

House Bill 1348

By: Representative Harbin of the 80<sup>th</sup>

A BILL TO BE ENTITLED  
AN ACT

1 To amend Title 33 of the Official Code of Georgia Annotated, relating to insurance, so as to  
2 permit insurers to provide food or refreshments under certain circumstances to current or  
3 prospective clients during sales presentations and seminars provided that no insurance or  
4 annuity applications or contracts are offered or accepted at such presentations or seminars;  
5 to provide for related matters; to repeal conflicting laws; and for other purposes.

6 BE IT ENACTED BY THE GENERAL ASSEMBLY OF GEORGIA:

7 **SECTION 1.**

8 Title 33 of the Official Code of Georgia Annotated, relating to insurance, is amended by  
9 striking subparagraph (b)(8)(C) of Code Section 33-6-4, relating to unfair methods of  
10 competition and unfair or deceptive acts or practices, and inserting in lieu thereof a new  
11 subparagraph (b)(8)(C) to read as follows:

12 "(C) Nothing in subparagraphs (A) and (B) of this paragraph shall be construed as  
13 including within the definition of discrimination or rebates any of the following  
14 practices:

15 (i) In the case of any contract of life insurance or life annuity, paying bonuses to  
16 policyholders or otherwise abating their premiums in whole or in part out of surplus  
17 accumulated from nonparticipating insurance, provided that any bonuses or abatement  
18 of premiums shall be fair and equitable to policyholders and for the best interest of  
19 the company and its policyholders;

20 (ii) In the case of life or accident and sickness insurance policies issued on the  
21 industrial debit or weekly premium plan, making allowance in an amount which fairly  
22 represents the saving in collection expense to policyholders who have continuously  
23 for a specified period made premium payments directly to an office of the insurer;

24 (iii) Making a readjustment of the rate of premium for a policy based on the loss or  
25 expense experienced at the end of the first or any subsequent policy year of insurance  
26 thereunder, which adjustment may be made retroactive only for the policy year;

1 (iv) Issuing life or accident and sickness insurance policies covering bona fide  
 2 employees of the insurer at a rate less than the rate charged other persons in the same  
 3 class;

4 (v) Issuing life or accident and sickness policies on a salary-saving, payroll  
 5 deduction, preauthorized, postdated, automatic check, or draft plan at a reduced rate  
 6 commensurate with the savings made by the use of such plan;

7 (vi) Paying commissions or other compensation to duly licensed agents or brokers  
 8 or allowing or returning dividends, savings, or unabsorbed premium deposits to  
 9 participating policyholders, members, or subscribers;

10 (vii) Paying by an insurance agent of part or all of the commissions on public  
 11 insurance to a nonprofit association of insurance agents which is affiliated with a  
 12 recognized state or national insurance agents' association, which commissions are to  
 13 be used in whole or in part for one or more civic enterprises; or

14 (viii) Paying for food or refreshments by an insurer or an agent, broker, or employee  
 15 of an insurer for current or prospective clients during sales presentations and seminars  
 16 provided that no insurance or annuity applications or contracts are offered or accepted  
 17 at such presentations or seminars;".

## 18 SECTION 2.

19 Said title is further amended by adding a new subsection (e) to Code Section 33-9-36,  
 20 relating to unauthorized premiums and unauthorized inducements, to read as follows:

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

## 25 SECTION 3.

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