Senate Bill 132
By: Senators Harbin of the 16th, Jones of the 25th and Walker III of the 20th

AS PASSED

A BILL TO BE ENTITLED
AN ACT

To amend Title 33 of the Official Code of Georgia Annotated, relating to insurance, so as to provide for modernization and updates; to amend various provisions of the Official Code of Georgia Annotated for purposes of conformity; to repeal Article 2 of Chapter 29A, relating to the Commission on the Georgia Health Insurance Risk Pool; to provide for any assets, liabilities, and obligations thereof; to provide for related matters; to repeal conflicting laws; and for other purposes.

BE IT ENACTED BY THE GENERAL ASSEMBLY OF GEORGIA:

PART I
SECTION 1-1.

Title 33 of the Official Code of Georgia Annotated, relating to insurance, is amended by revising Code Section 33-1-2, relating to definitions, as follows:

‘33-1-2.

As used in this title, the term:

(1) ‘Commissioner of Insurance’ or ‘Commissioner’ means the Commissioner of Insurance of the State of Georgia.

(2) ‘Department of Insurance’ or ‘department’ means the Department of Insurance established by Code Section 33-2-1.

(3) ‘Health benefit policy,’ ‘health benefit plan,’ or other similar terms shall not include limited benefit insurance policies designed, advertised, and marketed to supplement major medical insurance such as accident only, CHAMPUS supplement, dental, disability income, fixed indemnity, long-term care, Medicare supplement, specified disease, vision, and any other type of accident and sickness insurance other than basic hospital expense, basic medical-surgical expense, or major medical insurance.
'Insurance' means a contract which is an integral part of a plan for distributing
individual losses whereby one undertakes to indemnify another or to pay a specified
amount or benefits upon determinable contingencies.

'Insurance Department' or 'department' means the Insurance Department established
by Code Section 33-2-1.

'Insurer' means any person engaged as indemnitor, surety, or contractor who issues
insurance, annuity or endowment contracts, subscriber certificates, or other contracts of
insurance by whatever name called. Burial associations, health care plans, and health
maintenance organizations are insurers within the meaning of this title.

'Natural person' means an individual human being and does not include any firm,
partnership, association, corporation, or trust.

'Person' means an individual, insurer, company, association, trade association,
organization, society, reciprocal or interinsurance exchange, partnership, syndicate,
business trust, corporation, Lloyd's association, and associations, groups, or department
of underwriters, and any other legal entity.

'Security,' 'security deposit,' 'special deposit,' or 'deposit,' when used to refer to
posted deposits required to be placed in the possession of the Commissioner, shall mean
the actual physical evidence of a security, such as a certificate, or an entry made through
the federal reserve book-entry system. The federal reserve book-entry system shall be
limited in meaning to the computerized systems sponsored by the United States
Department of Treasury and certain agencies and instrumentalities of the United States
for holding and transferring securities of the United States government and such agencies
and instrumentalities, respectively, in federal reserve banks through banks which are
members of the Federal Reserve System or which otherwise have access to such
computerized systems.

'Transact,' with respect to insurance, includes any of the following:

(A) Solicitation and inducement;
(B) Preliminary negotiations;
(C) Effectuation of a contract of insurance; or
(D) Transaction of matters subsequent to effectuation of the contract and arising out
   of it.

SECTION 1-2.

Said title is further amended by repealing Code Section 33-1-3, relating to application of title
to fraternal benefit societies and farmers' mutual fire insurance companies, and designating
said Code section as reserved.
Said title is further amended by revising Code Section 33-1-7, relating to issuance or delivery of policy in violation of title, as follows:

“33-1-7.

Any insurer, or any officer or agent thereof, issuing or delivering to any person in this state any policy in violation of any provision of this title shall be guilty of a misdemeanor, except as otherwise provided.”

Said title is further amended by revising Code  Section 33-1-8, relating to making of false statements and reporting of such statements, as follows:

“33-1-8.

Any director, officer, agent, or employee of any insurance company who willfully and knowingly subscribes, makes, or concurs in making any annual or other statement required by law containing any material statement which is false shall be guilty of a misdemeanor. It shall be the duty of the Commissioner to report all such misrepresentations and false statements to the district appropriate prosecuting attorney of the circuit or county in which they shall occur, except as otherwise provided.”

Said title is further amended by revising Code Section 33-1-13, relating to receiving of compensation from undertakers on account of employment and giving of compensation by undertakers, as follows:


No person, firm, or corporation engaged in the life insurance business or the industrial life insurance business shall contract for or receive any compensation or gratuity, directly or indirectly, on account of the employment of any undertaker in connection with a burial or preparation for burial of any person whose life is insured by said company; and no undertaker shall give or agree to give any such compensation or commission to such person, firm, or corporation engaged in the insurance business.”

Said title is further amended in Code Section 33-1-14, relating to regulation of certain persons providing coverage for medical or dental services, by revising subsections (a) and (f) as follows:

“(a) Notwithstanding any other provision of law and except as provided in this Code section, any person, other than an authorized insurer, the state and its instrumentalities, or
political subdivisions of the state and their instrumentalities, who provides coverage in this state for medical, surgical, chiropractic, physical therapy, optometry, speech pathology, podiatry, audiology, psychology, pharmaceutical, dental, or hospital services, whether such coverage is by direct payment, reimbursement, or otherwise, shall be presumed to be subject to the jurisdiction of the Insurance Department of Insurance, unless the person shows that, while providing coverage for such services, such person is subject to the jurisdiction of an insurance supervisory official of another state or specifically subject to the exclusive jurisdiction of the federal government.”

"(f) As used in this Code section, the term ‘authorized insurer’ means any insurer authorized to sell accident and sickness policies, subscriber contracts, certificates, or agreements of any form under Chapter 15, 18, 20, 21, 29, or 30 of this title.”

SECTION 1-7.

Said title is further amended in Code Section 33-1-17, relating to Special Insurance Fraud Fund, by revising subsection (c) as follows:

"(c)(1) The Commissioner shall prepare, on an annual basis, a separate budget request to the General Assembly which sets forth the anticipated cost and expense of funding the investigation and prosecution of insurance fraud in this state for the ensuing 12 months. Beginning with the year 1997, such budget request shall set forth the annual cost and expense of the investigation and prosecution of insurance fraud in Georgia for the preceding 12 months.

(2) There is imposed upon each foreign, alien, and domestic insurance company doing business in the state an annual assessment under a formula to be established by regulation promulgated by the Commissioner. The formula shall be calculated such that the total proceeds paid or collected from such assessments for any year shall not exceed the amounts appropriated by the General Assembly pursuant to paragraph (3) of this subsection, which appropriation shall be based upon the budget request setting forth the applicable annual cost and expense of the investigation and prosecution of insurance fraud in Georgia submitted by the Commissioner. Such assessments may be measured by kind of company, kind of insurance, income, volume of transactions, or such other factors as the Commissioner determines appropriate. Assessments shall be due and payable for each calendar quarter at the times specified in subsection (b) of Code Section 33-8-6. Any insurance company which fails to report and pay any installment of such assessment shall be subject to penalties and interest as provided by subsection (d) of Code Section 33-8-6. The Commissioner shall provide by regulation for such other terms and conditions for the payment or collection of such assessments as may be necessary to ensure the proper payment and collection thereof.

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(3) The General Assembly may appropriate funds to the insurance department for the investigation of insurance fraud and for the funding of the prosecution of insurance fraud. The Commissioner is authorized to use such funds for investigation of insurance fraud and to reimburse prosecuting attorneys for some or all of the costs of retaining assistant prosecuting attorneys to prosecute insurance fraud cases. The Commissioner shall provide by regulation for such other terms and conditions for the use of the funds for the investigation, reimbursement, and prosecution contemplated by the terms of this paragraph.”

SECTION 1-8.

Said title is further amended by revising Code Section 33-1-19, relating to Special Advisory Commission on Mandated Health Insurance Benefits, as follows:

“33-1-19.

(a) The Special Advisory Commission on Mandated Health Insurance Benefits is hereby established, effective February 1, 2012, to advise the Governor and the General Assembly on the social and financial impact of current and proposed mandated benefits and providers, in the manner set forth in this Code section. The advisory commission shall be composed of 20 members and three ex officio members. Sixteen members shall be appointed by the Governor on or after February 1, 2012, as follows: one dentist, one obstetrician, one pediatrician, one family practice physician, one physician who is a specialist in chronic disease, one chief medical officer of a general acute care hospital, one allied health professional, two representatives of small business, two representatives of a major industry, one expert in the field of medical ethics, one representative of the accident and health insurance industry, one representative from the Georgia Association of Health Plans, and two citizen members. The Senate Committee on Assignments shall appoint one member from the Senate Health and Human Services Committee and one member from the Senate Insurance and Labor Committee, and the Speaker of the House of Representatives shall appoint one member from the House Committee on Health and Human Services and one member from the House Committee on Insurance. The commissioner of community health, the Commissioner of Labor, and the Commissioner of Insurance shall serve as ex officio, nonvoting members. All members shall be appointed for terms of four years each, except that appointments to fill vacancies shall be made for the unexpired terms.

(b) No person shall be eligible to serve for or during more than two successive four-year terms; but after the expiration of a term of two years or less, or after the expiration of the remainder of a term to which appointed to fill a vacancy, two additional four-year terms may be served by such a member if so appointed.
(c) The advisory commission shall meet regularly and at the request of the Governor. The first meeting of the advisory commission shall be held no later than March 1, 2012, at which time the advisory commission shall select a chairperson and a vice chairperson, as determined by the membership.

(d) The advisory commission shall:

(1) Develop and maintain, with the Insurance Department, a system and program of data collection to assess the impact of mandated benefits and providers, including costs to employers and insurers, impact of treatment, cost savings in the health care system, number of providers, and other data as may be appropriate;

(2) Advise and assist the Insurance Department on matters relating to mandated insurance benefits and provider regulations;

(3) Prescribe the format, content, and timing of information to be submitted to the advisory commission in its assessment of proposed and existing mandated benefits and providers. Such format, content, and timing requirements shall be binding upon all parties submitting information to the advisory commission in its assessment of proposed and existing mandated benefits and providers;

(4) Provide assessments of proposed and existing mandated benefits and providers and other studies of mandated benefits and provider issues as requested by the General Assembly;

(5) Provide additional information and recommendations, relating to any system of mandated health insurance benefits and providers, to the Governor and the General Assembly, upon request; and

(6) Report annually on its activities to the joint standing committees of the General Assembly having jurisdiction over insurance by December 1 of each year.

(e)(1) Whenever legislation containing a mandated health insurance benefit or provider is proposed, the standing committee of the General Assembly having jurisdiction over the proposal shall request that the advisory commission prepare and forward to the Governor and the General Assembly a study that assesses the social and financial impact and the medical efficacy of the proposed mandate. The advisory commission shall be given a period of six months, or until commencement of the next General Assembly, whichever is longer, to complete and submit its assessment.

(2) The advisory commission shall assess the social and financial impact and the medical efficacy of existing mandated benefits and providers in effect as of January 1, 2012. The advisory commission shall submit a schedule of evaluations to the standing committees of the General Assembly having jurisdiction over health insurance matters by May 1, 2012, setting forth the dates by which particular mandates shall be evaluated by the
advisory commission. The evaluations shall be completed and submitted to such standing committees no later than December 31, 2012.

(f) The Insurance Department of Insurance, the Department of Labor, the Department of Community Health, and such other state agencies as may be considered appropriate by the advisory commission shall provide staff assistance to the advisory commission.”

SECTION 1-9.

Said title is further amended by revising Code Section 33-2-1, relating to creation of the department, Commissioner chief officer of department, and powers and duties of department and Commissioner generally, as follows:

“33-2-1.

There is created the Insurance Department of Insurance of the State of Georgia. The chief officer of such department shall be the Commissioner of Insurance. The purpose and function of the department and the duties and powers of the Commissioner shall be those created and vested by this title.”

SECTION 1-10.

Said title is further amended by repealing Code Section 33-2-4, relating to appointment and removal of chief deputy insurance commissioner and other deputies, and designating said Code section as reserved.

SECTION 1-11.

Said title is further amended by repealing Code Section 33-2-8, relating to annual report of the Commissioner, and designating said Code section as reserved.

SECTION 1-12.

Said title is further amended by repealing Code Section 33-2-8.1, relating to purpose of Code section, preparation by Commissioner of supplemental report on property and casualty insurance, contents of report, and request for information.

SECTION 1-13.

Said title is further amended by repealing Code Section 33-2-8.2, relating to Commissioner's quarterly report to legislative committees on insurance and contents.
SECTION 1-14.
Said title is further amended by repealing Code Section 33-2-33, relating to list of written requests for assistance by citizens against insurers, and designating said Code section as reserved.

