

**SUITABILITY OF SALES OF LIFE INSURANCE AND ANNUITIES**

The date following each state indicates the last time information for the state was reviewed/changed.

STATE	CITATION	APPLICABLE LINES	RESPONSIBLE PARTY	DUTIES
AL (6/23)	AAC 482-1-137-.06	Annuities	Insurers and producers	Producers shall act in the best interest of the consumer under the circumstances known at the time the recommendation is made. Insurers may not issue an annuity to a consumer unless there is a reasonable basis to believe the annuity would effectively address the consumer's insurance needs and objectives. Insurers must maintain a supervision system to achieve and verify insurer and producer compliance.
AK (6/23)	3 AAC 26.770 to 26.789	Annuities	Insurers and producers	Producers shall act in the best interest of the consumer under the circumstances known at the time the recommendation is made. Insurers must maintain supervision system to determine that procedures are being followed for its products.
AZ (6/23)	§§ 20-2602; 20-2608  §§ 20-1243.03; 20-1243.04	Variable life insurance  Annuities to seniors	Insurers  Insurers and producers	Insurers are to maintain written standards of suitability.  Producers who make recommendations shall act in the best interest of the consumer. Insurers may not issue annuities to a consumer unless there is a reasonable basis to believe the annuity will effectively address the consumer's insurance needs and objectives. Insurers must maintain system to determine that procedures are being followed for its products.
AR (6/23)	ARK. ADMIN. CODE 054.00.33-III  ARK. ADMIN. CODE 054.01.82-2; 054.01.82-6; Bulletin 8-2004; Directive 2-2006	Variable life insurance  Annuities	Insurers  Insurers and producers	Insurers are to maintain written standards of suitability.  Producers shall act in the best interest of the consumer under the circumstances known at the time the recommendation is made. Insurers may not issue an annuity to a consumer unless there is a reasonable basis to believe the annuity would effectively address the consumer's insurance needs and objectives. Insurers must maintain a supervision system to achieve and verify insurer and producer compliance.

**SUITABILITY OF SALES OF LIFE INSURANCE AND ANNUITIES**

<b>STATE</b>	<b>CITATION</b>	<b>APPLICABLE LINES</b>	<b>RESPONSIBLE PARTY</b>	<b>DUTIES</b>
CA (6/23)	10 CCR § 2534.2(c)	Variable life insurance	Insurers, officers, directors, employees, affiliates, and producers	Insurers are to adopt by formal action and file with the commissioner written standards of suitability.
	CA Ins. § 789.8	Life insurance and annuities to elders 65 years of age or older	Producers	Requires producers to make written disclosure to consumers 65 years of age or older that they may wish to obtain advice prior to the purchase of life or annuity products being offered.
	CA Ins. §§ 10509.1 to 10509.9	Life insurance and annuity replacement	Insurers and producers	It is a violation to recommend an unnecessary replacement of an annuity. A replacement is unnecessary if it involves a surrender charge or does not confer a substantial economic benefit.
	CA Ins. §§ 10509.910 to 10509.9918	Annuities	Insurers and producers	Requires producers, or an insurer if no producer is involved, to make recommendations to determine suitability. An insurer shall establish a supervision system to determine that procedures are being followed for its products.
CO (6/23)	3 CCR 702-4:4-1-3 § 5	Variable life insurance	Insurers and producers	Insurers are to maintain written standards of suitability to assure that the sales of products are not unsuitable based on information furnished, after reasonable inquiry of such applicants concerning their insurance and investment objectives, financial situation and needs, and taking into account any other information known to the insurer or the producer making the recommendation.
	3 CCR 702-4:4-1-11 §§ 2; 3; 5	Annuities	Insurers and producers	Producers shall act in the best interest of the consumer under the circumstances known at the time the recommendation is made. Insurers must maintain a supervision system to determine that procedures are being followed for its products.

**SUITABILITY OF SALES OF LIFE INSURANCE AND ANNUITIES**

<b>STATE</b>	<b>CITATION</b>	<b>APPLICABLE LINES</b>	<b>RESPONSIBLE PARTY</b>	<b>DUTIES</b>
CT (6/23)	CONN. AGENCIES REGS. § 38a-433-3(c)	Variable life insurance	Insurers and producers	Insurers are to maintain written standards of suitability to assure that the sales products are not unsuitable based on information furnished. Producers are to make reasonable inquiry of applicants concerning their insurance and investment objectives, financial situation and needs, and take into account any other information known to the insurer or to the producer making the recommendation.
	Bulletin IC-17	Deferred annuities	Producers	Producers are to maintain records, for potential review by the insurance department, that support the suitability of their recommendations regarding the purchase of annuities.
	§§ 38a-432a-1 to 38a-432a-8	Annuities	Producers	Producers shall act in the best interest of the consumer under the circumstances known at the time the recommendation is made. Insurer shall establish and maintain a supervision system to determine compliance and that procedures are being followed for its product.
DE (6/23)	18 Del. Admin. Code § 1205-3.1.3	Variable life insurance	Insurers and producers	Insurers are to maintain standards of suitability specifying that no recommendation shall be made in the absence of reasonable grounds to believe that the purchase of the policy is not unsuitable on the basis of information furnished. Producers are to make reasonable inquiry of applicants concerning the applicant's insurance and investment objectives, financial situation and needs, and consider any other information known to the insurer or to the producer making the recommendation.
	18 Del. Admin. Code § 1214-4.0	Annuities	Insurers and producers	Producers shall act in the best interest of the consumer under the circumstances known at the time the recommendation is made. Insurers may not issue an annuity to a consumer unless there is a reasonable basis to believe the annuity would effectively address the consumer's insurance needs and objectives. Insurers must maintain a supervision system to achieve and verify insurer and producer compliance.

