

House Bill 598

By: Representatives Harbin of the 80<sup>th</sup>, Keen of the 146<sup>th</sup> and Dodson of the 84<sup>th</sup>, Post 1

A BILL TO BE ENTITLED  
AN ACT

1 To amend Code Section 33-1-9 of the Official Code of Georgia Annotated, relating to  
2 insurance fraud, so as to provide that persons who, as an agent or representative, solicit,  
3 negotiate, procure, or effectuate insurance coverage on behalf of an insurer who is not  
4 authorized to do business in this state or take certain actions with regard to such insurance  
5 commit insurance fraud; to provide for applicability; to provide for related matters; to  
6 provide an effective date; to repeal conflicting laws; and for other purposes.

7 BE IT ENACTED BY THE GENERAL ASSEMBLY OF GEORGIA:

8 **SECTION 1.**

9 Code Section 33-1-9 of the Official Code of Georgia Annotated, relating to insurance fraud,  
10 is amended by striking the Code section and inserting in lieu thereof a new Code Section  
11 33-1-9 to read as follows:

12 "33-1-9.

13 (a) Any natural person who knowingly or willfully:

14 (1) Makes or aids in the making of any false or fraudulent statement or representation of  
15 any material fact or thing:

16 (A) In any written statement or certificate;

17 (B) In the filing of a claim;

18 (C) In the making of an application for a policy of insurance;

19 (D) In the receiving of such an application for a policy of insurance; or

20 (E) In the receiving of money for such application for a policy of insurance

21 for the purpose of procuring or attempting to procure the payment of any false or  
22 fraudulent claim or other benefit by an insurer;

23 (2) Receives money for the purpose of purchasing insurance and converts such money  
24 to such person's own benefit;

25 (3) Issues fake or counterfeit insurance policies, certificates of insurance, insurance  
26 identification cards, or insurance binders; or

1 (4) Makes any false or fraudulent representation as to the death or disability of a policy  
 2 or certificate holder in any written statement or certificate for the purpose of fraudulently  
 3 obtaining money or benefit from an insurer

4 commits the crime of insurance fraud.

5 (b) Any natural person who knowingly and willfully or with reckless disregard engages  
 6 in the following activities, either directly or indirectly, as an agent for, as a representative  
 7 of, or on behalf of an insurer not authorized to transact insurance in this state commits the  
 8 crime of insurance fraud:

9 (1) Soliciting, negotiating, procuring, or effectuating insurance or annuity contracts or  
 10 renewals thereof;

11 (2) Soliciting, negotiating, procuring, or effectuating any contract relating to benefits or  
 12 services;

13 (3) Disseminating information as to coverage or rates;

14 (4) Forwarding applications;

15 (5) Delivering policies or contracts;

16 (6) Inspecting or assessing risk;

17 (7) Fixing of rates;

18 (8) Investigating or adjusting claims or losses;

19 (9) Collecting or forwarding of premiums; or

20 (10) In any other manner representing or assisting such an insurer in the transaction of  
 21 insurance with respect to subjects of insurance resident, located, or to be performed in  
 22 this state.

23 ~~(b)~~(c) In any prosecution under this Code section, the crime shall be considered as having  
 24 been committed in the county of the purported loss, in the county in which the insurer or  
 25 the insurer's agent received the fraudulent or false claim or application, in the county in  
 26 which money was received for the fraudulent application, or in any county where any act  
 27 in furtherance of the criminal scheme was committed.

28 ~~(c)~~(d) A person convicted of a violation of subsection (a) of this Code section shall be  
 29 guilty of a felony and shall be punished by imprisonment for not less than two nor more  
 30 than ten years, or by a fine of not more than \$10,000.00, or both.

31 (e) Subsection (b) of this Code section shall not apply to a contract of insurance entered  
 32 into in accordance with Chapter 5 of this title."

## 33 SECTION 2.

34 This Act shall become effective upon its approval by the Governor or upon its becoming law  
 35 without such approval.

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**SECTION 3.**

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