SECTION 1-15.
Said title is further amended by revising Code Section 33-3-4, relating to kinds of insurance in which insurers may transact, as follows:

"33-3-4.
An insurer which otherwise qualifies to transact insurance in Georgia may be authorized to transact any one kind or combination of kinds of insurance as defined in Chapter 7 of this title except:

(1) A reciprocal insurer shall not transact life insurance;
(2) A Lloyd's insurer shall not transact life insurance; and
(3) A title insurer shall be a stock insurer and shall be authorized to transact only title insurance and closing protection letters, pursuant to Code Section 33-7-8.1, except that, if immediately prior to January 1, 1961, any title insurer lawfully held a subsisting certificate of authority granting it the right to transact in Georgia additional classes of insurance other than title insurance, so long as the insurer is otherwise in compliance with this title, the Commissioner shall continue to authorize such insurer to transact the same classes of insurance as those specified in such prior certificate of authority."

SECTION 1-16.
Said title is further amended by revising Code Section 33-3-5, relating to classification of kinds of insurance, as follows:

"33-3-5.
For the purpose of this chapter, the kinds of insurance defined in Chapter 7 of this title shall be arranged in the following six classes:

(1) Life, accident, and sickness;
(2) Property, marine, and transportation;
(3) Casualty;
(4) Surety;
(5) Title; and
(6) Health Maintenance Organization maintenance organization.
Each of the groups numbered (1) through (6) shall constitute a class of insurance."
SECTION 1-17.
Said title is further amended by revising Code Section 33-3-9, relating to requirement of additional deposits of securities by foreign and alien insurers, as follows:

"33-3-9.
On and after July 1, 1967, in those instances in which the Commissioner in his or her judgment shall deem it to be in the best interests of the citizens of this state, no certificate of authority shall be issued by the Commissioner to any foreign and alien insurer nor shall any certificate of authority be renewed for any such insurer unless such insurer shall deposit with the Commissioner securities eligible for the investment of capital funds in such amount as the Commissioner shall require. This deposit and the deposit required by paragraph (1) of subsection (b) of Code Section 33-3-8 shall be administered as provided for in Chapter 12 of this title. Deposits under this Code section shall be held for the protection of the insurer's policyholders in this state and others in this state entitled to the proceeds of its policies."

SECTION 1-18.
Said title is further amended in Code Section 33-3-20, relating to imposition of administrative fine upon insurer for certain acts of officers, employees, agents, or representatives, by revising subsection (c) as follows:

"(c) For the purposes of this Code section, the term 'insurer' shall include any insurer, nonprofit organization, or any other person authorized to sell accident and sickness insurance policies, subscriber contracts, certificates, or agreements of any form under Chapter 15, 18, 19, 20, 21, 29, or 30 of this title."

SECTION 1-19.
Said title is further amended by revising Code Section 33-3-21, relating to reports of business affairs and operations of insurers generally, as follows:

"33-3-21.
On or before March 1 in each year after it shall have commenced to do business pursuant to a certificate of authority, every insurer shall make and file with the Commissioner of insurance a report of its affairs and operations during the year ending on December 31 of the preceding year. This annual report shall be made in such form and contain such information as the Commissioner may prescribe by regulation from time to time and may require in protecting the public interest, the interest of the policyholders of any insurer, and the interest of the investors in the securities issued by any insurer. The Commissioner may require by regulation any additional periodic reports as he or she may prescribe from time to time as necessary or appropriate for the protection of policyholders, investors, and the
public and necessary to ensure the solvency of any insurer, to inform and protect the
investors in any insurer, and to assure fair dealing in the securities of any insurer. The
Commissioner may require that the reports be verified under oath by any appropriate
officers or agents as he or she may designate by regulation and may require the same to be
published. Compliance with this Code section shall be a condition to the renewal of a
certificate of authority under Code Section 33-3-16."

SECTION 1-20.

Said title is further amended in Code Section 33-3-23, relating to restrictions as to transaction
of insurance by lending institutions and bank holding companies, by revising subsection (b)
as follows:

"(b) A lending institution, bank holding company, or subsidiary or affiliate of either of the
foregoing doing business in this state, or any officer or employee of any of the foregoing,
may be licensed to sell insurance, including but not limited to credit insurance, in this state
and may engage in underwriting and act as an underwriter for credit life insurance and
credit accident and sickness insurance subject to the provisions of this title and in
conformity with rules and regulations promulgated by the Commissioner of insurance."

SECTION 1-21.

Said title is further amended by revising Code Section 33-3-25, relating to language
simplification and reading ease standards and applicability of Code section, as follows:

"33-3-25.

(a) All homeowner's insurance policies, including tenant homeowner's insurance policies,
personal automobile insurance policies, individual life or accident and sickness insurance
policies, all certificates of group life or accident and sickness insurance coverage, and all
coverage booklets provided by insurers to group life or accident and sickness insurance
certificate holders which are issued, delivered, or issued for delivery in this state on or after
July 1, 1988, shall be written in a simplified form, shall be divided into logically arranged,
captioned sections, and shall contain readable language which complies with the standards
prescribed in such rules and regulations as may be promulgated by the Commissioner of
insurance after due notice and hearing.

(b) In establishing the policy language simplification and reading ease standards for such
policies, certificates, and coverage booklets, the Commissioner of insurance may utilize
a minimum score of 40 on the 'Flesch reading ease test' as the basic standard, or such other
nationally recognized reading ease standards or tests as would produce comparable policy
language simplification and readability results, and he may also provide for exceptions
thereto by appropriate rules and regulations.
(c) This Code section shall apply to all insurers issuing the kinds of insurance policies described in subsection (a) of this Code section in this state, including all insurers, nonprofit corporations, or other organizations issuing policies or contracts of life or accident and sickness coverage under Chapter 15, 18, 19, 20, 21, 29, or 30 of this title."

SECTION 1-22.

Said title is further amended in Code Section 33-4-7, relating to affirmative duty to fairly and promptly adjust in incidents covered by motor vehicle liability policies, actions for bad faith, and notice to Commissioner of Insurance and consumers' insurance advocate, by revising subsection (g) as follows:

"(g) In any action brought pursuant to subsection (b) of this Code section, and within 20 days of bringing such action, the plaintiff shall, in addition to service of process in accordance with Code Section 9-11-4, mail to the Commissioner of Insurance a copy of the demand and complaint by first-class mail. Failure to comply with this subsection may be cured by delivering same."

SECTION 1-23.

Said title is further amended in Code Section 33-5-1, relating to representation of unauthorized insurers prohibited, by revising paragraph (6) of subsection (b) as follows:

"(6) Any insurance company or underwriter issuing contracts of insurance to nuclear insureds, nor to any contract of insurance issued to any one or more nuclear insureds, provided that such nuclear insured under a contract procured from an unauthorized insurer shall pay to the Commissioner of Insurance before March 1 of the succeeding calendar year following the year in which the insurance was so effectuated, continued, or renewed, a premium receipts tax of 4 percent of the gross premiums charged for such insurance. For the purposes of this paragraph, a 'nuclear insured' is an insured purchasing policies of insurance on risks on its own nuclear generating plants and other facilities at such plants in this state."

SECTION 1-24.

Said title is further amended in Code Section 33-5-2, relating to validity of contracts effectuated by unauthorized insurers and dissemination of advertising for or on behalf of unauthorized insurers, by revising subsection (b) as follows:

"(b) No publication published in this state or radio or television broadcaster broadcast or any other agency or means for the dissemination of information operated or located in this state shall publish, broadcast, or otherwise disseminate within this state advertising for or on behalf of any insurer not then authorized to transact insurance in this state; provided,
however, that this subsection shall not apply as to publications published in this state
principally for circulation in other states, wherein advertising by or on behalf of such
unauthorized insurers is not expressly directed toward residents or subjects of insurance in
this state.”

SECTION 1-25.
Said title is further amended in Code Section 33-5-20.1, relating to definitions, by revising
subsection (D) of paragraph (6) as follows:

“(D) The person has:

(i) At least seven years of experience in risk financing, claims administration, loss
prevention, risk and insurance coverage analysis, or purchasing commercial lines of
insurance;

(ii) Any one of the designations specified in subparagraph (C) of this paragraph; or

(iii) At least ten years of experience in risk financing, claims administration, loss
prevention, risk and insurance coverage analysis, or purchasing commercial lines of
insurance; or

(iv) A graduate degree from an accredited college or university in risk
management, business administration, finance, economics, or any other field
determined by a state insurance commissioner or other state regulatory official or
entity to demonstrate minimum competence in risk management.”

SECTION 1-26.
Said title is further amended in Code Section 33-5-21, relating to authorization of
procurement of surplus line insurance, conditions, and procuring or placing nonadmitted
insurance for exempt commercial purchaser, by revising paragraph (4) of subsection (a) as
follows:

“(4) The insurance shall not be procured under this chapter for personal private passenger
motor vehicle coverage or residential dwelling property coverage unless such insurance
cannot be obtained from an authorized insurer.”

SECTION 1-27.
Said title is further amended in Code Section 33-5-23, relating to revocation or suspension
of broker's license, by revising subsection (d) as follows:

“(d) No broker whose license has been so revoked shall again be so licensed within two
five years thereafter nor until any penalties or delinquent taxes owing by him or her have
been paid.”
SECTION 1-28.
Said title is further amended by revising Code Section 33-5-26, relating to endorsement of insurance contract by broker, as follows:

"33-5-26.
(a) Every insurance contract procured and delivered as a surplus line coverage shall be initialed by or bear the name of the surplus line broker who procured it and shall have printed or stamped upon it the following: 'This contract is registered and delivered as a surplus line coverage under the Surplus Line Insurance Law, O.C.G.A. Chapter 33-5.'
(b) No surplus lines policy or certificate in which the policy premium is $5,000.00 per annum or less shall be delivered in this state unless a standard disclosure form or brochure explaining surplus lines insurance is attached to or made a part of the policy or certificate. The Commissioner shall prescribe by rule or regulation the format and contents of such form or brochure.
(c) Pursuant to Code Section 33-2-9, the Commissioner may promulgate rules and regulations which are necessary to implement the provisions of this article."

SECTION 1-29.
Said title is further amended in Code Section 33-5-29, relating to filing of quarterly affidavits by surplus line brokers and filing of reports of affairs and operations by brokers, by revising subsection (a) as follows:

"(a) Each surplus line broker shall file with the Commissioner, on a quarterly basis, an affidavit executed by the surplus line broker setting forth the facts referred to in Code Section 33-5-21. Such affidavit shall furnish certificate or cover note number, name of insured, the amount of the premium, the tax paid thereon, and any other information as the Commissioner may require for all surplus line transactions in which premiums were paid to the surplus line broker during the previous quarter. The quarterly affidavit shall be filed with the Commissioner on or before the fifteenth day of April, July, October, and January. Each surplus line broker shall remit a 4 percent tax on direct premiums written, as defined described in Code Section 33-5-31. The tax shall be remitted with the surplus line broker's quarterly affidavit."

SECTION 1-30.
Said title is further amended in Code Section 33-5-33, relating to filing of report by persons procuring insurance with unauthorized insurers and levy, collection, and disposition of tax by persons procuring such insurance, by revising subsection (e) as follows:

"(e) This Code section shall not apply to life or accident and sickness insurance."

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SECTION 1-31.

Said title is further amended by revising Code Section 33-5-35, relating to applicability of article, as follows:

“33-5-35.

This article controlling the placing of insurance with unauthorized insurers shall not apply to reinsurance or to the following insurance when so placed by licensed agents or brokers of this state:

(1) Insurance on property or operation of railroads engaged in interstate commerce; or
(2) Insurance of aircraft owned or operated by manufacturers of aircraft or operated in scheduled interstate flight, or cargo of the aircraft, or against liability, other than workers' compensation and employer's liability, arising out of the ownership, maintenance, or use of the aircraft.”

SECTION 1-32.

Said title is further amended by revising Code Section 33-5-40, relating to legislative findings for the Interstate Cooperation for Collection and Disbursement of Premium Taxes, as follows:

“33-5-40.

The General Assembly finds the federal Nonadmitted and Reinsurance Reform Act of 2010, which was incorporated into the federal Dodd-Frank Wall Street Reform and Consumer Protection Act, P.L. 111-203, provides that only an insured's home state may require premium tax payment for nonadmitted insurance and authorizes states to enter into a compact or otherwise establish procedures to allocate among the states the nonadmitted insurance premium taxes. The General Assembly further finds that as the states are still in flux as to which proposed plan is best for them to enter, or if any agreement should be entered into by the state, the Commissioner of Insurance is in a unique position to weigh these options and to determine what is in the best interest of the state financially. Therefore, the General Assembly acknowledges that some flexibility is necessary to determine that the best financial interests of the state are met.”

SECTION 1-33.

Said title is further amended by revising Code Section 33-5-41, relating to Governor authorized to enter into cooperative agreement, compact, or reciprocal agreement for collection of insurance premium taxes, as follows:

“33-5-41.

