

28 (i) (A) is incorporated under Chapter 5, Domestic Stock and Mutual Insurance
29 Corporations; or

30 (B) is admitted under Chapter 14, Foreign Insurers;

31 (ii) issues annuity contracts only to:

32 (A) (I) a governmental entity; or

33 (II) a nonprofit organization; or

34 (B) an employee of a:

35 (I) governmental entity; or

36 (II) nonprofit organization; and

37 (iii) does not issue any contract that contains a guarantee as to:

38 (A) principal;

39 (B) interest rate;

40 (C) return on investment;

41 (D) mortality; or

42 (E) morbidity.

43 (b) A nonprofit entity insurer includes a nonprofit educational insurer if the nonprofit
44 educational insurer does not issue any contract described in Subsection (2)(a)(iii).

45 Section 2. Section 31A-10-203 is amended to read:

46 **31A-10-203. Applicability of other provisions.**

47 (1) Except as provided in this section[;]:

48 (a) a domestic nonprofit [~~educational insurers are~~] entity insurer is subject to the same
49 provisions applicable to other domestic insurers[;]; and

50 (b) a nondomestic nonprofit [~~educational insurers are~~] entity insurer is subject to the same
51 provisions applicable to other nondomestic insurers.

52 (2) Chapter 28, Guaranty Associations, does not apply to [~~the~~] a nonprofit educational
53 insurer's:

54 (a) annuity business [~~nor to~~]; or

55 (b) annuitants [~~of nonprofit educational insurers~~].

56 [~~(3) Nonprofit educational insurers that do not issue contracts containing guarantees as~~
57 ~~to principal, interest rate, return on investment, mortality, and morbidity are]~~

58 (3) A nonprofit entity insurer is not subject to:

- 59 (a) Section 31A-5-211;
- 60 (b) Section 31A-5-217;
- 61 (c) Subsection 31A-14-205(1)(a);
- 62 (d) Chapter 17, Determination of Financial Condition;
- 63 (e) Chapter 18, Investments;
- 64 (f) Section 31A-20-106;
- 65 (g) Chapter 21, Insurance Contracts in General, if:
- 66 (i) [~~their~~] the nonprofit entity insurer's contract forms have been approved by the
- 67 appropriate regulatory authorities in [~~their~~] the nonprofit entity insurer's state of domicile; and
- 68 (ii) [~~these~~] the contract forms described in Subsection (3)(g)(i) are standard forms
- 69 generally issued by those nonprofit educational insurers in the United States; [~~or~~]
- 70 (h) Chapter 22[-], Contracts in Specific Lines; or
- 71 (i) Chapter 28, Guaranty Associations.
- 72 **Section 3. Repealer.**
- 73 This act repeals:
- 74 Section **31A-10-202, Purposes of part.**

Legislative Review Note
as of 1-14-02 12:50 PM

A limited legal review of this legislation raises no obvious constitutional or statutory concerns.

Office of Legislative Research and General Counsel