

Senate Bill 251

By: Senators Shafer of the 48th, Goggans of the 7th, McKoon of the 29th and Hill of the 32nd

AS PASSED

A BILL TO BE ENTITLED
AN ACT

To amend Title 33 of the Official Code of Georgia Annotated, relating to insurance, so as to provide for the transition from an annual renewal to a biennial renewal of licenses of agents, agencies, subagents, counselors, and adjusters; to provide for adjustment of licensing fees as necessary to accommodate biennial licensing; to provide for promulgation of rules and regulations by the Commissioner; to provide for an effective date; to provide for related matters; to repeal conflicting laws; and for other purposes.

BE IT ENACTED BY THE GENERAL ASSEMBLY OF GEORGIA:

SECTION 1.

Title 33 of the Official Code of Georgia Annotated, relating to insurance, is amended by revising Code Section 33-8-1, relating to fees and taxes, as follows:

"33-8-1.

The Commissioner is authorized to assess and collect in advance, and persons so assessed shall pay in advance to the Commissioner, fees and charges under this title as follows:

(1) Unless specifically provided otherwise, for each certificate of authority, original license, renewal of a certificate of authority, or renewal of a license:	
(A) Agent, subagent, counselor, adjuster, or principal office of an insurance agency (new license)	\$ 50.00
	<u>100.00</u>
(B) Agent, subagent, counselor, adjuster, or principal office of an insurance agency (<u>biennial</u> license renewal)	50.00
	<u>100.00</u>
(B.1) Each branch office of an insurance agency other than the principal office (new license)	10.00
	<u>20.00</u>

22	(B.2) Each branch office of an insurance agency other than the principal	
23	office (<u>biennial</u> license renewal)	10.00
		<u>20.00</u>
24	(C) Agent certificate of authority for subagent	5.00
25	(D) Automobile self-insurance	100.00
26	(E) Captive insurance company:	
27	Original license or certificate	600.00
28	Renewal license or certificate	500.00
29	(F) Continuing care provider	75.00
30	(G) Duplicate certificate of authority, license, or permit	25.00
31	(H) Farmers mutual fire insurance company:	
32	Original license or certificate	500.00
33	Renewal license or certificate	25.00
34	(I) Fraternal benefit society:	
35	Original license or certificate	600.00
36	Renewal license or certificate	500.00
37	(I.1) Health care corporations:	
38	Original license or certificate	600.00
39	Renewal license or certificate	500.00
40	(J) Health maintenance organization:	
41	Original license or certificate	600.00
42	Renewal license or certificate	500.00
43	(K) Insurer certificate of authority for agent	10.00
44	(L) Life, accident, and sickness insurance company:	
45	Original license or certificate	600.00
46	Renewal license or certificate	500.00
47	(M) Managing general agent:	
48	Original license or certificate	600.00
49	Renewal license or certificate	500.00
50	(N) Multiple employer self-insurance plan	400.00
51	(O) Premium finance company (full power)	500.00
52	(P) Premium finance company (limited power)	300.00
53	(Q) Reserved	
54	(R) Prepaid legal services plans	500.00
55	(S) Private review agents:	

56	Original license or certificate	1,000.00
57	Renewal license or certificate	500.00
58	(T) Property and casualty insurance company:	
59	Original license or certificate	600.00
60	Renewal license or certificate	500.00
61	(U) Nonprofit organizations (medical service or hospital service	
62	corporation):	
63	Original license or certificate	600.00
64	Renewal license or certificate	500.00
65	(V) Rating or advisory organization	100.00
66	(W) Reinsurance intermediary	50.00
67	(X) Surplus lines broker	300.00
		<u>600.00</u>
68	(Y) Third-party administrators:	
69	Original license or certificate	500.00
70	Renewal license or certificate	400.00
71	(Z) Title insurance company:	
72	Original license or certificate	600.00
73	Renewal license or certificate	500.00
74	(AA) Utilization review agent	200.00
75	(BB) Each vending machine licensed under Chapter 23 of this title	25.00
76	(CC) Workers' compensation group self-insurance fund:	
77	Original license or certificate	600.00
78	Renewal license or certificate	500.00
79	(2) Bond or security deposits:	
80	(A) Not over \$5,000.00	4.00
81	(B) Not over \$10,000.00	8.00
82	(C) Not over \$25,000.00	15.00
83	(D) Not over \$50,000.00	25.00
84	(E) Over \$50,000.00 but less than \$100,000.00	40.00
85	(F) \$100,000.00 or more	50.00
86	(3) Examination fee for agent's, subagent's, counselor's, or adjuster's license	25.00
87	(4) Application fee for agent's, subagent's, adjuster's, or counselor's license	15.00
88	(5) Status letter for agent, subagent, counselor, or adjuster	10.00
89	(6) For the following filings:	

