

# STATE OF NEW YORK

2199

2023-2024 Regular Sessions

## IN ASSEMBLY

January 23, 2023

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 annuity benefits

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 a chapter of the laws  
3 of 2022 amending the insurance law relating to authorizing dividend  
4 paying deferred income annuities, as proposed in legislative bills  
5 numbers S. 7744-A and A. 9128-A, is amended to read as follows:

6 (E) (i) Except as provided in [~~clause~~] item (ii) of this subparagraph,  
7 a statement that the annuity benefits at the time of their commencement  
8 will not be less than those that would be provided by the application of  
9 an amount, hereinafter defined, to purchase any single consideration  
10 immediate annuity contract offered by the company at the time to the  
11 same class of annuitants. For contracts that provide cash surrender  
12 benefits, such amount shall be the greater of the cash surrender benefit  
13 or ninety-five percent of what the cash surrender benefit would be if  
14 there were no withdrawal charge. For contracts that do not provide cash  
15 surrender benefits, such amount shall be the present value of the paid-  
16 up annuity benefit provided under the contract in accordance with  
17 subsection (d) of this section.

18 (ii) For paid-up deferred annuity contracts in which each consider-  
19 ation paid into the contract purchases guaranteed paid-up annuity bene-  
20 fits determined at the time the consideration is paid, a statement that  
21 the annuity benefits at the time each consideration is paid will not be  
22 less than those that would be provided by the application of the consid-  
23 eration to current purchase rates for new sales of such contract or any  
24 comparable paid-up deferred annuity contract offered by the company at  
25 that time to the same class of annuitants. For purposes of this item,

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

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1 dividends applied to purchase paid-up additions to the contract shall be  
2 treated as considerations paid into the contract. [~~This statement~~]

3 (iii) The statements set forth in items (i) and (ii) of this subpara-  
4 graph shall not affect the amount of any benefits required to be  
5 provided under any other provision of this section.

6 § 2. This act shall take effect on the same date and in the same  
7 manner as a chapter of the laws of 2022 amending the insurance law  
8 relating to authorizing dividend paying deferred income annuities, as  
9 proposed in legislative bills numbers S. 7744-A and A. 9128-A, takes  
10 effect.