

LEGISLATIVE REVIEW OF ADOPTED REGULATIONS

INFORMATIONAL STATEMENT AS REQUIRED BY NRS 233B.066

LCB FILE NO. R093-14

The following statement is submitted by the State of Nevada, Department of Business and Industry, Division of Insurance (“Division”) for adopted amendments to Nevada Administrative Code (“NAC”) Chapter(s) 688A.

1. A clear and concise explanation of the need for the adopted regulation.

R093-14 sets forth standards for the use of mortality tables that reflect differences between preferred and standard lives in determining minimum reserve liabilities for life insurance. The National Association of Insurance Commissioners (“NAIC”) Financial Accreditation Standards requires the Model Regulation Permitting the Recognition of Preferred Mortality Tables for Use in Determining Minimum Reserve Liabilities (as reflected in R093-14) to be in place for Nevada to maintain its accreditation status. The revisions/amendments included in R093-14 are essential to maintain the accreditation status of Nevada and to ensure that all life insurance companies doing business in Nevada maintain appropriate reserves. R093-14 also updates contact information for the NAIC and the fees associated with obtaining copies of specific documents.

2. A description of how public comment was solicited, a summary of public response, and an explanation of how other interested persons may obtain a copy of the summary.

- (a) A description of how public comment was solicited:

Public comment was solicited by e-mailing the proposed regulation, notice of workshop, notice of intent to act upon the regulation, and small business impact statement to persons on the Division’s mailing list requesting notification of proposed regulations. The documents were also made available on the website of the Division, <http://doi.nv.gov/>, mailed to the main library for each county in Nevada, and posted at the following locations:

Department of Business and Industry
Division of Insurance
1818 East College Parkway, Suite 103
Carson City, Nevada 89706

Department of Business and Industry
Division of Insurance
2501 East Sahara Avenue, Suite 302
Las Vegas, Nevada 89104

Legislative Building
401 South Carson Street
Carson City, Nevada 89701

Grant Sawyer Building
555 East Washington Avenue
Las Vegas, Nevada 89101

Blasdel Building
209 East Musser Street
Carson City, Nevada 89701

Capitol Building
101 North Carson Street
Carson City, Nevada 89701

Nevada Department of Employment,
 Training and Rehabilitation
 2800 E. Saint Louis Avenue
 Las Vegas, Nevada 89104

Public comment was also solicited at the workshop held on March 1, 2016, and at the hearing held on April 19, 2016. The public meetings took place at the offices of the Division, 1818 East College Parkway, Carson City, Nevada 89706, with simultaneous videoconferencing to the Bradley Building, 2501 East Sahara Avenue, Las Vegas, Nevada 89104.

- (b) A summary of the public response: None received.
- (c) An explanation of how other interested persons may obtain a copy of the summary: No public response was received.

- 3. The number of persons who:
 - (a) Attended each hearing: 1 person from the Division of Insurance
 - (b) Testified at each hearing: 1 person from the Division of Insurance
 - (c) Submitted to the agency written statements: None

4. A list of names and contact information, including telephone number, business address, business telephone number, electronic mail address, and name of entity or organization represented, for each person identified above in #3 (b) and (c), as provided to the agency:

Name	Entity/Organization Represented	Business Address	Telephone No./ Business Telephone No.	E-Mail Address
Annette James	Division of Insurance	1818 E. College Parkway, Suite 103 Carson City, NV 89706	775-687-0700	

5. A description of how comment was solicited from affected businesses, a summary of their responses, and an explanation of how other interested persons may obtain a copy of the summary.

Comments were solicited from affected businesses in the same manner as they were solicited from the public. Please see the description, summary and explanation provided above in response to question #2.

6. If after consideration of public comment the regulation was adopted without changing any part of the proposed regulation, a summary of the reasons for adopting the regulation without change.

No public comments were received and no further revisions were proposed by the Division of Insurance.

7. (a) The estimated economic effect of the adopted regulation on the business which it is to regulate:

- (1) Both adverse and beneficial effects: This proposed regulation sets forth consistent national standards for carriers to establish and maintain appropriate life insurance reserves. All carriers licensed to do business in Nevada are already essentially in compliance with the provisions set forth in this regulation and have used the calculations to set necessary reserves. Uniformity across the States lessens carriers' administrative and operational burdens/expenses.
- (2) Both immediate and long-term effects: This proposed regulation sets forth consistent national standards for carriers to establish and maintain appropriate life insurance reserves. All carriers licensed to do business in Nevada are already essentially in compliance with the provisions set forth in this regulation and have used the calculations to set necessary reserves. Uniformity across the States lessens carriers' administrative and operational burdens/expenses.

(b) The estimated economic effect of the adopted regulation on the public:

- (1) Both adverse and beneficial effects: Uniformity across the States lessens carriers' administrative and operational burdens/expenses, the savings of which might be passed on to the consumer.
- (2) Both immediate and long-term effects: Uniformity across the States lessens carriers' administrative and operational burdens/expenses, the savings of which might be passed on to the consumer.

8. The estimated cost to the agency for enforcement of the adopted regulation. No cost.

9. A description of any regulations of other state or government agencies which the proposed regulation overlaps or duplicates, and a statement explaining why the duplication or overlapping is necessary. If the regulation overlaps or duplicates a federal regulation, the name of the regulating federal agency.

There are no other regulations in the state that overlap or duplicate the proposed amendments to the existing regulation.

10. If the regulation includes provisions that are more stringent than a federal regulation which regulates the same activity, a summary of those provisions.

There are no federal regulations that address the requirements in this proposed amendment to the existing regulation.

11. If the regulation establishes a new fee or increases an existing fee, the total annual amount the agency expects to collect and the manner in which the money will be used.

No new or additional fees are associated with this regulation.