

**SEC. 6604. APPLICABILITY OF STATE LAW TO COMBAT FRAUD AND ABUSE.**

(a) IN GENERAL.—Part 5 of subtitle B of title I of the Employee Retirement Income Security Act of 1974 (29 U.S.C. 1131 et seq.), as amended by section 6601, is further amended by adding at the end the following:

**“SEC. 520 [29 U.S.C. 1150]. APPLICABILITY OF STATE LAW TO COMBAT FRAUD AND ABUSE.**

“The Secretary may, for the purpose of identifying, preventing, or prosecuting fraud and abuse, adopt regulatory standards establishing, or issue an order relating to a specific person establishing, that a person engaged in the business of providing insurance through a multiple employer welfare arrangement described in section 3(40) is subject to the laws of the States in which such person operates which regulate insurance in such State, notwithstanding section 514(b)(6) of this Act or the Liability Risk Retention Act of 1986, and regardless of whether the law of the State is otherwise preempted under any of such provisions. This section shall not apply to any plan or arrangement that does not fall within the meaning of the term ‘multiple employer welfare arrangement’ under section 3(40)(A).”.

(b) CONFORMING AMENDMENT.—The table of sections for part 5 of subtitle B of title I of the Employee Retirement Income Security

Act of 1974, as amended by section 6601, is further amended by adding at the end the following:

“Sec. 520. Applicability of State law to combat fraud and abuse.”.