



# House of Representatives

**File No. 735**

General Assembly

January Session, 2005

**(Reprint of File No. 202)**

Substitute House Bill No. 6622  
As Amended by House Amendment  
Schedule "A"

Approved by the Legislative Commissioner  
May 6, 2005

## **AN ACT PROTECTING SENIORS IN ANNUITY TRANSACTIONS.**

Be it enacted by the Senate and House of Representatives in General Assembly convened:

1 Section 1. (NEW) (*Effective from passage*) The Insurance  
2 Commissioner shall adopt regulations, in accordance with chapter 54  
3 of the general statutes, to establish (1) standards for the sale or  
4 exchange of annuities, as defined in section 38a-1 of the general  
5 statutes, to senior consumers, and (2) procedures for making  
6 recommendations to senior consumers regarding the sale or exchange  
7 of an annuity. For purposes of said regulations, "senior consumer"  
8 means an individual sixty-five years of age or older, except that in the  
9 event of a joint purchase by more than one person, the purchaser shall  
10 be considered to be a senior consumer if any of the purchasers is sixty-  
11 five years of age or older.

This act shall take effect as follows and shall amend the following sections:

Section 1	<i>from passage</i>	New section
-----------	---------------------	-------------

The following fiscal impact statement and bill analysis are prepared for the benefit of members of the General Assembly, solely for the purpose of information, summarization, and explanation, and do not represent the intent of the General Assembly or either House thereof for any purpose:

**OFA Fiscal Note**

**State Impact:**

Agency Affected	Fund-Effect	FY 06 \$	FY 07 \$
Insurance Dept.	IF - None	None	None

Note: IF=Insurance Fund

**Municipal Impact:** None

**Explanation**

The bill requires the Commissioner of the Department of Insurance to adopt regulations to establish certain standards and procedures. While the bill may result in a workload increase, the department will be able to accommodate the provisions of the bill within available appropriations.

House "A" requires rather than allows the Commissioner to adopt certain regulations and does not result in a fiscal impact.

**OLR Bill Analysis**

sHB 6622 (as amended by House "A")\*

**AN ACT PROTECTING SENIORS IN ANNUITY TRANSACTIONS****SUMMARY:**

This bill requires the insurance commissioner to adopt regulations to establish (1) standards for selling or exchanging annuities to a senior consumer and (2) procedures for making annuity sales or exchange recommendations to a senior consumer. A "senior consumer" is an individual age 65 or older. In the case of a purchase by more than one person, the purchaser is considered a senior consumer if one of the people is age 65 or older.

By law, "annuities" mean agreements to make periodic payments where all or some of the payments depend on a person's continued life or a specified number of years. It does not include payments under a life insurance policy.

\*House Amendment "A" requires, instead of permits, the insurance commissioner to adopt regulations.

EFFECTIVE DATE: Upon passage

**COMMITTEE ACTION**

Insurance and Real Estate Committee

Joint Favorable Substitute

Yea 15      Nay 0