

Existing 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.

New law requires insurance producers seeking to sell annuity products to complete a one-time, four-hour training course approved by the Dept. of Insurance prior to engaging in the sale of annuity products.

New 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.

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

New 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 existing law and to issue certificates of completion to insurance producers who complete the course.

New 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.

Effective August 1, 2012.

(Adds R.S. 22:1576)