

**STATE OF OREGON  
DEPARTMENT OF CONSUMER AND BUSINESS SERVICES  
INSURANCE DIVISION**

Before the Insurance Administrator  
Department of Consumer and Business Services

In the Matter of Rulemaking to Amend	)	
OAR 836-010-0000 and 836-010-0011 and repeal	)	SUMMARY OF TESTIMONY
OAR 836-010-0012; Making Changes to Rates and	)	AND HEARING OFFICER'S
Form Filing Rules to Reflect Interstate Insurance	)	RECOMMENDATION
Product Regulation Commission Membership	)	

**Recital of Rulemaking Procedures Followed**

On October 14, 2011, the Director filed with the Secretary of State a Notice of Proposed Rulemaking Hearing (Notice), giving notice that the Director of the Department of Consumer and Business Services (DCBS) proposed to amend OAR 836-010-0000 and 836-010-0011 and repeal OAR 836-010-00012. The Notice announced that a public hearing on the proposed rules would be held on November 29, 2011, and that interested persons could submit comments through December 9, 2011. The notice was filed with a Statement, consisting of a Statement of Statutory Authority, Need for Action, Advisory Committee, Principal Documents Relied Upon and Fiscal and Economic Impact. A copy of the Notice was published in the Secretary of State's Oregon Bulletin of November 1, 2010. Copies of the Notice and Statement and the proposed rulemaking were delivered or mailed to all life and health insurers, to persons on the DCBS Insurance Division mailing list established under the Administrative Procedures Act, to legislators who are required by law to be notified, and to the press and to other interested persons. Copies were also made available to interested persons through the Division's e-notify system and were posted on the Division's website.

The Division presented the draft proposed rules to an advisory committee which met on October 13, 2011. The advisory committee did not suggest any revisions or changes to the draft proposed rules.

This rulemaking is necessary to implement the requirements of House Bill 2095 (2011 Session) by which the State of Oregon becomes a member of the Interstate Insurance Product Regulatory Commission (IIPRC) on January 1, 2012.

In 2007, the Oregon Legislative Assembly granted authority to the Director of the Department of Consumer and Business Services to specify by rule categories of life insurance, annuities or disability insurance for which the director need not consider or review an individual policy form filed by an insurer before approving the form for delivery or issuance for delivery in this state if the form was approved by the Interstate Insurance Product Regulation Commission. Because the 2011 Legislative Assembly enacted House Bill 2095, the rules adopted pursuant to the 2007 legislation are no longer necessary because all products approved by the IIPRC will now be accepted in Oregon without further review and approval.

This rulemaking is necessary to revise the department's rules to reflect Oregon's new status as a member of the Compact. The rules remove the obsolete references to those earlier approved

products and clarify that rates and forms approved by the IIPRC are not subject to the department's rate and form review process.

**Testimony Received and Hearing Officer Recommendation**

The hearing was held as scheduled. Jeannette Holman, Senior Policy Analyst, was the hearing officer. No one attended the hearing, and the Division did not receive any written comments for this rulemaking.

The hearing officer recommends that the rulemaking be adopted as proposed.

These rules will apply to rates and forms filed on and after January 1, 2012.

The rulemaking was reviewed again for its economic effect on businesses, including small businesses, and there is no need for further change. The rulemaking is within the Director's rulemaking authority, and applicable rulemaking procedures were complied with.

Signed this 14th day of December 2011.

Department of Consumer and Business Services

/s/

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Jeannette Holman, Hearing Officer

This Summary and Recommendation are reviewed and adopted.

Signed this 14th day of December 2011.

Department of Consumer and Business Services

/s/

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Lou Savage, Acting Insurance Administrator