

BEFORE THE COMMISSIONER OF SECURITIES AND INSURANCE
MONTANA STATE AUDITOR

In the matter of the amendment of) NOTICE OF PROPOSED
ARM 6.6.313 pertaining to) AMENDMENT
replacement of life insurance or)
annuities) NO PUBLIC HEARING
) CONTEMPLATED

TO: All Concerned Persons

1. The Commissioner of Securities and Insurance, Montana State Auditor (CSI) proposes to amend the above-stated rule.

2. The CSI will make reasonable accommodations for persons with disabilities who wish to participate in this rulemaking process or need an alternative accessible format of this notice. If you require an accommodation, contact the CSI no later than 5:00 p.m. on January 23, 2019, to advise us of the nature of the accommodation that you need. Please contact Ramona Bidon, CSI, 840 Helena Avenue, Helena, Montana, 59601; telephone (406) 444-2726; TDD (406) 444-3246; fax (406) 444-3499; or e-mail rbidon@mt.gov.

3. The rule as proposed to be amended provides as follows, new matter underlined, deleted matter interlined:

6.6.313 SAMPLE FORMS (1) The State Auditor's Office adopts and incorporates by reference Appendix A, B, and C, which are set forth in the National Association of Insurance Commissioners' (NAIC) Life Insurance and Annuities Replacement Model Regulation, adopted ~~July 2000~~ in 2015. Copies of appendices A, B, and C are available for public inspection at the Office of the Montana State Auditor, 840 Helena Avenue, Helena, MT 59601. Copies of these appendices may be obtained by writing to the State Auditor's Office, Legal Department, 840 Helena Avenue, Helena, MT 59601. Persons obtaining a copy of these appendices must pay the cost of providing such copies.

AUTH: 33-1-313, MCA

IMP: 33-18-204, MCA

REASON: This rule is being amended because the rule currently includes a model regulation of the National Association of Insurance Commissioners (NAIC) that was adopted in 2000. This model regulation, regarding sample forms for life insurance and annuities, was revised and updated in the 2015 version of the NAIC Model Regulation. The 2000 version is therefore outdated for the purpose of regulating the industry's current practices. The proposed amendment will adopt Appendix A, B, and C sample forms of the 2015 version of the NAIC Model Regulation; and will therefore strive to maintain uniform nationwide standards for the insurance industry to follow.

4. Concerned persons may submit their data, views, or arguments concerning the proposed action in writing to: Ivan C. Evilsizer, Attorney, Office of the Commissioner of Securities and Insurance, Montana State Auditor, 840 Helena Ave., Helena, Montana, 59601; telephone (406) 444-1295; fax (406) 444-3499; or e-mail chuck.evilsizer@mt.gov, and must be received no later than 5:00 p.m., February 15, 2019.

5. If persons who are directly affected by the proposed action wish to express their data, views, or arguments orally or in writing at a public hearing, they must make written request for a hearing and submit this request along with any written comments to Ivan C. Evilsizer at the above address no later than 5:00 p.m., February 15, 2019.

6. If the agency receives requests for a public hearing on the proposed action from either 10 percent or 25, whichever is less, of the persons directly affected by the proposed action; from the appropriate administrative rule review committee of the Legislature; from a governmental subdivision or agency; or from an association having not less than 25 members who will be directly affected, a hearing will be held at a later date. Notice of the hearing will be published in the Montana Administrative Register. Ten percent of those directly affected has been determined to be 98,941 persons based on 10 percent of the population of Montana, based on the 2010 Census.

7. The CSI maintains a list of interested persons who wish to receive notices of rulemaking actions proposed by this agency. Persons who wish to have their name added to the list may sign up by clicking on the blue button on the CSI's website at: <http://csimt.gov/laws-rules/> to specify for which program the person wishes to receive notices. Notices will be sent by e-mail unless a mailing preference is noted in the request. Requests may also be sent to the CSI in writing. Such written requests may be mailed or delivered to the contact information in 2. above, or may be made by completing a request form at any rules hearing held by the CSI.

8. The bill sponsor contact requirements of 2-4-302, MCA, do not apply.

9. With regard to the requirements of 2-4-111, MCA, the department has determined that the amendment of the above-referenced rule will not significantly and directly impact small businesses.

/s/ Ivan C. Evilsizer
Ivan C. Evilsizer
Rule Reviewer

/s/ Kristin Hansen
Kristin Hansen
Chief Legal Counsel

Certified to the Secretary of State on January 2, 2019.