

House Bill 640

By: Representative Rogers of the 26th

A BILL TO BE ENTITLED
AN ACT

1 To amend Code Section 33-36-14 of the Official Code of Georgia Annotated, relating to
2 exhaustion of rights by claimants against insolvent insurers, so as to correct certain language
3 to provide internal consistency; to provide for related matters; to repeal conflicting laws; and
4 for other purposes.

5 BE IT ENACTED BY THE GENERAL ASSEMBLY OF GEORGIA:

6 **SECTION 1.**

7 Code Section 33-36-14 of the Official Code of Georgia Annotated, relating to exhaustion of
8 rights by claimants against insolvent insurers, is amended by revising subsection (d) as
9 follows:

10 "(d) Except as provided for in Code Section 33-36-20, the pool shall have the right to
11 recover from ~~any person who is an affiliate of the insolvent insurer~~ the following persons
12 all amounts paid by the pool on behalf of such person, whether for indemnity or defense
13 or otherwise;

14 (1) Any insured whose net worth on December 31 of the year immediately preceding the
15 date the insurer becomes an insolvent insurer exceeds \$25 million; ~~2~~ provided that an
16 insured's net worth on such date shall be deemed to include the aggregate net worth of
17 the insured and all of its subsidiaries and affiliates as calculated on a consolidated basis;
18 and

19 (2) Any person who is an affiliate of the insolvent insurer."

20 **SECTION 2.**

21 All laws and parts of laws in conflict with this Act are repealed.