

The beginning interest rates may be based on interest rates for new investments as of the valuation date similar to recent investments allocated to support the product being tested or be based on an outside index, such as Treasury yields, of assets of the appropriate length on a date close to the valuation date. Whatever method is used to determine the beginning yield curve and associated interest rates should be specifically defined. The beginning yield curve and associated interest rates should be consistent for all interest rate scenarios.

(e) **Documentation.** The appointed actuary shall retain on file, for at least seven (7) years, sufficient documentation so that it will be possible to determine the procedures followed, the analyses performed, the bases for assumptions and the results obtained.

1. The Purpose of these regulations, including the problems, issues or circumstances that the regulation proposes to address.

Effective January 1, 2009, the NAIC Financial Regulation Standards and Accreditation Program will require adoption of the NAIC Actuarial Opinion and Memorandum Regulation (AOMR) amendments that are being proposed as amendments to the current Connecticut regulations. The Insurance Department is required to adopt these provisions to maintain our NAIC accreditation.

2. A summary of the main provisions of the regulation.

The purpose of sections 38a-78-1 to 38a-78-10, inclusive, of these regulations is to prescribe guidelines and standards for statements of actuarial opinion which shall be submitted in accordance with subsection (b) of section 38a-78 of the Standard Valuation Law, and for memoranda in support thereof and to establish rules applicable to the appointment of an appointed actuary.

These amendments will require asset adequacy analysis for all companies and for the filing of a regulatory asset adequacy issues summary by March 15 of each year. The amended regulations would apply to Actuarial Opinions issued for filing with the 2007 year end financial statements.

3. The legal effects of the regulation, including all ways that the regulation would change existing regulations or other laws.

These changes will repeal the portion of the current regulation dealing with actuarial opinions which allows actuarial opinions that are not based on asset adequacy analysis and will mandate the filing of a summary of the key elements of the supporting actuarial memorandum by March 15 of the year following the year for which the statement of the actuarial opinion is required.

DEPARTMENT OF ENVIRONMENTAL PROTECTION

Notice of Intent to Adopt Regulations and to Revise the State Implementation Plan for Air Quality

The Commissioner of Environmental Protection hereby gives notice of a public hearing as part of a rulemaking proceeding to adopt section 22a-174-44 of the Regulations of Connecticut State Agencies (R.C.S.A.). This new section, which is described in the next paragraph, will regulate air emissions from the use of adhesives and sealants. The emissions reductions associated with this new section will assist the state to attain and maintain the 8-hour national ambient air quality standard, and the section will be submitted to the U.S. Environmental Protection Agency (EPA) for review and approval as a revision to the State Implementation Plan for air quality.

R.C.S.A. Section 22a-174-44 – Adhesives and sealants. This new section of the air quality regulations limits emissions of volatile organic compounds (VOCs) from the use of adhesives, sealants, primers and solvents. This section achieves VOC reductions through two basic components: sale and manufacture restrictions that limit the VOC content of specified adhesives, sealants and primers sold in the state; and use restrictions that apply primarily to commercial/industrial operations. In addition to the VOC content limits and use requirements, this section includes requirements for cleanup and preparation solvents and allows for compliance through the use of add-on air pollution control equipment.

This section is based on a model rule of the Ozone Transport Commission (OTC), which is available at http://www.otcair.org/whats_new_details.asp?PID=58. The OTC model rule is, in turn, based on a reasonably available control technology determination prepared by the California Air Resources Board in 1998 and regulations adopted in the California local air pollution control districts.

All interested persons are invited to comment on the proposal. Comments should be submitted to the Department of Environmental Protection, Bureau of Air Management, Engineering & Enforcement Division, 79 Elm Street, Hartford, Connecticut 06106-5127. All comments should be directed to the attention of Merrily A. Gere and must be received by 5:00 PM October 19, 2007. Comments may be submitted by post, facsimile to (860) 424-4064 or by electronic mail to merrily.gere@po.state.ct.us.

In addition to accepting written comments, the Department of Environmental Protection will also hold the public hearing described below. The Commissioner requests that any person giving oral comment at the hearing also submit a written copy of such comments. However, oral comments alone will also be made part of the record and are welcome.

PUBLIC HEARING

October 16, 2007 at 10:30 AM

Department of Environmental Protection, 5th Floor, Ensign Room
79 Elm Street, Hartford, CT

Copies of the new section described above and a statement required by section 22a-6(h) of the Connecticut General Statutes (C.G.S.) are available for public inspection during normal business hours and may be obtained from Jamie Dougherty at the Bureau of Air Management, Engineering & Enforcement Division, 5th Floor, 79 Elm Street, Hartford, Connecticut. Additional copies are available for review at the Law Reference Desk at the Connecticut State Library, Torrington Public Library, New London Public Library and Bridgeport Public Library. For further information, contact Jamie Dougherty of the Bureau of Air Management at (860) 424-4152 or by electronic mail to jamie.dougherty@po.state.ct.us.

The Department of Environmental Protection supports the goals of the Americans with Disabilities Act of 1990. Any individual who needs auxiliary aids for effective communication during this public hearing or in submitting comments should contact the Department's Affirmative Action Officer at (860) 424-3035 (TDD (860) 424-3333) at least one week before the public hearing.

The authority to adopt the proposed section is granted by C.G.S. sections 22a-6 and 22a-174. This notice is required pursuant to C.G.S. sections 22a-6 and 4-168 and 40 Code of Federal Regulations 51.102.

Gina McCarthy
Commissioner

EXHIBIT A