
DIGEST

The digest printed below was prepared by House Legislative Services. It constitutes no part of the legislative instrument. The keyword, one-liner, abstract, and digest do not constitute part of the law or proof or indicia of legislative intent. [R.S. 1:13(B) and 24:177(E)]

Harrison

HB No. 1177

Abstract: Requires training of insurance producers who seek to sell annuity products.

Present law defines an "annuity" as a contract sold by insurance companies that pays an income benefit for the life of a person, for the lives of two or more persons, or for a specified period of time, or a contract that may provide for a series of payments to be made or received at regular intervals at the direction of the contract holder.

Proposed law prohibits insurance producers from engaging in the sale of annuity products without having adequate knowledge to recommend the product. Requires the insurance producer to complete a one-time, four-hour training course that has been approved by the Dept. of Insurance prior to engaging in the sale of annuity products.

Proposed law allows insurance producers who already hold a life insurance line of authority as of Aug. 15, 2012, to complete the requisite training course no later than Jan. 1, 2013. Further provides that any insurance producer who obtains a life insurance line of authority after Aug. 15, 2012, must complete the requisite training before engaging in the sale of annuities.

Proposed law provides a list of topics which must be taught in an annuity training course.

Proposed law requires annuity training course providers to register as continuing education providers in this state. Further requires annuity training course providers to comply with the reporting requirements of present law and to issue certificates of completion to insurance producers who complete the course.

Proposed law requires insurers, prior to allowing insurance producers to sell annuity products on behalf of the insurer, to verify that the producers have completed the requisite annuity training course by obtaining a certificate of completion or reports provided by commissioner database systems.

(Adds R.S. 22:1576)