

116TH CONGRESS
2D SESSION

S. 3795

To direct the Securities and Exchange Commission to revise any rules necessary to enable issuers of index-linked annuities to use the securities offering forms that are available to other issuers of securities

IN THE SENATE OF THE UNITED STATES

MAY 21, 2020

Ms. SMITH (for herself and Mr. TILLIS) introduced the following bill; which was read twice and referred to the Committee on Banking, Housing, and Urban Affairs

A BILL

To direct the Securities and Exchange Commission to revise any rules necessary to enable issuers of index-linked annuities to use the securities offering forms that are available to other issuers of securities

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. SHORT TITLE.**

4 This Act may be cited as the “Registration for Index
5 Linked Annuities Act of 2020”.

1 **SEC. 2. PARITY FOR REGISTERED INDEX LINKED ANNU-**
 2 **ITIES REGARDING REGISTRATION RULES.**

3 (a) DEFINITION.—In this section, the term “reg-
 4 istered index linked annuity” means an annuity that—

5 (1) is deemed a security;

6 (2) is required to be registered with the Securi-
 7 ties and Exchange Commission;

8 (3) that is issued by an insurance company that
 9 is subject to the supervision of the insurance com-
 10 missioner of the applicable State;

11 (4) is not issued by an investment company;

12 and

13 (5) the returns of which—

14 (A) are based on the performance of a
 15 specified index rate or other financial tracking
 16 vehicle;

17 (B) are subject to a modification of posi-
 18 tive and negative returns by a financial calcula-
 19 tion mechanism; and

20 (C) may be subject to a market value ad-
 21 justment if amounts are withdrawn prior to the
 22 end of the period during which such adjustment
 23 applies.

24 (b) REVISION TO RULES.—Not later than the end of
 25 the 180-day period beginning on the date of enactment
 26 of this Act, the Securities and Exchange Commission shall

1 propose and, not later than 1 year after the date of enact-
2 ment of this Act, the Commission shall prepare and final-
3 ize any new or amended rules, as appropriate, to establish
4 a new form on which an issuer of a registered index linked
5 annuity may register such registered index linked annuity,
6 subject to conditions the Commission determines appro-
7 priate. Any action that the Securities and Exchange Com-
8 mission takes pursuant to this subsection shall consider
9 the availability of information to investors.

10 (c) TREATMENT IF REVISIONS NOT COMPLETED IN
11 A TIMELY MANNER.—If the Securities and Exchange
12 Commission fails to complete the revisions required by
13 subsection (b) by the time required by such subsection,
14 any registered index linked annuity may be registered on
15 the form described in section 239.17b of title 17, Code
16 of Federal Regulations. Such registration shall be pre-
17 pared pursuant to applicable provisions of the form.

18 (d) RULE OF CONSTRUCTION.—Nothing in this Act
19 shall be construed to limit the authority of the Securities
20 and Exchange Commission to determine the information
21 to be requested in the form described in subsection (b).

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