90	(A) Bylaws amendments	25.00
91	(B) Certification of annual statement	10.00
92	(C) Certification of examination report	10.00
93	(D) Certification of other documents	5.00
94	(E) Charter amendments	25.00
95	(F) Education course provider (original filing)	100.00
96	(G) Education course provider (renewal filing)	50.00
97	(H) Education course or program	10.00
98	(I) Education course instructor	10.00
99	(J) Financial statement	50.00
100	(K) Form A	5,000.00
101	(L) Form A exemption	1,000.00
102	(M) Form B	500.00
103	(N) Form B exemption	100.00
104	(O) Individual risk rate or form	10.00
105	(P) Insurance policy form	25.00
106	(Q) Insurance rate filing	75.00
107	(R) Listing of licensed agents, subagents, counselors, or adjusters	1,000.00
108	(S) Listing of insurer's certificates of authority filed for agents	5.00
109	(T) Listing of agent's certificates of authority filed for subagents	5.00
110	(U) List of licensees or permit or certificate holders other than agents,	
111	subagents, counselors, or adjusters	40.00
112	(V) License, permit, or certificate of authority amendment	25.00
113	(W) Late fee for filings	15.00
114	(X) Registration of risk retention groups	100.00
115	(Y) Registration of purchasing groups	100.00
116	(Z) Filing of other documents	50.00
117	(AA) Amendment of filings	25.00
118	Provided, however, that the Commissioner, in his or her discretion, may	
119	exempt from such fee change of address filings done off line by agents,	
120	subagents, counselors, and adjusters.	
121	(AA.1) Change of address filings done on line by agents, subagents,	
122	counselors, and adjusters	No charge
123	(BB) Service of process	15.00

(7) For refiling of corrected documents under this Code section, provided that fees were paid with original filing No charge"

SECTION 2.

Said title is further amended by revising Code Section 33-23-3, relating to agency licensing and annual renewals, as follows:

"33-23-3.

(a) Each principal office and each branch office of an agency as defined in paragraph (2) of subsection (a) of Code Section 33-23-1 must obtain an agency license prior to commencement of operations and renew such license annually by filing application forms prescribed by the Commissioner, except as provided by subsection (a.1) of this Code section.

(a.1) The Commissioner by rule or regulation may provide for the transition from annual renewal to biennial renewal of licenses issued under this Code section by staggering the renewal periods in 2012 and 2013. Certain licenses may be required to renew one year at one-half the biennial fee provided in Code Section 33-8-1.

(b) An agency shall be subject to all penalties, fines, criminal sanctions, and other actions authorized for agents under this chapter.

(c) No person shall be an owner of an agency or, if the agency is a corporation, no person shall be an officer or director of such corporation or own 10 percent or more of the corporation if such person has had his or her license under this chapter refused, revoked, or suspended."

SECTION 3.

Said title is further amended by revising Code Section 33-23-18, relating to issuance of a license on a continuous basis, filing for continuation, and continuing education requirements, as follows:

"33-23-18.

(a) All resident agent, limited subagent, adjuster, and counselor licenses, with the exception of temporary or probationary licenses, shall be issued on a continuous basis.

