

**DISTRICT OF COLUMBIA**  
**OFFICIAL CODE**

**TITLE 31.**  
**INSURANCE AND SECURITIES.**

**CHAPTER 49.**  
**LIFE INSURANCE ACTUARIAL OPINION OF**  
**RESERVES.**

**2001 Edition**

**DISTRICT OF COLUMBIA OFFICIAL CODE**  
**CHAPTER 49. LIFE INSURANCE ACTUARIAL**  
**OPINION OF RESERVES.**

---

**TABLE OF CONTENTS**

---

[§ 31-4901. Actuarial opinion of reserves.](#)

---

# CHAPTER 49. LIFE INSURANCE ACTUARIAL OPINION OF RESERVES.

## § 31-4901. ACTUARIAL OPINION OF RESERVES.

### (a) *General requirements and guidelines.* --

(1) Every life insurance company doing business in the District of Columbia shall annually submit the opinion of a qualified actuary as to whether the reserves and related actuarial items held in support of the policies and contracts specified by the Mayor, by regulation, are computed appropriately, are based on assumptions which satisfy contractual provisions, are consistent with prior reported amounts, and comply with § 31-4701 and all applicable laws of the District of Columbia. The Mayor by regulation shall define the specifics of this opinion and add any other items deemed to be necessary to its scope.

(2) For each year ending on or after December 31, 1993, the opinion shall be submitted with the annual statements and reports required by §§ 31-203 and 31-5202, and Chapter 3 of this title.

(3) The opinion shall apply to all business in force, including individual and group health insurance plans, in form and substance acceptable to the Mayor as specified by regulation.

(4) The opinion shall be based on standards adopted from time to time by the Actuarial Standards Board and on any additional standards the Mayor may prescribe by regulation.

(5) In the case of an opinion required to be submitted by a foreign or alien company, the Mayor may accept the opinion filed by that company with the insurance supervisory official of another state if the Mayor determines that the opinion reasonably meets the requirements applicable to a company domiciled in the District of Columbia.

(6) For the purposes of this section, the term "qualified actuary" means a member in good standing of the American Academy of Actuaries who meets the requirements set forth in regulations.

(7) Except in cases of fraud or willful misconduct, the qualified actuary shall not be liable for damages to any person, other than the insurance company and the Mayor, for any act, error, omission, decision, or conduct with respect to the actuary's opinion.

(8) Disciplinary action by the Mayor against the company or the qualified actuary shall be defined in regulations by the Mayor.

(8A) Except as provided in paragraph (11) of this subsection, documents, materials, or other information in the possession or control of the Department of Insurance, Securities, and Banking that are a memorandum in support of the opinion, and any other material provided by the company to the Commissioner in connection with the memorandum (individually and collectively, "memorandum"), shall be confidential and privileged; shall not be subject to subchapter II of Chapter 5 of Title 2; shall not be subject to subpoena; and shall not be subject to discovery or admissible in evidence in a private civil action; provided, that the Commissioner may use the documents, materials, or other information in the furtherance of any regulatory or legal action brought as a part of the Commissioner's official duties.

(8B) The Commissioner or any person who received documents, materials, or other information while acting under the authority of the Commissioner shall not be permitted or required to testify in a private civil action concerning confidential documents, materials, or other information subject to paragraph (8A) of this subsection.

(8C) To assist in the performance of the Commissioner's duties, the Commissioner:

(A) May share documents, materials, or other information, including the confidential and privileged documents, materials, or other information subject to paragraph (8A) of this subsection, with other state, federal and international regulatory agencies; with the National Association of Insurance Commissioners, including its affiliates and subsidiaries; and with state, federal and international law enforcement authorities; provided, that the recipient agrees, and has the legal authority, to maintain the confidentiality and privileged status of the documents, materials, or other information;

(B) May receive documents, materials, or other information, including otherwise confidential and privileged documents, materials, or other information, from the National Association of Insurance

Commissioners, including its affiliates and subsidiaries, and from regulatory and law enforcement officials of other foreign or domestic jurisdictions, and shall maintain as confidential or privileged any document, material, or other information received with notice or the understanding that it is confidential or privileged under the laws of the jurisdiction that is the source of the document, material, or other information; or

(C) May enter into agreements governing the sharing and use of information consistent with paragraphs (8A), (8B), and (8C) of this subsection.

(8D) No waiver of an applicable privilege or claim of confidentiality in the documents, materials, or other information shall occur as a result of disclosure to the Commissioner under this section or of sharing as authorized in paragraph (8C) of this subsection. Nothing in this section shall require an insurer to disclose documents, materials, or other information that is not otherwise required by law to be disclosed.

(8E) The memorandum may be subject to subpoena for the purpose of defending an action seeking damages from the actuary submitting the memorandum by reason of an act required by this section or by regulations promulgated hereunder.

