

Kevin Meyer
Lieutenant Governor
State Capitol
Juneau, Alaska 99811
907.465.3520
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530 West 7th Ave, Suite 1700
Anchorage, Alaska 99501
907.269.7460
LT.GOVERNOR@ALASKA.GOV

**OFFICE OF THE LIEUTENANT GOVERNOR
ALASKA**

M E M O R A N D U M

TO: Debbie Morgan
Department of Commerce, Community and Economic Development

FROM: April Simpson, Office of the Lieutenant Governor
465.4081

A handwritten signature in blue ink, likely belonging to April Simpson, is written over the "FROM:" line.

DATE: May 7, 2019

RE: Filed Permanent Regulations: Division of Insurance

Division of Insurance regulations re: definition of "individual life insurance" as used in AS 21.09.210(m) for determining the premium tax rate (3 AAC 21.580)

Attorney General File:	2019200175
Regulation Filed:	5/6/2019
Effective Date:	6/5/2019
Print:	230, July 2019

cc with enclosures: Linda Miller, Department of Law
Judy Herndon, LexisNexis

ORDER ADOPTING CHANGES TO REGULATIONS
OF THE DIVISION OF INSURANCE

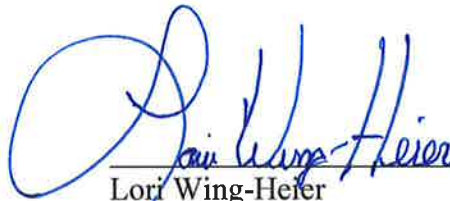
The attached page of regulations, dealing with the definition of Individual Life Insurance under AS 21.09.210(m), is adopted and certified to be a correct copy of the regulation changes that the Division of Insurance adopts under the authority of AS 21.06.090 and AS 21.09.210 and after compliance with the Administrative Procedure Act (AS 44.62), specifically including notice under AS 44.62.190 and 44.62.200 and opportunity for public comment under AS 44.62.210.

This action is not expected to require an increased appropriation.

In considering public comments, the Division of Insurance paid special attention to the cost to private persons of the regulatory action being taken.

The regulation changes adopted under this order take effect on the 30th day after they have been filed by the lieutenant governor, as provided in AS 44.62.180.

Date: 4-17-19



Lori Wing-Hefer
Director
Division of Insurance
Department of Commerce, Community, and
Economic Development

FILING CERTIFICATION

I, Kevin Meyer, Lieutenant Governor for the State of Alaska, certify that on

MAY 6, 2019, at 4:59 Pm., I filed the attached regulations according to the provisions of AS 44.62.040 - 44.62.120.



Lieutenant Governor

Effective: June 5, 2019.

Register: 230, July 2019.

~~Title 3. Commerce, Community, and Economic Development.~~

~~Part 2. Division of Insurance.~~

~~Chapter 21. Insurer—Financial~~

to Article 5

3 AAC 21 is amended by adding a new section to read:

"one 0.5"
"tail" →

~~3 AAC 21.580 Definitions.~~

In AS 21.09.210(m),

(1) "Individual life insurance" means a life insurance policy on the life of one

individual or the lives of more than one individual for estate planning purposes that

(1)

(A) may not be a key person insurance policy or part of a group life

insurance policy;

(2)

(B) may not include the insured's employer as a beneficiary. (Eff.

6/5/2019, Register 230)

Authority: AS 21.06.090 AS 21.09.210

MEMORANDUM

State of Alaska Department of Law

To: The Honorable Kevin Meyer
Lieutenant Governor

Thru: Susan R. Pollard *SRP*
Chief Assistant Attorney General
and Regulations Attorney
Legislation and Regulations Section

From: Steven C. Weaver *SCW*
Senior Assistant Attorney General
and Assistant Regulations Attorney
Legislation and Regulations Section

Date: May 3, 2019

File No.: 2019200175

Tel. No.: 465-3600

Re: Division of Insurance regulations re:
definition of "individual life
insurance" as used in
AS 21.09.210(m) for determining the
premium tax rate (3 AAC 21.580)

The Department of Law has reviewed the attached regulations of the Division of Insurance against the statutory standards of the Administrative Procedure Act. Based upon our review, we find no legal problems. This memorandum constitutes the written statement of approval under AS 44.62.060(b) and (c) that authorizes your office to file the attached regulations. The regulations were adopted by the Division of Insurance after the close of the public comment period. The regulations establish a definition of "individual life insurance" as used in AS 21.09.210(m) for determining the premium tax rate.