The Governor, on behalf of the state, advised by and in consultation with the Commissioner of Insurance, is authorized to enter into a cooperative agreement, compact,
or reciprocal agreement with another state or states for the purpose of the collection of 
insurance premium taxes imposed by Code Sections 33-5-31 and 33-5-33.”

SECTION 1-34.
Said title is further amended in Code Section 33-6-4, relating to enumeration of unfair 
meths of competition and unfair or deceptive acts or practices and penalty, by revising 
subparagraphs (b)(13)(C) and (b)(15)(I) as follows:

“(C) Making direct response advertising by an insurer, including radio or television 
advertisement, of any individual or group accident and sickness or life insurance policy 
where such advertisement has not been approved for use in this state by the 
Commissioner of Insurance;”

“(I) Any person issuing, delivering, or renewing a policy of insurance in this state at 
any time within a period of 24 months after July 1, 2000, shall include with such policy 
or renewal certificate a notice attached thereto containing the following language:”

SECTION 1-35.
Said title is further amended in Code Section 33-6-5, relating to other unfair methods of 
competition and unfair and deceptive acts or practices, by revising subparagraph (C) of 
paragraph (4) and paragraph (14) as follows:

“(C) The restrictions and limitations of this paragraph shall not extend to life or 
accident and sickness insurance; nor shall they apply to any bona fide association group 
which is composed of members engaged in a common trade, business, or profession and 
which has had group insurance of the same type continuously in existence for at least 
five years immediately preceding March 8, 1960;”

“(14) On and after July 1, 1992, no insurer, as defined in paragraph (4) of Code 
Section 33-1-2, shall issue, cause to be issued, renew, or provide coverage under any 
major medical insurance policy or plan containing a calendar year deductible or similar 
plan benefit period deductible which does not provide for a carry-over of the application 
of such deductible as provided in this paragraph. If all or any portion of an insured's or 
member's cash deductible for a calendar year or similar plan benefit period is applied 
against covered expenses incurred by the insured or member during the last three months 
of the deductible accumulation period, the insured's or member's cash deductible for the 
next ensuing calendar year or similar benefit plan period shall be reduced by the amount 
so applied. The provisions of this paragraph shall apply to major medical insurance 
policies or plans which have a benefit plan period of less than 24 months, except policies 
or plans designed and issued to be compatible with a health savings account as set out in 
26 U.S.C. Section 223 or a spending account as defined in Chapter 30B of this title.”

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Said title is further amended in Code Section 33-7-6, relating to property insurance, contract requirements, rules and regulations, and exemptions, by revising subsections (d) and (f) as follows:

"(d) The Commissioner shall have the power and authority to promulgate rules and regulations regarding vehicle service agreements or extended warranty agreements as described in paragraph (1) of subsection (b) of this Code section. Such rules and regulations shall include filing requirements, disclosures for the benefit of the agreement holder, record keeping, and procedures for public complaints. Such rules and regulations shall also include the conditions under which surplus lines insurers may be rejected for the purpose of underwriting vehicle service agreements and extended warranty agreements."

"(f) Property insurance does not include those agreements commonly known as vehicle service agreements or extended warranty agreements which are issued, sold, or offered for sale by a retail installment seller, as defined in Code Section 10-1-31 in connection with the sale of a motor vehicle by such retail installment seller, provided that such retail installment seller:

(1) Maintains, or has a parent company maintain, a net worth or stockholders' equity of at least $50 million, provided the parent company guarantees the obligations of the retail installment seller arising from vehicle service agreements or extended warranty agreements underwritten pursuant to this paragraph;

(2) Complies with the registration requirement prescribed by the Commissioner through regulation;

(3) Files with the Commissioner a true and correct copy of the vehicle service agreement or extended warranty agreement that has a term of and is no longer than nine months in a form that is consistent with the terms prescribed by the Commissioner through regulation;

(4) Files a copy of its Form 10-K or Form 20-F disclosure statements, or if it does not file such statements with the United States Securities and Exchange Commission, a copy of its audited financial statements reported on a GAAP basis. If the retail installment seller's financial statements are consolidated with those of its parent company, then the retail installment seller may comply with this provision by filing the statements of its parent company. The statement shall be filed with the Commissioner 30 days prior to the retail installment seller's initial offering or delivering of a service agreement or extended warranty agreement, and thereafter, the statement shall be filed with the Commissioner annually; and
(5) Upon the request of the Commissioner, posts a security deposit or surety bond in an amount not to exceed $250,000.00 and in the manner prescribed by the Commissioner through regulation.

SECTION 1-37.

Said title is further amended in Code Section 33-7-8.1, relating to closing protection letters, definitions, premiums regarding such letters, maintenance of adequate reserves, and rules and regulations, by revising subsection (e) as follows:

"(e) The Commissioner shall be authorized to promulgate rules and regulations necessary to implement this Code section, which shall include, but shall not be limited to, prescribing standard closing protection letter policy forms."

SECTION 1-38.

Said title is further amended in Code Section 33-7-11, relating to uninsured motorist coverage under motor vehicle liability policies, by revising paragraphs (3) and (4) of subsection (a), subparagraph (b)(1)(B), and subdivision (b)(1)(D)(ii)(III) as follows:

"(3) The coverage required under paragraph (1) of this subsection shall not be applicable where any insured named in the policy shall reject the coverage in writing. The coverage required under paragraph (1) of this subsection excludes umbrella or excess liability policies unless affirmatively provided for in such policies or in a policy endorsement. The coverage need not be provided in or supplemental to a renewal policy where the named insured had rejected the coverage in connection with a policy previously issued to said insured by the same insurer. The amount of coverage need not be increased in a renewal policy from the amount shown on the declarations page for coverage existing prior to July 1, 2001. The amount of coverage need not be increased from the amounts shown on the declarations page on renewal once coverage is issued.

(4) The filing of a petition for relief in bankruptcy under a chapter of Title 11 of the United States Code by an uninsured motorist as defined in this Code section, or the appointment of a trustee in bankruptcy for an uninsured motorist as defined in this Code section, or the discharge in bankruptcy of an uninsured motorist as defined in this Code section shall not affect the legal liability of an uninsured motorist as the term 'legal liability' is used in this Code section, and such filing of a petition for relief in voluntary or involuntary bankruptcy, the appointment of a trustee in bankruptcy, or the discharge in bankruptcy of such an uninsured motorist shall not be pleaded by the insurance carrier providing uninsured motorist protection in bar of any claim of an insured person as defined in this Code section so as to defeat payment for damages sustained by any insured person by the insurance company providing uninsured
motorist protection and coverage under the terms of this chapter as now or hereafter amended, but the insurance company or companies shall have the right to defend any such action in its own name or in the name of the uninsured motorist and shall make payment of any judgment up to the limits of the applicable uninsured motorist insurance protection afforded by its policy. In those cases, the uninsured motorist upon being discharged in bankruptcy may plead the discharge in bankruptcy against any subrogation claim of any uninsured motorist carrier making payment of a claim or judgment in favor of an uninsured person, and the uninsured motorist may plead said motorist's discharge in bankruptcy in bar of all amounts of an insured person's claim in excess of uninsured motorist protection available to the insured person."
Said title is further amended by revising Code Section 33-8-1, relating to fees and taxes generally, as follows:

The Commissioner is authorized to assess and collect in advance, and persons so assessed shall pay in advance to the Commissioner, fees and charges under this title as follows:

1. Unless specifically provided otherwise, for each certificate of authority, original license, renewal of a certificate of authority, or renewal of a license:
   
   (A) Agent, subagent, counselor, adjuster, or principal office of an insurance agency (new license) ......................................... $ 100.00
   
   (B) Agent, subagent, counselor, adjuster, or principal office of an insurance agency (biennial license renewal) ......................... 100.00
   
   (B.1) Each branch office of an insurance agency other than the principal office (new license) ........................................ 20.00
   
   (B.2) Each branch office of an insurance agency other than the principal office (biennial license renewal) .............................. 20.00
   
   (C) Agent certificate of authority for subagent ......................... 5.00
   
   (D) Automobile self-insurance ........................................ 100.00
   
   (E) Captive insurance company:
   
   (i) Original license or certificate ........................................ 600.00
   
   (ii) Renewal license or certificate ....................................... 500.00
   
   (F) Continuing care provider ........................................... 75.00
   
   (G) Duplicate certificate of authority, license, or permit ............. 25.00
   
   (H) Farmers mutual fire insurance company:
   
   (i) Original license or certificate ........................................ 500.00
   
   (ii) Renewal license or certificate ....................................... 25.00
   
   (I) Fraternal benefit society:
   
   (i) Original license or certificate ........................................ 600.00
   
   (ii) Renewal license or certificate ....................................... 500.00
   
   (I.1) Health care corporations:
   
   (i) Original license or certificate ........................................ 600.00
   
   (ii) Renewal license or certificate ....................................... 500.00
   
   (J) Health maintenance organization:
   
   (i) Original license or certificate ........................................ 600.00
   
   (ii) Renewal license or certificate ....................................... 500.00
(K) Insurer certificate of authority for agent .............................................. 10.00

(L) Life, accident, and sickness insurance company:
   (i) Original license or certificate ........................................... 600.00
   (ii) Renewal license or certificate ........................................ 500.00

(M) Managing general agent:
   (i) Original license or certificate ........................................... 600.00
   (ii) Renewal license or certificate ........................................ 500.00

(N) Multiple employer self-insurance plan ...................................... 400.00

(O) Premium finance company (full power) ..................................... 500.00

(P) Premium finance company (limited power) .................................. 300.00

(Q) Reserved.

(R) Prepaid legal services plans ............................................. 500.00

(S) Private review agents:
   (i) Original license or certificate ........................................... 1,000.00
   (ii) Renewal license or certificate ........................................ 500.00

(T) Property and casualty insurance company:
   (i) Original license or certificate ........................................... 600.00
   (ii) Renewal license or certificate ........................................ 500.00

(U) Reserved.

(V) Rating or advisory organization ........................................ 100.00

(W) Reinsurance intermediary ............................................... 50.00

(X) Surplus lines broker ................................................... 600.00

(Y) Third-party administrators:
   (i) Original license or certificate ........................................... 500.00
   (ii) Renewal license or certificate ........................................ 400.00

(Z) Title insurance company:
   (i) Original license or certificate ........................................... 600.00
   (ii) Renewal license or certificate ........................................ 500.00

(AA) Utilization review agent ........................................... 200.00

(BB) Each vending machine licensed under Chapter 23 of this title ...... 25.00

(CC) Workers' compensation group self-insurance fund:
   (i) Original license or certificate ........................................... 600.00
   (ii) Renewal license or certificate ........................................ 500.00

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- 20 -
(2) Bond or security deposits:

<table>
<thead>
<tr>
<th>Amount</th>
<th>Fee</th>
</tr>
</thead>
<tbody>
<tr>
<td>Not over $5,000.00</td>
<td>4.00</td>
</tr>
<tr>
<td>Not over $10,000.00</td>
<td>8.00</td>
</tr>
<tr>
<td>Not over $25,000.00</td>
<td>15.00</td>
</tr>
<tr>
<td>Not over $50,000.00</td>
<td>25.00</td>
</tr>
<tr>
<td>Over $50,000.00 but less than $100,000.00</td>
<td>40.00</td>
</tr>
<tr>
<td>$100,000.00 or more</td>
<td>50.00</td>
</tr>
</tbody>
</table>

(3) Examination fee for agent's, subagent's, counselor's, or adjuster's license: 25.00

(4) Application fee for agent's, subagent's, adjuster's, or counselor's license: 15.00

(5) Status letter for agent, subagent, counselor, or adjuster: 10.00

(6) For the following filings:

<table>
<thead>
<tr>
<th>Description</th>
<th>Fee</th>
</tr>
</thead>
<tbody>
<tr>
<td>Bylaws amendments</td>
<td>25.00</td>
</tr>
<tr>
<td>Certification of annual statement</td>
<td>10.00</td>
</tr>
<tr>
<td>Certification of examination report</td>
<td>10.00</td>
</tr>
<tr>
<td>Certification of other documents</td>
<td>5.00</td>
</tr>
<tr>
<td>Charter amendments</td>
<td>25.00</td>
</tr>
<tr>
<td>Education course provider (original filing)</td>
<td>100.00</td>
</tr>
<tr>
<td>Education course provider (renewal filing)</td>
<td>50.00</td>
</tr>
<tr>
<td>Education course or program</td>
<td>10.00</td>
</tr>
<tr>
<td>Education course instructor</td>
<td>10.00</td>
</tr>
<tr>
<td>Financial statement</td>
<td>50.00</td>
</tr>
<tr>
<td>Form A</td>
<td>5,000.00</td>
</tr>
<tr>
<td>Form A exemption</td>
<td>1,000.00</td>
</tr>
<tr>
<td>Form B</td>
<td>500.00</td>
</tr>
<tr>
<td>Form B exemption</td>
<td>100.00</td>
</tr>
<tr>
<td>Individual risk rate or form</td>
<td>10.00</td>
</tr>
<tr>
<td>Insurance policy form</td>
<td>25.00</td>
</tr>
<tr>
<td>Insurance rate filing</td>
<td>75.00</td>
</tr>
<tr>
<td>Listing of licensed agents, subagents, counselors, or adjusters</td>
<td>1,000.00</td>
</tr>
<tr>
<td>Listing of insurer's certificates of authority filed for agents</td>
<td>5.00</td>
</tr>
<tr>
<td>Listing of agent's certificates of authority filed for subagents</td>
<td>5.00</td>
</tr>
<tr>
<td>List of licensees or permit or certificate holders other than agents, subagents, counselors, or adjusters</td>
<td>40.00</td>
</tr>
<tr>
<td>License, permit, or certificate of authority amendment</td>
<td>25.00</td>
</tr>
</tbody>
</table>
Provided, however, that the Commissioner, in his or her discretion, may exempt from such fee change of address filings done offline by agents, subagents, counselors, and adjusters.