**SUITABILITY OF SALES OF LIFE INSURANCE AND ANNUITIES**

<b>STATE</b>	<b>CITATION</b>	<b>APPLICABLE LINES</b>	<b>RESPONSIBLE PARTY</b>	<b>DUTIES</b>
DC (6/23)	26-A DCMR § 2704	Variable life insurance	Insurers and producers	Insurers are to maintain written standards of suitability to assure that the sales of products are not unsuitable based on information furnished. Producers are to make reasonable inquiry of applicants concerning their insurance and investment objectives, financial situation and needs, and to take into account any other information known to the insurer or to the producer making the recommendation.
	26-A DCMR § 8403	Annuities	Insurers and producers	Insurer shall have reasonable grounds for believing that the recommendation is suitable for the consumer on the basis of the facts disclosed by the consumer relative to his or her investments and other insurance products, and financial situation and needs, including the consumer's suitability information. An insurer shall establish a system of supervision to comply with an insurer and producer's obligations.
FL (6/23)	§ 627.4554(5)	Annuities	Insurers and producers	An agent shall act in the best interest of the consumer under the circumstances known at the time the annuity recommendation is made. Insurers must maintain a supervision system to determine that procedures are being followed for its products.

**SUITABILITY OF SALES OF LIFE INSURANCE AND ANNUITIES**

<b>STATE</b>	<b>CITATION</b>	<b>APPLICABLE LINES</b>	<b>RESPONSIBLE PARTY</b>	<b>DUTIES</b>
GA (6/23)	Ga Comp. R. & Regs. 120-2-32-.04	Variable life insurance	Insurers and producers	Insurers are to maintain written standards of suitability specifying that no recommendations shall be made to an applicant and that no life insurance policy shall be issued in the absence of reasonable grounds to believe that the purchase of the policy is not unsuitable on the basis of information furnished. Producers are to make reasonable inquiry of applicants concerning the applicant's insurance and investment objectives, financial situation and needs, and consider any other information known to the insurer or to the producer making the recommendation.
	Ga Comp. R. & Regs. 120-2-94-.06	Annuities	Insurers and producers	Producers shall act in the best interest of the consumer under the circumstances known at the time the annuity recommendation is made. Insurers must maintain a supervision system to determine that procedures are being followed for its products.
HI (6/23)	§§ 431:10D-621 to 431:10D-625	Annuities	Insurers and producers	Producers shall act in the best interest of the consumer when recommending an annuity. An insurer shall establish and maintain a supervision system reasonably designed to achieve insurer and producer compliance. Insurers shall not issue an annuity unless there is a reasonable basis to believe the annuity is suitable based on the consumer's suitability information. Penalties may be reduced or eliminated if corrective action is taken promptly after a violation is discovered.
ID (6/23)	§§ 41-1940A; 41-1940B;	Annuities	Insurers and producers	Producers shall act in the best interest of the consumer when recommending an annuity. Insurers must establish a system to supervise recommendations so that the insurance needs and financial objectives of consumers are effectively addressed. Insurers may not issue an annuity unless there is a reasonable basis to believe the annuity will effectively address the consumer's insurance needs and financial objectives.

**SUITABILITY OF SALES OF LIFE INSURANCE AND ANNUITIES**

<b>STATE</b>	<b>CITATION</b>	<b>APPLICABLE LINES</b>	<b>RESPONSIBLE PARTY</b>	<b>DUTIES</b>
IL (6/23)	ILL. ADMIN. CODE TIT. 50 § 1551.90(G)	Variable life	Insurers and producers	Producer, or insurer where no producer is involved, shall not make a recommendation in the absence of reasonable grounds to believe that the purchase of the policy is not unsuitable for the applicant on the basis of the facts.
	ILL. ADMIN. CODE tit. 50, § 3120.50	Annuities	Insurers and producers	Producers shall act in the best interest of the consumer when recommending an annuity. An insurer shall establish and maintain a supervision system reasonably designed to achieve insurer and producer compliance.
IN (6/23)	§§ 27-4-9-1 to 27-4-9-6	Annuities to seniors	Insurers and producers	Producer, or insurer where no producer is involved, shall have reasonable grounds to believe a recommendation is suitable. The commissioner has authority to adopt regulation to ensure compliance.
	760 IAC 1-33-3 § 3; 760 IAC 1-33-8	Variable life insurance	Insurers and producers	Insurers are to maintain written standards of suitability specifying that no recommendations shall be made to an applicant and that no policy shall be issued in the absence of reasonable grounds to believe that the purchase of the policy is not unsuitable on the basis of information furnished. Producers are to make reasonable inquiry of applicants concerning the applicant's insurance and investment objectives, financial situation and needs, and consider any other information known to the insurer or to the producer making the recommendation.

