

SECRETARY OF STATE

KEN HECHLER

ADMINISTRATIVE LAW DIVISION

Form #2

FILED

JUN 27 4 02 PM '95

OFFICE OF WEST VIRGINIA SECRETARY OF STATE

NOTICE OF A COMMENT PERIOD ON A PROPOSED RULE

AGENCY: Insurance Commissioner TITLE NUMBER: 114
RULE TYPE: Legislative; CITE AUTHORITY W.Va. Code §§33-2-10 and 33-7-9(e) (2), (3), and (5)
AMENDMENT TO AN EXISTING RULE: YES NO X

IF YES, SERIES NUMBER OF RULE BEING AMENDED:

TITLE OF RULE BEING AMENDED:

IF NO, SERIES NUMBER OF NEW RULE BEING PROPOSED: Series 45

TITLE OF RULE BEING PROPOSED: Recognizing Mortality Tables for Use in Determining Reserve Liabilities for Annuities

IN LIEU OF A PUBLIC HEARING, A COMMENT PERIOD HAS BEEN ESTABLISHED DURING WHICH ANY INTERESTED PERSON MAY SEND COMMENTS CONCERNING THESE PROPOSED RULES. THIS COMMENT PERIOD WILL END ON July 27, 1995 AT 4:30 p.m. ONLY WRITTEN COMMENTS WILL BE ACCEPTED AND ARE TO BE MAILED TO THE FOLLOWING ADDRESS.

Donna S. Quesenberry
WV Insurance Commission
Post Office Box 50540
2019 Washington Street, East
Charleston, West Virginia 25305-0540
(304)558-0401

THE ISSUES TO BE HEARD SHALL BE LIMITED TO THIS PROPOSED RULE.

B. Keith Huffman, General Counsel
Authorized Signature

ATTACH A BRIEF SUMMARY OF YOUR PROPOSAL

4.60



STATE OF WEST VIRGINIA
Offices of the Insurance Commissioner

Legal Division

GASTON CAPERTON
Governor

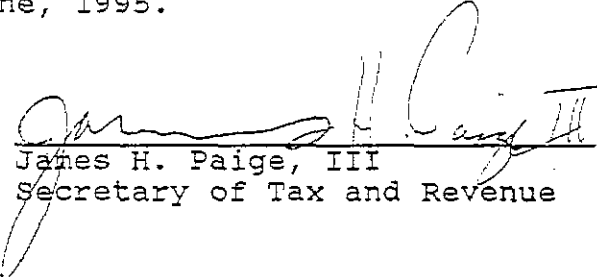
HANLEY C. CLARK
Insurance Commissioner

CONSENT TO FILING OF RULE

To Whom It May Concern:

Pursuant to West Virginia Code § 5F-2-2(a)(12), the undersigned hereby grants consent to the filing of the following rule proposed by the Insurance Commissioner of the State of West Virginia: Title 114, Series 45, relating to "Recognizing Annuity Mortality Tables for Use in Determining Reserve Liabilities for Annuities".

Signed this 26th day of June, 1995.


James H. Paige, III
Secretary of Tax and Revenue

Insurance Commissioner
Legislative Rule
Title 114, Series 45

RECOGNIZING ANNUITY MORTALITY TABLES FOR USE IN
DETERMINING RESERVE LIABILITIES FOR ANNUITIES

Title 114, Series 45

STATEMENT OF CIRCUMSTANCES

On March 2, 1995, the West Virginia Legislature passed House Bill 2505 amending West Virginia Code § 33-7-9. The purpose of this rule is to recognize mortality tables, 1983 Table "a" and 1983 GAM Table for use in determining the minimum standard valuation of reserves for annuity and pure endowment contracts.

APPENDIX B

FISCAL NOTE FOR PROPOSED RULES

Rule Title: Title 114, Series 45
 Recognizing Annuity Mortality Tables for Use in
 Determining Reserve Liabilities for Annuities

Type of Rule: Legislative Interpretive Procedural

Agency: INSURANCE COMMISSIONER

Address: Post Office Box 50540
 2019 Washington Street, East
 Charleston, West Virginia 25305-0540

1. Effect of Proposed Rule

	ANNUAL		FISCAL YEAR		
	Increase	Decrease	Current	Next	Thereafter
ESTIMATED TOTAL COST	None				
PERSONAL SERVICES	None				
CURRENT EXPENSE					
REPAIRS AND ALTERNATIONS	None				
EQUIPMENT	None				
OTHER	None				

2. Explanation of above estimates:

There will be no additional fiscal impact upon state, local or federal government.

3. Objectives of these rules:

The objective of this rule is to recognize the mortality table 1983 Table "a" and 1983 GAM Table, developed by Society of Actuaries and recognized by the National Association of Insurance Commissioners, for use in determining the minimum standard valuation of reserves for annuity and pure endowment contracts.

Rule Title: Recognizing Annuity Mortality Tables for Use in
Determining Reserve Liabilities for Annuities

4. Explanation of Overall Economic Impact of Proposed Rule.

A. Economic Impact on State Government.

None.

