

Rule Summary and Fiscal Analysis (Part A)**Department Of Insurance**

Agency Name

Division

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3901-6-08

Rule Number

AMENDMENT

TYPE of rule filing

Rule Title/Tag Line

Variable life insurance.**RULE SUMMARY**

1. Is the rule being filed consistent with the requirements of the RC 119.032 review? **Yes**

2. Are you proposing this rule as a result of recent legislation? **No**

3. Statute prescribing the procedure in accordance with the agency is required to adopt the rule: **119.03**

4. Statute(s) authorizing agency to adopt the rule: **3901.041**

5. Statute(s) the rule, as filed, amplifies or implements: **3907.15, 3911.01**

6. State the reason(s) for proposing (i.e., why are you filing,) this rule:

Five year rule review under R.C. 119.032.

7. If the rule is an AMENDMENT, then summarize the changes and the content of the proposed rule; If the rule type is RESCISSION, NEW or NO CHANGE, then summarize the content of the rule:

Regulates fixed premium and flexible premium variable life insurance policies; including definitions, qualification of insurer to issue variable life insurance, including licensing and written approval of superintendent to do business in Ohio;

the superintendent's discretion to require filing by insurer of policies and other information such as investment policy with the superintendent; reports to the superintendent, including an annual statement of its separate accounts; policy requirements, including filing and approval of forms, mandatory policy provisions, benefit and design requirements; requirements for reserve liabilities and separate accounts; information required to be furnished to the applicant and a written acknowledgment of receipt; periodic reports required to be given to policyholders; and qualifications of agents to sell variable life insurance. Changes: primarily conformed more closely to the NAIC model for variable life insurance, including: grammatical and cross reference consistency, specific citation for standard nonforfeiture law inserted, different provision for reserves for flexible premium policies is eliminated and it now uses the same formula previously stated for scheduled premium policies, references to superintendent as "he" or "his" changed to include "she" or "her", capitalization of "United States".

8. If the rule incorporates a text or other material by reference and the agency claims the incorporation by reference is exempt from compliance with sections 121.71 to 121.74 of the Revised Code because the text or other material is **generally available** to persons who reasonably can be expected to be affected by the rule, provide an explanation of how the text or other material is generally available to those persons:

D(2)(f) refers to the "uniform biographical data form". This is now called the "biographical affidavit" and can be found at the National Association of Insurance Commissioners website, <http://www.naic.org/ucaa/forms/forms.htm>.

9. If the rule incorporates a text or other material by reference, and it was **infeasible** for the agency to file the text or other material electronically, provide an explanation of why filing the text or other material electronically was infeasible:

N/A

10. If the rule is being **rescinded** and incorporates a text or other material by reference, and it was **infeasible** for the agency to file the text or other material, provide an explanation of why filing the text or other material was infeasible:

Not Applicable.

11. If **revising** or **refiling** this rule, identify changes made from the previously filed version of this rule; if none, please state so:

Not Applicable.

12. 119.032 Rule Review Date: **12/23/2003**

(If you answered NO to question No. 1, provide the scheduled review date. If you answered YES to No. 1, the review date for this rule is the filing date.)

NOTE: At time of final filing, two dates are required: the current review date plus a date not to exceed 5 years from the effective date for Amended rules or a date not to exceed 5 years from the review date for No Change rules.

FISCAL ANALYSIS

13. Estimate the total amount by which *this proposed rule* would **increase / decrease** either **revenues / expenditures** for the agency during the current biennium (in dollars): Explain the net impact of the proposed changes to the budget of your agency/department.

This will have no impact on revenues or expenditures.

N/A

N/A

14. Identify the appropriation (by line item etc.) that authorizes each expenditure necessitated by the proposed rule:

N/A

15. Provide a summary of the estimated cost of compliance with the rule to all directly affected persons. When appropriate, please include the source for your information/estimated costs, e.g. industry, CFR, internal/agency:

N/A

16. Does this rule have a fiscal effect on school districts, counties, townships, or municipal corporations? **No**

17. Does this rule deal with environmental protection or contain a component dealing with environmental protection as defined in R. C. 121.39? **No**