

THE STATE OF NEW HAMPSHIRE
INSURANCE DEPARTMENT

Roger A. Sevigny
Commissioner



Alexander K Feldvebel
Deputy Commissioner

BULLETIN

Docket No.: INS No. 16-029-AB

TO: All New Hampshire Licensed Life Insurance Companies

FROM: Roger A. Sevigny, Insurance Commissioner 

DATE: September 6, 2016

RE: 2017 Operative Date of Principle-Based Valuation Manual

The New Hampshire Standard Valuation Law, RSA 410 (SVL) establishes a principle-based valuation methodology that is applicable, subject to specified exceptions, to life, health, and annuity business written after the "operative date" of the uniform valuation manual adopted by the National Association of Insurance Commissioners (NAIC).

To enable uniform and simultaneous implementation by participating states, the SVL provides that the valuation manual will only become operative when a sufficient number of states have adopted substantially similar laws before July 1 of the preceding year.

RSA 410:15 II - The operative date of the valuation manual is January 1 of the first calendar year following the first July 1 as of which all of the following have occurred:

(a) The valuation manual has been adopted by the NAIC by an affirmative vote of at least 42 members, or 3/4 of the members voting, whichever is greater.

(b) The standard valuation law, as amended by the NAIC in 2009, or legislation including substantially similar terms and provisions, has been enacted by states representing greater than 75 percent of the direct premiums written as reported in the following annual statements submitted for 2008: life, accident and health annual statements; health annual statements; or fraternal annual statements.

(c) The standard valuation law, as amended by the NAIC in 2009, or legislation including substantially similar terms and provisions, has been enacted by at least 42 states of the following 55 jurisdictions: The 50 states of the United States, American Samoa, the American Virgin Islands, the District of Columbia, Guam, and Puerto Rico.

The valuation manual was adopted by the NAIC on December 2, 2012, with 43 members voting in the affirmative. This year, the number of states adopting principle-based valuation at the state level has also reached the specified supermajority. As of this date, 45 states, including New Hampshire, have advised the NAIC that they have enacted laws substantially

similar to the model SVL, including language using the same three triggers to define the operative date, and these states represent more than 79% of the applicable premium volume. After conducting an extensive analysis of these states' laws, the NAIC voted unanimously to recognize that all three triggers defining the operative date have been satisfied.

Accordingly, the operative date of the uniform valuation manual, for purposes of the New Hampshire Standard Valuation Law, is January 1, 2017.