

ASSEMBLY STATE AND LOCAL GOVERNMENT
COMMITTEE

STATEMENT TO

ASSEMBLY, No. 4457

with committee amendments

STATE OF NEW JERSEY

DATED: JUNE 24, 2024

The Assembly State and Local Government Committee reports favorably and with committee amendments Assembly Bill No. 4457.

This bill revises the limits for net cash surrender and net cash withdrawal values for certain annuity policies and contracts from \$100,000 to \$250,000.

Under the bill, the New Jersey Life and Health Guaranty Association will pay a policyholder of an annuity policy or contract up to \$250,000 for any net cash surrender or net cash withdrawal that a policyholder makes on an annuity issued by a member insurance company that becomes insolvent. Current law only allows the association to pay a policyholder up to \$100,000 for a net cash surrender or net cash withdrawal made on an annuity issued by a now-insolvent member insurance company.

COMMITTEE AMENDMENTS:

The committee amendments change the effective date of the bill from the 90th day next following enactment, applicable to annuity policies, plans, or contracts issued or renewed on or after that date to effective immediately.