

# State Corporation Commission

## 2018 Fiscal Impact Statement

**1. Bill Number:** SB755

<b>House of Origin</b>	<input type="checkbox"/> Introduced	<input checked="" type="checkbox"/> Substitute	<input type="checkbox"/> Engrossed
<b>Second House</b>	<input checked="" type="checkbox"/> In Committee	<input type="checkbox"/> Substitute	<input type="checkbox"/> Enrolled

**2. Patron:** Sturtevant

**3. Committee:** Commerce and Labor

**4. Title:** Pension de-risking; annuities.

**5. Summary:** Limits the subsequent transfers of group annuity contracts that are purchased to fund retirement benefits pursuant to a pension de-risking transfer. The measure prohibits such transfers without the prior written approval of the State Corporation Commission. Such approval shall not be granted unless it makes certain findings regarding whether the annuity benefits will continue to be protected under ERISA or by the Federal Pension Benefit Guaranty Corporation and whether the transfer or assignment is made to an insurer that has the financial strength to fulfill its obligations under the annuity contract. The measure also provides that amounts payable to a participant or beneficiary under such an annuity contract are exempt from the claims of creditors of the participant or beneficiary.

**6. Budget amendment necessary:** No

**7. Fiscal Impact Estimates:** No Fiscal Impact on the State Corporation Commission

**8. Fiscal Implications:** None on the State Corporation Commission

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

**10. Technical amendment necessary:** No

**11. Other comments:** The amendment in the nature of a substitute to Senate Bill 755 adds subsections, D, E and F to proposed § 38.2-3122.1 to add to the list of exclusions from the exemption from the claims of creditors. House Bill 1386, which was identical to the introduced version of Senate Bill 755, was continued to 2019 by subcommittee #2 of the House Commerce and Labor Committee.

**Date:** 02/12/18/V. Tompkins