STATE OF NEW YORK

7383

2013-2014 Regular Sessions

IN ASSEMBLY

May 14, 2013

Introduced by M. of A. QUART -- read once and referred to the Cc on Insurance

AN ACT to amend the insurance law, in relation to admitted assc annuity risk where a single premium annuity contract has been purchased

THE PEOPLE OF THE STATE OF NEW YORK, REPRESENTED IN SENATE AND ASSEMBLY, DO ENACT AS FOLLOWS:

Section 1. Subsection (b) of section 1110 of the insurance law, amended by chapter 419 of the laws of 2001, is amended to read as follows:

(b) Every such domestic corporation or association shall maintain admitted assets at least equal to the greater of (i) the sum of reserves on its outstanding agreements, calculated in accordance with section four thousand two hundred seventeen of this chapter, or (ii) the amount of the surplus of ten per centum of such reserves, or (iii) the amount of the surplus of ten per centum of such reserves. In determining such reserves a deductible amount for all or any portion of an annuity risk which is reinsured to a life insurance company authorized to do business in this state shall be made for all or any portion of an annuity risk which is reinsured. All or any portion of an annuity risk where such corporation or association has purchased a single premium annuity contract from a life insurance company authorized to do business in this state to fund such contract and which has not been invested in accordance with prudent investor standard as defined in section 11-2.3 of this chapter the required admitted assets shall be invested in accordance with prudent investor standard as defined in section 11-2.3 of this chapter and shall not be subject to the investment standards set forth in this chapter. Such assets shall be segregated and distinct from all other funds of such corporation or association, and shall not be applied to pay interest and obligations or for any purpose except the aforesaid annuity contract.

S 2. This act shall take effect immediately.

EXPLANATION--Matter in ITALICS (underscored) is new; matter in brackets [ ] is old law to be omitted.

LBD081

http://assembly.state.ny.us/leg/?default_fld=&bn=A07383&term=2013&Text=Y 5/15/2014