primary operational centers: a Data Center to standardize, validate, and maintain data to help regulators identify vulnerabilities in the financial system as a whole, and a Research and Analysis Center to conduct, coordinate, and sponsor research aimed at improving regulation of financial firms and markets.

The OFR will conduct financial analysis in support of FSOC, attempt to standardize financial reporting requirements, develop a reference database, prioritize making financial data efficient and secure, and produce regular reports to Congress on threats to the financial system and its key research and findings.

NAMIC expressed its concern with creation of the OFR and its potential conflict with the new Federal Insurance Office (FIO) and state insurance regulators. While certain safeguards were written into Dodd-Frank to prevent these conflicts from occurring there remain concerns that the jurisdiction of the OFR is vague and there is potential for the office to grow beyond its scope as an information clearinghouse for FSOC and Congress. In addition, the OFR has the power to subpoena financial companies for information. While the property/casualty industry will not likely be a focus for systemic

## Dodd-Frank Implementation



### Federal and Political Affairs Department

**Jimi Grande**  
Senior Vice President –  
Federal & Political Affairs  
jgrande@namic.org

**Matt Gannon**  
Assistant Vice President –  
Federal Affairs  
mgannon@namic.org

**Jon Bergner**  
Federal Affairs Director  
jbergner@namic.org

**Caitlin Lucchino**  
Federal Affairs Manager  
clucchino@namic.org

**Irica Solomon**  
Political Director  
isolomon@namic.org

**Matt Brady**  
Media Relations Director  
mbrady@namic.org

**Kristin Eichhorn**  
Congressional Contact  
Program Director  
keichhorn@namic.org

122 C Street, N.W.  
Suite 540  
Washington, D.C.  
(202) 628-1558

[www.namic.org](http://www.namic.org)

NAMIC is the largest and most diverse property/casualty trade association in the country, with 1,400 national, regional and local mutual insurance member companies serving more than 135 million auto, home, and business policyholders. These companies write in excess of \$196 billion in annual premiums, accounting for 50 percent of the automobile/ homeowners market and 31 percent of the business insurance market. More than 200,000 people are employed by NAMIC member companies.

**NAMIC**<sup>®</sup>  
NATIONAL ASSOCIATION OF MUTUAL INSURANCE COMPANIES

risk information gathering, there remains the possibility that this tool could be used to reach insurers.

Since 2010, the OFR has promoted the establishment of a universal Legal Entity Identifier (LEI), a global standard for financial data. NAMIC has been the sole private sector insurance industry representative participating in the development of the LEI and has issued a Compliance Alert to NAMIC members in February 2013, concerning reporting obligations starting in March 2013.

NAMIC worked tirelessly to ensure our industry was not the target of the Dodd-Frank reforms. However, these efforts continue in earnest as the process of implementing the many reforms in this bill continues. NAMIC understands how critical it will be to remain vigilant going forward and will continue to follow the development of the OFR closely to ensure that the property/casualty insurance industry remains protected.

For more information on the Office of Financial Research go to <http://www.namic.org/federal/fedissues.asp>, or contact



**Jonathan Bergner**  
Federal Affairs Director  
jbergner@namic.org