**SUITABILITY OF SALES OF LIFE INSURANCE AND ANNUITIES**

<b>STATE</b>	<b>CITATION</b>	<b>APPLICABLE LINES</b>	<b>RESPONSIBLE PARTY</b>	<b>DUTIES</b>
IA (6/23)	IOWA ADMIN. CODE r. 191-15.8(4)	Life insurance and annuities	Producers	A producer shall not recommend the purchase, sale or exchange of any life insurance policy or annuity without reasonable grounds to believe that the recommendation is not unsuitable based upon reasonable inquiry concerning the person's insurance objectives, financial situation and needs, age and other relevant information known by the producer.
	IOWA ADMIN. CODE r. 191-33.3(3)	Variable life insurance	Insurers and producers	Insurers are to maintain written standards of suitability specifying that no recommendations shall be made to an applicant and that no policy shall be issued in the absence of reasonable grounds to believe that the purchase of the policy is not unsuitable on the basis of information furnished. Producers are to make reasonable inquiry of the applicant concerning the applicant's insurance and investment objectives, financial situation and needs, and consider any other information known to the insurer or to the producer making the recommendation.
	IOWA ADMIN. CODE r. 191-15.75; ICA § 507B.4B	Annuities	Insurers and producers	A producer recommending an annuity shall act in the best interest of the consumer under the circumstances known at the time the recommendation is made. Prior to, or at the time of, the recommendation or sale of an annuity, the producer shall have a reasonable basis to believe the consumer has been informed of the features of the annuity including surrender provisions, tax penalties, fees, and market risk. An insurer shall establish and maintain a supervision system reasonably designed to achieve insurer and producer compliance.

**SUITABILITY OF SALES OF LIFE INSURANCE AND ANNUITIES**

<b>STATE</b>	<b>CITATION</b>	<b>APPLICABLE LINES</b>	<b>RESPONSIBLE PARTY</b>	<b>DUTIES</b>
KS (6/23)	KAR 40-2-14a; Bulletin 2005-4 (11/29/2005); Opinion and Memorandum Re: Annuity Transactions (6/8/2005)	Life insurance and annuities	Insurers and producers	Prior to recommending a purchase or sale of a variable life insurance or variable annuity product, an insurance producer or insurer shall have reasonable grounds for believing the recommendation is suitable. Recommendations shall comply with minimum standards in the regulation.
	KAR 40-1-53	Annuities	Producers	Effective January 1, 2024, suitability in annuity transactions amendments adopted by reference. Insurers shall act in the best interest of the consumer when recommending an annuity. Insurers shall establish and maintain a system that is reasonably designed to achieve licensee compliance.
KY (6/23)	806 KAR 15:030	Variable life insurance	Insurers and producers	Insurers are to maintain written standards of suitability specifying that no recommendations shall be made to an applicant and that no policy shall be issued in the absence of reasonable grounds to believe that the purchase of the policy is not unsuitable on the basis of information furnished. Producers are to make reasonable inquiry of an applicant concerning the applicant's insurance and investment objectives, financial situation and needs, and consider any other information known to the insurer or to the producer making the recommendation.
	806 KAR 12:120	Annuities	Licensees and insurers	Licensees shall act in the best interest of the consumer when recommending an annuity. Insurers shall establish and maintain a system that is reasonably designed to achieve licensee compliance.



**SUITABILITY OF SALES OF LIFE INSURANCE AND ANNUITIES**

<b>STATE</b>	<b>CITATION</b>	<b>APPLICABLE LINES</b>	<b>RESPONSIBLE PARTY</b>	<b>DUTIES</b>
LA (6/23)	LAC 37:XIII.8303 § A(3)(a)	Variable life insurance	Insurers and producers	Insurers are to maintain written standards of suitability specifying that no recommendations shall be made to an applicant and that no policy shall be issued in the absence of reasonable grounds to believe that the purchase of the policy is not unsuitable on the basis of information furnished. Producers are to make reasonable inquiry of an applicant concerning the applicant's insurance and investment objectives, financial situation and needs, and consider any other information known to the insurer or to the producer making the recommendation.
	LAC 37:XIII.11701 to 37:XIII.11717	Annuities	Insurers and producers	Requires insurers and producers who make recommendations to determine suitability. Insurers must maintain system to determine that procedures are being followed for its products.
ME (6/23)	Ins. Rule ch. 300, Art. V § 3	Variable life insurance	Insurers and producers	Insurers are to maintain written standards of suitability specifying that no recommendations shall be made to an applicant and that no policy shall be issued in the absence of reasonable grounds to believe that the purchase of the policy is not unsuitable on the basis of information furnished. Producers are to make reasonable inquiry of an applicant concerning the applicant's insurance and investment objectives, financial situation and needs, and consider any other information known to the insurer or to the producer making the recommendation.
	24-A M.R.S.A. § 2517	Annuities	No provision	Superintendent shall adopt rules governing the suitability of sales of annuities.

MAINE (CONT.)

**SUITABILITY OF SALES OF LIFE INSURANCE AND ANNUITIES**

<b>STATE</b>	<b>CITATION</b>	<b>APPLICABLE LINES</b>	<b>RESPONSIBLE PARTY</b>	<b>DUTIES</b>
ME (cont.)	Ins. Rule ch. 310, Art. V § 3	Annuities	Insurers and producers	Every insurer seeking authority to enter into the variable annuity business in this state shall establish and maintain a written statement specifying the standards of suitability to be used by the insurer. Such standards of suitability shall specify that no recommendations shall be made to an applicant to purchase a variable annuity contract and that no variable annuity contract shall be issued in the absence of reasonable grounds to believe that the purchase of such contract is not unsuitable for such applicant on the basis of information furnished after reasonable inquiry of such applicant concerning the applicant's insurance and investment objectives, financial situation and needs, and any other information known to the insurer or to the agent making the recommendation.
	Ins. Rule ch. 917, §§ 1 to 10	Annuities	Insurers and producers	Producers recommending annuities shall act in the best interest of each consumer under the circumstances known at the time the recommendation is made. Before, or at the time of, the recommendation or sale of an annuity, the producer shall have a reasonable basis to believe the consumer has been informed of the features of the annuity including surrender provisions, tax penalties, fees, and market risk. An insurer shall establish a supervision system reasonably designed to achieve insurer and producer compliance.

