

House Bill 255 (COMMITTEE SUBSTITUTE)

By: Representatives Cummings of the 27th and Shanahan of the 10th

A BILL TO BE ENTITLED
AN ACT

1 To amend Coded Section 47-7-61 of the Official Code of Georgia Annotated, relating to tax
2 on premiums charged by fire insurance companies for certain classes of coverage, exclusions,
3 and penalties, so as to change certain reporting procedures; to amend Code Section 47-7-100
4 of the Official Code of Georgia Annotated, relating to eligibility for pension benefits,
5 optional pension benefits, vesting of rights to pension benefits, and early retirement
6 provisions under the Georgia Firefighters' Pension Fund, so as to provide that certain
7 members shall be entitled to an increase in the maximum monthly retirement benefit equal
8 to 2 percent of the monthly retirement benefit for which the member would have been
9 otherwise eligible for each full year of creditable service in excess of 25 years; to provide
10 conditions for an effective date and automatic repeal; to repeal conflicting laws; and for other
11 purposes.

12 BE IT ENACTED BY THE GENERAL ASSEMBLY OF GEORGIA:

13 style="text-align:center">**SECTION 1.**

14 Code Section 47-7-61 of the Official Code of Georgia Annotated, relating to tax on
15 premiums charged by fire insurance companies for certain classes of coverage, exclusions,
16 and penalties, is amended by striking in its entirety paragraph (1) of subsection (a) and
17 inserting in lieu thereof the following:

18 "(a)(1) Every fire insurance company, corporation, or association doing business within
19 this state and writing fire, lightning, or extended coverage, inland marine or allied lines,
20 or windstorm insurance policies covering risks located within this state shall on or before
21 April 1 of each year file a return with and pay to the Georgia Firefighters' Pension Fund
22 a tax of 1 percent of the amounts properly reported for the calendar year preceding the
23 filing of such return on the Exhibit of Premiums and Losses of the Annual Statement
24 form for property and casualty insurance companies adopted by the National Association
25 of Insurance Commissioners as required by Title 33 or by the regulations of the
26 Commissioner of Insurance with respect to business conducted within this state to be

1 filed by such company, corporation, or association with the Commissioner of Insurance,
2 as follows:

3 (A) One hundred percent of the gross direct premiums written for fire insurance
4 coverage, less the exclusions permitted by paragraph (2) of this subsection, as required
5 to be reported on line 1, ~~column (2)~~ of the Exhibit of Premiums and Losses;

6 (B) Fifty percent of the gross direct premiums written for allied lines insurance
7 coverage, less the exclusions permitted by paragraph (2) of this subsection, as required
8 to be reported on line 2.1, ~~column (2)~~ of the Exhibit of Premiums and Losses;

9 (C) Sixty-five percent of the gross direct premiums written for homeowner's multiple
10 peril coverage, less the exclusions permitted by paragraph (2) of this subsection, as
11 required to be reported on line 4, ~~column (2)~~ of the Exhibit of Premiums and Losses;

12 (D) One hundred percent of the gross direct premiums written for commercial multiple
13 peril coverage, less the exclusions permitted by paragraph (2) of this subsection, as
14 required to be reported on line 5.1, ~~column (2)~~ of the Exhibit of Premiums and Losses;

15 (E) Thirty percent of the gross direct premiums written for inland marine insurance
16 coverage, as required to be reported on line 9, ~~column (2)~~ of the Exhibit of Premiums
17 and Losses;

18 (F) Twelve percent of the gross direct premiums written for private passenger
19 automobile physical damage insurance coverage, as required to be reported on line
20 21.1, ~~column (2)~~ of the Exhibit of Premiums and Losses; and

21 (G) Twelve percent of the gross direct premiums written for commercial automobile
22 physical damage insurance coverage, as required to be reported on line 21.2, ~~column~~
23 ~~(2)~~ of the Exhibit of Premiums and Losses."

24 SECTION 2.

25 Code Section 47-7-100 of the Official Code of Georgia Annotated, relating to eligibility for
26 pension benefits, optional pension benefits, vesting of rights to pension benefits, and early
27 retirement provisions under the Georgia Firefighters' Pension Fund, is amended by striking
28 in its entirety subsection (e) and inserting in lieu thereof the following:

29 "(e)(1) Any eligible member who retires after July 1, 1984, shall be entitled to an
30 increase in the maximum monthly retirement benefit in effect at the time of his or her
31 retirement under this Code section equal to 1 percent of the monthly retirement benefit
32 for which the member would have been otherwise eligible for each full year of creditable
33 service while a member of the fund as a firefighter or volunteer firefighter in excess of
34 25 years of creditable service.

35 (2) Any eligible member who retires after July 1, 2002, shall be entitled to an increase
36 in the maximum monthly retirement benefit in effect at the time of his or her retirement

1 under this Code section equal to 2 percent of the monthly retirement benefit for which the
2 member would have been otherwise eligible for each full year of creditable service while
3 a member of the fund as a firefighter or volunteer firefighter in excess of 25 years of
4 creditable service. Such increase shall be the total increase allowed by this subsection."

5 **SECTION 3.**

6 This Act shall become effective on July 1, 2002, only if it is determined to have been
7 concurrently funded as provided in Chapter 20 of Title 47 of the Official Code of Georgia
8 Annotated, the "Public Retirement Systems Standards Law"; otherwise, this Act shall not
9 become effective and shall be automatically repealed in its entirety on July 1, 2002, as
10 required by subsection (a) of Code Section 47-20-50.

11 **SECTION 4.**

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