

The Senate Committee on Insurance and Labor offered the following substitute to HB 182:

A BILL TO BE ENTITLED
AN ACT

1 To amend Chapter 25 of Title 33 of the Official Code of Georgia Annotated, relating to life
2 insurance, so as to prohibit a policy of group life insurance from excluding or restricting
3 liability for certain deaths occurring while an individual is a service member; to provide for
4 related matters; to provide for an effective date; to repeal conflicting laws; and for other
5 purposes.

6 BE IT ENACTED BY THE GENERAL ASSEMBLY OF GEORGIA:

7 **SECTION 1.**

8 Chapter 25 of Title 33 of the Official Code of Georgia Annotated, relating to life insurance,
9 is amended by revising Code Section 33-25-5, relating to inclusion of provisions excluding
10 or restricting liability for death, as follows:

11 "33-25-5.

12 (a) No policy of life insurance, except as stated in subsection (c) of this Code section, shall
13 be delivered or issued for delivery in this state if it contains a provision which excludes or
14 restricts liability for death caused in a certain specified manner or occurring while the
15 insured has a specified status, except that the policy may contain provisions excluding or

16 restricting coverage as specified therein in the event of death under any one or more of the
17 following circumstances:

18 (1) Death as a result, directly or indirectly, of war, declared or undeclared, or of any act
19 or hazard of such war;

20 (2) Death as the result of aviation or any air travel or flight;

21 (3) Death as a result of a specified hazardous occupation or occupations;

22 (4) Death while the insured is a resident outside the continental United States and
23 Canada; or

24 (5) Death within two years from the date of issue of the policy as a result of suicide,
25 while sane or insane.

26 (b) A policy which contains any exclusion or restriction pursuant to subsection (a) of this
27 Code section shall also provide that in the event of death under circumstances to which any
28 such exclusion or restriction is applicable, the insurer will pay an amount not less than a
29 reserve determined according to the Commissioner's reserve valuation method upon the
30 basis of the mortality table and interest rate specified in the policy for the calculation of
31 nonforfeiture benefits or, if the policy provides no such benefits, computed according to
32 a mortality table and interest rate determined by the insurer and specified in the policy with
33 adjustment for indebtedness or dividend credit.

34 (c) This Code section shall not apply to group life insurance, except as stated in
35 subsection (d) of this Code section, reinsurance, annuities, or to any provision of a life
36 insurance policy, or contract supplemental thereto, relating to disability benefits, or to
37 additional benefits in the event of death by accident or accidental means.

38 (d) No policy of group life insurance shall be delivered or issued for delivery in this state
39 if it contains a provision which excludes or restricts liability for death occurring while the
40 insured is a service member of the regular or reserve component of the armed forces of the
41 United States and such death is not a result, directly or indirectly, of war, declared or
42 undeclared, or any act or hazard of such war.

43 ~~(d)~~(e) Nothing contained in this Code section shall prohibit any provision which in the
44 opinion of the Commissioner is more favorable to the policyholder than a provision
45 permitted by this Code section."

46 **SECTION 2.**

47 This Act shall become effective on the first day of the month following the month in which
48 it is approved by the Governor or becomes law without such approval.

49 **SECTION 3.**

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