**SUITABILITY OF SALES OF LIFE INSURANCE AND ANNUITIES**

<b>STATE</b>	<b>CITATION</b>	<b>APPLICABLE LINES</b>	<b>RESPONSIBLE PARTY</b>	<b>DUTIES</b>
MD (6/23)	COMAR 31.09.02.03	Variable life insurance	Insurers and producers	Insurers are to maintain written standards of suitability specifying that no recommendations shall be made to an applicant and that no policy shall be issued in the absence of reasonable grounds to believe that the purchase of the policy is not unsuitable on the basis of information furnished. Producers are to make reasonable inquiry of an applicant concerning the applicant's insurance and investment objectives, financial situation and needs, and consider any other information known to the insurer or to the producer making the recommendation.
	COMAR 31.09.12.04 to 31.09.12.05	Annuities	Insurers and producers	A producer shall act in the best interest of the consumer when recommending an annuity. Insurers must maintain a supervision system to determine that procedures are being followed for its products.
MA (6/23)	211 CMR 95.02	Variable life insurance	Insurers, producers, agents, brokers, and others involved with promotion, sale, marketing, and advertising of the insurer's product.	Insurers are to file with the commissioner a statement specifying the insurer's standards of suitability. No recommendations shall be made to an applicant and no policy shall be issued in the absence of reasonable grounds to believe that the purchase of the policy is not unsuitable on the basis of information furnished. Producers are to make reasonable inquiry of an applicant concerning the applicant's insurance and investment objectives, financial situation and needs, and consider any other information known to the insurer or to the agent.
	211 CMR 96.05	Annuities	Insurers and producers	A producer shall act in the best interest of the consumer when recommending an annuity. Insurers must maintain a supervision system to determine that procedures are being followed for its products.

**SUITABILITY OF SALES OF LIFE INSURANCE AND ANNUITIES**

<b>STATE</b>	<b>CITATION</b>	<b>APPLICABLE LINES</b>	<b>RESPONSIBLE PARTY</b>	<b>DUTIES</b>
MI (6/23)	MICH. ADMIN. CODE r. 500.844	Variable life insurance	Insurers and producers	Insurers are to maintain written standards of suitability. No recommendation shall be made to an applicant to purchase a life insurance policy and no life insurance policy shall be issued in the absence of reasonable grounds to believe that the purchase of the policy is suitable for an applicant on the basis of information furnished. Producers are to make reasonable inquiry of an applicant concerning the applicant's insurance and investment objectives, financial situation and needs, and consider any other information known to the insurer or to the producer making the recommendation.
	§§ 500.4151 to 500.4165	Annuities	Insurers and producers	Producers recommending annuities shall act in the best interest of each consumer under the circumstances known at the time the recommendation is made. Before, or at the time of, the recommendation or sale of an annuity, the producer shall have a reasonable basis to believe the consumer has been informed of the features of the annuity including surrender provisions, tax penalties, fees, and market risk. An insurer shall establish a supervision system reasonably designed to achieve insurer and producer compliance.
MN (6/23)	§ 60K.46	Life insurance and annuities	Producers	Must have reasonable grounds for believing that the recommendation is suitable for the customer and must make reasonable inquiries to determine suitability.
	§ 72A.2032	Annuities	Insurers and producers	A producer shall act in the best interest of the consumer when recommending an annuity. Insurers must maintain a supervision system to determine that procedures are being followed for its products. In the case of a person 65 years of age or older, neither a producer nor an insurer shall recommend a replacement or exchange of an annuity that requires the insured to pay a surrender charge if the replacement or exchange does not confer a substantial economic benefit.

**SUITABILITY OF SALES OF LIFE INSURANCE AND ANNUITIES**

<b>STATE</b>	<b>CITATION</b>	<b>APPLICABLE LINES</b>	<b>RESPONSIBLE PARTY</b>	<b>DUTIES</b>
MS (6/23)	MISS. ADMIN. CODE 19-2-5.04	Variable life insurance	Insurers and producers	Insurers are to maintain written standards of suitability specifying that no recommendations shall be made to an applicant and that no policy shall be issued in the absence of reasonable grounds to believe that the purchase of the policy is not unsuitable on the basis of information furnished. Producers are to make reasonable inquiry of an applicant concerning the applicant's insurance and investment objectives, financial situation and needs, and consider any other information known to the insurer or to the producer making the recommendation.
	MISS. ADMIN. CODE 19-2-18.06 to 19-2-18.11; Regulatory Activity 19-2-18.01 (10-18-2021)	Annuities	Insurers and producers	Producers recommending annuities shall act in the best interest of each consumer under the circumstances known at the time the recommendation is made. Before, or at the time of, the recommendation or sale of an annuity, the producer shall have a reasonable basis to believe the consumer has been informed of the features of the annuity including surrender provisions, tax penalties, fees, and market risk. An insurer shall establish a supervision system reasonably designed to achieve insurer and producer compliance.
MO (6/23)	20 CSR 400-1.030	Variable life insurance	Insurers and producers	Insurers are to maintain written standards of suitability specifying that no recommendations shall be made to an applicant and that no policy shall be issued in the absence of reasonable grounds to believe that the purchase of the policy is not unsuitable on the basis of information furnished. Producers are to make reasonable inquiry of an applicant concerning the applicant's insurance and investment objectives, financial situation and needs, and consider any other information known to the insurer or to the producer making the recommendation.
	20 CSR 700-1.146	Annuities and variable life insurance	Insurers and producers	Requires insurers and producers must have reasonable grounds to believe recommendation is suitable; must have system reasonably designed to achieve compliance.

