# STATE OF NEW YORK

7744

# IN SENATE

January 10, 2022

Introduced by Sen. BRESLIN -- read twice and ordered printed, and when printed to be committed 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:**

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

(E) A statement that the annuity benefits at the time of their commencement will not be less than those that would be provided by the application of an amount, hereinafter defined, to purchase any single consideration immediate annuity contract offered by the company at the time to the same class of annuitants. For contracts that provide cash surrender benefits, such amount shall be the greater of the cash surrender benefit or ninety-five percent of what the cash surrender benefit would be if there were no withdrawal charge. For contracts that do not provide cash surrender benefits, such amount shall be the present value of the paid-up annuity benefit provided under the contract in accordance with subsection (d) of this section. **For purposes of this subparagraph, purchasers of dividend paying annuities shall be considered a separate class of annuitants from purchasers of annuities that do not pay dividends, thereby allowing the annuity benefits under a dividend paying deferred income annuity to be compared to the annuity benefits under a dividend paying single consideration immediate annuity offered by the company to satisfy the requirement of this subparagraph.** This statement will not affect the amount of any benefits required to be provided under any other provision of this section.

§ 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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