

Senate Bill 471

By: Senator Hudgens of the 47th

A BILL TO BE ENTITLED
AN ACT

1 To amend Chapter 2 of Title 33 of the Official Code of Georgia Annotated, relating to the
2 Department and Commissioner of Insurance generally, so as to provide for regulator
3 financial examinations of domestic insurers every five years; to provide for the
4 confidentiality of examination work papers; to provide for the immunity from liability for
5 a contracted examiner to be the same as that of an employee of the state conducting the same
6 state functions; to provide for related matters; to repeal conflicting laws; and for other
7 purposes.

8 BE IT ENACTED BY THE GENERAL ASSEMBLY OF GEORGIA:

9 **SECTION 1.**

10 Chapter 2 of Title 33 of the Official Code of Georgia Annotated, relating to the Department
11 and Commissioner of Insurance generally, is amended by revising subsection (a) of Code
12 Section 33-2-11, relating to examination of insurers and organizations, as follows:

13 "(a) Whenever the Commissioner shall deem it expedient, ~~he~~ the Commissioner shall
14 examine, either in person or by some examiner duly authorized by ~~him~~ the
15 Commissioner, the affairs, transactions, accounts, records, documents, and assets of each
16 insurer authorized to do business in this state and any other facts relative to its business
17 methods, management, and dealings with policyholders. At least once every ~~three~~ five
18 years, ~~he~~ the Commissioner shall so examine each domestic insurer. Examination of an
19 alien insurer shall be limited to its insurance transactions in the United States."

20 **SECTION 2.**

21 Said chapter is further amended by revising subsection (g) of Code Section 33-2-14, relating
22 to preparation of written reports of examinations generally, as follows:

23 "(g) Notwithstanding the provisions of Article 4 of Chapter 18 of Title 50, relating to the
24 inspection of public records, all work papers, recorded information, ~~and~~ documents, ~~and~~
25 copies received from another state, and any other materials created, produced, or obtained

1 by or disclosed to the Commissioner or any other person in the course of an examination
 2 made under this chapter must be given confidential treatment and are not subject to
 3 subpoena and may not be made public by the Commissioner or any other person. Access
 4 may be granted to authorized representatives of the National Association of Insurance
 5 Commissioners. Such representatives must agree in writing prior to receiving the
 6 information to treat such information confidentially as required by this Code section, unless
 7 the prior written consent of the company to which it pertains has been obtained."

8 SECTION 3.

9 Said chapter is further amended by revising Code Section 33-2-15, relating to payment of
 10 expenses of examinations, as follows:

11 "33-2-15.

12 (a) At the direction of the Commissioner, the insurer or other person so examined shall pay
 13 all the actual travel and living expenses of the examination. When the examination is made
 14 by an examiner who is not a regular employee of the department, the person examined shall
 15 pay the proper charges for the services of the examiner and his or her assistants and the
 16 actual travel and living expenses incurred by such examiners and assistants in an amount
 17 approved by the Commissioner. A consolidated account for the examination shall be filed
 18 by the examiner with the Commissioner. No person shall pay and no examiner shall accept
 19 any additional emolument on account of any examination. When the examination is
 20 conducted in whole or in part by regular salaried employees of the department, payment
 21 for such services and proper expenses shall be made by the person examined to the
 22 Commissioner, and such payment shall be deposited in the state treasury; provided,
 23 however, that, when an agent, broker, solicitor, counselor, or adjuster is examined because
 24 of a complaint filed against such agent, broker, solicitor, counselor, or adjuster and when
 25 the Commissioner finds that the complaint was not justified, the expenses of the
 26 examination shall not be assessed against the agent, broker, solicitor, counselor, or adjuster
 27 but shall be borne by the department.

28 (b) An examiner or other person appointed or authorized by the Commissioner, while
 29 participating in an examination conducted under this chapter, shall enjoy the same
 30 immunities as those of a regular employee of the department under similar circumstances."

31 SECTION 4.

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