09-56

Notice of Rulemaking Hearing
Department of Commerce and Insurance
Insurance Division

There will be a hearing before the Insurance Division of the Department of Commerce and Insurance ("Division") to consider the promulgation of amendments of rules in Chapter 0780-1-64. The hearing will be conducted in the manner prescribed by the Uniform Administrative Procedures Act, Tenn. Code Ann. § 4-5-204, and will take place in Conference Room A, on the Fifth Floor of the Davy Crockett Tower, 500 James Robertson Parkway, Nashville, Tennessee 37243 at 10:00 a.m. CST on the 18th day of November, 2002.

Any individuals with disabilities who wish to participate in these proceedings should contact the Division to discuss any auxiliary aids of services needed to facilitate such participation. Such initial contact may be made no less than ten (10) days prior to the scheduled meeting date to allow time for the Division to determine how it may reasonably provide such aid or service. Initial contact may be made with the Division's ADA Coordinator at Davy Crockett Tower, 500 James Robertson Parkway, Nashville, Tennessee 37243 at (615) 741-2176.

For a copy of this notice of rulemaking hearing, please contact John F. Morris, Staff Attorney, at (615) 741-2199.

Chapter 0780-1-64

Actuarial Opinion and Memorandum Regulation

Amendments

Chapter 0780-1-64 Actuarial Opinions and Memorandum Regulation is amended by deleting the abbreviation "T.C.A." and the term "Tennessee Code Annotated" wherever they may appear and substituting instead the abbreviation "Tenn. Code Ann.".

Paragraph (1) of Rule 0780-1-64-.06 Required Opinions is amended by deleting the paragraph in its entirety and substituting the following language so that, as amended, the paragraph shall read:

(1) In accordance with Tenn. Code Ann. § 56-1-501(d), every company doing business in Tennessee shall annually submit the opinion of an appointed actuary as provided for by this Chapter. The type of opinion submitted shall be determined by the provisions set forth in this rule and shall be in accordance with the applicable provisions in this Chapter.

(a) The Commissioner may exempt domestic insurance companies from the requirement of submitting such opinions upon request by the company. The grounds for exemption shall be the same as those available to property and casualty companies as enumerated in the Instructions for Completing Property and Casualty Annual Statement Blank, as amended from time to time. Requests for exemption shall be submitted no later than December 1 of the calendar year for which the exemption is to be claimed.

(b) A foreign insurance company, unless otherwise directed by the Commissioner, is exempted from filing an actuarial opinion pursuant to this rule, if that company has received an exemption or like permission from the company's domestic insurance regulator; provided that the company attach a copy of the exemption on the inside front cover of the company's annual statement.

Authority: Tenn. Code Ann. § 56-1-501(d).

Rule 0780-1-64-.07 Statement of Actuarial Opinion Not Including an Asset Adequacy Analysis is amended by deleting the rule in its entirety and substituting the following language so that, as amended, the rule shall read:

Rule 0780-1-64-.07 Statement of Actuarial Opinion Not Including an Asset Adequacy Analysis.

Notwithstanding any other requirements of this Chapter, the statement of actuarial opinion not including an asset adequacy analysis required by this chapter shall be completed in accordance with the NAIC Annual Statement Instructions for such actuarial opinions.

Authority: Tenn. Code Ann. §§ 56-1-402(d)-(g), 56-1-501(d) and 56-2-301.

Rule 0780-1-64-.08 Statement of Actuarial Opinion Based on Asset Adequacy Analysis is amended by deleting the rule in its entirety and substituting the following language so that, as amended, the rule shall read:

Rule 0780-1-64-.08 Statement of Actuarial Opinion Based on Asset Adequacy Analysis.

Notwithstanding any other requirements of this Chapter, the statement of actuarial opinion based on asset adequacy analysis required by this chapter shall be completed in accordance with the NAIC Annual Statement Instructions for such actuarial opinions.

Authority: Tenn. Code Ann. §§ 56-1-402(d)-(g), 56-1-501(d) and 56-2-301.

Legal Contact and/ or party who will approve final copy for publication:
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I certify that this is an accurate and complete representation of the intent and scope of rulemaking proposed by the Commissioner of Commerce and Insurance.

John F. Morris
Staff Attorney

Subscribed and sworn to before me this the 30th day of September, 2002.

W C Henderson
Notary Public

My commission expires on the 30th day of May, 2005.

The notice of rulemaking set out herein was properly filed in the Department of State on the 30th day of September, 2002.

Riley C. Darnell
Riley C. Darnell
Secretary of State

BY: Shawna Gaw

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