

HOUSE BILL No. 2540

By Committee on Insurance

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

1-26

1 AN ACT concerning insurance; relating to the standard nonforfeiture law
2 for individual deferred annuities; exempting contingent deferred
3 annuities from certain provisions therefrom; authorizing the
4 commissioner of insurance to regulate such contingent deferred
5 annuities through the adoption of rules and regulations; amending
6 K.S.A. 40-4,102 and repealing the existing section.
7

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

9 Section 1. K.S.A. 40-4,102 is hereby amended to read as follows: 40-
10 4,102. (a) This act shall not apply to any reinsurance, group annuity
11 purchased under a retirement plan or plan of deferred compensation
12 established or maintained by an employer, including a partnership or sole
13 proprietorship, or by an employee organization, or by both, other than a
14 plan providing individual retirement accounts or individual retirement
15 annuities under section 408 of the federal internal revenue code, premium
16 deposit fund, variable annuity, investment annuity, immediate annuity, any
17 deferred annuity contract after annuity payments have commenced or
18 reversionary annuity, nor *shall this act apply to any contract which that*
19 shall be delivered outside this state through an agent or other
20 representative of the company issuing the contract.

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

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 K.S.A. 40-4,102 is hereby repealed.

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