B. Economic Impact on Political Subdivisions; Specific
Industries; Specific groups of Citizens.

None.

C. Economic Impact on Citizens/Public at Large.

None.

Date: 6/27/95

Signature of Agency Head or Authorized Representative

B. Keith Huffman, General Counsel

Insurance Commissioner
Legislative Rule
Title 114, Series 45

RECOGNIZING ANNUITY MORTALITY TABLES FOR USE IN
DETERMINING RESERVE LIABILITIES FOR ANNUITIES

Title 114, Series 45

BRIEF SUMMARY OF RULE

This proposed rule recognizes the mortality tables 1983 Table "a" and 1983 GAM Table for use in determining the minimum standard valuation of reserves for annuity and pure endowment contracts. These tables were developed by society of Actuaries and are recognized by the National Association of Insurance Commissioners.

114CSR45

TITLE 114
LEGISLATIVE RULE
INSURANCE COMMISSIONER

SERIES 45
RECOGNIZING ANNUITY MORTALITY TABLES
FOR USE IN DETERMINING RESERVE LIABILITIES FOR ANNUITIES

Section

- 114-45-1. Authority
- 114-45-2. Purpose
- 113-45-3. Definitions
- 114-45-4. Individual Annuity or Pure Endowment Contracts
- 114-45-5. Group Annuity or Pure Endowment Contracts

114CSR45

FILED

TITLE 114
LEGISLATIVE RULE
INSURANCE COMMISSIONER

JUN 27 4 02 PM '95

SERIES 45
RECOGNIZING ANNUITY MORTALITY TABLES
FOR USE IN DETERMINING RESERVE LIABILITIES FOR ANNUITIES

OFFICE OF WEST VIRGINIA
SECRETARY OF STATE

§ 114-45-1. Authority.

This Legislative rule shall apply to all life insurance companies and fraternal benefit societies doing business in this State and to all life insurance companies and fraternal benefit societies which are authorized to reinsure life insurance, annuities or accident and health insurance business in this State.

1.2. Authority. -- West Virginia Code §§ 33-2-10 and 33-7-9(e) (2), (3) and (5).

1.3. Filing Date. --

1.4. Effective Date. --

§ 114-45-2. Purpose.

The purpose of this rule is to recognize mortality tables, 1983 table "a" and 1983 GAM table, for use in determining the minimum standard of valuation for annuity and pure endowment contracts.

§ 114-45-3. Definitions.

3.1. As used in this rule "1983 Table 'a'" means that mortality table developed by the society of actuaries committee to recommend a new mortality basis for individual annuity valuation and adopted as a recognized mortality table for annuities in June 1982 by the National Association of Insurance Commissioners. [See 1982 NAIC PROCEEDINGS, Vol. II, page 454.]

3.2. As used in this rule "1983 GAM Table" means that mortality developed by the society of actuaries committee on annuities and adopted as a recognized mortality table for annuities in December 1983 by the National Association of Insurance Commissioners. [See 1984 NAIC PROCEEDINGS, Vol. I, pages 414 to 415.]

§ 114-45-4. Individual Annuity or Pure Endowment Contracts.

4.1. The 1983 table "a" is recognized and approved as an individual annuity mortality table for valuation and, at the option of the company, may be used for purposes of determining the minimum standard of valuation for any individual annuity or pure endowment contract issued on or after April 6, 1977.

4.2. The 1983 table "a" is to be used for determining the minimum standard of valuation for any individual annuity or pure endowment contract issued on or after January 1, 1997.

§ 114-45-5. Group Annuity or Pure Endowment Contracts.

5.1. The 1983 GAM table and the 1983 table "a" are recognized and approved as group annuity mortality tables for valuation and, at the option of the company, either table may be used for purposes of valuation for any annuity or pure endowment purchased on or after April 1, 1977 under a group annuity or pure endowment contract.

5.2. The 1983 GAM table is to be used for determining the minimum standard of valuation for any annuity or pure endowment purchased on or after January 1, 1997 under a group annuity or pure endowment contract.



STATE OF WEST VIRGINIA
Offices of the Insurance Commissioner

Legal Division

GASTON CAPERTON
Governor

HANLEY C. CLARK
Insurance Commissioner

June 27, 1995

HAND DELIVERED

Ms. Judy Cooper, Director
Administrative Law Division
Office of Secretary of State
State Capitol
Charleston, WV 25305

Dear Ms. Cooper:

Enclosed please find for filing one copy of the following:

- (1) Notice of A Comment Period on a Proposed Rule;
- (2) Consent of Tax and Revenue Cabinet Secretary to Proposed Rule;
- (3) Brief Summary of Rule;
- (4) Statement of Circumstances;
- (5) Fiscal Note;
- (6) The proposed rule entitled "Recognizing Mortality Tables for Use in Determining Reserve Liability for Annuities" (Series 45).

Please contact me if further information is required.

Very truly yours,

A handwritten signature in cursive script that reads "Donna S. Quesenberry".

Donna S. Quesenberry
Associate Counsel

DSQ/cjs
Enclosures