(AA.1) Change of address filings done online by agents, subagents, counselors, and adjusters ............................................. No charge

(BB) Service of process ..................................................... 15.00

(7) For refiling of corrected documents under this Code section, provided that fees were paid with original filing ............................................. No charge”

SECTION 1-40.

Said title is further amended in Code Section 33-8-4, relating to amount and method of computing tax on insurance premiums generally and exclusion of annuity considerations, by revising subsection (a) as follows:

“(a) All foreign, alien, and domestic insurance companies doing business in this state shall pay a tax of 2 1/4 percent upon the gross direct premiums received by them on and after July 1, 1955. The tax shall be levied upon persons, property, or risks in Georgia, from January 1 to December 31, both inclusive, of each year without regard to business ceded to or assumed from other companies. The tax shall be imposed upon gross premiums received from direct writings without any deductions allowed for premium abatements of any kind or character or for reinsurance or for cash surrender values paid, or for losses or expenses of any kind; provided, however, that deductions shall be allowed for premiums returned on change of rate or canceled policies; provided, further, that deductions may be permitted for return premiums or assessments, including all policy dividends, refunds, or other similar returns paid or credited to policyholders and not reapplied as premium for additional or extended life insurance. The term 'gross direct premiums' shall not include annuity considerations.”

SECTION 1-41.

Said title is further amended in Code Section 33-8-4.1, relating to state insurance premiums tax credits for insurance companies located in certain counties designated as less developed counties.
areas and authority of commissioner of community affairs and Commissioner of Insurance, by revising paragraph (2) of subsection (f) as follows:

“(2) Existing business enterprises as defined under paragraph (2) of subsection (a) of this Code section shall be allowed an additional tax credit for taxes imposed under Code Section 33-8-4 equal to $500.00 per eligible new full-time employee job for one year after the creation of such job. The additional credit shall be claimed in year two after the creation of such job. The number of new full-time jobs shall be determined by comparing the monthly average number of full-time employees subject to Georgia income tax withholding for the calendar year with the corresponding period of the prior calendar year. In tier 1 counties, those existing business enterprises that increase employment by five or more shall be eligible for the credit. In tier 2 counties, only those existing business enterprises that increase employment by ten or more shall be eligible for the credit. In tier 3 counties, only those existing business enterprises that increase employment by 15 or more shall be eligible for the credit. In tier 4 counties, only those existing business enterprises that increase employment by 25 or more shall be eligible for the credit. The average wage of the new jobs created must be above the average wage of the county that has the lowest average wage of any county in the state to qualify as reported in the most recently available annual issue of the Georgia Employment and Wages Averages Report of the Department of Labor. To qualify for a credit under this paragraph, the employer must make health insurance coverage available to the employee filling the new full-time job; provided, however, that nothing in this paragraph shall be construed to require the employer to pay for all or any part of health insurance coverage for such an employee in order to claim the credit provided for in this paragraph if such employer does not pay for all or any part of health insurance coverage for other employees. Credit shall not be allowed during a year if the net employment increase falls below the number required in such tier. Any credit received for years prior to the year in which the net employment increase falls below the number required in such tier shall not be affected. The Commissioner of Insurance shall adjust the credit allowed each year for net new employment fluctuations above the minimum level of the number required in such tier. This paragraph shall apply only to new eligible full-time jobs created on or after January 1, 2009, and prior to January 1, 2014.”

SECTION 1-42.

Said title is further amended in Code Section 33-8-4.2, relating to assignment, carryover, and liability regarding tax credits, by revising subsection (b) as follows:

“(b) In lieu of claiming any tax credit under Code Section 33-8-4.1 for which a taxpayer otherwise is eligible for the calendar year (such eligibility being determined for this
purpose without regard to any limitation imposed by reason of the taxpayer's precredit tax
liability under Code Section 33-8-4), the taxpayer may elect to assign such credit in whole
or in part to one or more affiliated entities for such calendar year by attaching a statement
to the taxpayer's return for the calendar year; provided, however, that no carryover
attributable to the unused portion of any previously claimed or assigned credit may be
assigned or reassigned, except as provided in subsection (d) of this Code section. Such
election must be made on or before the due date for filing the applicable tax return under
Code Section 33-8-4, including any extensions which have been granted. In the case of any
credit that must be claimed in installments in more than one calendar year, the election
under this subsection may be made on an annual basis with respect to each such
installment, provided that the taxpayer shall notify the Commissioner of Insurance
with respect to the assignment of each such installment by filing a separate copy of the election
statement for such installment no later than the due date for filing the applicable tax return
under Code Section 33-8-4, including any extensions which have been granted. Once
made, an election under this subsection shall be irrevocable."

SECTION 1-43.

Said title is further amended in Code Section 33-8-8.1, relating to county and municipal
corporation taxes on life insurance companies, by revising subsections (c), (g), (h), and (i)
as follows:

"(c)(1) On March 1, 1984, and on that date in each subsequent of each year, each life
insurance company shall file a certified return on a form prescribed by the Commissioner
showing gross direct premiums received during the preceding calendar year that will
appear in the company's certified annual statement.

(2) Reserved.

(3) On or before August 1, 1988, and on the same date in each subsequent of each year,
the Commissioner shall collect taxes imposed pursuant to subsection (b) of this Code
section on behalf of counties and municipal corporations whose ordinances have been
filed with the Commissioner. The tax collected for each year shall be based upon gross
direct premiums written during the preceding calendar year. Penalty and interest as
prescribed in subsection (d) of Code Section 33-8-6 shall be imposed for late payment,
derunderpayment, or nonpayment of such taxes."

"(g) On or before October 15, 1988, and on the same date in each subsequent of each year,
the Commissioner shall distribute the taxes imposed by counties and municipal
corporations which are actually remitted to and collected by the Commissioner. On or
before October 15, 1988, and on the same date in each subsequent of each year, the
Commissioner shall distribute any delinquent taxes actually collected by the Commissioner
for a previous year, exclusive of any interest or penalty on such delinquent taxes, which
delinquent taxes have not previously been distributed.
(h) Amounts collected by the Commissioner under or due under former Code Section
33-8-8.1 shall be collected and disbursed as provided in former Code Section 33-8-8.1.
(1)(h) For purposes of this Code section, population shall be measured by the United States
decennial census of 1990 or any future such census plus any corrections or revisions
contained in official statements by the United States Bureau of the Census made prior to
the first day of September immediately preceding the distribution of the proceeds of such
taxes by the Commissioner and any additional official census data received by the
Commissioner from the United States Bureau of the Census or its successor agency
pertaining to any newly incorporated municipality. Such corrections, revisions, or
additional data shall be certified to the Commissioner by the Office of Planning and Budget
on or before August 31 of each year."

SECTION 1-44.

Said title is further amended in Code Section 33-8-8.2, relating to county and municipal
corporation taxes on other than life insurance companies, by revising paragraphs (3) and (5)
of subsection (b) as follows:

"(3)(A) On March 1, 1984, and on the same date in each subsequent of each
year, each insurance company upon which a tax is imposed by subsection (b) of this Code section
shall file a certified return on a form prescribed by the Commissioner showing gross
direct premiums received during the preceding calendar year that will appear in the
company's certified annual statement.
(B) Reserved.
(C) On or before August 1, 1988, and on the same date in each subsequent of each
year, the Commissioner shall collect taxes imposed pursuant to this Code section on
behalf of counties and municipal corporations whose ordinances have been filed with
the Commissioner. The premiums tax collected for each year shall be based upon gross
direct premiums written during the preceding calendar year. Penalty and interest as
prescribed in subsection (d) of Code Section 33-8-6 shall be imposed for late payment,
derpayment, or nonpayment of such taxes;"

"(5) On or before October 15, 1988, and on the same date in each subsequent of each
year, the Commissioner shall distribute the taxes imposed by counties and municipal
corporations which are actually remitted to and collected by the Commissioner. On or
before October 15, 1988, and on the same date in each subsequent of each year, the
Commissioner shall distribute any delinquent taxes actually collected by the
Commissioner for a previous year, exclusive of any interest or penalty on such delinquent
taxes, which delinquent taxes have not previously been distributed."

SECTION 1-45.

Said title is further amended in Code Section 33-8-8.3, relating to funding of services, or
reduction of ad valorem taxes in unincorporated areas of counties, and powers and duties of
governing authority, by revising paragraph (2) of subsection (a) as follows:

"(2) Reducing ad valorem taxes of the inhabitants of the unincorporated areas of those
counties in which the governing authority of a county does not provide any of the
services enumerated in paragraph (1) of this subsection to inhabitants of the
unincorporated areas. In fixing the ad valorem tax millage rate for the year 1984 and any
year thereafter, the governing authorities of such counties shall be authorized and directed
to reduce such ad valorem tax millage rate on taxable property within the unincorporated
areas of such counties to offset any of the proceeds derived from any tax provided for in
this chapter which cannot be expended pursuant to paragraph (1) of this subsection."

SECTION 1-46.

Said title is further amended in Code Section 33-9-3, relating to application of the chapter
relative to regulation of rates, underwriting rules, and related organizations, by revising
subsections (b) and (c) as follows:

"(b)(1) This chapter shall apply to all insurers, including stock and mutual companies,
Lloyd's associations, and reciprocal and interinsurance exchanges, which under any laws
of this state write any of the kinds of insurance to which this chapter applies.

(2) The provisions of this chapter regarding rates shall apply to any insurer, fraternal
benefit society, health care plan, health maintenance organization, or preferred provider
organization providing any accident or sickness insurance or health benefit plan issued,
delivered, issued for delivery, or renewed in this state to the extent required by
subsection (c) of this Code section:

(e) Provisions of this chapter regarding rates shall apply only to a proposed rate for any
insurance or health benefit plan:

(1) Which alone or in combination with any previous rate change for such insurance or
plan would result in a rate increase of:

(A) Any amount, but no decrease shall be subject to such provisions; provided,
however;

(B) The provisions of this chapter shall not apply to accident and sickness insurance; or
(2) Made within 36 months after any rate change described by paragraph (1) of this subsection.

SECTION 1-47.

Said title is further amended by revising Code Section 33-9-8, relating to agreements to share high-risk applicants and approval of rates, as follows:

"33-9-8.

(a) Agreements shall be made among admitted property and casualty insurers with respect to the equitable apportionment among them of property and casualty insurance which may be afforded applicants who are in good faith entitled to but who are unable to procure such insurance through ordinary methods upon the determination by the Commissioner in writing that an agreement relative to a given kind or kinds of property and casualty insurance is necessary to protect the health, property, and welfare of the citizens of Georgia. All of the agreements shall be subject to the approval of the Commissioner and upon his or her approval shall have the effect of rules and regulations promulgated by the Commissioner.

(b) All of the agreements shall be submitted in writing to the Commissioner for his or her consideration and approval within the period of time specified by the Commissioner in his or her determination, as provided for in this Code section, together with such information as he or she may reasonably require. The approval of the agreements shall comply with the requirements of the rule-making process as set forth in Code Section 33-2-9, as now or hereafter amended. The Commissioner shall approve only such agreements as are found by him or her to contemplate the use of rates which meet the standards prescribed by this chapter and activities and practices that are not unfair, unreasonable, or otherwise inconsistent with this chapter.

(c) If, as provided in this Code section, the Commissioner determines that it is necessary to protect the health, property, and welfare of the citizens of this state, in addition to all other authority granted in this title, the Commissioner shall also have and may exercise the following authority:

(1) The Commissioner may require that any rates contemplated to be used under this Code section shall be approved by him or her prior to their use;

(2) The Commissioner may declare that any policies, contracts, or rates used pursuant to any agreement or plan established under this Code section shall be the exclusive policies, contracts, or rates authorized to be used in Georgia for the kind or kinds of insurance; and he or she may prohibit the use by any person of policies, contracts, or rates in this state which are different from those established in accordance with this Code section; and
(3) The Commissioner may amend or modify in whole or in part and may adopt any agreement submitted to him or her in accordance with this Code section. If no agreement is submitted within the time prescribed by the Commissioner or if after a hearing the agreement submitted is unacceptable to the Commissioner, the Commissioner may on his or her own motion promulgate and adopt a reasonable plan to implement this Code section which plan shall become effective on a date not sooner than ten days as specified by the Commissioner in his or her order.