**SUITABILITY OF SALES OF LIFE INSURANCE AND ANNUITIES**

<b>STATE</b>	<b>CITATION</b>	<b>APPLICABLE LINES</b>	<b>RESPONSIBLE PARTY</b>	<b>DUTIES</b>
MT (6/23)	§§ 33-20-801 to 33-20-806	Annuities	Insurers and producers	Producers recommending annuities shall act in the best interest of each consumer under the circumstances known at the time the recommendation is made. Before, or at the time of, the recommendation or sale of an annuity, the producer shall have a reasonable basis to believe the consumer has been informed of the features of the annuity including surrender provisions, tax penalties, fees, and market risk. An insurer shall establish a supervision system reasonably designed to achieve insurer and producer compliance.
NE (6/23)	Neb. Admin. R. & Regs. Tit. 210, Ch. 15, § 003	Variable life insurance	Insurers and producers	Insurers are to maintain written standards of suitability specifying that no recommendations shall be made to an applicant and that no policy shall be issued in the absence of reasonable grounds to believe that the purchase of the policy is not unsuitable on the basis of information furnished. Producers are to make reasonable inquiry of an applicant concerning the applicant's insurance and investment objectives, financial situation and needs, and consider any other information known to the insurer or to the producer making the recommendation.
	§ 44- 8106	Annuities to seniors	Insurers and producers	Producers recommending annuities shall act in the best interest of each consumer under the circumstances known at the time the recommendation is made. Before, or at the time of, the recommendation or sale of an annuity, the producer shall have a reasonable basis to believe the consumer has been informed of the features of the annuity including surrender provisions, tax penalties, fees, and market risk. An insurer shall establish a supervision system reasonably designed to achieve insurer and producer compliance with the Nebraska Protection in Annuity Transactions Act.
NV (6/23)	NAC 688A.455; 688A.460; NV Bulletin 06-004	Annuities	Insurers and producers	An insurer or producer must make reasonable efforts to obtain financial information before making a recommendation. Insurers must maintain a system to supervise recommendations. An insurer or producer is not responsible for financial damages incurred by the purchaser of the annuity if the purchaser of the annuity provided insufficient information or entered into an insurance transaction against the recommendation of the insurer or producer.

**SUITABILITY OF SALES OF LIFE INSURANCE AND ANNUITIES**

<b>STATE</b>	<b>CITATION</b>	<b>APPLICABLE LINES</b>	<b>RESPONSIBLE PARTY</b>	<b>DUTIES</b>
NH (6/23)	Ins. 301.07	Life insurance	Insurers and producers	Insurers and producers shall make reasonable inquiries to determine the suitability of any recommendation, sale, or replacement of a life insurance policy.
	Ins. 305.05	Annuities	Insurers and producers	An insurer or producer must make reasonable efforts to obtain financial information before making a recommendation. Insurers must maintain a system to supervise recommendations.
NJ (6/23)	§ 17B:25-38	Annuities	Insurers and producers	A producer or insurer shall have reasonable grounds for believing that a recommendation is suitable. Insurers must maintain a system to supervise recommendations.
NM (6/23)	NM ADMIN. CODE 13.9.8.10	Variable life insurance	Insurers and producers	Insurers are to maintain written standards of suitability specifying that no recommendations shall be made to an applicant and that no policy shall be issued in the absence of reasonable grounds to believe that the purchase of the policy is not unsuitable on the basis of information furnished. Producers are to make reasonable inquiry of an applicant concerning the applicant's insurance and investment objectives, financial situation and needs, and consider any other information known to the insurer or to the producer making the recommendation.
	NM ADMIN. CODE 13.9.20.9	Annuities	Producers	Producers shall act in the best interest of the consumer under the circumstances known at the time the recommendation is made. Insurers may not issue an annuity to a consumer unless there is a reasonable basis to believe the annuity would effectively address the consumer's insurance needs and objectives. Insurers must maintain a supervision system to achieve and verify insurer and producer compliance.

**SUITABILITY OF SALES OF LIFE INSURANCE AND ANNUITIES**

STATE	CITATION	APPLICABLE LINES	RESPONSIBLE PARTY	DUTIES
NY (6/23)	11 NYCRR 15.3(d)(3)(iii)	Other than life insurance	Insurer	No policy shall be issued in the absence of reasonable grounds to believe that the purchase of the contract is not unsuitable for the applicant on the basis of information furnished. Producers are to make reasonable inquiry of an applicant concerning the applicant's insurance needs.
	11 NYCRR 224.0 to 224.7	Life insurance and annuities	Insurers and producers	The producer, or the insurer where no producer is involved, shall act in the best interest of the consumer. The producer or insurer must have a reasonable basis to believe that the consumer has been reasonably informed of the potential consequences, both favorable and unfavorable. The insurer shall establish a supervision system reasonably designed to achieve insurer and producer compliance. Negative treatment for unconstitutional vagueness. See <i>Indep. Ins. Agents &amp; Brokers of New York, Inc. v. New York State Dep't of Fin. Servs.</i> , 195 A.D.3d 83, 86, 146 N.Y.S.3d 348, 350 (2021).
NC (6/23)	11 NC ADMIN. CODE 12.0435	Variable life insurance	Insurers, officers, directors, employees, affiliates, and producers	Insurers are to adopt and file written standards of suitability to be filed with the commissioner. No recommendation shall be made to an applicant in the absence of reasonable grounds to believe that the purchase of the policy is not unsuitable for the applicant on the basis of information furnished. Producers are to make reasonable inquiry of an applicant concerning the applicant's insurance and investment objectives, financial situation and needs, and consider any other information known to the insurer or to the producer making the recommendation.
	11 NC ADMIN. CODE 12.0420	Variable annuities	Insurers	Must provide to the department a copy of the company's suitability questionnaire.
	11 NC ADMIN. CODE 12.0462	Annuities	Producers	Incorporated by reference: Producers shall act in the best interest of the consumer under the circumstances known at the time the recommendation is made. Insurers may not issue an annuity to a consumer unless there is a reasonable basis to believe the annuity would effectively address the consumer's insurance needs and objectives. Insurers must maintain a supervision system to achieve and verify insurer and producer compliance.



