



# STATE OF INDIANA

ERIC J. HOLCOMB, GOVERNOR

**Indiana Department of Insurance**

Amy L. Beard, Commissioner  
311 W. Washington Street, Suite 103  
Indianapolis, Indiana 46204-2787  
Telephone: 317-232-2385  
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Website: [in.gov/doi](http://in.gov/doi)

## INDIANA DEPARTMENT OF INSURANCE RULEMAKING DOCKET

*(Last updated: October 27, 2023)*

### PROVISIONAL RULES:

- (1) [All Payer Claims Database](#)

### PROPOSED RULES:

- (1) [Notice of Public Comment Period for Rule Readoption](#)
- (2) **LSA Document #23-518—Suitability in Annuity Transactions**

#### Subject Matter of the Rule:

Amends 760 IAC 1-72 concerning suitability in annuity transactions. Requires insurance producers to act in the best interest of consumers when making a recommendation of an annuity. Requires insurers to establish, maintain, and utilize a system to supervise recommendations of annuities so that the insurance needs of consumers at the time of the transaction are effectively addressed. Mandates additional training for insurance producers selling annuities. Adds disclosure form requirements.

#### Notices Related to the Proposed Rule:

- [Notice of Intent to Adopt a Rule](#)
- [Proposed Rule](#)
- [Notice of Public Hearing](#)
- [Economic Impact Statement](#)
- [Comments of the Indiana Economic Development Corporation](#)

ACCREDITED BY THE NATIONAL ASSOCIATION OF INSURANCE COMMISSIONERS

AGENCY SERVICES  
317-232-2389

COMPANY COMPLIANCE  
317-232-3495

CONSUMER SERVICES  
317-232-2395/1-800-622-4461

FINANCIAL SERVICES  
317-232-2390

MEDICAL MALPRACTICE  
317-232-2402

COMPANY RECORDS  
317-232-5692

STATE HEALTH INSURANCE PROGRAM  
1-800-452-4800

**Public Comments May Be Made:**

Via e-mail: mbrumbaugh@idoi.in.gov  
Via facsimile: (317) 234-6476  
Via U.S. mail: Meggan Brumbaugh  
Department of Insurance  
311 West Washington Street  
Suite 103  
Indianapolis, IN 46204

**Time Within Which Public Comments May Be Made:**

Public comments may be made now and through the date of the public hearing.

**Public Comments And Responses to Public Comments May Be Inspected Upon Request At:**

Department of Insurance  
311 West Washington Street  
Suite 103  
Indianapolis, IN 46204

**Public Hearing Information:**

November 2, 2023, at 12:30 p.m.  
Department of Insurance  
311 West Washington Street  
Suite 103  
Indianapolis, IN 46204

**Relevant Scientific and Technical Findings Related to the Proposed Rule:**

Not applicable.

**Estimated Timetable for Action\*:**

Date of filing of proposed rule: October 11, 2023  
Date of public hearing: November 2, 2023  
Date of final adoption: November 9, 2023  
Date of filing with the Office of the Attorney General: November 15, 2023  
Anticipated date of review by the Governor: January 1, 2024  
Anticipated effective date: July 1, 2024

\* This timeline is subject to change during the rulemaking process. This timeline will be updated when changes occur.

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**VIA EMAIL**

October 23, 2023

Meggan Brumbaugh  
General Counsel  
Legal Services  
Indiana Department of Insurance  
311 W. Washington Street, Suite 103  
Indianapolis, IN 46204-2787

Re: LSA Document #23-518/Economic Impact Statement

Dear Ms. Brumbaugh,

Pursuant to Indiana Code 4-22-2.1-5(c)(2), as the Small Business Ombudsman for the state of Indiana, I have reviewed the proposed rule and economic impact analysis for small businesses associated with the rule changes contained in LSA Document #23-518 (proposed rule) proposed by the Indiana Department of Insurance (IDOI) and found the following to be true.

Proposed rule LSA #23-518 amends 760 IAC 1-72 to align Indiana's suitability in annuity transactions rule with recent updates to the corresponding NAIC Suitability in Annuity Transactions Model Regulation #275 ("Model #275). The proposed rule comes after separate rulemakings proposed by the United States Department of Labor and Securities & Exchange Commission, respectively, and establishes a fiduciary and best interest standard of conduct. The proposed rule, in turn, creates a consumer protection that is a higher standard than current rules provide, but are lesser than a fiduciary standard for when individuals are purchasing annuities. The IDOI estimates that of the 498 registered insurance companies in Indiana, sixteen are considered small businesses. The proposed rule appears to not implement additional administrative or overly burdensome costs on small businesses as the qualified insurance companies have already implemented the model which the proposed rule is based on, and any additional required continuing education credits are incorporated into existing continuing education credits required for license renewal. The proposed rule appears to be justified as a positive consumer protection revision to Indiana Administrative Code for Hoosiers considering purchasing an annuity.

Based upon this statement and review, the Indiana Small Business Ombudsman supports the proposed rule related to the economic impact to small business if the IDOI conclusion reflects the actual result after promulgation. If there are any questions about these comments, please contact me at [majaworowski@iedc.in.gov](mailto:majaworowski@iedc.in.gov).

Sincerely,

Matt Jaworowski  
Small Business Ombudsman  
Deputy Chief of Staff, Interagency Affairs  
Indiana Economic Development Corporation

