

PROJECT HISTORY - 2012

MODEL REGULATION FOR RECOGNIZING A NEW ANNUITY MORTALITY TABLE FOR USE IN DETERMINING RESERVE LIABILITIES FOR ANNUITIES (#821)

1. Description of the Project, Issues Addressed, etc.

In August 2011, the Life Actuarial (A) Task Force voted to send a model law development request to the Life Insurance and Annuities (A) Committee to amend the *Model Regulation for Recognizing a New Annuity Mortality Table for use in Determining Reserve Liabilities for Annuities* (#821). The Executive (EX) Committee approved the request to work on this model regulation at the 2011 Fall National Meeting. This model specifies the annuity mortality table to be used for determining the minimum reserves for individual and group annuities. This regulation was last amended in 1996 to incorporate the Annuity 2000 Mortality Table for individual annuities. The Life Actuarial (A) Task Force has released for comment the 2012 Individual Annuity Mortality Table, which was developed by the Society of Actuaries and the American Academy of Actuaries. Proposed amendments to the model regulation were released for comment at the 2012 Spring National Meeting. The model regulation was adopted by the Life Actuarial (A) Task Force Oct. 23, 2012, and adopted by the Life Insurance and Annuity (A) Committee Nov. 13, 2012. The model regulation is on the agenda for consideration of adoption during the Executive (EX) Committee and Plenary joint meeting at the 2012 Fall National Meeting.

2. Name of Group Responsible for Drafting the Model and States Participating

The Life Actuarial (A) Task Force was charged by the Life Insurance and Annuities (A) Committee with development of the Valuation Manual. The 2012 members of the Task Force are: Alabama, Connecticut, Florida, Kansas, Minnesota, Missouri, New Jersey, New York, Ohio, Oklahoma, Oregon, Texas, and Utah.

3. Project Authorized by What Charge and Date First Given to the Group

The Life and Health Actuarial Task Force (now the Life Actuarial (A) Task Force) was given the following 2011 Charge: Work with the American Academy of Actuaries and the Society of Actuaries to develop new mortality tables for the valuation of payout annuities, for preneed, simplified issue and guaranteed issue forms of life insurance and minimum nonforfeiture requirements for life insurance. Provide periodic status reports on this project. 2010 Summer National Meeting

4. A General Description of the Drafting Process and Due Process

- The 2011 Life Actuarial (A) Task Force (formerly the Life and Health Actuarial Task Force) Charge included the development of new mortality tables, including a payout annuity table.
- The Life Actuarial (A) Task Force adopted a model law development request to send to the Life Insurance and Annuities (A) Committee to amend the *Model Regulation for Recognizing a New Annuity Mortality Table for use in Determining Reserve Liabilities for Annuities* (#821).
- The Executive (EX) Committee approved the request to work on this model law at the 2011 Fall National Meeting.
- The Life Actuarial (A) Task Force released for comment the 2012 Individual Annuity Mortality Table, which was developed by the Society of Actuaries and the American Academy of Actuaries. Proposed amendments to the model regulation were released for comment at the 2012 Spring National Meeting.
- The model regulation was adopted by the Life Actuarial (A) Task Force Oct. 23, 2012.
- The Life Insurance and Annuity (A) Committee adopted the model regulation Nov. 13, 2012.
- The model regulation is on the agenda for consideration of adoption during the Executive (EX) Committee and Plenary joint meeting at the 2012 Fall National Meeting.

5. A Discussion of the Significant Issues

This regulation was last amended in 1996 to incorporate the Annuity 2000 Mortality Table for individual annuities.

6. Any Other Important Information

None