The February 24, 2019 public notice and the April 17, 2019 adoption order both state that this action is not expected to require an increased appropriation. Therefore, a fiscal note under AS 44.62.195 is not required.

We have made some technical corrections to conform the regulations in accordance with AS 44.62.125. The corrections are shown on the attached copy of the regulations.

SCW

cc: Honorable Julie Anderson, Commissioner
Department of Commerce, Community, and Economic Development

Lori Wing-Heier, Director
Division of Insurance
Department of Commerce, Community, and Economic Development

Debbie Morgan, Regulations Contact
Department of Commerce, Community, and Economic Development

Fred Parady, Special Assistant
Department of Commerce, Community, and Economic Development

Jackson Willard, Regulations Specialist
Division of Insurance
Department of Commerce, Community, and Economic Development

Daniel Wilkerson, Assistant Attorney General
Commercial, Fair Business, and Child Support Section

NOTICE OF PROPOSED REGULATION CHANGES ON PREMIUM TAX IN THE REGULATIONS OF THE DIVISION OF INSURANCE

The Alaska Division of Insurance proposes to adopt a regulation in Title 3 of the Alaska Administrative Code dealing with premium taxes on individual life insurance including the following:

3 AAC 21.580 is proposed to add a new section that would define Individual Life Insurance as it is used in AS 21.09.210(m) for purposes of determining the premium tax rate.

You may comment on the proposed regulation changes, including the potential costs to private persons of complying with the proposed changes, by submitting written comments to the Division of Insurance; Attention: **Jackson Willard**; P.O. Box 110805; Juneau, AK 99811-0805. Additionally the Division of Insurance will accept comments by electronic mail at **jackson.willard@alaska.gov** or by fax to (907) 465-3422. Comments may also be submitted through the Alaska Online Public Notice System by accessing this notice on the system and using the comment link. All comments must be received **no later than 5:00 p.m., Monday, March 25, 2019**.

Oral or written comments also may be submitted at a hearing to be held on **Wednesday, March 20, 2019** in Conference Room B on the ninth floor of the State Office Building, located at 333 Willoughby Ave., Juneau, Alaska. The hearing will be held from **11:00 AM -12:00 PM** and might be extended to accommodate those present before **12:00 PM** who did not have an opportunity to comment. If you are unable to attend the meeting in person and would like to participate by teleconference, please call 1-800-315-6338 and enter the access code 42070 followed by #.

You may submit written questions relevant to the proposed action to the Division of Insurance; Attention: **Jackson Willard**; P.O. Box 110805, Juneau, AK 99811-0805 or by e-mail to **jackson.willard@alaska.gov**. **The questions must be received at least 10 days before the end of the public comment period.** The Division of Insurance will aggregate its response to substantially similar questions and make the questions and responses available on the division's website at <https://www.commerce.alaska.gov/web/ins/Resources/Notices.aspx> and on the Alaska Online Public Notice System. The division may, but is not required to, answer written questions received after the 10-day cut-off date and before the end of the comment period.

If you are a person with a disability who needs a special accommodation in order to participate in the process, please contact **Laura Watson** at **laura.watson@alaska.gov** or (907) 465-2597 no later than **Friday, March 15, 2019** to ensure that any necessary accommodations can be provided.

A copy of the proposed regulation changes is available on the division's website at <https://www.commerce.alaska.gov/web/ins/Resources/Notices.aspx> or on the Alaska Online Public Notice System.

After the public comment period ends, the Division of Insurance will either adopt the proposed regulation changes or other provisions dealing with the same subject, without further notice, or decide to take no action. The language of the final regulation may be different from that of the proposed regulation. **YOU SHOULD COMMENT DURING THE TIME ALLOWED IF YOUR INTERESTS COULD BE AFFECTED.** Written comments received are public records and are subject to public inspection.


Statutory Authority: AS 21.06.090; AS 21.09.210

Statutes Being Implemented, Interpreted, or Made Specific: AS 21.09.210

Fiscal information: The proposed regulation changes are not expected to require an increased appropriation.

