



September 8, 2011

The Honorable Dave Camp  
Chairman  
House Ways and Means Committee  
1102 Longworth House Office Building  
Washington, DC 20515

The Honorable Max Baucus  
Chairman  
Senate Finance Committee  
219 Dirksen Senate Office Building  
Washington, DC 20510

The Honorable Sander Levin  
Ranking Member  
House Ways and Means Committee  
1102 Longworth House Office Building  
Washington, DC 20515

The Honorable Orrin Hatch  
Ranking Member  
Senate Finance Committee  
219 Dirksen Senate Office Building  
Washington, DC 20510

Dear Chairmen and Ranking Members:

On behalf of the leading associations representing America's life insurance industry, we write to share our views regarding the current debate on fiscal reform. We strongly support the goal of addressing the national debt as an important priority for the long-term health of the country and recognize the challenges facing policy-makers.

Throughout this process, we believe that policy-makers must carefully consider the negative effect on society if changes to public policy make it harder and more expensive to obtain financial and retirement security. Two out of three American families—that's 75 million families—count on life insurers' products for financial protection, long-term savings, and a guarantee of lifetime income at retirement. In fact, life insurance and annuity products account for 20 percent of Americans' long-term savings.

With federal entitlement programs and state and local budgets experiencing unprecedented stress, now is not the time to make it harder or more expensive for families to build their own financial safety net. We strongly believe that public policy should continue to encourage families to plan for and protect their financial and retirement security.

Additionally, employers of all sizes depend on life insurers' products to provide retirement savings opportunities and other benefits to their workforce. It is important that public policy continue to support and expand these programs so that this critical source of financial security remains available to working families.

Life insurers also are a significant source of long-term investments in the U.S. economy. The investments life insurance companies make in communities throughout our nation spur business development and, most importantly in this climate, create jobs. Even through recent financial upheavals, life insurers have continued to invest for the long-term—in corporate bonds, commercial mortgages, and federal, state and community bonds. In fact, life insurance companies are the single largest source of bond financing for American businesses. Life insurers also generate 2.5 million jobs through direct or indirect employment.

We ask that you carefully consider our concerns as you prepare recommendations to the Joint Select Committee on Deficit Reduction. Each of our associations stands ready to assist you and your staff, and would be pleased to provide additional information or answer any questions about the life insurance industry, the products it provides and the long-term investments it makes.

Sincerely,



Dirk Kempthorne  
President & Chief Executive Officer  
American Council of Life Insurers



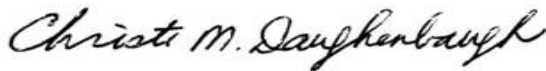
David J. Stertz  
Chief Executive Officer  
Association for Advanced Life Underwriting



Jeffrey R. Hughes  
Chief Executive Officer  
GAMA International



Susan B. Waters  
Chief Executive Officer  
National Association of Insurance & Financial  
Advisors



Christi M. Daughenbaugh  
Chairman  
National Association of Independent Life  
Brokerage Agencies

**The American Council of Life Insurers (ACLI)** represents more than 300 legal reserve life insurer and fraternal benefit society member companies operating in the United States. These member companies represent more than 90 percent of the assets and premiums of the U.S. life insurance and annuity industry. In addition to life insurance and annuities, ACLI member companies offer pensions, 401(k) and other retirement plans, long-term care and disability income insurance, and reinsurance.  
Contact: Mo Goff, 202-624-2013, mogoff@acll.com. [www.acli.com](http://www.acli.com)

**The Association for Advanced Life Underwriting (AALU)** represents more than 2,000 leading life insurance professionals who are engaged in the sale of life insurance as part of business continuation planning, estate planning, charitable planning, retirement planning, deferred compensation and employee benefit planning. AALU members engage in legislative and regulatory advocacy to protect and promote their ability to assist individuals, families and businesses who rely on life insurance products for their financial security.  
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**GAMA International** is a worldwide professional association serving 5,500 field leaders in the insurance and financial services industry. Its members recognize their critical role in finding, building and inspiring the next generation of top performers who will, in their turn, lead the industry into the future. To help build these leaders, the association provides its members with professional development resources and opportunities, including educational, networking and leadership opportunities.  
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**The National Association of Insurance and Financial Advisors (NAIFA)** comprises more than 700 state and local associations representing the interests of approximately 200,000 agents and their associates nationwide. NAIFA members focus their practices on one or more of the following: life insurance and annuities, health insurance and employee benefits, multiline, and financial advising and investments. The Association's mission is to advocate for a positive legislative and regulatory environment, enhance business and professional skills, and promote the ethical conduct of its members.  
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**The National Association of Independent Life Brokerage Agencies (NAILBA)** is a nonprofit trade association with 375 member agencies in the U.S., representing 250,000 producers who deliver more than one billion dollars in first-year life insurance premiums annually. NAILBA is dedicated to fostering the growth of its member agencies by providing educational resources, industry standards and a collective voice for legislative and regulatory efforts. Each of NAILBA's members commits to a statement of responsibilities to ethically and responsibly serve their clients' best interests.  
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