

HB 240 -- LIFE INSURANCE COMPANY FUNDING AGREEMENTS

SPONSOR: Porter

This bill defines a "funding agreement" as an agreement for an insurer to accept and accumulate funds and to make one or more payments at future dates in amounts not based on mortality or morbidity contingencies of the person to whom the funding agreement is issued and allows a life insurance company to issue such agreements. A funding agreement shall not be deemed to constitute a security and the issuance of a funding agreement shall be deemed to be doing insurance business.

A funding agreement shall be a class 2 claim for purposes of distribution of funds from an insolvent insurer under the Insurers Supervision, Rehabilitation and Liquidation Act.

This bill is the same as HB 1618 (2020).