

BEFORE THE COMMISSIONER OF INSURANCE

STATE OF GEORGIA

NOTICE OF INTENT TO ADOPT RULE CHANGES AND NOTICE OF HEARING

Notice is hereby given pursuant to the Georgia Administrative Procedure Act, O.C.G.A. Sections 50-13-3, 50-13-4, 50-13-6, 50-13-21, and, 33-2-9 of the following proposals by the Commissioner of Insurance to amend the Rules and Regulations of the Office of the Commissioner of Insurance by taking the following actions:

- Repealing Regulation 120-2-39-.01 entitled “Annuity Mortality Tables” and adopting in lieu thereof a new Regulation 120-2-39-.01 entitled authority “Authority and Purpose”;
- Adopting Regulation 120-2-39-.04 entitled “Definitions”;
- Adopting Regulation 120-2-39-.05 entitled “Individual Annuity or Pure Endowment Contracts”;
- Adopting Regulation 120-2-39-.06 entitled “Application of the 2012 IAR Table”
- Adopting Regulation 120-2-39-.07 entitled “Group Annuity or Pure Endowment Contracts”;
- Adopting Regulation 120-2-39-.08 entitled “Application of the 1994 GAR Table”;
- Adopting Regulation 120-2-39-.09 entitled “Effective Date”;
- Adopting Appendix I entitled “2012 IAM Period Table, Female, Age Nearest Birthday”;
- Adopting Appendix II entitled “2012 IAM Period Table, Male, Age Nearest Birthday”;
- Adopting Appendix III entitled “Projection Scale G2, Female, Age Nearest Birthday”;
- Adopting Appendix IV entitled “Projection Scale G2, Male, Age Nearest Birthday”;
- Amending Regulation 120-2-73-.01 entitled “Purpose”;
- Amending Regulation 120-2-73-.02 entitled “Scope.”

SYNOPSIS AND EXPLANATION OF PROPOSED RULE CHANGES

One purpose of the public hearing described below is to allow public consideration of this Office’s proposed additions to Regulation Chapter 120-2-39. The additions would incorporate the most recent NAIC Model Rule addressing annuity mortality tables into this Office’s regulations. Another purpose of the hearing is to allow public consideration of proposed amendments to Regulation Sections 120-2-73-.01 and 120-2-73-.02. This Office is not proposing any changes to the body of Regulation 120-2-73-.01. Rather, the proposed amendment would correct a typographical error in a citation in the statutory authority section immediately following that regulation. Finally, this Office proposes amending Regulation 120-2-73-.02 by removing paragraph 120-2-73-.02(2)(c) and renumbering the remaining paragraphs. The language that is proposed to be removed provides that Regulation Chapter 120-2-73 is not applicable to variable annuities. In order to promote consistency between this Office’s regulations and NAIC recommendations, this Office proposes that Regulation Chapter 120-2-73 be applicable to both fixed and variable annuities. The full texts of the proposed new Regulation Sections within Chapter 120-2-39 and the proposed amended Regulation Sections 120-2-73-.01 and 120-2-73-.02 are attached hereto and made a part hereof by reference.

SCHEDULE

The aforesaid proposals, which are being forwarded to the Attorney General for approval as to legality pursuant to O.C.G.A. Section 33-2-9, are now on file in the Administrative Procedure Division of the Office of Commissioner of Insurance, 1016 West Tower, Floyd Building, Two Martin Luther King, Jr. Drive, Atlanta, Georgia 30334, and are hereby declared to be a public record as follows:

Interested persons may participate in the proposed rulemaking process by submitting their written comments to **Vince Wiegand, Administrative Procedure Division, Office of Commissioner of Insurance, 1016 West Tower, Floyd Building, Two Martin Luther King, Jr. Drive, Atlanta, Georgia 30334. All comments must be received by the Administrative Procedure Division by 4:30 p.m. on September 12, 2014.** Interested persons may also participate in the proposed rulemaking by submitting oral comments at the hearing to commence on **September 16, 2014 at 9:00 a.m. in the Hearing Room of the Office of Commissioner of Insurance, Seventh Floor, West Tower, Floyd Building, Two Martin Luther King, Jr. Drive, Atlanta, Georgia 30334.**

Oral presentations at the hearing may be limited to five (5) minutes per person in order to afford all interested persons an opportunity to be heard. If you have a physical impairment and require assistance or have any questions regarding this notice, please contact the Administrative Procedure Division.

Based upon full consideration of all written and oral comments regarding the above matters, the Commissioner of Insurance may reject or adopt the proposed rules or may make changes to the proposed rules which may require another rulemaking hearing.

Given under my Hand and Official Seal this 24th day of July, 2014.



RALPH T. HUDGENS
COMMISSIONER OF INSURANCE
STATE OF GEORGIA

Direct All Correspondence To:
Vince Wiegand
Administrative Procedure Division
1016 West Tower, Floyd Building
2 Martin Luther King, Jr. Drive
Atlanta, Georgia 30334
Telephone Number (404) 651-6503
vwiegand@oci.ga.gov