The Division of Insurance keeps a list of individuals and organizations interested in its regulations. Those on the list will automatically be sent a copy of all the division's notices of proposed regulation changes. To be added to or removed from the list, send a request to the Division of Insurance; Attention: **Jackson Willard**; P.O. Box 110805; Juneau, AK 98811-0805 or by e-mail to **jackson.willard@alaska.gov**.

DATE: February 22, 2019



Lori Wing-Heier
Director of Insurance

CLARIFYING THE DEFINITION OF INDIVIDUAL LIFE INSURANCE FOR PURPOSES OF
DETERMINING THE PREMIUM TAX RATE

ADDITIONAL REGULATIONS NOTICE INFORMATION
(AS 44.62.190(d))

1. Adopting agency: Division of Insurance, Department of Commerce, Community, and
Economic Development
2. General subject of regulation: Individual Life Insurance
3. Citation of regulation (may be grouped): 3 AAC 21.580
4. Department of Law file number, if any: _____
5. Reason for the proposed action:
☐ Compliance with federal law or action (identify)
☐ Compliance with new or changed state statute
☐ Compliance with Federal or state court decision (identify) _____
☒ Development of program standards
☐ Other (identify): _____
6. Appropriation/Allocation: Insurance Operations/Insurance Operations
7. Estimated annual costs in the aggregate to comply with the proposed action to:
A private person: None are anticipated.
Another state agency: None are anticipated.
A municipality: None are anticipated.
8. Cost of implementation to the state agency and available funding (in thousands of dollars):


	Initial Year FY <u>19</u>	Subsequent Years
Operating Cost	\$ <u>0</u>	\$ <u>0</u>
Capital Cost	\$ <u>0</u>	\$ <u>0</u>
1002 Federal receipts	\$ <u>0</u>	\$ <u>0</u>
1003 General fund match	\$ <u>0</u>	\$ <u>0</u>
1004 General fund	\$ <u>0</u>	\$ <u>0</u>
1005 General fund/ program	\$ <u>0</u>	\$ <u>0</u>
Other (identify)	\$ <u>0</u>	\$ <u>0</u>

9. The name of the contact person for the regulation:
Name: Jackson Willard
Title: Regulations Specialist II
Address: Division of Insurance

P.O. Box 110805, Juneau, AK 99811-0805
Telephone: (907) 465-8486
E-mail address jackson.willard@alaska.gov

10. The origin of the proposed action:

- ☒ Staff of state agency
☐ Federal government
☐ General public
☐ Petition for regulation change
☐ Other (identify) _____

11. Date: 2/22/2019 Prepared by: 
[signature]

Name (printed): Jackson Willard
Title (printed): Regulations Specialist II
Telephone: (907) 465-8486

AFFIDAVIT OF NOTICE OF PROPOSED REGULATION
AND FURNISHING OF ADDITIONAL INFORMATION

I, Jackson Willard, Regulations Specialist II, of the Division of Insurance, being sworn, state the following:

As required by AS 44.62.190, notice of the proposed adoption of 3 AAC 21.580 to clarify the definition of Individual Life Insurance has been given by being

- (1) published in a newspaper or trade publication;
- (2) furnished to every person who has filed a request for notice of proposed action with the state agency;
- (3) furnished to appropriate state officials;
- (4) furnished to interested persons;
- (5) furnished to the Department of Law, along with a copy of the proposed regulation;
- (6) furnished electronically to incumbent State of Alaska legislators;
- (7) posted on the Alaska Online Public Notice System as required by AS 44.62.175(a)(1) and (b) and 44.62.190(a)(1).

As required by AS 44.62.190, additional regulation notice information regarding the proposed adoption of the regulation changes described above has been furnished to interested persons and those in (2), (4) and (6) of the list above. The additional regulation notice information also has been posted on the Alaska Online Public Notice System.

Date: 4/23/2019


Jackson Willard, Regulations Specialist II

Subscribed and sworn to before me at Juneau, AK on 04.23.2019.




Notary Public in and for the State of Alaska

AFFIDAVIT OF ORAL HEARING

I, Rebecca Nesheim, Tax Auditor of the Division of Insurance, being sworn, state the following:

On Wednesday March, 20, 2019, at 11 a.m., in conference room B, 333 Willoughby Avenue, 9th Floor of the State Office Building, Juneau, AK, I presided over a public hearing held under AS 44.62.210 for the purpose of taking testimony in connection with the adoption of changes to 3 AAC 21 by adding section 3 AAC 21.580 to clarify the definition of life insurance for the purposes of determining the premium tax rate under AS 21.09.210(m).

