

SENATE AMENDMENTS

2nd Printing

By: Kent, Eiland, Thompson, et al.

H.B. No. 1919

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.

ADOPTED

MAY 21 2009

Atty. Gen.
Secretary of the Senate

By: ELLIS

H.B. No. 1919

Substitute the following for __.B. No. ____:

By: Rodney Ellis

C.S. __.B. No. ____

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9 ~~election to have annuity payments begin on optional maturity~~
10 ~~dates,~~ the maturity date is ~~[considered to be]~~ the latest date on
11 which an election is permitted by the contract, but ~~[~~

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

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

16 (2) the 10th anniversary of the contract.

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

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

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 81ST LEGISLATIVE REGULAR SESSION

May 21, 2009

TO: Honorable Joe Straus, Speaker of the House, House of Representatives

FROM: John S. O'Brien, Director, Legislative Budget Board

IN RE: HB1919 by Kent (Relating to the maturity dates of certain annuities.), **As Passed 2nd House**

No significant fiscal implication to the State is anticipated.

The bill would amend Insurance Code to clarify the maturity date of certain annuities. Based on the analysis of the Texas Department of Insurance, it is assumed that there would be a one-time revenue gain of \$9,500 in the General Revenue Dedicated Account Fund 36 in fiscal year 2010 because the bill would result in 95 additional form filings.

Since General Revenue Dedicated Account Fund 36 is a self-leveling account, this analysis assumes all revenue generated would go toward fund balances or the maintenance tax would be set to recover a lower level of revenue the following year. It is also assumed that any costs realized by TDI from implementing the provisions of the bill could be absorbed within existing resources.

Local Government Impact

No fiscal implication to units of local government is anticipated.

Source Agencies: 454 Department of Insurance

LBB Staff: JOB, SD, KJG, CH

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 81ST LEGISLATIVE REGULAR SESSION

May 12, 2009

TO: Honorable Robert Duncan, Chair, Senate Committee on State Affairs

FROM: John S. O'Brien, Director, Legislative Budget Board

IN RE: HB1919 by Kent (Relating to the maturity dates of certain annuities.), **Committee Report**
2nd House, Substituted

No significant fiscal implication to the State is anticipated.

The bill would amend Insurance Code to clarify the maturity date of certain annuities. Based on the analysis of the Texas Department of Insurance, it is assumed that there would be a one-time revenue gain of \$9,500 in the General Revenue Dedicated Account Fund 36 in fiscal year 2010 because the bill would result in 95 additional form filings.

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Local Government Impact

No fiscal implication to units of local government is anticipated.

Source Agencies: 454 Department of Insurance

LBB Staff: JOB, KJG, CH

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 81ST LEGISLATIVE REGULAR SESSION

May 8, 2009

TO: Honorable Robert Duncan, Chair, Senate Committee on State Affairs

FROM: John S. O'Brien, Director, Legislative Budget Board

IN RE: HB1919 by Kent (Relating to the maturity dates of certain annuities.), **As Engrossed**

No significant fiscal implication to the State is anticipated.

The bill would amend Insurance Code to clarify the maturity date of certain annuities. Based on the analysis of the Texas Department of Insurance, it is assumed that there would be a one-time revenue gain of \$9,500 in the General Revenue Dedicated Account Fund 36 in fiscal year 2010 because the bill would result in 95 additional form filings.

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Local Government Impact

No fiscal implication to units of local government is anticipated.

Source Agencies: 454 Department of Insurance

LBB Staff: JOB, KJG, CH

LEGISLATIVE BUDGET BOARD

Austin, Texas

FISCAL NOTE, 81ST LEGISLATIVE REGULAR SESSION

April 2, 2009

TO: Honorable John T. Smithee, Chair, House Committee on Insurance

FROM: John S. O'Brien, Director, Legislative Budget Board

IN RE: HB1919 by Kent (Relating to the maturity date of certain annuities.), **Committee Report 1st House, Substituted**

No significant fiscal implication to the State is anticipated.

The bill would amend Insurance Code to clarify the maturity date of certain annuities. Based on the analysis of the Texas Department of Insurance, it is assumed that there would be a one-time revenue gain of \$9,500 in the General Revenue Dedicated Account Fund 36 in fiscal year 2010 because the bill would result in 95 additional form filings.

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Local Government Impact

No fiscal implication to units of local government is anticipated.

Source Agencies: 454 Department of Insurance

LBB Staff: JOB, KJG, CH

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 81ST LEGISLATIVE REGULAR SESSION

March 22, 2009

TO: Honorable John T. Smithee, Chair, House Committee on Insurance

FROM: John S. O'Brien, Director, Legislative Budget Board

IN RE: HB1919 by Kent (Relating to the maturity date of certain annuities.), **As Introduced**

No significant fiscal implication to the State is anticipated.

The bill would amend Insurance Code to clarify the maturity date of certain annuities. Based on the analysis of the Texas Department of Insurance, it is assumed that there would be a one-time revenue gain of \$9,500 in the General Revenue Dedicated Account Fund 36 in fiscal year 2010 because the bill would result in 95 additional form filings.

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