
THE GENERAL ASSEMBLY OF PENNSYLVANIA

HOUSE BILL

No. 1769 Session of
2019

INTRODUCED BY MACKENZIE, BERNSTINE, CALTAGIRONE, EMRICK, JONES,
MENTZER, MILLARD, MOUL, RADER AND ZIMMERMAN, AUGUST 30, 2019

REFERRED TO COMMITTEE ON COMMERCE, AUGUST 30, 2019

AN ACT

1 Amending the act of October 16, 1996 (P.L.712, No.127), entitled
2 "An act exempting the issuance by a qualified charity of a
3 qualified charitable gift annuity from regulation under
4 insurance laws," further providing for definitions.

5 The General Assembly of the Commonwealth of Pennsylvania
6 hereby enacts as follows:

7 Section 1. Paragraph (2)(iv) of the definition of "qualified
8 charitable gift annuity" and paragraph (3) of the definition of
9 "qualified charity" in section 2 of the act of October 16, 1996
10 (P.L.712, No.127), known as the Charitable Gift Annuity
11 Exemption Act, are amended and the section is amended by adding
12 a definition to read:

13 Section 2. Definitions.

14 The following words and phrases when used in this act shall
15 have the meanings given to them in this section unless the
16 context clearly indicates otherwise:

17 "De-risking annuity contract." An annuity purchased from a
18 commercial annuity company by a charity that matches
19 substantially all future payments of the charity arising from a

1 charitable gift annuity contract obligation.

2 "Qualified charitable gift annuity." An annuity which:

3 * * *

4 (2) Contains in a written agreement substantially all of
5 the following provisions:

6 * * *

7 (iv) A statement as to whom the donor may contact to
8 obtain a copy of the following information:

9 (A) the organization's status under section
10 170(c) of the Internal Revenue Code of 1986 (Public
11 Law 99-514, 26 U.S.C. § 170(c)) or any successor
12 provisions; and

13 (B) financial statements filed with a
14 governmental agency or audited financial statements
15 from the charity showing that the charity has
16 unrestricted and unencumbered assets in the form of
17 cash, cash equivalents, de-risking annuity contracts
18 or publicly traded securities of at least \$100,000
19 plus one-half of the principal value of any annuities
20 issued by the organization and then in effect.

21 * * *

22 "Qualified charity." An organization which on the date a
23 qualified charitable gift annuity is issued meets all of the
24 following criteria:

25 * * *

26 (3) Has unrestricted and unencumbered assets in the form
27 of cash, cash equivalents, de-risking annuity contracts or
28 publicly traded securities of at least \$100,000 plus one-half
29 of the principal value of any annuities issued by the
30 organization and then in effect.

1 * * *

2 Section 2. This act shall take effect in 60 days.