

By: Eiland

H.B. No. 1859

A BILL TO BE ENTITLED

AN ACT

relating to the maturity dates of certain annuities.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

SECTION 1. Section 1107.006, Insurance Code, is amended to read as follows:

Sec. 1107.006. MATURITY DATE. ~~[(a)]~~ In determining the value of benefits under Sections 1107.102, 1107.103, and 1107.104, ~~[and subject to Subsection (b), if an annuity contract permits an election to have annuity payments begin on optional maturity dates,]~~ the maturity date is ~~[considered to be]~~ the latest date on which an election is permitted by the contract, but ~~[-~~

~~[(b) A maturity date determined under this section may]~~ not ~~[be]~~ later than the later of:

(1) the next anniversary of the annuity contract that follows the annuitant's 70th birthday; or

(2) the 10th anniversary of the contract.

SECTION 2. This Act applies only to an annuity that is delivered, issued for delivery, or renewed on or after January 1, 2010. An annuity that is delivered, issued for delivery, or renewed before January 1, 2010, is governed by the law as it existed immediately before the effective date of this Act, and that law is continued in effect for that purpose.

SECTION 3. This Act takes effect September 1, 2009.