



LOUISIANA DEPARTMENT OF INSURANCE
TIMOTHY J. TEMPLE
COMMISSIONER

Louisiana Adoption of Best Interest Annuity Standards

The Louisiana Department of Insurance (LDI) has amended Regulation 89 Suitability in Annuity Transactions. The amendments implement the best interest of consumer enhancements in accordance with the current version of NAIC Suitability in Annuity Transactions Model Regulation. The changes are effective September 20, 2024.

Like the prior version of the regulation, individual producers engaged in the sale of annuity products are required to complete a one-time four-hour training course. This requirement applies to both resident and nonresident producers. Beginning the effective date of the amended regulation, the training must meet the new best standards curriculum. This curriculum includes:

- The types of annuities and various classifications of annuities.
- Identification of the parties to an annuity.
- A description of how product-specific annuity contract provisions affect consumers.
- The application of income taxation of qualified and non-qualified annuities.
- The primary use of annuities.
- Appropriate standard of conduct, sales practices, replacement, and disclosure requirements.

Producers selling annuities as of September 20, 2024, must complete annuity training based on the new best standards curriculum. Producers who had completed annuity suitability training prior to September 20, 2024, can comply with the new training requirement by:

- Completing a new four-hour training by March 20, 2025.

Or

- Completing a one-hour course on appropriate sales practices, replacement, and disclosure requirements by March 20, 2025.

If a producer has already completed annuity training to meet the best interest standards for any state, that producer is deemed to have satisfied the best interest training requirement for Louisiana. It does not matter when the producer completed the training if it meets the best interest standards.

Producers newly licensed for Life authority on or after September 20, 2024, who desire to sell annuity products must complete the new best interest standard training standards prior to selling annuity products.

Insurers are responsible to verify that a producer is in compliance with the training requirement before allowing that producer to sell an annuity product on their behalf.

Continuing Education Course Providers and Approved Annuity Courses.

LDI adds a subject category of “Annuities” to courses that satisfy the annuity training curriculum. Only courses that meet the new best interest standard training requirements will retain the “Annuities” subject classification. Any approved one-hour annuity courses addressing appropriate sales practices, replacement, and disclosure requirements will retain the “Annuities” subject designation until March 20, 2025. No courses will be cancelled.

Providers are welcome to submit annuity courses for approval that meet the new best interest standard. Providers may review their existing list of approved courses via their CE Course Administration Module within Industry Access.