



RICARDO LARA
CALIFORNIA INSURANCE COMMISSIONER

BULLETIN 2024-3

TO: All Insurance Companies Licensed to Sell Life Insurance Products in California

FROM: Insurance Commissioner Ricardo Lara

DATE: May 10, 2024

RE: Principle-Based Reserving - Life Annual Aggregate Assessment

California Insurance Code (CIC) section 10489.992(b)(1) authorizes the Insurance Commissioner to annually assess each life insurance company, based on the company's gross annual life insurance premium written in California in the preceding year. The intent of the assessment is to defray the costs of principle-based reserving (PBR) valuation and provide a prudent reserve in the PBR fund.

Pursuant to CIC section 10489.992(b)(4), the Department has established an aggregate annual assessment for Fiscal Year (FY) 2023-24 of \$2,666,000, as well as the assessment tiers shown in the table below. The Department will invoice companies for FY 2023-24 based on this final tier table.

| Insurer's 2022 Annual Premium | Annual Assessment Per Company |
|-------------------------------|-------------------------------|
| \$500,000,000+ | \$125,000 |
| 400,000,001 - 500,000,000 | N/A |
| 300,000,001 - 400,000,000 | 83,000 |
| 200,000,001 - 300,000,000 | 50,000 |
| 150,000,001 - 200,000,000 | 33,000 |
| 100,000,001 - 150,000,000 | 17,000 |
| 50,000,001 - 100,000,000 | 8,000 |
| <50,000,001 | 0 |

For questions regarding the calculation of the assessment, please contact Crista Hill at Crista.Hill@insurance.ca.gov. For billing related questions, please contact the Accounting Services Bureau at arbiling@insurance.ca.gov or (916) 492-3242.