

House Bill 408

By: Representatives Gilliard of the 162nd, Cannon of the 58th, and Scott of the 76th

A BILL TO BE ENTITLED
AN ACT

1 To amend Chapter 23 of Title 33 of the Official Code of Georgia Annotated, relating to
2 insurance licensing, so as to repeal prelicensing education requirements applicable to certain
3 insurance licenses; to provide a three-day maximum on the reexamination waiting period for
4 applicants; to make conforming changes; to provide for related matters; to repeal conflicting
5 laws; and for other purposes.

6 BE IT ENACTED BY THE GENERAL ASSEMBLY OF GEORGIA:

7 **SECTION 1.**

8 Chapter 23 of Title 33 of the Official Code of Georgia Annotated, relating to insurance
9 licensing, is amended by revising Code Section 33-23-5, relating to qualifications and
10 requirements for license, as follows:

11 "33-23-5.

12 (a) For the protection of the people of this state, the Commissioner shall not issue,
13 continue, or permit to exist any license, except in compliance with this chapter and except
14 as provided in Code Sections 33-23-3, 33-23-4, 33-23-12, 33-23-13, 33-23-14, 33-23-16,
15 33-23-17, 33-23-29, 33-23-29.1, and 33-23-37. The Commissioner shall not issue a license

16 to any individual applicant for a license who does not meet or conform to qualifications or
17 requirements set forth in paragraphs (1) through (7) of this subsection:

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

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

34 (3) The individual applicant shall be of good character;

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

37 (A) An individual who applies for an insurance agent's license in this state who was
38 previously licensed for the same lines of authority in another state shall not be required
39 to complete any ~~prelicensing education~~ or examination. This exemption shall only be
40 available if the individual is currently licensed in that state or if the application is
41 received within 90 days of the cancellation of the applicant's previous license and if the
42 prior state issues a certification that, at the time of cancellation, the applicant was in

43 good standing in that state or the state's producer data base records maintained by the
44 National Association of Insurance Commissioners, its affiliates, or subsidiaries indicate
45 that the agent is or was licensed in good standing for the line of authority requested; and
46 (B) An individual licensed as an insurance agent in another state who moves to this
47 state shall make application within 90 days of establishing legal residence to become
48 a resident licensee pursuant to Code Section 33-23-8. No ~~prelicensing education or~~
49 ~~examination shall be required of that individual to obtain a license for any line of~~
50 ~~authority previously held in the prior state except where the Commissioner determines~~
51 ~~otherwise by rule or regulation;~~

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

60 ~~(6) If applying for an agent's license, limited subagent's license, or adjuster's license, no~~
61 ~~applicant shall be qualified therefor or be so licensed unless he or she has successfully~~
62 ~~completed classroom courses in insurance satisfactory to the Commissioner at a school~~
63 ~~which has been approved by the Commissioner Reserved; and~~

64 (7) The Commissioner shall by rule or regulation establish criteria and procedures for the
65 scope of prelicensing requirements and exemptions, if any, to the prelicensing or
66 examination requirements.

67 (b) An individual who was licensed as an agent, counselor, limited subagent, surplus line
68 broker, or adjuster at the time such individual was employed by the Commissioner and who
69 while so employed was employed in responsible insurance duties as a full-time bona fide

70 employee shall be permitted to reinstate his or her license upon termination of employment
71 if written request is made within 90 days after the date of termination of employment with
72 the Commissioner.

73 (c) Active licensees who apply for additional licenses and individuals who apply for the
74 reinstatement of a license prior to six months from the license expiration date shall not be
75 required to submit fingerprints pursuant to Code Section 33-23-5.1.

76 (d) Notwithstanding paragraph (1) of subsection (a) of this Code section, no resident of
77 Canada may be licensed as an independent adjuster pursuant to this Code section or
78 designate Georgia as his or her home state unless such person has successfully passed the
79 adjuster examination and has complied with other applicable portions of this Code section."

80

SECTION 2.

81 Said chapter is further amended in Code Section 33-23-10, relating to examination of
82 applicants, by revising subsection (a) as follows:

83 "(a) Each individual applicant for a license as agent, limited subagent, counselor, adjuster,
84 or surplus line broker shall submit to a personal examination in writing as to his or her
85 competence to act in such capacity. The examination shall be prepared and given by the
86 Commissioner or a designee of the Commissioner and shall be given and graded in a fair
87 and impartial manner and without unfair discrimination as between individuals examined.
88 Any required examination may be supplemented by an oral examination at the discretion
89 of the Commissioner. The Commissioner shall provide by rule or regulation for a
90 reasonable waiting period before giving a reexamination to an applicant who failed to pass
91 a previous similar examination; provided, however, that such waiting period shall not
92 exceed three days from the date of the prior examination."

93 **SECTION 3.**

94 Said chapter is further amended in Code Section 33-23-13, relating to temporary licenses,
95 by revising subsection (a) as follows:

96 "(a) In the event of the death of an agent or limited subagent, including a temporary agent
97 or limited subagent, or the inability to act as an agent or limited subagent by reason of
98 service in the armed services of the United States, illness or other disability, or termination
99 of appointment by the insurer, if there is no other individual connected with the agency
100 who is licensed as an agent or limited subagent in regard to insurance of the classification
101 transacted by the agent or limited subagent deceased or unable to act, the Commissioner
102 may issue a temporary license as agent or limited subagent in regard to insurance of such
103 classification to an employee of the agency, to a member of the family of said former agent
104 or limited subagent, or to some associate or to a guardian, receiver, executor, or
105 administrator for the purpose of continuing or winding up the business affairs of the agent,
106 limited subagent, or agency. A temporary license shall be issued only to an applicant who
107 has filed a sworn application upon forms prescribed by the Commissioner. The applicant
108 shall not be required to meet the requirements as to examination; and residence; ~~and~~
109 ~~education~~ required for licensing of agents or limited subagents other than temporary agents.
110 If the Commissioner deems the applicant to be qualified for a temporary license, the
111 Commissioner shall issue the license."

112 **SECTION 4.**

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