

Senators Walker of the 20th, Martin of the 9th, Bethel of the 54th and Harbin of the 16th offered the following amendment:

ADOPTED

1 *Amend HB 883 (LC 37 2115S) by inserting after "proceedings;" on line 9 "to amend Chapter*
 2 *10 of Title 33 of the Official Code of Georgia Annotated, relating to assets and liabilities, so*
 3 *as to provide for certain updates to the standard valuation law as it relates to the reserve*
 4 *requirements for companies allowed to opt out of the principal based reserves standards;*

5 *By inserting after line 243 the following:*

6 Chapter 10 of Title 33 of the Official Code of Georgia Annotated, relating to assets and
 7 liabilities, is amended in Code Section 33-10-13, relating to standard valuation, by revising
 8 subsection (t) as follows:

9 "(t)(1) An insurer that has less than \$300 million of ordinary life premiums and that is
 10 licensed and doing business in this state and that is subject to the requirements of
 11 subsections (o) through (r) of this Code section ~~is deemed to pass the exclusion tests~~
 12 ~~associated with life insurance reserve requirements incorporated in the valuation manual~~
 13 may hold reserves based on the mortality tables and interest rates defined by the valuation
 14 manual for net premium reserves and using the methodologies described in subsections
 15 (g) through (m) of this Code section as they apply to ordinary life insurance in lieu of the
 16 reserves required by subsections (o) and (p) of this Code section, provided that:

17 (A) If the insurer is a member of a group of life insurers, the group has combined
 18 ordinary life premiums of less than \$600 million;

19 (B) The insurer reported total adjusted capital of at least 450 percent of authorized
 20 control level risk based capital in the risk based capital report for the prior calendar
 21 year;

22 (C) The appointed actuary has provided an unqualified opinion on the reserves for the
 23 prior calendar year; and

24 (D) The insurer has provided a certification by a qualified actuary that any universal
 25 life policy with a secondary guarantee issued by the insurer after the operative date of
 26 the valuation manual meets the definition of a nonmaterial secondary guarantee
 27 universal life product as defined in the valuation manual.

28 (2) For purposes of paragraph (1) of this subsection, ordinary life premiums are
 29 measured as direct premium plus reinsurance assumed from an unaffiliated company, as
 30 reported in the annual statement for the prior calendar year.

31 ~~(3) A company that meets the requirements under paragraph (1) of this subsection is also~~
32 ~~subject to the requirements of subsection (1) of this Code section.~~
33 ~~(4)~~(3) A domestic company meeting all of the conditions provided in this subsection may
34 file, prior to July 1 of the current calendar year, a statement with the Commissioner
35 certifying that such conditions are met for the current calendar year based on premiums
36 and other values from the financial statements for the prior calendar year. The
37 Commissioner may reject such statement prior to September 1 and require a company to
38 comply with the valuation manual requirements for life insurance reserves."

39

SECTION 9.