

The House Committee on Insurance offers the following substitute to HB 321:

A BILL TO BE ENTITLED
AN ACT

1 To amend Code Section 33-30-1 of the Official Code of Georgia Annotated, relating to
2 "group accident and sickness insurance" defined and "true association" defined, so as to
3 provide for changes in the definitions of the terms; to provide a short title; to provide for
4 related matters; to repeal conflicting laws; and for other purposes.

5 BE IT ENACTED BY THE GENERAL ASSEMBLY OF GEORGIA:

6 **SECTION 1.**

7 This Act shall be known and may be cited as the "Insurance Delivery Enhancement Act of
8 2009."

9 **SECTION 2.**

10 Code Section 33-30-1 of the Official Code of Georgia Annotated, relating to "group accident
11 and sickness insurance" defined and "true association" defined, is amended by revising
12 paragraphs (2) and (3) of subsection (a) as follows:

13 "(2) Under a policy issued to an association, including a labor union, which shall have
14 a constitution and bylaws and which has been organized and is maintained in good faith
15 for purposes other than that of obtaining insurance, insuring at least ~~25~~ 10 members,
16 employees, or employees of members of the association for the benefit of persons other
17 than the association or its officers or trustees. As used in this paragraph, the term
18 'employees' may include retired employees;

19 (3) Under a policy issued to the trustees of a fund established by two or more employers
20 in the same industry, by one or more labor unions, by one or more employers and one or
21 more labor unions, or by an association, as defined in paragraph (2) of this Code section,
22 which trustees shall be deemed the policyholder, to insure not less than ~~25~~ 10 employees
23 of the employers or members of the union or of such association or of members of such
24 association for the benefit of persons other than the employers or other unions or such
25 associations. As used in this paragraph, the term 'employees' includes the officers,

26 managers, and employees of the employer and the individual proprietor or partners, if the
27 employer is an individual proprietor or partnership. The term may include retired
28 employees. The policy may provide that the term 'employees' shall include the trustees
29 or their employees, or both, if their duties are principally connected with such
30 trusteeship;"

31 **SECTION 3.**

32 Said Code section is further amended by revising subparagraph (a)(7)(A) as follows:

33 "(7)(A) Under a policy issued to a legal entity providing a multiple employer welfare
34 arrangement, which means any employee benefit plan which is established or
35 maintained for the purpose of offering or providing accident and sickness benefits to
36 the employees of two or more employers, including self-employed individuals,
37 individuals whose compensation is reported on federal Internal Revenue Service Form
38 1099, and their spouses or dependents. The term ~~does~~ shall not apply to any plan or
39 arrangement which is established or maintained by a tax-exempt rural electric
40 cooperative or a collective bargaining agreement."

41 **SECTION 4.**

42 Said Code section is further amended by revising paragraph (1) of subsection (b) as follows:

43 "(1) Has been in existence for at least ~~five~~ three years;"

44 **SECTION 5.**

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