



“Department’s”) scope of authority (Record, Exhibit 5). Pursuant to O.C.G.A. §50-13-4(e), the Amendments were transmitted to Wayne R. Allen, Legislative Counsel for the General Assembly, for assignment to the appropriate standing committees of the Senate and House of Representatives (Record, Exhibit 6) and were assigned accordingly (Record, Exhibit 7).

## II. CONSIDERATION OF EVIDENCE OFFERED AT THE HEARING

### Life and Annuity Mortality Tables

Interested persons were given the opportunity to participate in the proposed rulemaking by submitting their written comments to the Department by September 12, 2014, and by making oral comments at the public hearing held on September 16, 2014. No written comments were received. Teresa Winer, an actuary in the Department’s Insurance Product Review Division, was the only person to offer oral comments at the hearing. Ms. Winer is a Fellow with the Society of Actuaries and a Member of the American Academy of Actuaries. She spoke in favor of the adoption of the proposed regulations (Transcript, pp. 7-8).

According to Ms. Winer, the proposed Amendments to Regulation Chapter 120-2-39 would incorporate into Department regulations the most recent NAIC Model Rule addressing life and annuity mortality tables. She asserted that, among other things, the NAIC rule would appropriately increase reserve requirements to match increased longevity. The Department did not receive any comments in opposition to adopting the proposed changes to Regulation Chapter 120-2-39 (Transcript, p. 8).

### Annuity and Deposit Fund Disclosure

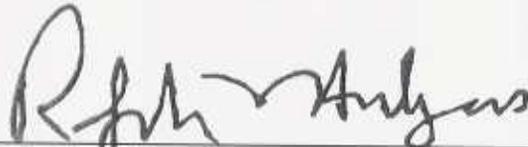
As referenced *supra* and described in the Notice (Record, Exhibit 1), the proposed Amendments would also amend language in Regulations 120-2-73-.01 (a typographical error)

and 120-2-73-.02. Regulation 120-2-73-.02 currently provides that Chapter 73 is not applicable to variable annuities. The Department proposes removing that language so that Chapter 73 will be applicable to variable as well as fixed annuities. This change is necessary to allow the Commissioner to adopt an NAIC recommended variable annuity buyer's guide. Such a buyer's guide will be addressed by separate order of the Commissioner (Docket Number I-14-I-1).

## II. DECISION

**WHEREAS**, no written or oral comments were offered in opposition to the proposed Amendments as described herein and in the Notice, and **WHEREAS**, the Department finds Ms. Winer's comments persuasive, **IT IS HEREBY ORDERED** that the proposed Amendments are **HEREBY ADOPTED and SHALL BECOME** effective on January 1, 2015. A copy of the Regulation Chapters 120-2-39 entitled "Life and Annuity Tables" and 120-2-73 entitled "Annuity and Deposit Fund Disclosure" is attached hereto and made a part by reference.

Given under my Hand and Seal this 30<sup>th</sup> day of September, 2014.

  
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RALPH T. HUDGENS  
INSURANCE AND SAFETY FIRE COMMISSIONER  
STATE OF GEORGIA

