

House Bill 1263

By: Representative Golick of the 34th, Post 3

A BILL TO BE ENTITLED
AN ACT

1 To amend Code Section 33-24-46 of the Official Code of Georgia Annotated, relating to
2 cancellation or nonrenewal of certain property insurance policies, so as to define the term
3 "claim against a policy"; to provide for related matters; to provide an effective date; to repeal
4 conflicting laws; and for other purposes.

5 BE IT ENACTED BY THE GENERAL ASSEMBLY OF GEORGIA:

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

7 Code Section 33-24-46 of the Official Code of Georgia Annotated, relating to cancellation
8 or nonrenewal of certain property insurance policies, is amended by striking subsection (b)
9 and inserting in lieu thereof a new subsection (b) to read as follows:

10 "(b) As used in this Code section, the term:

11 (1) 'Claim against a policy' means a contact with an insurer by the insured under the
12 policy or an affected third party for the express purpose of seeking payment of proceeds
13 under the terms of the policy in question. A report of loss or a question relating to
14 coverage shall not independently establish a claim against a policy.

15 (2) 'Nonrenewal' or 'nonrenewed' means a refusal by an insurer or an affiliate of an
16 insurer to renew. Failure of an insured to pay the premium as required of the insured for
17 renewal after the insurer has manifested a willingness to renew by delivering a renewal
18 policy, renewal certificate, or other evidence of renewal to the named insured or his or
19 her representative or has offered to issue a renewal policy, certificate, or other evidence
20 of renewal or has manifested such intention by any other means shall not be construed
21 to be a nonrenewal.

22 ~~(2)~~ (3) 'Policies' means a policy insuring a natural person as named insured against direct
23 loss to residential real property and the contents thereof, as defined and limited in
24 standard fire policies as approved by the Commissioner.

25 ~~(3)~~ (4) 'Renewal' means issuance and delivery by an insurer or an affiliate of such insurer
26 of a policy superseding at the end of the policy period a policy previously issued and

1 delivered by the same insurer and providing no less than the coverage contained in the
2 superseded policy or issuance and delivery of a certificate or notice extending the term
3 of a policy beyond its policy period or term or the extension of the term of a policy
4 beyond its policy period or term pursuant to a provision for extending the policy by
5 payment of a continuation premium. Any policy with a policy period or term of less than
6 six months shall, for the purposes of this Code section, be considered to have successive
7 policy periods ending each six months following its original date of issue and, regardless
8 of its wording, any interim termination by its terms or by refusal to accept premiums shall
9 be a cancellation subject to this Code section. Any policy written for a term longer than
10 one year or any policy with no fixed expiration date shall be considered as if written for
11 successive policy periods or terms of one year and any termination by an insurer effective
12 on an anniversary date of such policy shall be deemed a refusal to renew."

13 **SECTION 2.**

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

16 **SECTION 3.**

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