**SUITABILITY OF SALES OF LIFE INSURANCE AND ANNUITIES**

<b>STATE</b>	<b>CITATION</b>	<b>APPLICABLE LINES</b>	<b>RESPONSIBLE PARTY</b>	<b>DUTIES</b>
ND (6/23)	N.D. ADMIN. CODE § 45-04-04-02	Variable life insurance	Insurers	Insurers are to adopt and file written standards of suitability. No recommendation shall be made to an applicant in the absence of reasonable grounds to believe that the purchase of the policy is not unsuitable for the applicant on the basis of information furnished. Producers are to make reasonable inquiry of an applicant concerning the applicant's insurance and investment objectives, financial situation and needs, and consider any other information known to the insurer or to the producer making the recommendation.
	N.D. ADMIN. CODE § 45-04-04-07	Variable life insurance	Insurers and producers	Application must contain questions designed to elicit information enabling a determination of suitability.
	N.D. ADMIN. CODE § 45-02-02-14	Life insurance and annuities	Producer	An insurance producer shall have reasonable grounds at the time of sale for believing that the recommendation is suitable for the consumer and shall make reasonable inquiries to determine suitability.
	§§ 26.1-34.2-03 to 26.1-34.2-05	Annuities	Insurers and producers	Producers recommending annuities shall act in the best interest of the consumer under the circumstances known at the time the recommendation is made. Before, or at the time of, the recommendation or sale of an annuity, the producer shall have a reasonable basis to believe the consumer has been informed of the features of the annuity including surrender provisions, tax penalties, fees, and market risk. An insurer shall establish a supervision system reasonably designed to achieve insurer and producer compliance

**SUITABILITY OF SALES OF LIFE INSURANCE AND ANNUITIES**

<b>STATE</b>	<b>CITATION</b>	<b>APPLICABLE LINES</b>	<b>RESPONSIBLE PARTY</b>	<b>DUTIES</b>
OH (6/23)	OHIO ADMIN. CODE § 3901-6-08	Variable life insurance	Insurers and agents	Insurers are to maintain written standards of suitability specifying that no recommendations shall be made to an applicant and that no policy shall be issued in the absence of reasonable grounds to believe that the purchase of the policy is not unsuitable on the basis of information furnished. Producers are to make reasonable inquiry of an applicant concerning the applicant's insurance and investment objectives, financial situation and needs, and consider any other information known to the insurer or to the producer making the recommendation.
	OHIO ADMIN. CODE § 3901-6-13	Annuities	Insurers and agents	Agents recommending annuities shall act in the best interest of the consumer under the circumstances known at the time the recommendation is made. Prior to, or at the time of, the recommendation or sale of an annuity, the agent shall have a reasonable basis to believe the consumer has been informed of the features of the annuity including surrender provisions, tax penalties, fees, and market risk. An insurer shall establish a supervision system reasonably designed to achieve insurer and agent compliance.
OK (6/23)	OKLA. ADMIN. CODE §§ 365:25-17-1 to 365:25-17-9	Annuities	Insurers and producers	Shall not make any recommendations misrepresenting or fraudulently or unfairly making incomplete comparisons regarding the terms of an annuity contract for the purpose of inducing the owner of contract to replace the contract. Insurers are to maintain written standards of suitability specifying that no recommendations shall be made to an applicant and that no policy shall be issued in the absence of reasonable grounds to believe that the purchase of the policy is not unsuitable on the basis of information furnished. Insurers must maintain a system to supervise recommendations. Producers are to make reasonable inquiry of an applicant concerning the applicant's insurance and investment objectives, financial situation and needs, and consider any other information known to the insurer or to the producer making the recommendation.

**SUITABILITY OF SALES OF LIFE INSURANCE AND ANNUITIES**

<b>STATE</b>	<b>CITATION</b>	<b>APPLICABLE LINES</b>	<b>RESPONSIBLE PARTY</b>	<b>DUTIES</b>
OR (6/23)	OAR 836-080-0090	Life insurance	Any person	May not recommend the purchase, sale or replacement of a life insurance policy or annuity without reasonable grounds to believe that the recommendation is not unsuitable based on reasonable inquiry concerning the consumer's insurance objectives, financial situation, needs age and other relevant information known by the person.
	OAR 836-080-0180	Annuities	Insurers and producers	The producer recommending the annuity, or the insurer where no insurance producer is involved, shall have reasonable grounds for believing that the recommendation is suitable for the consumer in the basis of the facts disclosed by the consumer. An insurer or producer must make reasonable efforts to obtain financial information before making a recommendation. Insurers must maintain a system to supervise recommendations.
	2023 Oregon Laws Ch. 143 (S.B. 536)	Annuities	Insurers and producers	Effective 9/24/2023: Producers shall act in the best interest of the consumer under the circumstances known at the time the recommendation is made. Insurers may not issue an annuity to a consumer unless there is a reasonable basis to believe the annuity would effectively address the consumer's insurance needs and objectives. Insurers must maintain a supervision system to achieve and verify insurer and producer compliance.
PA (6/23)	31 PA. CODE § 82.14	Variable life insurance	Insurers and producers	Insurers are to maintain written standards of suitability specifying that no recommendations shall be made to an applicant and that no policy shall be issued in the absence of reasonable grounds to believe that the purchase of the policy is not unsuitable on the basis of information furnished. Producers are to make reasonable inquiry of an applicant concerning the applicant's insurance and investment objectives, financial situation and needs, and consider any other information known to the insurer or to the producer making the recommendation.
	§§ 627-1 to 627-7	Annuities	Insurers and producers	The producer shall act in the best interest of the consumer when recommending an annuity. Insurers must maintain a system to supervise recommendations.

