

LOBBYING REPORT

Lobbying Disclosure Act of 1995 (Section 5) - **All Filers Are Required To Complete This Page**

1. Registrant Name:

NATL ASSN OF INSURANCE & FINANCIAL ADVISORS

2. Address:

2901 TELESTAR CT, FALLS CHURCH, VA 22042

3. Principal place of business (if different from line 2):

4. Contact Name: ROLAND L. PANNETON

Telephone: 7037708187

E-mail (optional): rpanneton@naifa.org

Senate ID #: 26901-12

House ID #:

7. Client Name: ☒ Self

TYPE OF REPORT

8. Year 2006 Midyear (January 1 - June 30): ☐ **OR** Year End (July 1 - December 31): ☒

9. Check if this filing amends a previously filed version of this report: ☐

10. Check if this is a Termination Report: ☐ => Termination Date: 11. No Lobbying Activity: ☐

INCOME OR EXPENSES

Complete Either Line 12 **OR** Line 13

12. Lobbying Firms

INCOME relating to lobbying activities for this reporting period was:

Less than \$10,000: ☐

\$10,000 or more: ☐ => Income (nearest \$20,000): _____

Provide a good faith estimate, rounded to the nearest \$20,000, of all lobbying related income from the client (including all payments to the registrant by any other entity for lobbying activities on behalf of the client).

13. Organizations

EXPENSES relating to lobbying activities for this reporting period were:

Less than \$10,000: ☐

\$10,000 or more: ☒ => Expenses (nearest \$20,000): 300,000.00

14. Reporting Method.

Check box to indicate expense accounting method. See instructions for description of options.

☒ **Method A.** Reporting amounts using LDA definitions only

☐ **Method B.** Reporting amounts under section 6033(b)(8) of the Internal Revenue Code

☐ **Method C.** Reporting amounts under section 162(e) of the Internal Revenue Code

LOBBYING ACTIVITY

Select as many codes as necessary to reflect the general issue areas in which the registrant engaged in lobbying on behalf of the client during the reporting period. Using a separate page for each code, provide information as requested. Attach additional page(s) as needed.

15. General issue area code: CSP (one per page)

16. Specific lobbying issues:

HR 3997 & S 2169 - Financial Data Protection Act of 2006. NAIFA supports laws to prevent identity theft, but is concerned that Congress could go too far and pass laws that conflict with existing privacy laws such as GLBA & FCRA. Also, any new security law should preempt state law.

17. House(s) of Congress and Federal agencies contacted:
HOUSE OF REPRESENTATIVES
SENATE

18. Name of each individual who acted as a lobbyist in this issue area:

Name: ANDERSON, WILLIAM R.

Covered Official Position (if applicable): SR. VICE PRESIDENT-LAW & GOV'T RELATIONS

Name: EDWARDS, JAMES

Covered Official Position (if applicable): VICE PRESIDENT - COMMUNICATIONS

Name: EDWARDS, JILL

Covered Official Position (if applicable): DIRECTOR, FEDERAL GOV'T RELATIONS

Name: KERLEY, MICHAEL L.

Covered Official Position (if applicable): SR. VICE PRESIDENT-FEDERAL GOV'T RELATIONS

Name: PANNETON, ROLAND L.

Covered Official Position (if applicable): SR. COUNSEL, LAW & GOV'T RELATIONS

Name: SANDERS, GARY A.

Covered Official Position (if applicable): SR. COUNSEL, LAW & GOV'T RELATIONS

19. Interest of each foreign entity in the specific issues listed on line 16 above. **None**

LOBBYING ACTIVITY

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15. General issue area code: DEF (one per page)

16. Specific lobbying issues:

HR 458 & S 418 - clarifies the jurisdiction of state insurance regulators and the Dept. of Defense in regulating insurance agents who operate on-base. HR 458 passed House. S. 418 passed the Senate and both bills will likely go to conference. NAIFA supports.

17. House(s) of Congress and Federal agencies contacted:

HOUSE OF REPRESENTATIVES
SENATE

18. Name of each individual who acted as a lobbyist in this issue area:

Name: ANDERSON, WILLIAM R.

