



Ready, Set, Go! Best Interest Annuity Regulatory Changes in Arkansas, Delaware, Idaho, Michigan, and Ohio

More States Enacting New Annuity Regulations—Are You Ready?

The following states have recently adopted the National Association of Insurance Commissioners (NAIC) updated Suitability in Annuity Transactions Model Regulation (“2020 Model Regulation”), with the relevant effective dates noted:

- Arkansas, 6/28/2021
- Delaware, 8/1/2021
- Idaho, 7/1/2021
- Michigan, 6/29/2021
- Ohio, 8/14/2021



They join [a growing number of states](#) where the regulation is already in effect. The 2020 Model Regulation and corresponding state insurance regulations will require insurance professionals submitting annuity applications in these states to comply with a Best Interest (BI) standard for annuity sales.

Please note: Recommendations of variable products, including annuities, are required to comply with the Securities and Exchange Commission Regulation Best Interest (SEC Reg-BI), regardless of the state of sale. SEC Reg-BI has significant differences from the NAIC’s 2020 Model Regulation, but broker-dealers and insurers *may* determine that compliance with SEC Reg-BI is sufficient to satisfy the NAIC disclosure requirements for variable annuity sales. Variable-registered insurance professionals should check with their broker-dealer’s compliance officers for more information.