(d) At any time after the agreements are in effect the Commissioner may review the practices and activities of the adherents to such agreements and, if after a hearing upon not less than ten days' notice to such adherents, he or she finds that any such practice or activity is unfair or unreasonable, or is otherwise inconsistent with this chapter, he or she may issue a written order to the parties of the agreement specifying in what respect the act or practice is unfair or unreasonable or otherwise inconsistent with this chapter and requiring the discontinuance of the activity or practice. For good cause, and after hearing upon not less than ten days' notice to the adherents thereto, the Commissioner may revoke approval of the agreement.

(e) Whenever the Commissioner determines that a lack of competition or a lack of availability exists in this state in either property or casualty insurance, the Commissioner is authorized to protect the health, property, and welfare of the citizens of this state by exercising the following authority:

(1) The Commissioner shall approve all rates contemplated to be used under this Code section prior to their use;

(2) The Commissioner shall approve any policies or contracts used pursuant to any agreement or plan established under this Code section and such policies or contracts shall be used exclusively in this state for those kinds of insurance. The use by any person of any policies or contracts which are different from those established in accordance with this Code section shall be prohibited; and

(3) The Commissioner may by order implement a plan or program to provide the necessary insurance coverages to the citizens of this state by equitable apportionment among all property and casualty insurers licensed to transact those kinds of insurance in this state.

(f) The powers contained in this Code section are cumulative and shall be in addition to all other powers of the Commissioner contained elsewhere in this title or under the laws of this state."
SECTION 1-48.

Said title is further amended in Code Section 33-9-21, relating to maintenance and filing rates, rating plans, rating systems, or underwriting rules and examination of claim reserve practices by the Commissioner, by revising paragraph (2) of subsection (a) and paragraph (2) of subsection (b) as follows:

"(2) Shall require, not later than July 30, 1990, each domestic, foreign, and alien insurer, writing or authorized to write workers' compensation insurance in this state, to file such insurer's own individual rate filing for premium rates to be charged for workers' compensation insurance coverage written in this state. Such premium rates shall be developed and established based upon each individual insurer's experience in the State of Georgia to the extent actuarially credible. The experience filed shall include the loss ratios, reserves, reserve development information, expenses, including commissions paid and dividends paid, investment income, pure premium data adjusted for loss development and loss trending, profits, and all other data and information used by that insurer in formulating its workers' compensation premium rates which are used in this state and any other information or data required by the Commissioner. In establishing and maintaining loss reserves, no workers' compensation insurer shall be allowed to maintain any excess loss reserve for any claim or potential claim for more than 90 days after the amount of liability for such claim or potential claim has been established, whether by final judgment, by settlement agreement, or otherwise. This limitation on the maintenance of loss reserves shall be enforced through this Code section, as well as through Code Section 33-9-23, relating to examination of admitted insurers, and any other appropriate enforcement procedures. The Commissioner is authorized to accept such rate classifications as are reasonable and necessary for compliance with this chapter. A rate filing required by this paragraph shall be updated by the insurer at least once every two years, the initial two-year period to be calculated from July 30, 1990; and"

"(2) For personal private passenger motor vehicle insurance other than that described in paragraph (1) of subsection (b) of Code Section 33-9-21 this subsection, such rate, rating plan, rating system, or underwriting rule for all such personal private passenger motor vehicle insurance shall be effective upon filing and shall be implemented without approval of the Commissioner. This subsection shall apply to the entire personal private passenger motor vehicle insurance policy with limits above the mandatory minimum required by Code Section 33-34-4 and subsection (a) of Code Section 40-9-37 and shall apply to the entire personal private passenger motor vehicle policy with minimum limits if such policy has any additional nonmandatory coverage or coverages."
SECTION 1-49.

Said title is further amended by revising Code Section 33-9-21.1, relating to filing and maintenance of information relating to certain casualty insurance, as follows:

“33-9-21.1. In order to facilitate the handling of form and rate filings of certain types of miscellaneous casualty insurance which prior to July 1, 1995, has been filed generally under paragraph (10) of Code Section 33-7-3, the following types of casualty insurance shall be filed separately and data relative to such types of insurance shall be maintained separately:

(1) Nonrecording insurance or nonfiling insurance; and

(2) Vendors' single interest insurance.”

SECTION 1-50.

Said title is further amended in Code Section 33-9-23, relating to examination of admitted insurers and examination of insurers transacting workers' compensation insurance, by revising subsection (b) as follows:

“(b) In addition to and apart from the examination required by subsection (a) of this Code section, the Commissioner may, at any reasonable time, examine or cause to be examined by some examiner duly authorized by him or her all insurers transacting workers' compensation insurance in this state. This examination will include a review of the loss ratios, reserves, reserve development information, expenses including commissions paid and dividends paid, investment income, pure premium data adjusted for loss development and loss trending, profits, and all other data and information used by that insurer in formulating its workers' compensation premiums which are used in this state and any other information or data required by the Commissioner. Upon completion of this examination, a report in such form as the Commissioner shall prescribe shall be filed in his or her office.”

SECTION 1-51.

Said title is further amended by revising Code Section 33-9-30, relating to suspension or revocation of license or certificate of authority for failure to comply with order of the Commissioner, as follows:

“33-9-30. In addition to other penalties provided in this title, the Commissioner, by order pursuant to Code Section 33-9-29, may suspend or revoke, in whole or in part, the license of any rating organization or the certificate of authority of any insurer with respect to the class or classes of insurance specified in such order if such entity fails to comply within the time limited by such order or any extension thereof which the Commissioner may...
grant with an order of the Commissioner lawfully made by him pursuant to Code Section 33-9-29."

SECTION 1-52.

Said title is further amended by revising Code Section 33-9-36, relating to unauthorized premiums and unlawful inducements, as follows:

"33-9-36.

(a) As used in this Code section, the term:

1. 'Gift certificate' shall have the same meaning as provided in Code Section 10-1-393.
2. 'Insurance' includes suretyship.
3. 'Policy' includes bond.
4. 'Store gift card' shall have the same meaning as provided in Code Section 10-1-393.

(b) No broker or agent shall knowingly charge, demand, or receive a premium for any policy of insurance except in accordance with this chapter.

(c) No insurer or employee of such insurer and no broker or agent shall pay, allow, or give, or offer to pay, allow, or give, directly or indirectly as an inducement to insurance or after insurance has been effected, any rebate, discount, abatement, credit, or reduction of the premium named in a policy of insurance, or any special favor or advantage in the dividends or other benefits to accrue on such policy of insurance, or any valuable consideration or inducement whatever, not specified in the policy of insurance, except to the extent provided for in an applicable filing. No insured named in a policy of insurance nor any employee of the insured shall knowingly receive or accept, directly or indirectly, any such rebate, discount, abatement, credit, or reduction of premium, or any special favor or advantage or valuable consideration or inducement.

(d) Nothing in this Code section shall be construed as prohibiting the payment of commissions or other compensation to duly licensed agents and brokers, nor as prohibiting any insurer from allowing or returning to its participating policyholders, members, or subscribers dividends, savings, or unabsorbed premium deposits.

(e) Nothing in this Code section shall be construed as prohibiting the payment for food or refreshments by an insurer or an agent, broker, or employee of an insurer or a broker or an agent for current or prospective clients during sales presentations and seminars, provided that no insurance or annuity applications or contracts are offered or accepted at such presentations or seminars.

(f) Nothing in this Code section shall be construed as prohibiting insurers or insurance producers an insurer or employee of such insurer or a broker or an agent from advertising or conducting promotional programs by insurers or insurance producers whereby prizes, goods, wares, store gift cards, gift certificates, sporting event tickets, or merchandise, not...
exceeding $100.00 in value per customer in the aggregate in any one calendar year, are
given to current or prospective customers; provided, however, that the giving of any item
or items of value under this subsection shall not be contingent on the sale or renewal of a
policy."

SECTION 1-53.
Said title is further amended in Code Section 33-9-42, relating to reduction in premiums for
motor vehicle liability, first-party medical, and collision coverages for certain named drivers,
by revising subparagraph (b)(3)(C) as follows:
"(C) A defensive driving course of not less than six hours from a driver improvement
program which is administered by a nonprofit organization such as the American
Association of Retired People AARP, the American Automobile Association, the
National Safety Council, or a comparable organization and which meets the rules and
regulations of the Department of Driver Services pursuant to subsection (g) of this Code
section; or"

SECTION 1-54.
Said title is further amended in Code Section 33-9-43, relating to reduction in premiums for
motor vehicle liability, first-party medical, and collision coverage for named drivers under
25 years of age, by revising subsection (a) as follows:
"(a) For each personal or family-type policy of private passenger motor vehicle insurance
issued, delivered, issued for delivery, or renewed on or after October 1, 1991
be offered by the insurer a reduction in the premium for motor vehicle liability, first-party
medical, and collision coverage for each named driver under 25 years of age, as listed on
the policy application or provided in information subsequent to such application, of each
motor vehicle covered by such policy, if that driver:
(1) Is unmarried;
(2) Is enrolled as a full-time student in:
( A) High school;
( B) Academic courses in a college or university; or
( C) Vocational-technical school;
(3) Is an honor student because the scholastic records for the immediately preceding
quarter, semester, or comparable segment show that such person:
( A) Ranks scholastically in the upper 20 percent of the class;
( B) Has a 'B' average or better;
( C) Has a 3.0 average or better; or
( D) Is on the 'Dean's List' or 'Honor Roll'; and
(4) Is a driver whose use of the automobile is considered by the insurer in determining the applicable classification."

SECTION 1-55.

Said title is further amended by revising Code Section 33-9-44, relating to legislative intent, as follows:

"33-9-44. It is specifically intended that the discounts provided in Code Sections 33-9-42 and 33-9-43 shall be provided by the insurer to any person who qualifies for such discounts. It is further intended that any similar discounts granted to qualified persons under Chapter 34 of this title as such chapter existed on September 30, 1991, shall not be discontinued nor duplicated by the enactment of Code Sections 33-9-42 and 33-9-43 for policies in effect on September 30, 1991."

SECTION 1-56.

Said title is further amended in Code Section 33-10-2, relating to assets considered in determining financial conditions of insurer – excluded assets, by revising paragraphs (3) and (4) as follows:

"(3) Stock of such insurer, owned by him such insurer, or any equity in such stock or loans secured by such stock or any proportionate interest in such stock acquired or held through the ownership by such insurer of a controlling interest in another firm, corporation, or business unit;

(4) Furniture, fixtures, furnishings, safes, vehicles, libraries, stationery, literature, and supplies other than data processing and accounting system authorized under paragraph (3) of Code Section 33-10-1, except, in the case of title insurers, such materials and plants as the insurer is expressly authorized to invest in under Code Section 33-11-27 and except, in the case of any insurer, such personal property as the insurer is permitted to hold pursuant to Chapter 11 of this title or which is reasonably necessary for the maintenance and operation of real estate lawfully acquired and held by the insurer other than real estate used by him such insurer for home office, branch office, or similar purposes; and"

SECTION 1-57.

Said title is further amended by revising Code Section 33-10-3, relating to deduction of assets from liabilities and liabilities from assets generally, as follows:
1127 "33-10-3.
1128 Assets may be allowable as deductions from corresponding liabilities, and liabilities may
1129 be charged as deductions from assets, in accordance with the form of annual statement
1130 applicable to such insurer as prescribed directed by the Commissioner or otherwise in his
1131 or her discretion."

1132 SECTION 1-58.
1133 Said title is further amended in Code Section 33-10-10, relating to required reserves – title
1134 insurance, by revising paragraph (1) as follows:
1135 "(1) Ten percent of the total amount of the risk premiums hereafter written in the
1136 calendar year for title insurance contracts shall be assigned originally to the reserve; and"

1137 SECTION 1-59.
1138 Said title is further amended by revising Code Section 33-10-11, relating to requirement of
1139 special reserve for certain bonds, as follows:
1140 "33-10-11.
1141 In lieu of the unearned premium reserve required on surety insurance under subsection (a)
1142 of Code Section 33-10-6, the Commissioner may require any surety insurer or limited
1143 surety insurer to set up and maintain a reserve on all bail bonds or other single premium
1144 bonds without definite expiration data, furnished in judicial proceedings, equal to 25
1145 percent of the total consideration charged for any bonds as are outstanding as of the date
1146 of any then current financial statement of the insurer."