Covered Official Position (if applicable): SR. VICE PRESIDENT-LAW & GOV'T RELATIONS

Name: EDWARDS, JAMES

Covered Official Position (if applicable): VICE PRESIDENT - COMMUNICATIONS

Name: EDWARDS, JILL

Covered Official Position (if applicable): DIRECTOR, FEDERAL RELATIONS

Name: KERLEY, MICHAEL L.

Covered Official Position (if applicable): SR. VICE PRESIDENT-FEDERAL GOV'T RELATIONS

Name: PANNETON, ROLAND L.

Covered Official Position (if applicable): SR. COUNSEL, LAW & GOV'T RELATIONS

Name: SANDERS, GARY A.

Covered Official Position (if applicable): SR. COUNSEL, LAW & GOV'T RELATIONS

19. Interest of each foreign entity in the specific issues listed on line 16 above. **None**

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15. General issue area code: EDU (one per page)

16. Specific lobbying issues:

These Resolutions would designate September as Life Insurance Awareness Month. NAIFA supported these resolutions for 2006. HR 2622 - Fact Act signed into law December 4, 2003. NAIFA worked to include literacy provisions in the bill and will continue to work to secure funding for insurance and other financial literacy programs. S. Res 448, HR 912.

17. House(s) of Congress and Federal agencies contacted:
HOUSE OF REPRESENTATIVES
SENATE

18. Name of each individual who acted as a lobbyist in this issue area:

Name: ANDERSON, WILLIAM R.

Covered Official Position (if applicable): SR. VICE PRESIDENT - LAW & GOV'T RELATIONS

Name: EDWARDS, JAMES

Covered Official Position (if applicable): VICE PRESIDENT - COMMUNICATIONS

Name: EDWARDS, JILL

Covered Official Position (if applicable): DIRECTOR, FEDERAL GOV'T RELATIONS

Name: KERLEY, MICHAEL L.

Covered Official Position (if applicable): SR. VICE PRESIDENT - FEDERAL GOV'T RELATIONS

Name: PANNETON, ROLAND L.

Covered Official Position (if applicable): SR. COUNSEL, LAW & GOV'T RELATIONS

Name: SANDERS, GARY A.

Covered Official Position (if applicable): SR. COUNSEL, LAW & GOV'T RELATIONS

19. Interest of each foreign entity in the specific issues listed on line 16 above. **None**

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15. General issue area code: FIN (one per page)

16. Specific lobbying issues:

S.2059 would repeal Rule 12b-1 fees. NAIFA supports the continued payment of fees under SEC Rule 12 b-1 to broker-dealers and registered representatives as compensation for providing continuing service to their mutual fund-owning clients. NASD Notice to Members (NTM) 05-50 recommended that its member broker-dealers supervise Equity Indexed Annuities sales made by the b/d's reg. reps. in the same manner as if the EIA were securities. NAIFA believes NASD has overstepped its authority.

17. House(s) of Congress and Federal agencies contacted:

SENATE

Securities & Exchange Commission (SEC)

18. Name of each individual who acted as a lobbyist in this issue area:

Name: ANDERSON, WILLIAM R.

Covered Official Position (if applicable): SR. VICE PRESIDENT-LAW & GOV'T RELATIONS

Name: EDWARDS, JAMES

Covered Official Position (if applicable): VICE PRESIDENT - COMMUNICATIONS

Name: EDWARDS, JILL

Covered Official Position (if applicable): DIRECTOR, FEDERAL RELATIONS

Name: KERLEY, MICHAEL L.

Covered Official Position (if applicable): SR. VICE PRESIDENT-FEDERAL GOV'T RELATIONS

Name: PANNETON, ROLAND L.

Covered Official Position (if applicable): SR. COUNSEL-LAW & GOV'T RELATIONS

Name: SANDERS, GARY A.

