

HOUSE SUBSTITUTE TO SENATE BILL 167

A BILL TO BE ENTITLED
AN ACT

1 To amend Code Section 33-31-9 of the Official Code of Georgia Annotated, relating to
2 refunds and credits of credit life insurance premiums, so as to provide that the insured shall
3 notify the credit life insurer upon the early payoff of the indebtedness; to provide for certain
4 notices; to provide for related matters; to provide for legislative intent; to provide an effective
5 date; to repeal conflicting laws; and for other purposes.

6 BE IT ENACTED BY THE GENERAL ASSEMBLY OF GEORGIA:

7 **SECTION 1.**

8 Code Section 33-31-9 of the Official Code of Georgia Annotated, relating to refunds and
9 credits of credit life insurance premiums, is amended by striking subsection (c) and inserting
10 in lieu thereof a new subsection (c) to read as follows:

11 "(c) Each individual policy, notice of proposed insurance, or group certificate of credit life
12 insurance and credit accident and sickness insurance shall provide that, in the event of
13 termination of the insurance prior to the scheduled maturity date of the indebtedness, any
14 refund of premium due shall be calculated as of the date the indebtedness terminated and
15 be paid or credited promptly to the person entitled to such refund; provided, however, that
16 the Commissioner shall prescribe a minimum refund and no refund which would be less
17 than such minimum need be made. The formula to be used in computing a refund shall be
18 filed with and approved by the Commissioner. It shall be the obligation of the insured to
19 notify the insurer of the early payoff of the indebtedness which is covered by the insurance.
20 (c.1) Each individual policy, notice of proposed insurance, or group certificate of credit
21 life insurance and credit accident and sickness insurance issued after this subsection
22 becomes effective shall provide a notice on the face of such policy, notice, or certificate
23 in at least 10 point type that it is the obligation of the insured to notify the insurer of any
24 early payoff of the indebtedness which is covered by the insurance."

