

## **BILL ANALYSIS**

Senate Research Center

H.B. 4492  
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State Affairs  
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Engrossed

### **AUTHOR'S / SPONSOR'S STATEMENT OF INTENT**

The Securities and Exchange Commission (SEC) has recently adopted a new rule relating to indexed annuities and requiring the registration of indexed annuities with the SEC. The current rules and conduct of the National Association of Securities Dealers applies only to variable annuities.

This legislation, in order to comply with a new federal regulation, establishes that compliance with the conduct rules of the Financial Industry Regulatory Authority satisfies the requirements for suitability of certain annuity transactions for recommendation of annuities under the federal Securities Act of 1933.

H.B. 4492 relates to annuities registered under the Securities Act of 1933.

### **RULEMAKING AUTHORITY**

This bill does not expressly grant any additional rulemaking authority to a state officer, institution, or agency.

### **SECTION BY SECTION ANALYSIS**

SECTION 1. Amends Section 1115.054(a), Insurance Code, to provide that compliance with the conduct rules of the Financial Industry Regulatory Authority, rather than the National Association of Securities Dealers, relating to suitability, or the rules of another national organization recognized by the commissioner of insurance, satisfies the requirements under this chapter for the recommendation of annuities, rather than variable annuities, registered under the Securities Act of 1933 (15 U.S.C. Section 77a et seq.) or rules or regulations adopted under that Act.

SECTION 2. Effective date: September 1, 2009.