(b) Such resident agent, limited subagent, adjuster, and counselor licenses may be continued upon receipt by the Commissioner of evidence of such continuing education as the Commissioner may establish by rule or regulation and payment of such fees as are provided by law.

(c) Filings for continuation of the license on forms prescribed by rule or regulation must be made prior to the first December 31 following the initial issuance of the license and every December 31 thereafter, except as provided in subsection (h) of this Code section.

(d) Continuing education requirements imposed by the Commissioner pursuant to this Code section shall not exceed 15 classroom hours for each licensed individual who has held a license for less than 20 years during the calendar year. For those individuals who have held a license for 20 years or more, the requirement shall be no more than ten classroom hours during the calendar year. However, the Commissioner may provide by rule or regulation for continuing education requirements on a biennial basis.

(e) Any individual who has been licensed as an agent for ten consecutive years or more and who does not perform any of the functions specified in paragraph (3) of subsection (a) of Code Section 33-23-1 other than receipt of renewal or deferred commissions shall be exempt from continuing education requirements; provided, however, that if such individual wishes to again perform any of the other functions specified in said paragraph, such individual must obtain approval from the Commissioner and comply with the requirements of this chapter, including without limitation the requirements for continuing education. The Commissioner may provide, by rule or regulation, for any other exemption to or reduction in continuing education required under this Code section.

(f) Every individual required to participate in a continuing education program pursuant to this Code section shall furnish or such individual's insurer shall furnish the Commissioner such information as the Commissioner deems necessary to verify compliance with the continuing education requirements.

(g) The Commissioner by rule or regulation may establish the following:

(1) Staggered deadlines for the filing of forms for continuation of licenses and the corresponding required fees; and

(2) Penalties and procedures for licensees who fail to comply with subsection (c) of this Code section.

(h) The Commissioner by rule or regulation may provide for the transition from annual renewal to biennial renewal of licenses issued under this Code section by staggering the renewal periods in 2012 and 2013. Certain licenses may be required to renew one year at one-half the biennial fee provided in Code Section 33-8-1."

SECTION 4.

Said title is further amended by revising subsection (b) of Code Section 33-23-37, relating to licensing of a surplus lines broker, as follows:

"(b) Any person, while licensed as a resident agent as to property, casualty, and surety insurance and who is deemed by the Commissioner to be competent and trustworthy, may be licensed as a surplus lines broker as follows:

(1) Application to the Commissioner for the license shall be on forms furnished by the Commissioner;

(2) The license fee shall be in an amount as provided in Code Section 33-8-1;

(3) Each license shall be issued for a term expiring on December 31 next following the date of issuance and may be renewed annually by filing an application and paying the prescribed fee in accordance with this Code section except as provided in paragraph (3.1) of this subsection;

(3.1) The Commissioner by rule or regulation may provide for the transition from annual renewal to biennial renewal of licenses issued under this Code section by staggering the renewal periods in 2012 and 2013. Certain licenses may be required to renew one year at one-half the biennial fee provided in Code Section 33-8-1;

(4) Prior to the issuance of the license or any renewal of the license, the applicant shall file a bond with the Commissioner or his or her successor in office, for the benefit of any person injured by the violation of the conditions provided in this paragraph. The bond shall be executed by the applicant as principal and by a corporate surety authorized to do business in this state and shall be in the penal sum of \$50,000.00, conditioned that the applicant will comply with the following:

(A) Place insurance only in compliance with Code Section 33-5-25;

(B) Remit promptly the taxes provided in Code Section 33-5-31;

(C) Account to any person requesting him or her to obtain insurance for funds or premiums collected in connection with such insurance; and

(D) Otherwise conduct business in accordance with this title.

The bond shall not be terminated unless prior to such termination 30 days' written notice is filed with the Commissioner; and

(5) Each applicant for a license to act as a surplus lines broker shall submit to a personal written examination to determine his or her competence, unless the applicant is licensed as a surplus lines broker in his or her home state."

SECTION 5.

This Act shall become effective upon its approval by the Governor or upon its becoming law without such approval.

SECTION 6.

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