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(PRE-FILED)

2lr0453 CF 2lr0448

By: Delegate Qi

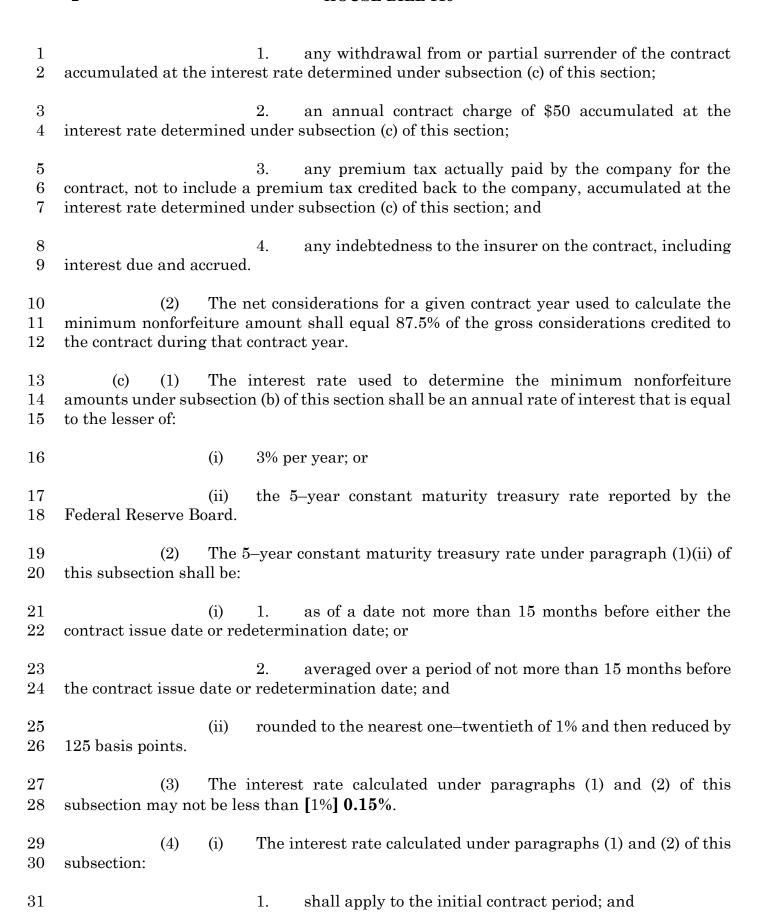
Requested: September 10, 2021

Introduced and read first time: January 12, 2022 Assigned to: Health and Government Operations

A BILL ENTITLED

1	AN ACT concerning			
2	Insurance – Annuities – Nonforfeiture – Interest Rate			
3 4 5	FOR the purpose of altering the minimum interest rate used to determine minimum nonforfeiture amounts for annuity contracts; and generally relating to annuities and nonforfeiture.			
6 7 8 9 10	Article – Insurance Section 16–504 Annotated Code of Maryland			
11 12				
13	Article - Insurance			
14	16–504.			
15 16 17	(a) The minimum values specified under §§ 16–505 through 16–509 of this subtitle of any paid—up annuity, cash surrender, or death benefits under an annuity contract shall be based on minimum nonforfeiture amounts calculated under this section.			
18 19				
20 21	(i) the accumulation until that time, of the net considerations paid prior to that time, at an interest rate determined under subsection (c) of this section; less			
22	(ii) the sum of:			





1		2.	may be redetermined for additional periods.	
2	(ii)	The c	ontract shall state:	
3		1.	whether the interest rate will be redetermined; and	
4 5	if any.	2.	the interest rate redetermination date, basis, and period,	
6 7 8 9	(d) (1) During the period that a contract provides for substantive participation in an equity index benefit, the insurer may increase the 125 basis points under subsection (c)(2)(ii) of this section up to an additional 100 basis points to reflect the value of the equity index benefit.			
10 11 12	(2) On the issue date of the contract, and on each redetermination date, the present value of the additional reduction may not exceed the market value of the equity index benefit.			
13 14 15	the present value of the additional reduction does not exceed the market value of the equity			
16 17 18	(ii) subparagraph (i) of this j the additional reduction.		e Commissioner finds that the demonstration under aph is inadequate, the Commissioner may disallow or limit	
19 20	(e) (1) The of this section.	Commi	ssioner may adopt regulations to implement the provisions	
21	(2) The r	egulat	ions under paragraph (1) of this subsection may provide for:	
22 23	(i) amount for contracts tha	-	tments to the calculation of the minimum nonforfeiture de substantive participation in an equity index benefit; and	
24 25	(ii) Commissioner.	adjus	tments for other contracts as determined by the	
26 27			T FURTHER ENACTED, That this Act shall apply to all s issued on or after October 1, 2022.	
28 29	SECTION 3. ANI October 1, 2022.) BE I	T FURTHER ENACTED, That this Act shall take effect	