



State of New Jersey

DEPARTMENT OF BANKING AND INSURANCE

OFFICE OF THE COMMISSIONER

PO BOX 325

TRENTON, NJ 08625-0325

TEL (609) 292-7272

CHRIS CHRISTIE
Governor

KIM GUADAGNO
Lt. Governor

KENNETH E. KOBYSLOWSKI
Commissioner

BULLETIN NO. 13-01

TO: ALL INSURERS TRANSACTING LIFE INSURANCE AND ANNUITIES BUSINESS IN THIS STATE AND INSURANCE PRODUCERS WITH LIFE AUTHORITY

FROM KENNETH E. KOBYSLOWSKI, COMMISSIONER

RE: COMPLIANCE WITH N.J.A.C. 11:4-59A

Effective February 4, 2013, the Department of Banking and Insurance (“the Department”) adopted new rules N.J.A.C. 11:4-59A, amendments to N.J.A.C. 11:2-23.5 and 11:4-59.1 and repeals, N.J.A.C. 11:4-59.5 and 59.6. The adopted new rules, amendments and repeals have an operative date of August 4, 2013. See 45 N.J.R. 211(a) and online at: www.state.nj.us/dobi/legsregs.htm. Among other things, the adopted new rules at N.J.A.C. 11:4-59A.4, set forth requirements for producer training on the sale of annuities to consumers. (See N.J.A.C. 11:59.1 and 11:59A.1.) There has been confusion expressed by producers and industry trade groups as to whether a producer who is newly licensed on or after the effective date of the rule (February 4, 2013) must complete the required training course prior to selling annuities. Concerns also were expressed that no such courses had been approved in New Jersey.

The purpose of this Bulletin is to clarify that by delaying the operative date of the rules and amendments until August 4, 2013, producers newly licensed to sell annuities on or after February 4, 2013 may sell the types of annuities to which the rules apply, but must complete the required training course by August 4, 2013 in order to continue to sell those annuities after that date. This is the same requirement and timeframe applicable to producers who were licensed to sell annuities prior to February 4, 2013.

The Department will post information on its website to identify providers of approved annuity training courses. To date, several courses have been approved. Information may be obtained as follows:

Go to the Department's website at www.dobi.nj.gov;

Select Insurance Division from the list on the left side of the screen;

Select Licensing and Education from the drop down after selecting Insurance Division; within the screen shot you will see two columns of bulleted links. The left column contains a link to the list of approved insurance education providers.

OR

Visit the Licensing and Education page at: <http://www.state.nj.us/dobi/inslic.htm>.

In addition, producers may comply with the annuity sales course requirement by taking a course that has been approved in another state with substantially similar training requirements. Also, annuity training previously completed in another state will satisfy this State's training requirements, if the course is substantially similar to the annuity training required under this State's rules.


Questions regarding this Bulletin may be directed to:

Joseph McDougal
Supervisor
Application Investigations and Insurance Education
Consumer Protection Services

joseph.mcdougal@dobi.state.nj.us

(609) 292-5316 Ext. 50552

February 6, 2013
Date



Kenneth E. Kobylowski
Commissioner

jc13-03/inoord