1147 SECTION 1-60.
1148 Said title is further amended in Code Section 33-10-13, relating to standard valuation, by
1149 revising subsections (b) and (i) and subparagraph (p)(1)(A) as follows:
1150 "(b) For the purposes of this Code section, the following definitions shall apply on or
1151 after the operative date of the valuation manual. For the purposes of this Code section, the
1152 term:
1153 (1) The term 'accident' means contracts that incorporate morbidity risk and provide protection against economic loss resulting from accident, sickness, or medical conditions and as may be specified in the valuation manual.
1154 (2) The term 'appointed actuary' means a qualified actuary who is appointed in accordance with the valuation manual to prepare the actuarial opinion required in paragraph (2) of subsection (d) of this Code section.
1155 (3) The term 'company' means an entity, which:
(A) Has written, issued, or reinsured life insurance contracts, accident and health insurance contracts, or deposit-type contracts in this state and has at least one such policy in force or on claim; or

(B) Has written, issued, or reinsured life insurance contracts, accident and health insurance contracts, or deposit-type contracts in any state and is required to hold a certificate of authority to write life insurance, accident and health insurance, or deposit-type contracts in this state.

(4) The term 'deposit-type contract' means contracts that do not incorporate mortality or morbidity risks and as may be specified in the valuation manual.

(5) The term 'life insurance' means contracts that incorporate mortality risk, including annuity and pure endowment contracts, and as may be specified in the valuation manual.

(6) The term 'NAIC' means the National Association of Insurance Commissioners.

(7) The term 'policyholder behavior' means any action a policyholder, contract holder, or any other person with the right to elect options, such as a certificate holder, may take under a policy or contract subject to this Code section, including, but not limited to, lapse, withdrawal, transfer, deposit, premium payment, loan, annuitization, or benefit elections prescribed by the policy or contract but excluding events of mortality or morbidity that result in benefits prescribed in their essential aspects by the terms of the policy or contract.

(8) The term 'principle-based valuation' means a reserve valuation that uses one or more methods or one or more assumptions determined by the insurer and is required to comply with subsection (p) of this Code section as specified in the valuation manual.

(9) The term 'qualified actuary' means an individual who is qualified to sign the applicable statement of actuarial opinion in accordance with the American Academy of Actuaries qualification standards for actuaries signing such statements and who meets the requirements specified in the valuation manual.

(10) The term 'tail risk' means a risk that occurs either where the frequency of low probability events is higher than expected under a normal probability distribution or where there are observed events of very significant size or magnitude.

(11) The term 'valuation manual' means the manual of valuation instructions adopted by the NAIC as specified in this Code section or as subsequently amended.

"(i) In no event shall an insurer's aggregate reserve for all life insurance policies, excluding disability and accidental death benefits issued on or after January 1, 1966, be less than the aggregate reserves calculated in accordance with the methods set forth in subsections (g), (h), (l), and (m) of this Code section and the mortality table or tables and rate or rates of"
interest used in calculating nonforfeiture benefits for the policies. In no event shall the
aggregate reserves for all policies, contracts, and benefits be less than the aggregate
reserves determined by the appointed actuary to be necessary to render the opinion required
by subsection (d) of the this Code section.”

"(A) Quantify the benefits and guarantees, and the funding, associated with the
contracts and their risks at a level of conservatism that reflects conditions that include
unfavorable events that have a reasonable probability of occurring during the lifetime
of the contracts. For, and for policies or contracts with significant tail risk, reflects
conditions appropriately adverse to quantify the tail risk;”

SECTION 1-61.
Said title is further amended by revising Code Section 33-10-17, relating to valuation of
reserves – purchase money mortgages, as follows:
"33-10-17.
Purchase money mortgages Mortgages on real property referred to in subsection (a) of
Code Section 33-10-16 shall be valued in an amount not exceeding the acquisition cost of
the real property covered thereby or 90 percent of the fair value of the real property,
whichever is less.”

SECTION 1-62.
Said title is further amended in Code Section 33-13-1, relating to definitions, by revising
paragraph (4) as follows:
"(4) 'Enterprise risk' means any activity, circumstance, event, or series of events
involving one or more affiliates of an insurer that, if not remedied promptly, is likely to
have a material adverse effect upon the financial condition or liquidity of the insurer or
its insurance holding company system as a whole, including, but not limited to, anything
that would cause the insurer's risk-based capital to fall into company action level as set
forth in Chapter 56 of this title or would cause the insurer to be in hazardous financial
condition based on the standards prescribed by Chapter 120-2-54 of the Commissioner's
rules and regulations.”

SECTION 1-63.
Reserved.

SECTION 1-64.
Said title is further amended in Code Section 33-13-3.1, relating to acquisition of insurer and
effect on competition, by revising paragraph (1) of subsection (c) as follows:

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"(1) The preacquisition notification shall be in such form and contain such information as prescribed by the National Association of Insurance Commissioners and adopted by regulation promulgated by the Commissioner or as otherwise prescribed by regulation promulgated by the Commissioner relating to those markets which, under subparagraph (b)(2)(D) of this Code section, cause the acquisition not to be exempted from the provisions of this Code section. The Commissioner may require such additional material and information as he or she deems necessary to determine whether the proposed acquisition, if consummated, would violate the competitive standard of subsection (d) of this Code section. The required information may include an opinion of an economist as to the competitive impact of the acquisition in this state accompanied by a summary of the education and experience of such person indicating his or her ability to render an informed opinion; and"

SECTION 1-65.

Said title is further amended in Code Section 33-13-4, relating to registration of insurers belonging to holding company systems, by revising subsections (b) and (l) as follows:

"(b) Contents of registration statement. Every insurer subject to registration shall file a registration statement with the Commissioner on a form and in a format prescribed by the National Association of Insurance Commissioners and adopted by regulation promulgated by the Commissioner or as otherwise prescribed by regulation promulgated by the Commissioner, which statement shall contain current information about:

(1) The capital structure, general financial condition, ownership, and management of the insurer and any person controlling the insurer;

(2) The identity of every member of the insurance holding company system;

(3) The following agreements in force, relationships subsisting, and transactions currently outstanding between such insurer and its affiliates:

(A) Loans, other investments, or purchases, sales, or exchanges of the affiliates by the insurer or of the insurer by its affiliates;

(B) Purchases, sales, or exchanges of assets;

(C) Transactions not in the ordinary course of business;

(D) Guarantees or undertakings for the benefit of an affiliate which result in an actual contingent exposure of the insurer's assets to liability other than insurance contracts entered into in the ordinary course of the insurer's business;

(E) All management and service contracts and all cost-sharing arrangements;

(F) Reinsurance agreements;

(G) Dividends and other distributions to shareholders; and

(H) Consolidated tax allocation agreements;
(4) Any pledge of the insurer's stock, including stock of any subsidiary or controlling affiliate, for a loan made to any member of the insurance holding company system;

(5) If requested by the Commissioner, financial statements of or within an insurance holding company system, including all affiliates. Financial statements may include, but are not limited to, annual audited financial statements filed with the federal Securities and Exchange Commission pursuant to the federal Securities Act of 1933, as amended, or the Securities Exchange Act of 1934, as amended. An insurer required to file financial statements pursuant to this paragraph may satisfy the request by providing the Commissioner with the most recently filed parent corporation financial statements that have been filed with the Securities and Exchange Commission;

(6) Other matters concerning transactions between registered insurers and any affiliates as may be included from time to time in any registration forms adopted or approved by the Commissioner;

(7) Statements that the insurer's board of directors is responsible for and oversees corporate governance and internal controls and that the insurer's officers or senior management have approved, implemented, and continue to maintain and monitor corporate governance and internal control procedures; and

(8) Any other information required by the Commissioner by rule or regulation.

“(l) Enterprise risk filing. The ultimate controlling person of every insurer subject to registration shall also file an annual enterprise risk report. The report shall, to the best of the ultimate controlling person's knowledge and belief, identify the material risks within the insurance holding company system that could pose enterprise risk to the insurer. The report shall be filed with the lead state commissioner of the insurance holding system as determined by the procedures within the Financial Analysis Handbook adopted by the National Association of Insurance Commissioners and adopted by regulation promulgated by the Commissioner or as otherwise prescribed by regulation promulgated by the Commissioner.”

SECTION 1-66.

Said title is further amended in Code Section 33-13-7, relating to power of Commissioner to participate in supervisory college and payment of expenses associated with participation in supervisory college, by revising subsection (a) as follows:

“(a) Power of Commissioner. With respect to any insurer registered under Code Section 33-13-4, and in accordance with subsection (c) of this Code section, the Commissioner shall also have the power to participate in a supervisory college for any domestic insurer that is part of an insurance holding company system with international operations in order to determine compliance by the insurer with this title. For purposes of this chapter,
'supervisory colleges' means a forum for cooperation and communication between the involved supervisors established for the fundamental purpose of facilitating the effectiveness of the supervision of entities belonging to an insurance group. The powers of the Commissioner with respect to supervisory colleges include, but are not limited to, the following:

1. Initiating the establishment of a supervisory college;
2. Clarifying the membership and participation of other supervisors in the supervisory college;
3. Clarifying the functions of the supervisory college and the role of other regulators, including the establishment of a group-wide supervisor;
4. Coordinating the ongoing activities of the supervisory college, including planning meetings, supervisory activities, and processes for information sharing; and
5. Establishing a crisis management plan.

SECTION 1-67.

Said title is further amended in Code Section 33-13-32, relating to definitions, by revising paragraph (4) as follows:

"(4) 'ORSA Guidance Manual' means the current version of the Own Risk and Solvency Assessment Guidance Manual developed and adopted by the National Association of Insurance Commissioners and as amended from time to time. A change in the ORSA Guidance Manual shall be effective on January 1 following the calendar year in which the changes have been adopted by the National Association of Insurance Commissioners."

SECTION 1-68.

Said title is further amended in Code Section 33-13-37, relating to preparation of report and review and use, by revising subsection (b) as follows:

"(b) The review of the ORSA Summary Report, and any additional requests for information, shall be made using similar procedures currently used in the analysis and examination of multistate or global insurers and insurance groups."

SECTION 1-69.

Said title is further amended in Code Section 33-13-38, relating to confidentiality and protection, by revising paragraphs (1), (2), and (3) of subsection (c) as follows:

"(1) May upon request share documents, materials, or other ORSA related information, including the confidential and privileged documents, materials, or information subject to subsection (a) of this Code section, including proprietary and trade secret documents and materials with other state, federal, and international financial regulatory agencies,
including members of any supervisory college as defined in Code Section 33-13-7, with the National Association of Insurance Commissioners and with any third-party consultants designated by the Commissioner, provided that the recipient agrees in writing to maintain the confidentiality and privileged status of the ORSA related documents, materials, or other information and has verified in writing the legal authority to maintain confidentiality;

(2) May receive documents, materials, or other ORSA related information, including otherwise confidential and privileged documents, materials, or information, including proprietary and trade secret information or documents, from regulatory officials of other foreign or domestic jurisdictions, including members of any supervisory college as defined in Code Section 33-13-7, and from the National Association of Insurance Commissioners, and shall maintain as confidential or privileged any documents, materials, or information received with notice or the understanding that it is such documents, materials, or information are confidential or privileged under the laws of the jurisdiction that is the source of the document, material; such documents, materials, or information; and

(3) Shall enter into a written agreement with the National Association of Insurance Commissioners or a third-party consultant governing sharing and use of information provided pursuant to this article, consistent with this subsection that shall:

(A) Specify procedures and protocols regarding the confidentiality and security of information shared with the National Association of Insurance Commissioners or a third-party consultant pursuant to this article, including procedures and protocols for sharing by the National Association of Insurance Commissioners with other state regulators from states in which the insurance group has domiciled insurers. The agreement shall provide that the recipient agrees in writing to maintain the confidentiality and privileged status of the ORSA related documents, materials, or other information and has verified in writing the legal authority to maintain confidentiality;

(B) Specify that ownership of information shared with the National Association of Insurance Commissioners or a third-party consultant pursuant to this article remains with the Commissioner and that the use of information by the National Association of Insurance Commissioners or a third-party consultant's use of the information is subject to the direction of the Commissioner;

(C) Prohibit the National Association of Insurance Commissioners or third-party consultant from storing the information shared pursuant to this article in a permanent data base after the underlying analysis is completed;

(D) Require prompt notice to be given to an insurer whose confidential information in the possession of the National Association of Insurance Commissioners or a third-party
consultant pursuant to this article is subject to a request or subpoena to the National Association of Insurance Commissioners or a third-party consultant for disclosure or production;

(E) Require the National Association of Insurance Commissioners or a third-party consultant to consent to intervention by an insurer in any judicial or administrative action in which the National Association of Insurance Commissioners or a third-party consultant may be required to disclose confidential information about the insurer shared with the National Association of Insurance Commissioners or a third-party consultant pursuant to this article; and

(F) In the case of an agreement involving a third-party consultant, provide for the insurer's written consent."

SECTION 1-70.

Said title is further amended by repealing Code Section 33-13-40, relating to severability, and designating said Code section as reserved.

SECTION 1-71.