Covered Official Position (if applicable): SR. COUNSEL-LAW & GOV'T RELATIONS

19. Interest of each foreign entity in the specific issues listed on line 16 above. **None**

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15. General issue area code: HCR (one per page)

16. Specific lobbying issues:

NAIFA & AHIA is working with NAIC to strengthen the provisions in S.1995, HR 1150 & S 602 - NAIFA supports these additional incentives to purchase LTCI including an above-the-line deduction for individual purchase of LTCI in S.602, HR 118 - would provide generous tax credits to small businesses for providing health coverage to workers. NAIFA supports. Health Care Choice Act - would allow health insurance insurers to choose one state and use that state's rules in all other states where they operate. NAIFA studying proposal. S.288 - The State High Risk Pool Funding Extension Act - NAIFA supports. HR 176 & HR 1177 - would allow unused flexible spending arrangement funds to be carried over to the next year. NAIFA & AHIA favors this option. HR 27 - An "Above the line" deduction for "higher deductible" health plans coupled with HSA's. NAIFA supports. S.4 the Health American Act. NAIFA supports many provisions but concerned over the bills support for AHP's. HR 37, S. 978, Hr 1872, HR 2063, Hr 3873 creates Health Savings Accounts. NAIFA supports. HR 3511, S 1569. NAIFA supports allowing sttaes to establish LTC partnerships. HR 525 & S 406 - Association Health Plans. NAIFA opposes exempting AHP's from state benefit, regulatory oversight and solvency laws. S. 1995 allows AHP's to offer only issued plans that are subject to state solvency standards. Some regulatory oversight and an "average" of state mandated coverages.

17. House(s) of Congress and Federal agencies contacted:
HOUSE OF REPRESENTATIVES
SENATE

18. Name of each individual who acted as a lobbyist in this issue area:

Name: BOYLE, DIANE R.

Covered Official Position (if applicable): EXECUTIVE VICE PRESIDENT

Name: EDWARDS, JAMES

Covered Official Position (if applicable): VP - COMMUNICATIONS

Name: KERLEY, MICHAEL L.

Covered Official Position (if applicable): SR. VICE PRESIDENT-FEDERAL GOV'T RELATIONS

19. Interest of each foreign entity in the specific issues listed on line 16 above. **None**

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15. General issue area code: INS (one per page)

16. Specific lobbying issues:

Insurance Regulatory Reform - NAIFA supports principles underlying state regulation of insurance but supports the principles contained in the "State Modernization and Regulatory Transparency (SMART) Act that focuses on specific areas in which the state regulatory system is failing or deficient. S. 2509 - The National Insurance Act would create an optional federal charter (OFC) for insurance companies and agents. HR 107, S. 219, Life Insurance Employee Notification act which would require disclosure of employee-owned life insurance coverage of an employee. NAIFA supports. HR 2251 - NAIFA supports the COLI Best Practices Act, the House counterpart to S. 219. House Resolution 912 & Senate Resolution 448 - Resolutions supporting "Life Insurance Awareness Month". NAIFA supports these resolutions.

17. House(s) of Congress and Federal agencies contacted:

HOUSE OF REPRESENTATIVES

SENATE

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Name: ANDERSON, WILLIAM R.

Covered Official Position (if applicable): SR. VICE PRESIDENT-LAW & GOV'T RELATIONS

Name: EDWARDS, JAMES

Covered Official Position (if applicable): VICE PRESIDENT - COMMUNICATIONS

Name: EDWARDS, JILL

Covered Official Position (if applicable): DIRECTOR, FEDERAL RELATIONS

Name: KERLEY, MICHAEL L.

Covered Official Position (if applicable): SR. VICE PRESIDENT-FEDERAL GOV'T RELATIONS

Name: PANNETON, ROLAND L.

Covered Official Position (if applicable): SR. COUNSEL, LAW & GOV'T RELATIONS

Name: SANDERS, GARY A.