**SUITABILITY OF SALES OF LIFE INSURANCE AND ANNUITIES**

<b>STATE</b>	<b>CITATION</b>	<b>APPLICABLE LINES</b>	<b>RESPONSIBLE PARTY</b>	<b>DUTIES</b>
PR (6/23)	No provision			
RI (6/23)	230-RICR- 20-25-1.1 to 20-25-1.10	Annuities	Insurers and producers	Producers recommending annuities shall act in the best interest of the consumer under the circumstances known at the time the recommendation is made. Prior to, or at the time of, the recommendation or sale of an annuity, the producer shall have a reasonable basis to believe the consumer has been informed of the features of the annuity including surrender provisions, tax penalties, fees, and market risk. An insurer shall establish a supervision system reasonably designed to achieve insurer and producer compliance.
	230-RICR-20-35-1.24	Life insurance	Insurers and producers	An insurer or producer must develop and use suitability standards to determine whether the purchase or replacement of long-term care insurance is appropriate for the needs of the applicant.
SC (6/23)	Reg. 69-12 Part B Art. III § 3	Variable life insurance	Insurers and producers	Insurers are to maintain written standards of suitability specifying that no recommendations shall be made to an applicant and that no policy shall be issued in the absence of reasonable grounds to believe that the purchase of the policy is not unsuitable on the basis of information furnished. Producers are to make reasonable inquiry of an applicant concerning the applicant's insurance and investment objectives, financial situation and needs, and consider any other information known to the insurer or to the producer making the recommendation.
	Reg. 69-29	Annuities	Insurers and producers	Producers shall act in the best interest of the consumer when recommending an annuity. Insurers must maintain a system to supervise recommendations.

**SUITABILITY OF SALES OF LIFE INSURANCE AND ANNUITIES**

<b>STATE</b>	<b>CITATION</b>	<b>APPLICABLE LINES</b>	<b>RESPONSIBLE PARTY</b>	<b>DUTIES</b>
SD (6/23)	§ 58-28-33	Variable life insurance	No provision	Director may promulgate rules related to standards for suitability giving substantial consideration to standards in the NAIC's Variable Life Insurance Model Regulation.
	§§ 58-33A-13 to 58-33A-27	Annuities	Insurers and producers	Producers shall act in the best interest of the consumer when recommending an annuity. An insurer's issuance of an annuity shall be reasonable under all the circumstances actually known to the insurer at the time the annuity is issued. Insurers must maintain a system to supervise recommendations.
	Bulletin No. 2022-3 (June 30, 2022)	Annuities	Insurers and producers	New set of sales standards established for the annuity industry in South Dakota, referred to as "Annuity Best Interest."
TN (6/23)	Tenn. Comp. R & Regs. 0780-01-86-.01 to 0780-01-86-.09	Annuities	Insurers and producers	Producers shall act in the best interest of the consumer when recommending an annuity. Insurers must maintain a system to supervise recommendations. An insurer's issuance of an annuity shall be reasonable under all the circumstances actually known to the insurer at the time the annuity is issued.

**SUITABILITY OF SALES OF LIFE INSURANCE AND ANNUITIES**

<b>STATE</b>	<b>CITATION</b>	<b>APPLICABLE LINES</b>	<b>RESPONSIBLE PARTY</b>	<b>DUTIES</b>
TX (6/23)	28 TAC § 3.803	Variable life insurance	Insurers and producers	Insurers are to maintain written standards of suitability specifying that no recommendations shall be made to an applicant and that no policy shall be issued in the absence of reasonable grounds to believe that the purchase of the policy is not unsuitable on the basis of information furnished. Producers are to make reasonable inquiry of an applicant concerning the applicant's insurance and investment objectives, financial situation and needs, and consider any other information known to the insurer or to the producer making the recommendation.
	I.C. §§ 1115.001 to 1115.102	Annuities	Insurers and agents	An agent recommending an annuity shall act in the best interest of the consumer under the circumstances known to the agent at the time the recommendation is made. Prior to, or at the time of, the recommendation or sale of an annuity, the agent must have a reasonable basis to believe the consumer has been informed of the features of the annuity, including surrender provisions, tax penalties, fees, and market risk. Applies to any agent who exercises material control or influence in making a recommendation or sale and receives direct compensation as a result of the recommendation or sale. An insurer shall establish a supervision system reasonably designed to achieve insurer and agent compliance.
UT (6/23)	UTAH ADMIN. CODE R590-230 §§ 1 to 9	Annuities	Insurers and producers	A producer or insurer shall have reasonable grounds to make a determination that a recommendation is suitable; must maintain a system to review recommendations prior to issuance.

