

AN ACT

relating to the maturity dates of certain annuities.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

SECTION 1. Section 1107.006, Insurance Code, is amended to read as follows:

Sec. 1107.006. MATURITY DATE. ~~[(a)]~~ In determining the value of benefits under Sections 1107.102, 1107.103, and 1107.104, ~~[and subject to Subsection (b), if an annuity contract permits an election to have annuity payments begin on optional maturity dates,]~~ the maturity date is ~~[considered to be]~~ the latest date on which an election is permitted by the contract, but ~~[-~~

~~[(b) A maturity date determined under this section may]~~ not ~~[be]~~ later than the later of:

(1) the next anniversary of the annuity contract that follows the annuitant's 70th birthday; or

(2) the 10th anniversary of the contract.

SECTION 2. This Act applies only to an annuity that is delivered, issued for delivery, or renewed on or after June 1, 2010. An annuity that is delivered, issued for delivery, or renewed before June 1, 2010, is governed by the law as it existed immediately before the effective date of this Act, and that law is continued in effect for that purpose.

SECTION 3. This Act takes effect September 1, 2009.

David Newkirk  
President of the Senate

Jim Strawn  
Speaker of the House

I certify that H.B. No. 1919 was passed by the House on April 15, 2009, by the following vote: Yeas 147, Nays 0, 1 present, not voting; and that the House concurred in Senate amendments to H.B. No. 1919 on May 23, 2009, by the following vote: Yeas 142, Nays 0, 2 present, not voting.

Robert Haney  
Chief Clerk of the House

I certify that H.B. No. 1919 was passed by the Senate, with amendments, on May 21, 2009, by the following vote: Yeas 31, Nays 0.

Daisy Spaw  
Secretary of the Senate

APPROVED: 19 JUN '09  
Date

Rick Perry  
Governor

FILED IN THE OFFICE OF THE  
SECRETARY OF STATE  
2PM O'CLOCK  
JUN 19 2009

Colby Hunter III

**LEGISLATIVE BUDGET BOARD**

**Austin, Texas**

**FISCAL NOTE, 81ST LEGISLATIVE REGULAR SESSION**

**May 21, 2009**

**TO:** Honorable Joe Straus, Speaker of the House, House of Representatives

**FROM:** John S. O'Brien, Director, Legislative Budget Board

**IN RE: HB1919** by Kent (Relating to the maturity dates of certain annuities.), **As Passed 2nd House**

**No significant fiscal implication to the State is anticipated.**

The bill would amend Insurance Code to clarify the maturity date of certain annuities. Based on the analysis of the Texas Department of Insurance, it is assumed that there would be a one-time revenue gain of \$9,500 in the General Revenue Dedicated Account Fund 36 in fiscal year 2010 because the bill would result in 95 additional form filings.

Since General Revenue Dedicated Account Fund 36 is a self-leveling account, this analysis assumes all revenue generated would go toward fund balances or the maintenance tax would be set to recover a lower level of revenue the following year. It is also assumed that any costs realized by TDI from implementing the provisions of the bill could be absorbed within existing resources.

**Local Government Impact**

No fiscal implication to units of local government is anticipated.

**Source Agencies:** 454 Department of Insurance

**LBB Staff:** JOB, SD, KJG, CH