

State Corporation Commission

2001 Fiscal Impact Statement

1. **Bill Number** HB2720

House of Origin ☒ Introduced ☐ Substitute ☐ Engrossed
Second House ☐ In Committee ☐ Substitute ☐ Enrolled

2. **Patron** Bryant

3. **Committee** Corporations, Insurance & Banking

4. **Title** Annuities.

5. **Summary/Purpose:** This bill amends the definition of annuity in § 38.2-106 by providing that periodic payments be made in "specified or calculable sums," in place of the current "fixed dollar amounts" requirement.

6. **No Fiscal Impact on the State Corporation Commission**

7. **Budget amendment necessary:** No

8. **Fiscal implications:** None

9. **Specific agency or political subdivisions affected:** State Corporation Commission
Bureau of Insurance

10. **Technical amendment necessary:** No

11. **Other comments:** The State Corporation Commission Bureau of Insurance staff assisted the GE Companies with the drafting of this legislation. GE Companies requested Delegate Bryant to introduce HB 2720. GE is seeking an amendment to the definition of annuity in connection with its plans to offer certain foreign currency denominated products to annuitants and investors outside of the United States. It is believed that the proposed language of HB 2720 more properly defines annuities as an insurance product than the existing "fixed dollar amount" standard currently contained in § 38.2-106 of the Code of Virginia.

Date: January 24, 2001

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cc: Secretary of Commerce and Trade

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