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## MEMORANDUM

**TO:** Insurance Compact Management Committee

**FROM:** Product Standards Committee

**DATE:** June 27, 2023

**SUBJECT:** Amendments to Change the Title and to Clarify the Scope provision of the SINGLE PREMIUM GROUP FIXED ANNUITY CONTRACT UNIFORM STANDARDS FOR EMPLOYER GROUPS

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The Product Standards Committee (“PSC”) of the Interstate Insurance Product Regulation Commission (“Commission”) is charged with developing proposed drafts of Uniform Standards. In carrying out its charge, the PSC has finalized the following draft amendments to the above-referenced uniform standard. The PSC is recommending that the Management Committee initiate the rulemaking procedure<sup>1</sup> with respect to this proposed uniform standard:

- **Group Fixed Annuity Contract Uniform Standards for Employer Groups.**

This recommendation is to initiate the rulemaking procedure with respect to amendments to the following group annuity uniform standard: *Group Fixed Annuity Contract Uniform Standards for Employer Groups*.

Pursuant to §103 of the *Rule for Adoption, Amendment and Repeal of Rules for the Interstate Insurance Product Regulation Commission*, on March 27, 2023, the Commission issued notice requesting comments on the proposed draft amendment for this Uniform Standard. The draft was developed through the PSC in response to a request from the Compact Office to amend the scope to apply to either a defined benefit plan or a defined contribution plan; deleting the reference to single premium fixed annuity contracts; adding a definition of pension risk transfers; and changing the name of the standard to *Group Fixed Annuity Contract Uniform Standards for Employer Groups*.

The Committee recommends these uniform standards not be available for Mix and Match to be used in combination with State Product Components as described in §111 of the *IIPRC Operating Procedure for the Filing and Approval of Product Filings*. The PSC also recommends that filings

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<sup>1</sup> The rulemaking procedure is set forth in the *Rule for Adoption, Amendment and Repeal of Rules for the Interstate Insurance Product Regulation Commission*.

submitted under these Uniform Standards continue to be subject to prior review and approval and not self-certification.

The PSC exposed the drafts for public comment and held one public call to obtain further input. Comments were received from a company filer.

As a result of suggestions from the public comment period, the PSC made clarifying revisions to the definition of pension risk transfer, §2. A. (6) on transferring benefits and §2 B. (8) on the signature requirement.

Given the extensive, transparent, and documented drafting process preceding these recommendations, the PSC suggests that any additional comments or concerns about these recommended Uniform Standards be raised, considered, and discussed by all members and interested parties during the Management Committee's formal rulemaking process.

The PSC is available to respond to any questions or requests for information to assist the Management Committee.