

STATE OF NEW YORK

9128

IN ASSEMBLY

January 31, 2022

Introduced by M. of A. STERN -- read once and referred to the Committee on Insurance

AN ACT to amend the insurance law, in relation to authorizing dividend paying deferred income annuities

The People of the State of New York, represented in Senate and Assembly, do enact as follows:

1 Section 1. Subparagraph (E) of paragraph 1 of subsection (a) of
2 section 4223 of the insurance law, as amended by chapter 864 of the laws
3 of 1985, is amended to read as follows:

4 (E) A statement that the annuity benefits at the time of their
5 commencement will not be less than those that would be provided by the
6 application of an amount, hereinafter defined, to purchase any single
7 consideration immediate annuity contract offered by the company at the
8 time to the same class of annuitants. For contracts that provide cash
9 surrender benefits, such amount shall be the greater of the cash surren-
10 der benefit or ninety-five percent of what the cash surrender benefit
11 would be if there were no withdrawal charge. For contracts that do not
12 provide cash surrender benefits, such amount shall be the present value
13 of the paid-up annuity benefit provided under the contract in accordance
14 with subsection (d) of this section. For purposes of this subparagraph,
15 purchasers of dividend paying annuities shall be considered a separate
16 class of annuitants from purchasers of annuities that do not pay divi-
17 dends, thereby allowing the annuity benefits under a dividend paying
18 deferred income annuity to be compared to the annuity benefits under a
19 dividend paying single consideration immediate annuity offered by the
20 company to satisfy the requirement of this subparagraph. This statement
21 will not affect the amount of any benefits required to be provided under
22 any other provision of this section.

23 § 2. This act shall take effect immediately.

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

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