(8F) The memorandum may be released by the Commissioner:

(A) With the written consent of the company; or

(B) To the American Academy of Actuaries, upon a request stating that the memorandum is required for the purpose of professional disciplinary proceedings and setting forth procedures satisfactory to the Commissioner for preserving the confidentiality of the memorandum.

(8G) If a portion of the memorandum is cited by the company in its marketing, is cited before a governmental agency other than a state insurance department, or is released by the company to the news media, all portions of the memorandum shall be no longer confidential.

(9) A memorandum, in form and substance acceptable to the Mayor as specified by regulation, shall be prepared to support each actuarial opinion.

(10) If the insurance company fails to provide a supporting memorandum at the request of the Mayor within a period specified by regulation, or the Mayor determines that the supporting memorandum provided by the insurance company fails to meet the standards prescribed by the regulations or is otherwise unacceptable to the Mayor, the Mayor may engage a qualified actuary at the expense of the company to review the opinion and the basis for the opinion and prepare any supporting memorandum required by the Mayor.

(11) Any memorandum in support of the opinion, and any other supporting material provided by the company to the Mayor, shall be kept confidential by the Mayor and shall not be made public and shall not be subject to subpoena, other than for the purpose of defending an action seeking damages from any person by reason of any action required by this section or by regulations promulgated hereunder. However, the memorandum or other material may otherwise be released by the Mayor with the written consent of the company, upon request stating that the memorandum or other material is required for the purpose of professional disciplinary proceedings and setting forth procedures satisfactory to the Mayor for preserving the confidentiality of the memorandum or other material. Once any portion of the confidential memorandum is cited by the company in its marketing or is cited before any governmental agency other than a state insurance department or is released by the company to the news media, all portions of the confidential memorandum shall no longer be confidential.

*(b) Actuarial analysis of reserves and assets supporting reserves. --*

(1) Every life insurance company, except as exempted by or pursuant to regulation, shall also annually include in the opinion required by subsection (a)(1) of this section an opinion of the same qualified actuary as to whether the reserves and related actuarial items held in support of the policies and contracts specified by the Mayor by regulation, when considered in light of the assets held by the company with respect to the reserves and related actuarial items, including, but not limited to, the investment earnings on the assets and the considerations anticipated to be received and retained under the policies and contracts, make adequate provision for the company's obligations under the policies and contracts, including, but not limited to, the benefits under and expenses associated with the policies and contracts.

(2) The Mayor may provide by regulation for a transition period during which a life insurance company may establish any higher reserves that the qualified actuary deems necessary in order to render the opinion required by this section.

(Oct. 21, 1993, D.C. Law 10-50, § 2, 40 DCR 6117; Oct. 21, 2000, D.C. Law 13-191, § 7, 47 DCR 7311; June 11, 2004, D.C. Law 15-166, § 4(cc), 51 DCR 2817.)

*HISTORICAL AND STATUTORY NOTES*

*Prior Codifications*

1981 Ed., § 35-3801.

#### *Effect of Amendments*

D.C. Law 13-191 amending subsec. (a), added pars. (8A) to (8G).

D.C. Law 15-166, in par. (8A) of subsec. (a), substituted "Department of Insurance, Securities, and Banking" for "Department of Insurance and Securities Regulation".

#### *Emergency Act Amendments*

For temporary (90 day) amendment of section, see § 4(cc) of Consolidation of Financial Services Emergency Amendment Act of 2004 (D.C. Act 15-381, February 27, 2004, 51 DCR 2653).

#### *Legislative History of Laws*

D.C. Law 10-50, the "Life Insurance Actuarial Opinion of Reserves Act of 1993," was introduced in Council and assigned Bill No. 10-133, which was referred to the Committee on Consumer and Regulatory Affairs. The Bill was adopted on first and second readings on June 29, 1993, and July 13, 1993, respectively. Signed by the Mayor on August 4, 1993, it was assigned Act No. 10-95 and transmitted to both Houses of Congress for its review. D.C. Law 10-50 became effective on October 21, 1993.

Law 13-191, the "Insurer Confidentiality and Information Sharing Amendment Act of 2000," was introduced in Council and assigned Bill No. 13-706, which was referred to the Committee on Consumer and Regulatory Affairs. The Bill was adopted on first and second readings on June 26, 2000, and July 11, 2000, respectively. Signed by the Mayor on August 4, 2000, it was assigned Act No. 13-419 and transmitted to both Houses of Congress for its review. D.C. Law 13- 191 became effective on October 21, 2000.

For Law 15-166, see notes following § 31-1004.

#### *Delegation of Authority*

Delegation of authority pursuant to D.C. Law 10-50, the Life Insurance Actuarial Opinion of Reserves Act of 1993, see Mayor's Order 94-54, March 7, 1994 (41 DCR 1433).