Covered Official Position (if applicable): SR. COUNSEL, LAW & GOV'T RELATIONS

19. Interest of each foreign entity in the specific issues listed on line 16 above. **None**

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15. General issue area code: RET (one per page)

16. Specific lobbying issues:

HR 819 & S 381-would grant a federal tax exclusion up to \$20,000 per year in lifetime payments from non-qualified annuities - NAIFA supports. HR 3912 - Flexible Retirement Security for Life Act would grant the same exclusion as HR 819 but phase in the dollar amount starting at \$1,000 in 2006 and increasing to \$20,000 by 2015. HR 2951 & S 1359 - NAIFA supports tax incentives for both qualified and non-qualified annuities. HR 2830 & S 1783-The Pension Protection Act-NAIFA supports legislation allowing advisors who represent companies administering 401(k) type plans to give investment advice to employees participating in those plans.

17. House(s) of Congress and Federal agencies contacted:

HOUSE OF REPRESENTATIVES
SENATE

18. Name of each individual who acted as a lobbyist in this issue area:

Name: ANDERSON, WILLIAM R.

Covered Official Position (if applicable): SR. VICE PRESIDENT-LAW & GOV'T RELATIONS

Name: EDWARDS, JAMES

Covered Official Position (if applicable): VP - COMMUNICATIONS

Name: EDWARDS, JILL

Covered Official Position (if applicable): DIRECTOR, FEDERAL RELATIONS

Name: KERLEY, MICHAEL L.

Covered Official Position (if applicable): SR. VICE PRESIDENT-FEDERAL GOV'T RELATIONS

Name: PANNETON, ROLAND L.

Covered Official Position (if applicable): SR. COUNSEL-LAW & GOV'T RELATIONS

Name: SANDERS, GARY A.

Covered Official Position (if applicable): SR. COUNSEL-LAW & GOV'T RELATIONS

19. Interest of each foreign entity in the specific issues listed on line 16 above. **None**

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15. General issue area code: TAX (one per page)

16. Specific lobbying issues:

* President Bush's Tax Advisory Panel reported its recommendations on November 2, 2005. NAIFA opposes ideas that encourage short term savings and spending such as the Lifetime Savings Accounts pushed by President Bush and Save for Retirement Accounts suggested by the Tax Advisory Panel. bills which would repeal estate tax on family farms and businesses. NAIFA & AALU support estate tax reform which removes the estate tax burden for 99% of Americans. Charitable Owned Life Insurance - President Bush proposed applying a 25% excise tax on death benefits of life insurance used in complicated life insurance and annuity transactions involving charitable and educational institutions. NAIFA supports in principal. On Nov. 28, 2005 the Senate passed legislation (part of an omnibus tax bill) that would impose a 100% excise tax on the premiums and other sums invested in these arrangements. NAIFA supports in principal but will work on details. HR 1161, 62, 63 & S 545, 6, 7 - new tax-advantaged savings plans in President Bush's proposed 2005 budget. NAIFA concerned about impact on life insurance and annuity sales. HR 8, HR 183, HR 64, S 420 - Legislation to make the estate tax repeal enacted in 2001 permanent. S 34 and S 135 are "reform" 4 8

17. House(s) of Congress and Federal agencies contacted:

HOUSE OF REPRESENTATIVES

SENATE

Treasury, Dept of

18. Name of each individual who acted as a lobbyist in this issue area:

Name: ANDERSON, WILLIAM R.

Covered Official Position (if applicable): SR. VICE PRESIDENT-LAW & GOV'T RELATIONS

Name: EDWARDS, JAMES

Covered Official Position (if applicable): VICE PRESIDENT - COMMUNICATIONS

Name: EDWARDS, JILL

Covered Official Position (if applicable): DIRECTOR, FEDERAL RELATIONS

Name: KERLEY, MICHAEL L.

Covered Official Position (if applicable): SR. VICE PRESIDENT-FEDERAL GOV'T RELATIONS

Name: PANNETON, ROLAND L.

Covered Official Position (if applicable): SR. COUNSEL - LAW & GOV'T RELATIONS

Name: SANDERS, GARY A.

Covered Official Position (if applicable): SR. COUNSEL, LAW & GOV'T RELATIONS

19. Interest of each foreign entity in the specific issues listed on line 16 above. **None**

Signature: ON FILE Date: Feb 12, 2007

Printed Name and Title: ROLAND L. PANNETON, SR. COUNSEL -