

Senate Bill 167

By: Senators Rogers of the 21st, Hudgens of the 47th, Stephens of the 27th and Stoner of the 6th

**AS PASSED**

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."

1 **SECTION 2.**

2 This Act is declaratory of existing law and is only intended to clarify such law. The passage  
3 of this Act shall not create any implication that any change in existing law is effected.

4 **SECTION 3.**

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

7 **SECTION 4.**

8 All laws and parts of laws in conflict with this Act are repealed.