**SUITABILITY OF SALES OF LIFE INSURANCE AND ANNUITIES**

<b>STATE</b>	<b>CITATION</b>	<b>APPLICABLE LINES</b>	<b>RESPONSIBLE PARTY</b>	<b>DUTIES</b>
VT (6/23)	VT. ADMIN. CODE 4-3-13:III-3	Variable life insurance	Insurers and producers	Insurers are to maintain written standards of suitability specifying that no recommendations shall be made to an applicant and that no policy shall be issued in the absence of reasonable grounds to believe that the purchase of the policy is not unsuitable for such applicant on the basis of information furnished. Producers are to make reasonable inquiry of an applicant concerning the applicant's insurance and investment objectives, financial situation and needs, and consider any other information known to the insurer or to the producer making the recommendation.
	Bulletin 129 (2001)	Variable annuities and variable life insurance	Producers	Producers should consider suitability factors provided by the National Association of Securities Dealers in determining whether a particular product is appropriate for a customer's needs.
VI (11/21)	No provision			
VA (6/23)	14 VAC 5-80-50	Variable life insurance	Insurers and producers	Insurers are to maintain written standards of suitability specifying that no recommendations shall be made to an applicant and that no policy shall be issued in the absence of reasonable grounds to believe that the purchase of the policy is not unsuitable on the basis of information furnished. Producers are to make reasonable inquiry of an applicant concerning the applicant's insurance and investment objectives, financial situation and needs, and consider any other information known to the insurer or to the producer making the recommendation.
	14 VAC 5-45-10 to 5-45-50	Annuities	Insurers and agents	An agent recommending an annuity shall act in the best interest of the consumer under the circumstances known at the time the recommendation is made. Prior to, or at the time of, the recommendation or sale of an annuity, the agent must have a reasonable basis to believe the consumer has been informed of the features of the annuity, including surrender provisions, tax penalties, fees, and market risk. An insurer shall establish a supervision system reasonably designed to achieve insurer and agent compliance.

**SUITABILITY OF SALES OF LIFE INSURANCE AND ANNUITIES**

<b>STATE</b>	<b>CITATION</b>	<b>APPLICABLE LINES</b>	<b>RESPONSIBLE PARTY</b>	<b>DUTIES</b>
WA (6/23)	§ 48.23.015	Annuities	Insurers and producers	<p>The producer, or the insurer when no producer is involved, must have reasonable grounds for believing that the recommendation is suitable for the consumer on the basis of the facts disclosed by the consumer. If in compliance with FINRA rules regarding suitability of annuities, then also in compliance with Washington law.</p> <p>Effective January 1, 2024, producers shall act in the best interest of the consumer when recommending an annuity. An insurer's issuance of an annuity shall be reasonable under all the circumstances actually known to the insurer at the time the annuity is issued. Insurers must maintain a system to supervise recommendations.</p>
	WASH. ADMIN. CODE 284-23-390	Annuities	Insurers and producers	<p>An insurer or producer must make reasonable efforts to obtain financial information before making a recommendation. Insurers must maintain a system to supervise recommendations.</p>
WV (6/23)	W. VA. CODE R. §§ 114-11B-1 to 114-11B-8	Annuities	Insurers and producers	<p>Producers shall act in the best interest of the consumer when recommending an annuity. An insurer's issuance of an annuity shall be reasonable under all the circumstances actually known to the insurer at the time the annuity is issued. Insurers must maintain a system to supervise recommendations.</p>
	W. VA. CODE R. § 114-11D-3	Variable life insurance	Insurers and producers	<p>Insurers are to maintain written standards of suitability specifying that no recommendations shall be made to an applicant and that no policy shall be issued in the absence of reasonable grounds to believe that the purchase of the policy is not unsuitable on the basis of information furnished. Producers are to make reasonable inquiry of an applicant concerning the applicant's insurance and investment objectives, financial situation and needs, and consider any other information known to the insurer or to the producer making the recommendation.</p>



**SUITABILITY OF SALES OF LIFE INSURANCE AND ANNUITIES**

<b>STATE</b>	<b>CITATION</b>	<b>APPLICABLE LINES</b>	<b>RESPONSIBLE PARTY</b>	<b>DUTIES</b>
WI (6/23)	WIS. ADMIN. CODE § INS 2.16	Life insurance and annuities	Insurers and producers	No insurer or intermediary may recommend to a prospective buyer the purchase or replacement of any individual life insurance policy or annuity contract without reasonable grounds to believe that the recommendation is not unsuitable to the applicant. The insurer or intermediary shall make all necessary inquiries under the circumstances to determine that the purchase of the insurance is not unsuitable for the prospective buyer.
	§ 628.347	Annuities	Insurers and producers	Insurance intermediary shall act in the best interest of the consumer when recommending an annuity. Insurers must establish and maintain a system to supervise recommendations.
WY (6/23)	Ins. Reg. ch. 67, § 8	Variable life insurance	Insurers and producers	Requires that variable life insurance policy applications contain the specified statements, as well as questions that are designed to elicit information that would help an insurer determine the suitability of variable life insurance for the applicant in accordance with applicable federal or state laws.
	Ins. Reg. ch. 64, § 5	Annuities	Insurers and producers	Producers shall act in the best interest of the consumer when recommending an annuity. Insurers must establish and maintain a supervision system to achieve producers' compliance.

This chart does not constitute a formal legal opinion by the NAIC staff on the provisions of state law and should not be relied upon as such. Every effort has been made to provide correct and accurate summaries to assist the reader in targeting useful information. For further details, the statutes and regulations cited should be consulted. The NAIC attempts to provide current information; however, readers should consult state law for additional adoptions.