Date: 4/18/19

Rebecca Nesheim
Rebecca Nesheim
Tax Auditor

Subscribed and sworn to before me at Juneau on
4/18/19.

[Signature]
Notary Public in and for the State of Alaska



AFFIDAVIT OF AGENCY RECORD OF PUBLIC COMMENT

I, Jackson Willard, Regulation Specialist II for the Division of Insurance, being duly sworn, state the following:

In compliance with AS 44.62.215, the Division of Insurance has kept a record of its use or rejection of factual or other substantive information that was submitted in writing and orally as public comment and that was relevant to the accuracy, coverage, or other aspect of the Division of Insurance regulation on clarifying the definition of Individual life insurance for purposes of determining the premium tax rate.

Date: 4/23/2019

Jackson Willard
Jackson Willard, Regulation Specialist II

Subscribed and sworn to before me at Juneau, AK on
April 23, 2019.



Kelli Patterson
Notary Public in and for the State of Alaska

ANCHORAGE DAILY NEWS

AFFIDAVIT OF PUBLICATION

Account #: 270251

ST OF AK/DIV OF INSURANCE
PO BOX 110805
JUNEAU, AK 998110805

Order# 0001434975
Cost \$433.28

Product ADN-Anchorage Daily News
Placement 0300
Position 0301

STATE OF ALASKA THIRD JUDICIAL DISTRICT

Sarah Jennett

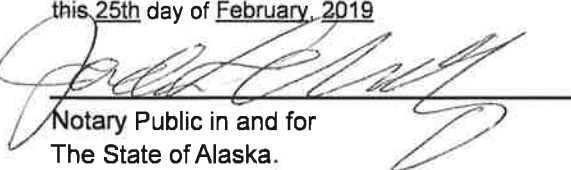
being first duly sworn on oath deposes and says that he/she is a representative of the Anchorage Daily News, a daily newspaper. That said newspaper has been approved by the Third Judicial Court, Anchorage, Alaska, and it now and has been published in the English language continually as a daily newspaper in Anchorage, Alaska, and it is now and during all said time was printed in an office maintained at the aforesaid place of publication of said newspaper. That the annexed is a copy of an advertisement as it was published in regular issues (and not in supplemental form) of said newspaper on

February 24, 2019

and that such newspaper was regularly distributed to its subscribers during all of said period. That the full amount of the fee charged for the foregoing publication is not in excess of the rate charged private individuals.

Signed 
Sarah Jennett

Subscribed and sworn to before me
this 25th day of February, 2019


Notary Public in and for
The State of Alaska.
Third Division
Anchorage, Alaska

MY COMMISSION EXPIRES

STATE OF ALASKA
NOTARY
PUBLIC
Jada L. Nowling

NOTICE OF PROPOSED REGULATION CHANGES ON PREMIUM TAX IN THE REGULATIONS OF THE DIVISION OF INSURANCE

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If you are a person with a disability who needs a special accommodation in order to participate in this process, please contact Theresa Zimmerman at (907) 465-6171 or TDD Relay Service 1-800-770-8973/TTY or dial 711 within 30 days of publication of this notice to ensure that any necessary accommodations can be provided.

To place your legal ad please call 257-4584,
fax to 279-8170 or email to: legalads@adn.com

5:00 p.m. on March 28, 2019.
An interested person may request additional information, be sent a copy of the application, or submit written comments (by mail, email, or fax) by contacting:
Raeese Thieme, ADEC Solid Waste Program
555 Cordova Street, Anchorage, AK 99501
Ph: (907) 269-7590 Fax: (907) 269-7510
raese.thieme@alaska.gov
The ADEC complies with Title II of the Americans with Disabilities Act of 1990 if you are a person with a disability who may need a special accommodation in order to participate in this process, please contact Theresa Zimmerman at (907) 465-6171 or TDD Relay Service 1-800-770-8973/TTY or dial 711 within 30 days of publication of this notice to ensure that any necessary accommodations can be provided.
s/b Lori Aldrich, Solid Waste Regional Program Manager