

House Bill 513

By: Representatives Shaw of the 176th, Dollar of the 45th, Smith of the 131st, Maxwell of the 17th, Cheokas of the 134th, and others

A BILL TO BE ENTITLED
AN ACT

1 To amend Chapter 27 of Title 33 of the Official Code of Georgia Annotated, relating to
2 group life insurance, so as to allow the issuance of a group life insurance policy to certain
3 groups as approved by the Commissioner; to remove a participation requirement before the
4 extension of group life policy coverage to dependents of employees or members; to provide
5 for related matters; to repeal conflicting laws; and for other purposes.

6 BE IT ENACTED BY THE GENERAL ASSEMBLY OF GEORGIA:

7 **SECTION 1.**

8 Chapter 27 of Title 33 of the Official Code of Georgia Annotated, relating to group life
9 insurance, is amended in Code Section 33-27-1, relating to group requirements generally, by
10 adding a new paragraph to read as follows:

11 “(11) **Discretionary groups.** Group life insurance offered to a resident of this state
12 under a group life insurance policy issued to a group other than one described in
13 paragraphs (1) through (10) of this Code section shall be subject to the following
14 requirements:

15 (A) No such group life insurance policy shall be delivered in this state unless the
16 Commissioner finds that:

17 (i) The issuance of such group policy is not contrary to the best interest of the public;

18 (ii) The issuance of the group policy would result in economies of acquisition or
19 administration; and

20 (iii) The benefits are reasonable in relation to the premiums charged;

21 (B) No such group life insurance coverage may be offered in this state by an insurer
22 under a policy issued in another state unless this state or such other state having
23 requirements substantially similar to those contained in divisions (i) through (iii) of
24 subparagraph (A) of this paragraph has made a determination that the requirements
25 have been met;

26 (C) The premium for the policy shall be paid either from the policyholder's funds or
 27 from funds contributed by the covered persons, or from both; and
 28 (D) An insurer may exclude or limit the coverage on any person as to whom evidence
 29 of individual insurability is not satisfactory to the insurer."

30 **SECTION 2.**

31 Said chapter is further amended by revising paragraph (1) of subsection (a) of Code Section
 32 33-27-2, relating to the extension of group life policy coverage to dependents of employees
 33 or members, as follows:

34 "(1) The premium for the insurance shall be paid by the policyholder either from the
 35 employer's or union's funds or funds contributed by the insured employees or members,
 36 or from both. ~~If any part of the premium is to be derived from funds contributed by the~~
 37 ~~insured employees or members, the insurance with respect to spouses and children may~~
 38 ~~be placed in force only if at least 75 percent of the then eligible employees or members,~~
 39 ~~excluding any as to whose family members evidence of insurability is not satisfactory to~~
 40 ~~the insurer, elect to make the required contribution.~~ If no part of the premium is to be
 41 derived from funds contributed by the employees or members, all eligible employees or
 42 members, excluding any as to whose family ~~members~~ members' evidence of insurability
 43 is not satisfactory to the insurer, must be insured with respect to their spouses and
 44 children;"

45 **SECTION 3.**

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