



Carl B. Wilkerson
Vice President & Chief Counsel, Securities & Litigation

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Statement of the American Council of Life Insurers on Senate Bill 108 and House Bill 194
in the Alaska Legislature

The American Council of Life Insurers¹ strongly supports the enactment of Senate Bill 108 and House Bill 194, as amended.² This legislation will enhance the Alaska securities laws and will implement commendable uniformity with other states throughout the nation. The amended bills reflect important modifications that ensure investor protection and an efficient securities marketplace. The legislation is consistent with the Uniform Securities Act of 2002³ and compliments a comprehensive network of state and federal securities and insurance regulation.

Importantly, the amendments to Senate Bill 108 and House Bill 194 exclude variable annuities from the definition of the term “security.” This dovetails prudently with the Alaska insurance laws that grant the insurance director the exclusive authority to regulate the issuance and sale of variable annuities.⁴ This aspect of the bills promotes sensible and functional regulation, reflects the practices in the majority of states, and prevents duplicate layers of regulation. The significant laws and regulations enforced by the Alaska Insurance Director, together with those of the U.S. Securities and Exchange Commission and the Financial Institutions Regulatory Authority (FINRA), provide effective and efficient consumer protection.

Life insurers greatly appreciate the accessibility and responsiveness of Division of Banking and Securities Director Kevin Anselm and Insurance Director Lori Wing-Heier who worked diligently and constructively together with the life insurance industry as the bills evolved through the legislative process. Their substantive expertise helped inform the legislative process in an exemplary fashion.

Thank you for the opportunity to share the views of the life insurance industry on this important legislation. Please let us know if you have any questions.

¹ The American Council of Life Insurers (ACLI) is a national trade association with approximately 300 member companies operating in the United States and abroad. 215 member companies serve Alaska consumers. ACLI advocates in federal, state, and international forums for public policy that supports the industry marketplace and the 75 million American families that rely on life insurers’ products for financial and retirement security. ACLI members offer life insurance, annuities, retirement plans, long-term care and disability income insurance, and reinsurance, representing more than 90 percent of industry assets and premiums in Alaska. Learn more at www.acli.com.

² The amendments appear in the [CS for Senate Bill 108](#) (L & C) (March 3, 2016) and in the [CS for House Bill 194](#) (L & C) (March 24, 2016).

³ The Uniform Securities Act of 2002 was promulgated by the National Conference of Commissioners on Uniform State Laws. This model law implements the National Securities Markets Improvements Act of 1996 which was enacted to harmonize and modernize state and federal securities regulation.

⁴ Banking and Securities Director Kevin Anselm helpfully clarified during her testimony on the amended legislation that variable annuities were excluded from the definition of security so that “variable annuities will remain under the sole regulation of the Division of Insurance under Title 21.” See [House Labor & Commerce Hearing](#) (March 14, 2016).