

CHAPTER 387

INSURANCE

SENATE BILL 21-259

BY SENATOR(S) Rodriguez, Liston, Smallwood;
also REPRESENTATIVE(S) Bird and Sandridge, Bockenfeld, Duran, Ricks.

AN ACT**CONCERNING A MODIFICATION TO THE MINIMUM NONFORFEITURE PERCENTAGE REQUIRED TO BE PAID UPON THE SURRENDER OF AN ANNUITY POLICY.**

Be it enacted by the General Assembly of the State of Colorado:

SECTION 1. In Colorado Revised Statutes, 10-7-504, **amend** (3)(a)(II)(C) as follows:

10-7-504. Minimum nonforfeiture amounts - rules. (3) (a) The interest rate used to determine minimum nonforfeiture amounts shall be the lesser of the following:

(II) If specified in the contract that the interest rate will reset, the five-year constant maturity treasury rate reported by the federal reserve as of a specified date or averaged over a period reduced by one hundred twenty-five basis points so long as:

(C) The resulting interest is not less than ~~one~~ FIFTEEN ONE-HUNDREDTHS percent;

SECTION 2. Applicability. This act applies to nonforfeiture amounts determined on or after the effective date of this act.

SECTION 3. Safety clause. The general assembly hereby finds, determines, and declares that this act is necessary for the immediate preservation of the public peace, health, or safety.

Approved: June 30, 2021

Capital letters or bold & italic numbers indicate new material added to existing law; dashes through words or numbers indicate deletions from existing law and such material is not part of the act.