

## NCIGF Weighs in on Reinsurance Collateral Proposals

On October 22nd the NCIGF weighed in on the current debate about reinsurance collateral proposals in a letter to John Oxendine, chair of the NAIC Reinsurance Task Force.

“The success of reinsurance collections has a direct bearing on how much insolvencies ultimately cost the public,” wrote Barbara Cox, NCIGF’s vice president Legal & Regulatory Affairs. “For this reason, we are watching with interest the continuing debate over Reinsurance Collateral Proposals.”

Cox also wrote, “It stands to reason, based on the significant impact collateral appears to have on estate recoveries, that any reduction in current collateral requirements will directly and considerably add to the cost of guaranty association protection that is, by statute, ultimately passed on to the public.”