

## HOUSE BILL No. 2540

By Committee on Insurance

Requested by Matt Hickam on behalf of Prudential Financial, Inc.

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AN ACT concerning insurance; relating to the standard nonforfeiture law for individual deferred annuities; exempting contingent deferred annuities from certain provisions therefrom; authorizing the commissioner of insurance to regulate such contingent deferred annuities through the adoption of rules and regulations; amending K.S.A. 40-4,102 and repealing the existing section.

*Be it enacted by the Legislature of the State of Kansas:*

Section 1. K.S.A. 40-4,102 is hereby amended to read as follows: 40-4,102. (a) This act shall not apply to any reinsurance, group annuity purchased under a retirement plan or plan of deferred compensation established or maintained by an employer, including a partnership or sole proprietorship, or by an employee organization, or by both, other than a plan providing individual retirement accounts or individual retirement annuities under section 408 of the federal internal revenue code, premium deposit fund, variable annuity, investment annuity, immediate annuity, any deferred annuity contract after annuity payments have commenced or reversionary annuity, nor *shall this act apply* to any contract ~~which~~ that shall be delivered outside this state through an agent or other representative of the company issuing the contract.

(b) *The provisions of K.S.A. 40-4,103 through 40-4,108, and amendments thereto, shall not apply to contingent deferred annuities. Notwithstanding such exemption, the commissioner of insurance shall have the authority to prescribe, through an adoption of rules and regulations, nonforfeiture benefits for contingent deferred annuities that are, in the opinion of the commissioner, equitable to the policyholder, appropriate given the risks insured and, to the extent possible, consistent with the general content of the standard nonforfeiture law for individual deferred annuities act.*

Sec. 2. K.S.A. 40-4,102 is hereby repealed.

Sec. 3. This act shall take effect and be in force from and after its publication in the statute book.