

Senate Bill 144

By: Senators Shafer of the 48th, Hudgens of the 47th, Hill of the 32nd and Moody of the 56th

A BILL TO BE ENTITLED
AN ACT

1 To amend Article 1 of Chapter 23 of Title 33 of the Official Code of Georgia Annotated,
2 relating to agents, agencies, subagents, counselors, and adjusters, so as to repeal the
3 requirement that an applicant for an insurance agent's license shall be appointed an agent by
4 an authorized insurer prior to issuance of the license; to provide for related matters; to repeal
5 conflicting laws; and for other purposes.

6 BE IT ENACTED BY THE GENERAL ASSEMBLY OF GEORGIA:

7 **SECTION 1.**

8 Article 1 of Chapter 23 of Title 33 of the Official Code of Georgia Annotated, relating to
9 agents, agencies, subagents, counselors, and adjusters, is amended by revising subsection (a)
10 of Code Section 33-23-5, relating to qualifications and requirements for license, as follows:

11 "(a) For the protection of the people of this state, the Commissioner shall not issue,
12 continue, or permit to exist any license, except in compliance with this chapter and except
13 as provided in Code Sections 33-23-3, 33-23-4, 33-23-12, 33-23-13, 33-23-14, 33-23-16,
14 33-23-17, 33-23-29, 33-23-29.1, and 33-23-37. The Commissioner shall not issue a license
15 to any individual applicant for a license who does not meet or conform to qualifications or
16 requirements set forth in paragraphs (1) through ~~(8)~~(7) of this subsection:

17 (1) The individual applicant shall be a resident of this state who shall reside and be
18 present within this state for at least six months of every year or an individual whose
19 principal place of business is within this state; provided, however, that in cities, towns,
20 or trade areas, either unincorporated or composed of two or more incorporated cities or
21 towns, located partly within and partly outside this state, requirements as to residence and
22 principal place of business shall be deemed met if the residence or place of business is
23 located in any part of the city, town, or trade area and if the other state in which the city,
24 town, or trade area is located in part has established like requirements as to residence and
25 place of business. The individual applying for an agent, adjuster, or counselor license
26 shall be at least 18 years of age;

27 (2) If applying for an agent's license for property and casualty insurance, the applicant
28 shall not use or intend to use such license for the purpose of obtaining a rebate or
29 commission upon controlled business; and the applicant shall not in any calendar year
30 effect controlled business that will aggregate as much as 25 percent of the volume of
31 insurance effected by such applicant during such year, as measured by the comparative
32 amounts of premiums;

33 ~~(3) If applying for an agent's license, the applicant shall be appointed an agent by an~~
34 ~~authorized insurer prior to issuance of the license;~~

35 ~~(4)~~(3) The individual applicant shall be of good character;

36 ~~(5)~~(4) The individual applicant shall pass any written examination required for the
37 license by this article, provided that:

38 (A) An individual who applies for an insurance agent's license in this state who was
39 previously licensed for the same lines of authority in another state shall not be required
40 to complete any prelicensing education or examination. This exemption shall only be
41 available if the individual is currently licensed in that state or if the application is
42 received within 90 days of the cancellation of the applicant's previous license and if the
43 prior state issues a certification that, at the time of cancellation, the applicant was in
44 good standing in that state or the state's producer data base records maintained by the
45 National Association of Insurance Commissioners, its affiliates, or subsidiaries indicate
46 that the agent is or was licensed in good standing for the line of authority requested; and

47 (B) An individual licensed as an insurance agent in another state who moves to this
48 state shall make application within 90 days of establishing legal residence to become
49 a resident licensee pursuant to Code Section 33-23-8. No prelicensing education or
50 examination shall be required of that individual to obtain a license for any line of
51 authority previously held in the prior state except where the Commissioner determines
52 otherwise by rule or regulation;

53 ~~(6)~~(5) If applying for a license as counselor, the applicant shall show that he or she either
54 has had five years' experience as an agent, subagent, or adjuster or in some other phase
55 of the insurance business or has sufficient teaching or educational qualifications or
56 experience which, in the opinion of the Commissioner, has qualified the applicant to act
57 as such counselor; and the applicant shall pass such examination as shall be required by
58 the Commissioner unless such applicant is exempted by the Commissioner, based on the
59 applicant's experience and qualifications and pursuant to a regulation adopted by the
60 Commissioner;

61 ~~(7)~~(6) If applying for an agent's license, limited subagent's license, or adjuster's license,
62 no applicant shall be qualified therefor or be so licensed unless he or she has successfully

63 completed classroom courses in insurance satisfactory to the Commissioner at a school
64 which has been approved by the Commissioner; and
65 ~~(8)~~(7) The Commissioner shall by rule or regulation establish criteria and procedures for
66 the scope of prelicensing requirements and exemptions, if any, to the prelicensing or
67 examination requirements."

68 **SECTION 2.**

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