Said title is further amended in Code Section 33-14-63, relating to filing of surety bond or deposit by incorporators of proposed insurer, conditions of bond or deposit, and release and discharge, by revising paragraph (3) of subsection (a) as follows:

"(3) For payment of costs incurred by the state in the event of any legal proceedings for liquidation or dissolution of the corporation."

SECTION 1-72.

Said title is further amended in Code Section 33-14-107, relating to assets, by revising subsection (b) as follows:

"(b) All other assets shall be nonadmitted assets."

SECTION 1-73.

Said title is further amended by revising Code Section 33-14-108, relating to applicability of certain Code provisions, as follows:

"33-14-108. The following provisions of the Code do not apply to a limited purpose subsidiary organized under this article:

(1) Code Section 33-3-6;

(2) Code Section 33-3-7;

(3) Code Section 33-3-8;"
1946  (4) Code Section 33-7-14;
1947  (5) Article 2 of Chapter 11 of this title;
1948  (6) Code Section 33-13-4;
1949  (7) Code Section 33-13-5;
1950  (8) Code Section 33-14-40; and
1951  (9) Chapter 56 of this title."

SECTION 1-74.
Said title is further amended in Code Section 33-15-64, relating to provisions on control of
exercise of rights incident to certificate, printing, and notice and consent requirements, by
revising subsection (c) as follows:
"(c) The notice as required in subsection (a) of this Code section shall be given 180
days prior to the date the member will attain the designated age. The notice shall be
delivered in person or given by depositing the notice in the United States mail to be
dispatched by at least first-class mail to the last addresses of record of the original applicant
and the named member and receiving the receipt provided by the United States Postal
Service or such other evidence as prescribed or accepted by the United States Postal
Service."

SECTION 1-75.
Said title is further amended by revising Code Section 33-15-102, relating to renewal of
licenses, as follows:
Societies which are authorized on January 1, 1994, to transact business in this state and all
societies licensed after such date but before June 30, 1994, may continue such business
until June 30, 1994. The authority of such societies and all societies licensed may
thereafter be renewed annually but in all cases to terminate on the succeeding June 30.
However, a license so issued shall continue in full force and effect until the new license is
issued or specifically refused. For each such license or renewal the society shall pay the
Commissioner a fee as specified in Code Section 33-8-1. A duly certified copy or
duplicate of such license shall be prima-facie evidence that the licensee is a fraternal
benefit society within the meaning of this chapter."

SECTION 1-76.
Said title is further amended by revising Code Section 33-15-104, relating to licensing of
foreign or alien societies, as follows:
(a) No foreign or alien society shall transact business in this state without a license issued by the Commissioner. Any such society desiring admission to this state shall comply substantially with the requirements and limitations of this chapter applicable to domestic societies. Any such society may be licensed to transact business in this state upon a showing that its assets are invested in accordance with the provisions of this chapter and upon filing with the Commissioner:

(1) A duly certified copy of its charter articles of incorporation;
(2) A copy of its bylaws, certified by its secretary or corresponding officer;
(3) A power of attorney to the Commissioner as prescribed in Code Section 33-15-120;
(4) A statement of its business under oath of its president and secretary or corresponding officers in a form prescribed by the Commissioner, duly verified by an examination made by the supervising insurance official of its home state or other state, territory, province, or country, satisfactory to the Commissioner of this state;
(5) Certification from the proper official of its home state, territory, province, or country that the society is legally incorporated and licensed to transact business therein;
(6) Copies of its certificate forms; and
(7) Such other information as the Commissioner may deem necessary.

(b) A society domiciled in any other state, territory, province, or country shall comply fully with this chapter and agree to be treated as a domestic society unless:

(1) The state, territory, province, or country of domicile is accredited under the National Association of Insurance Commissioners Financial Regulation Standards and Accreditation Program. This paragraph shall apply on and after January 1, 1994; and
(2) The state, territory, province, or country of domicile has a statute or regulation governing fraternal benefit societies which is substantially similar to this chapter.

SECTION 1-77.
Said title is further amended in Code Section 33-16-4, relating to issuance of certificate of authority, qualifications, and proposed changes to plan of operation, by revising subsections (a) and (b) as follows:

(a) No person shall transact or attempt to transact business as a farmers' mutual fire insurance company unless so authorized by a currently effective certificate of authority issued by the Commissioner.
(b) The Commissioner shall not issue or permit to exist any certificate of authority as to any insurer not currently qualified for such certificate unless it is shown to the satisfaction of the Commissioner that:
(1) The farmers' mutual fire insurance company maintains the minimum surplus required by subsection (a) of Code Section 33-16-13;
(2) The farmers' mutual fire insurance company maintains a security deposit as required by subsection (c) of Code Section 33-16-13;
(3) The farmers' mutual fire insurance company has submitted an acceptable business plan to the Commissioner that includes, but is not limited to, two-year financial projections and supporting assumptions reflecting expected premiums and losses, counties where the farmers' mutual fire insurance company intends to insure property, and the contingent liability, if any, of its members; and
(4) It must otherwise be in compliance with the requirements of this chapter.

SECTION 1-78.
Said title is further amended by revising Code Section 33-16-6, relating to board of directors generally, as follows:

"In companies organized under this chapter, the number of directors shall be not less than three. A majority of the board of directors shall be a quorum for the transaction of business. No person shall be or act as a director of the insurer who does not have currently effective insurance in force in the insurer."

SECTION 1-79.
Said title is further amended in Code Section 33-17-2, relating to applicability of chapter, by revising subsection (b) as follows:

"Existing authorized reciprocal insurers shall after January 1, 1961, comply with this chapter and shall make any amendments to their subscribers' agreement, power of attorney, policies, and other documents and accounts and perform any other acts as may be required for such compliance."

SECTION 1-80.
Said title is further amended by revising Code Section 33-17-8, relating to filing of bond by attorney for insurer, amount of bond, and cancellation of bond, as follows:

"Concurrently with the filing of the declaration provided for in Code Section 33-17-6, the attorney of a domestic reciprocal insurer shall file with the Commissioner a bond in favor of the Commissioner for the benefit of all persons damaged as a result of breach by the attorney of the conditions of his or her bond as set forth in subsection (b) of this Code section. The bond shall be executed by the attorney and by an authorized corporate surety and shall be subject to the Commissioner's approval."
(b) The bond shall be in the penal sum of $25,000.00, aggregate in form, conditioned that the attorney will faithfully account for all moneys and other property of the insurer coming into his or her hands and that he or she will not withdraw or appropriate to his or her own use from the funds of the insurer any moneys or property to which he or she is not entitled under the power of attorney.

(c) The bond shall provide that it is not subject to cancellation unless 30 days' advance notice in writing of cancellation is given to both the attorney and the Commissioner."

SECTION 1-81.

Said title is further amended in Code section 33-17-12, relating to effect of discharge of duties by attorney of foreign or alien insurer and office of attorney, by revising subsection (a) as follows:

“(a) The attorney of a foreign or alien reciprocal insurer, which insurer is duly authorized to transact insurance in this state, shall not, by virtue of discharge of his or her duties as such attorney with respect to the insurer's transactions in this state, be thereby deemed to be doing business in this state within the meaning of any laws of this state applying to foreign firms or corporations.”

SECTION 1-82.

Said title is further amended in Code Section 33-17-13, relating to designation by insurer of person to acknowledge or accept service of process, manner of service of process, and effect of judgment based upon process served in manner prescribed, by revising subsection (b) as follows:

“(b) Legal process shall be served upon the reciprocal insurer by serving the insurer's attorney at his or her principal office in this state or by serving the Commissioner as the insurer's agent.”

SECTION 1-83.

Said title is further amended by revising Code Section 33-17-23, relating to limitation period for assessments, as follows:

“33-17-23.

Every subscriber of a domestic reciprocal insurer having contingent liability shall be liable for and shall pay his share of any assessment, as computed and limited in accordance with this chapter, if:

(1) While his or her policy is in force or within one year after its termination, he or she is notified by either the attorney or the Commissioner of his or her intentions to levy the assessment; or
(2) If an order to show cause why the receiver, conservator, rehabilitator, or liquidator of the insurer should not be appointed is issued while his or her policy is in force or within one year after its termination.

SECTION 1-84.
Said title is further amended by revising Code Section 33-17-25, relating to insufficient assets to discharge liabilities and to maintain required surplus, as follows:

"33-17-25.
(a) If the assets of a domestic reciprocal insurer are at any time insufficient to discharge its liabilities, other than any liability on account of funds contributed by the attorney or others, and to maintain the required surplus, its attorney shall immediately make up the deficiency or levy an assessment upon the subscribers for the amount needed to make up the deficiency, subject to the limitations set forth in the power of attorney or policy.
(b) If the attorney fails to make up the deficiency or to make the assessment within 30 days after the Commissioner orders him or her to do so or if the deficiency is not fully made up within 60 days after the date the assessment was made, the insurer shall be deemed insolvent and shall be proceeded against as authorized by this title.
(c) If liquidation of an insurer is ordered, an assessment shall be levied upon the subscribers for an amount, subject to limits as provided by this chapter, as the Commissioner determines to be necessary to discharge all liabilities of the insurer, exclusive of any funds contributed by the attorney or other persons but including the reasonable costs of the liquidation."

SECTION 1-85.
Said title is further amended in Code Section 33-20-3, relating to definitions, by revising paragraphs (1) and (3) as follows:

"(1) 'Beneficiary' or 'covered dependent' means a person designated in the subscription certificate or application therefor of a subscriber as entitled to health care service with respect to whom appropriate periodic payments are made, all subject to acceptance by the health care corporation."
"(3) 'Health care plan' means a plan or arrangement under which health care services are or may be rendered to a subscriber or a covered dependent or other beneficiary at the expense of a health care corporation in consideration of periodic payments made by the subscriber or another in his or her behalf."
SECTION 1-86.

Said title is further amended by revising Code Section 33-20-28, relating to termination of organizers, solicitors, or agents engaging in unfair or deceptive practice, as follows:


Whenever the Commissioner finds after investigation that an organizer, solicitor, or agent, or solicitor of a health care corporation has unfairly or improperly solicited subscription certificates by misrepresenting the terms of the certificates or has engaged in any other unfair or deceptive practice, or for any reason is incompetent to serve as an organizer, agent, or solicitor, or that his or her services are not, in fact, needed, he or she shall order such corporation to dispense with the services and the organizer, solicitor, or agent, or solicitor of the corporation. The corporation shall be subject to the fines, penalties, and provisions of Chapter 6 of this title and Code Section 33-2-24 that are applicable to life insurers and their agents and that are not inconsistent with this chapter.”

SECTION 1-87.

Said title is further amended in Code Section 33-20-34, relating to conversion of nonprofit health care corporation, requirements and procedures, and rules and regulations, by revising paragraph (1) of subsection (a) as follows:

“(a)(1) Any health care corporation which is governed generally by Chapter 3 of Title 14, the 'Georgia Nonprofit Corporation Code,' and authorized under this chapter may merge with, or amend its articles of incorporation to become, a corporation governed by Chapter 2 of Title 14, the 'Georgia Business Corporation Code,' provided a detailed, written plan is submitted to the Commissioner for such conversion, written notice of such submission is given to the Attorney General, and, after a public hearing thereon, such plan is approved by the Commissioner after being found to be in the best interest of the company, its policyholders, and the general public.”

SECTION 1-88.

Said title is further amended by revising Code Section 33-20A-3, relating to definitions, as follows:

“33-20A-3.

As used in this article, the term:

(1) ‘Commissioner’ means the Commissioner of Insurance.

(2)(1) ‘Emergency services’ or ‘emergency care’ means those health care services that are provided for a condition of recent onset and sufficient severity, including, but not limited to, severe pain, that would lead a prudent layperson, possessing an average knowledge...
of medicine and health, to believe that his or her condition, sickness, or injury is of such
a nature that failure to obtain immediate medical care could result in:

(A) Placing the patient's health in serious jeopardy;

(B) Serious impairment to bodily functions; or

(C) Serious dysfunction of any bodily organ or part.

(3) 'Enrollee' means an individual who has elected to contract for or participate in a
managed care plan for that individual or for that individual and that individual's eligible
dependents.

(4) 'Facility' means a hospital, ambulatory surgical treatment center, birthing center,
diagnostic and treatment center, hospice, or similar institution for examination, diagnosis,
treatment, surgery, or maternity care but does not include physicians' or dentists' private
offices and treatment rooms in which such physicians or dentists primarily see, consult
with, and treat patients.

(5) 'Health benefit plan' has the same meaning as provided in Code Section
33-24-59.5.

(6) 'Health care provider' or 'provider' means any physician, dentist, podiatrist,
pharmacist, optometrist, psychologist, clinical social worker, advanced practice nurse,
registered optician, licensed professional counselor, physical therapist, marriage and
family therapist, chiropractor, athletic trainer qualified pursuant to Code Section 43-5-8,
occupational therapist, speech language pathologist, audiologist, dietitian, or physician
assistant.

