



February 20, 2015

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## SENATE BILL No. 425

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DIGEST OF SB 425 (Updated February 19, 2015 12:07 pm - DI 97)

**Citations Affected:** IC 27-2.

**Synopsis:** Unclaimed life insurance benefits. Specifies that the law concerning unclaimed life insurance benefits applies to policies, annuities, and retained asset accounts issued after June 30, 2015. Repeals a requirement for insurer procedures related to death master file search data.

**Effective:** July 1, 2015.

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### Holdman

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January 12, 2015, read first time and referred to Committee on Insurance & Financial Institutions.  
February 19, 2015, amended, reported favorably — Do Pass.

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SB 425—LS 6109/DI 97





February 20, 2015

First Regular Session 119th General Assembly (2015)

PRINTING CODE. Amendments: Whenever an existing statute (or a section of the Indiana Constitution) is being amended, the text of the existing provision will appear in this style type, additions will appear in **this style type**, and deletions will appear in ~~this style type~~.

Additions: Whenever a new statutory provision is being enacted (or a new constitutional provision adopted), the text of the new provision will appear in **this style type**. Also, the word **NEW** will appear in that style type in the introductory clause of each SECTION that adds a new provision to the Indiana Code or the Indiana Constitution.

Conflict reconciliation: Text in a statute in *this style type* or ~~this style type~~ reconciles conflicts between statutes enacted by the 2014 Regular Session and 2014 Second Regular Technical Session of the General Assembly.

## SENATE BILL No. 425

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A BILL FOR AN ACT to amend the Indiana Code concerning insurance.

*Be it enacted by the General Assembly of the State of Indiana:*

1 SECTION 1. IC 27-2-23-4, AS ADDED BY P.L.90-2014,  
2 SECTION 1, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
3 JULY 1, 2015]: Sec. 4. (a) As used in this chapter, "annuity" refers to  
4 an annuity contract issued in Indiana **after June 30, 2015**.

5 (b) The term does not include an annuity contract used to fund an  
6 employment based retirement plan, the sponsor or administrator of  
7 which directs the insurer that issues the annuity contract.

8 SECTION 2. IC 27-2-23-9, AS ADDED BY P.L.90-2014,  
9 SECTION 1, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
10 JULY 1, 2015]: Sec. 9. (a) As used in this chapter, "policy" means a  
11 policy or certificate issued in Indiana **after June 30, 2015**, that  
12 provides the kind of insurance described in Class 1 of IC 27-1-5-1.

13 (b) The term does not include the following:  
14 (1) A policy or certificate that provides a death benefit under:  
15 (A) an employee benefit plan that is subject to the federal  
16 Employee Retirement Income Security Act of 1974 (29 U.S.C.

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- 1           1001 et seq.); or
- 2           (B) a federal employee benefit program.
- 3           (2) A policy or certificate that is used to fund a preneed funeral
- 4           contract or prearrangement.
- 5           (3) A policy or certificate of credit life or accidental death
- 6           insurance.
- 7           (4) A policy issued to a group policy owner for which the insurer
- 8           does not provide record keeping services.
- 9           SECTION 3. IC 27-2-23-10.2 IS ADDED TO THE INDIANA
- 10          CODE AS A NEW SECTION TO READ AS FOLLOWS
- 11          [EFFECTIVE JULY 1, 2015]: **Sec. 10.2. As used in this chapter,**
- 12          **"retained asset account" refers to a retained asset account that is**
- 13          **issued in Indiana after June 30, 2015.**
- 14          SECTION 4. IC 27-2-23-13 IS REPEALED [EFFECTIVE JULY 1,
- 15          2015]. ~~Sec. 13. An insurer shall implement procedures to account for~~
- 16          ~~the following in complying with the requirements of this chapter:~~
- 17               (1) ~~Common nicknames; initials used instead of a first or middle~~
- 18               ~~name; use of a middle name, compound first and middle names;~~
- 19               ~~and interchanged first and middle names.~~
- 20               (2) ~~Compound last names; maiden or married names; and~~
- 21               ~~hyphens; blank spaces; or apostrophes in last names.~~
- 22               (3) ~~Transposition of the month and date parts of the date of birth.~~
- 23               (4) ~~Incomplete Social Security number.~~



## COMMITTEE REPORT

Madam President: The Senate Committee on Insurance and Financial Institutions, to which was referred Senate Bill No. 425, has had the same under consideration and begs leave to report the same back to the Senate with the recommendation that said bill be AMENDED as follows:

Page 1, delete lines 1 through 16, begin a new paragraph and insert:

"SECTION 1. IC 27-2-23-4, AS ADDED BY P.L.90-2014, SECTION 1, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2015]: Sec. 4. (a) As used in this chapter, "annuity" refers to an annuity contract issued in Indiana **after June 30, 2015.**

(b) The term does not include an annuity contract used to fund an employment based retirement plan, the sponsor or administrator of which directs the insurer that issues the annuity contract.

SECTION 2. IC 27-2-23-9, AS ADDED BY P.L.90-2014, SECTION 1, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2015]: Sec. 9. (a) As used in this chapter, "policy" means a policy or certificate issued in Indiana **after June 30, 2015**, that provides the kind of insurance described in Class 1 of IC 27-1-5-1.

(b) The term does not include the following:

(1) A policy or certificate that provides a death benefit under:

(A) an employee benefit plan that is subject to the federal Employee Retirement Income Security Act of 1974 (29 U.S.C. 1001 et seq.); or

(B) a federal employee benefit program.

(2) A policy or certificate that is used to fund a preneed funeral contract or prearrangement.

(3) A policy or certificate of credit life or accidental death insurance.

(4) A policy issued to a group policy owner for which the insurer does not provide record keeping services.

SECTION 3. IC 27-2-23-10.2 IS ADDED TO THE INDIANA CODE AS A **NEW SECTION** TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2015]: **Sec. 10.2. As used in this chapter,**



**"retained asset account" refers to a retained asset account that is issued in Indiana after June 30, 2015."**

Page 2, delete lines 1 through 2.

Renumber all SECTIONS consecutively.

and when so amended that said bill do pass.

(Reference is to SB 425 as introduced.)

HOLDMAN, Chairperson

Committee Vote: Yeas 8, Nays 2.

