

(KEYWORD, SUMMARY, AND DIGEST as amended by Senate committee amendments)

**INSURANCE DEPARTMENT. Provides relative to training of insurance producers selling annuity products.**

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DIGEST

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 allows an individual who holds a life insurance line of authority and has satisfied the training requirements in another state with substantially similar requirements prior to January 1, 2013 to have satisfied the training requirements of this state.

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)

Summary of Amendments Adopted by Senate

Committee Amendments Proposed by Senate Committee on Insurance to the reengrossed bill

1. Allows an individual who holds a life insurance line of authority and has satisfied the training requirements in another state with substantially similar requirements prior to January 1, 2013, to have satisfied the training requirements of this state.