(7) 'Home health care provider' means any provider or agency that provides health
care services in a patient's home including the supply of durable medical equipment for
use in a patient's home.

(8) 'Limited utilization incentive plan' means any compensation arrangement between
the plan and a health care provider or provider group that has the effect of reducing or
limiting services to patients.

(9) 'Managed care contractor' means a person who:

(A) Establishes, operates, or maintains a network of participating providers;

(B) Conducts or arranges for utilization review activities; and

(C) Contracts with an insurance company, a hospital or medical service plan, an
employer, an employee organization, or any other entity providing coverage for health
care services to operate a managed care plan.

(10) 'Managed care entity' includes an insurance company, hospital or medical service
plan, hospital, health care provider network, physician hospital organization, health care
provider, health maintenance organization, health care corporation, employer or
employee organization, or managed care contractor that offers a managed care plan.
'Managed care plan' means a major medical, hospitalization, or dental plan that provides for the financing and delivery of health care services to persons enrolled in such plan through:

A) Arrangements with selected providers to furnish health care services;
B) Explicit standards for the selection of participating providers; and
C) Cost savings for persons enrolled in the plan to use the participating providers and procedures provided for by the plan; provided, however, that the term 'managed care plan' does not apply to Chapter 9 of Title 34, relating to workers' compensation.

'Nonurgent procedure' means any nonemergency or elective care that can be scheduled at least 24 hours prior to the service without posing a significant threat to the patient's health or well-being.

'Out of network' or 'point of service' refers to health care items or services provided to an enrollee by providers who do not belong to the provider network in the managed care plan.

'Patient' means a person who seeks or receives health care services under a managed care plan.

'Precertification' or 'preauthorization' means any written or oral determination made at any time by an insurer or any agent thereof that an enrollee's receipt of health care services is a covered benefit under the applicable plan and that any requirement of medical necessity or other requirements imposed by such plan as prerequisites for payment for such services have been satisfied. 'Agent' as used in this paragraph shall not include an agent or agency as defined in Code Section 33-23-1.

'Qualified managed care plan' means a managed care plan that the Commissioner certifies as meeting the requirements of this article.

'Verification of benefits' means any written or oral determination by an insurer or agent thereof of whether given health care services are a covered benefit under the enrollee's health benefit plan without a determination of precertification or preauthorization as to such services. 'Agent' as used in this paragraph shall not include an agent or agency as defined in Code Section 33-23-1.
SECTION 1-90.

Said title is further amended by revising Code Section 33-20A-60, relating to definitions, as follows:

As used in this article, the term:

(1) 'Agent' as used in this article shall not include an agent or agency as defined in Code Section 33-23-1.

(2) 'Carrier' means an accident and sickness insurer, fraternal benefit society, hospital service corporation, medical service corporation; health care corporation, health maintenance organization, provider sponsored health care corporation, or any similar entity and any self-insured health benefit plan not subject to the exclusive jurisdiction of the federal Employee Retirement Income Security Act of 1974, 29 U.S.C. Section 1001, et seq., which entity provides for the financing or delivery of health care services through a health benefit plan, or the plan administrator of any health benefit plan established pursuant to Article 1 of Chapter 18 of Title 45.

(3) 'Claimant' means any provider, facility, or individual making a claim under a health benefit plan on behalf of an enrollee.

(4) 'Commissioner' means the Commissioner of Insurance.

(5) 'Enrollee' has the same meaning as provided in Code Section 33-20A-3.

(6) 'Health benefit plan' has the same meaning as provided in Code Section 33-24-59.5.

(7) 'Physician contract' means any contract between a physician and a carrier or a carrier's network, physician panel, intermediary, or representative providing the terms under which the physician agrees to provide health care services to an enrollee pursuant to a health benefit plan.

(8) 'Postpayment audit' means an investigation by a health benefit plan, carrier, insurer, or panel, or agent thereof, of whether a claim was properly paid to a claimant.

(9) 'Retroactive denial of a previously paid claim' or 'retroactive denial of payment' means any attempt by a carrier retroactively to collect payments already made to a claimant with respect to a claim, or any portion thereof, by requiring repayment of such payments, by reducing other payments currently owed to the claimant, by withholding or setting off against future payments, or in any other manner reducing or affecting the future claim payments to the claimant.

SECTION 1-91.

Said title is further amended in Code Section 22-20B-2, relating to definitions, by revising paragraph (6) as follows:

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"(6) 'Hospital' means any building or facility licensed by the department of community health as a hospital under this chapter which:

(A) Operates no more than 100 beds;

(B) Provides 24 hour emergency care as well as a range of health care services sufficient to support the practice of a primary care physician; and

(C) For at least one of the immediately preceding two fiscal years, derived at least 40 percent of its patient revenues from medicare, Medicaid, or any combination of medicare and Medicaid."

SECTION 1-92.

Said title is further amended by revising Code Section 33-29A-31, relating to individual accident and sickness insurance policy definitions, as follows:

"33-29A-31. For purposes of this article, the term 'individual accident and sickness insurance policy' means any policy insuring against loss resulting from sickness or from bodily injury or death by accident, or both, or any contract to furnish ambulance service in the future but does not include limited benefit insurance policies exempted from the definition of the term 'health benefit policy' in paragraph (1.1) of Code Section 33-1-2. The term 'individual accident and sickness insurance policy' shall also include comprehensive major medical coverage for medical and surgical benefits, and also includes 'High Deductible Health Plans' sold or maintained under the applicable provisions of Section 223 of the Internal Revenue Code."

SECTION 1-93.

Said title is further amended by replacing "Insurance Department" with "Department of Insurance" wherever the former term occurs in:

(1) Code Section 33-13-1, relating to definitions;

(2) Code Section 33-13-38, relating to confidentiality and protection;

(3) Code Section 33-21-17, relating to examinations of organizations and providers, reports of examinations, and payment of expenses of examinations;

(4) Code Section 33-23-12, relating to limited licenses;

(5) Code Section 33-24-66, relating to evidence, testimony, and information necessary to prepare report under Code Section 33-24-63, and time period for issuing of reports on bill;

(6) Code Section 33-25-14, relating to unclaimed life insurance benefits, purpose, definitions, and insurer conduct;

(7) Code Section 33-29-19, relating to rate modification on individual accident and sickness policies providing for optional loss ratio guarantee;
(8) Code Section 33-37-10, relating to confidentiality of proceedings;
(9) Code Section 33-37-13, relating to authority of rehabilitator, additional remedies, and rehabilitation plan;
(10) Code Section 33-37-20, relating to powers of liquidator;
(11) Code Section 33-52-3, relating to notice of transfer, contents and form of notice, and prior approval of Commissioner; and
(12) Code Section 33-55-2, relating to "material" acquisition or disposition defined, scope of reporting requirement, and information to be included in report.

SECTION 1-94.

Chapter 9 of Title 9 of the Official Code of Georgia Annotated, relating to civil practice arbitration, is amended in Code Section 9-9-2, relating to applicability and exclusive method, by revising paragraph (3) of subsection (c) as follows:

"(3) Any contract of insurance, as defined in paragraph (1) of Code Section 33-1-2; provided, however, that nothing in this paragraph shall impair or prohibit the enforcement of or in any way invalidate an arbitration clause or provision in a contract between insurance companies;"

SECTION 1-95.

Chapter 1 of Title 10 of the Official Code of Georgia Annotated, relating to selling and other trade practices, is amended in Code Section 10-1-3, relating to requirements for retail installment contracts, time price differential, prepayment, and inclusion of construction permit costs, by revising subsection (g) as follows:

"(g) The seller under any retail installment contract shall, within 30 days after execution of the contract, deliver or mail or cause to be delivered or mailed to the buyer at his or her aforesaid address any policy or policies of insurance the seller has agreed to purchase in connection therewith or in lieu thereof a certificate or certificates of such insurance. The amount, if any, included for insurance shall not exceed the applicable premiums chargeable in accordance with the rates filed with the Insurance Department of Insurance; if any such insurance is canceled, unearned insurance premium refunds received by the holder shall be credited to the final maturing installment of the contract except to the extent applied toward the payment for similar insurance protecting the interests of the seller and the holder or either of them. Nothing in this article shall impair or abrogate the right of a buyer to procure insurance from an agent and company of his or her own selection, as provided by the insurance laws of this state; and nothing contained in this article shall modify, alter, or repeal any of the insurance laws of this state."

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SECTION 1-96.
Said chapter is further amended in Code Section 10-1-32, relating to requirements for retail installment contracts, insurance, delinquency charges, attorneys' fees, and costs, and receipts, by revising paragraph (1) of subsection (e) as follows:
"(e)(1) If any insurance is purchased by the holder of the retail installment contract, the amount charged therefor shall not exceed the applicable premiums chargeable in accordance with the rates filed with the Insurance Department of Insurance. If dual interest insurance on the motor vehicle is purchased by the holder, it shall, within 30 days after execution of the retail installment contract, send or cause to be sent to the buyer a policy or policies or certificate of insurance, written by an insurance company authorized to do business in this state, clearly setting forth the amount of the premium, the kind or kinds of insurance, the coverages, and all the terms, exceptions, limitations, restrictions, and conditions of the contract or contracts of insurance."

SECTION 1-97.
Chapter 3 of Title 20 of the Official Code of Georgia Annotated, relating to postsecondary education, is amended in Code Section 20-3-632, relating to definitions, by revising paragraph (6) as follows:
"(6) 'Financial organization' means an organization which is:
(A) A fiduciary authorized to act as a trustee pursuant to the provisions of the federal Employee Retirement Income Security Act of 1974, as amended, or an insurance company or affiliate; and
(B)(i) Licensed or chartered by the Insurance Department of Insurance;
(ii) Licensed or chartered by the Department of Banking and Finance;
(iii) Chartered by an agency of the federal government;
(iv) Subject to the jurisdiction and regulation of the federal Securities and Exchange Commission;
(v) Any other entity otherwise authorized to act in this state as a trustee pursuant to the provisions of the federal Employee Retirement Income Security Act of 1974, as amended; or
(vi) Any investment adviser registered with the United States federal Securities and Exchange Commission pursuant to the Investment Advisers Act of 1940."

SECTION 1-98.
Chapter 9 of Title 34 of the Official Code of Georgia Annotated, relating to workers' compensation, is amended by replacing "Insurance Department" with "Department of Insurance" wherever the former term occurs in:
(1) Code Section 34-9-121, relating to duty of employer to insure in licensed company or
association or to deposit security, indemnity, or bond as self-insurer, application to
out-of-state employers, and membership in mutual insurance company;
(2) Code Section 34-9-132, relating to grounds for revocation of insurance carrier's permit;
and
(3) Code Section 34-9-368, relating to reimbursement of self-insured employers or insureds,
actuarial study required, and dissolution of Subsequent Injury Trust Fund.

SECTION 1-99.
Title 40 of the Official Code of Georgia Annotated, relating to motor vehicles and traffic, is
amended by replacing "Insurance Department" with "Department of Insurance" wherever the
former term occurs in:
(1) Code Section 40-2-137, relating to definitions, notice of insurance coverage and
termination, electronic transmission of notice, public inspection of minimum liability
insurance records, duties of vehicle owner, lapse fee, suspension of vehicle registrations,
waiver of lapse fee, and persons on active military duty;
(2) Code Section 40-3-36, relating to cancellation of certificate of title for scrap, dismantled,
or demolished vehicles or trailers, salvage certificate of title, administrative enforcement, and
removal of license plates; and
(3) Code Section 40-3-43, relating to transfer of certificate to person, firm, or corporation
paying total loss claim on stolen vehicle, administrative fine enforcement alternative, and
authority of Commissioner of Insurance.

SECTION 1-100.
Chapter 5 of Title 47 of the Official Code of Georgia Annotated, relating to the Georgia
Municipal Employees Benefit System, is amended in Code Section 47-5-23, relating to
powers of the board of trustees generally, by revising paragraph (17) as follows:
"(17) To serve as trustees of a municipal workers' compensation group self-insurance
fund which is established by employers as defined in paragraph (9) of Code
Section 47-5-2 and which is operated pursuant to Article 5 of Chapter 9 of Title 34 and
rules and regulations of the Georgia Insurance Department of Insurance, notwithstanding
the definition contained in paragraph (11) of Code Section 34-9-151;"
Title 33 of the Official Code of Georgia Annotated, relating to insurance, is amended by repealing Article 2 of Chapter 29A, relating to the Commission on the Georgia Health Insurance Risk Pool, and designating said article as reserved.

Any assets of the Commission on the Georgia Health Insurance Risk Pool existing as of June 30, 2019, shall devolve by operation of law and without further action to the State of Georgia on July 1, 2019. Any liabilities and obligations of the Commission on the Georgia Health Insurance Risk Pool existing as of June 30, 2019, shall be transferred to and assumed by the State of Georgia, by such instruments as may be required to maintain the same.

All laws and parts of laws in conflict with this Act are repealed.