

**National Association of State Credit Union Supervisors (NASCUS)
National Association of Insurance Commissioners (NAIC)**

**Submission for the Record
Senate Committee on Homeland Security and Governmental Affairs
Hearing Examining Conference and Travel Spending Across the Federal Government
January 29, 2014**

Chairman Carper, Ranking Member Coburn, and distinguished Members of the Committee:

The undersigned state regulator organizations appreciate the opportunity to provide this written statement for the record of the January 14, 2014, Senate Committee on Homeland Security and Governmental Affairs hearing examining conference and travel spending across the federal government. We are writing to express our concern regarding the Government Spending Accountability Act of 2013 (H.R. 313) passed by the House and currently under consideration in the Senate; and the Conference Accountability Act of 2013 (S. 1347), which affect government employees' ability to attend meetings and conferences.

We appreciate and support Congressional efforts to ensure diligent oversight and accountability in the expenditure of taxpayer dollars by federal agencies. However, proposals that unduly restrict opportunities for engagement between state and federal regulators could significantly restrict the state-federal coordination that is a key element of financial regulation.

The regular and meaningful interaction of federal financial regulators with their state counterparts is imperative to the successful operation of the financial regulatory system. State regulators must be able to coordinate with the staffs of federal regulatory agencies on a regular basis in order to ensure that supervisory activities are conducted in an integrated, efficient, and comprehensive manner.

Conferences at the state, regional and national level allow regulators to actively engage on critical challenges that face the entities and industries that they regulate. This type of face-to-face collaboration advances the public policy goal of a comprehensive and least burdensome regulatory framework in a way that teleconferences and webcasts alone could not hope to achieve.

In the current financial regulatory environment this state-federal collaboration is more important than ever. Financial institutions and their regulators are still actively navigating Dodd-Frank implementation and other wide-ranging regulatory reforms in the wake of the 2008 financial crisis. Consumer protection laws, cyber security, interest rate risk, and capital reforms are just a few of the important issues that require coordinated action by state and federal regulators.

Our dual system of financial regulation drives innovation and efficiency in the financial services industry and with financial regulators. A restriction on the free and unfettered dialogue between state and federal regulators could inadvertently undermine the effective administration of our dual system of financial regulation, which is a hallmark of the U.S. financial system.

Sincerely,

NATIONAL ASSOCIATION OF STATE CREDIT UNION SUPERVISORS (NASCUS)
NATIONAL ASSOCIATION OF INSURANCE COMMISSIONERS (NAIC)