

The Senate Committee on Insurance and Labor offered the following substitute to SB 409:

A BILL TO BE ENTITLED
AN ACT

1 To amend Chapter 9 of Title 33 of the Official Code of Georgia Annotated, relating to
2 regulation of rates, underwriting rules, and related organizations, so as to provide for
3 homeowner protections with regard to insurance companies' use of aerial or satellite images;
4 to provide for definitions; to provide for certain procedures; to require that homeowners be
5 allowed 60 days to correct; to provide for regulations; to provide for related matters; to
6 provide for a short title; to provide for an effective date and applicability; to repeal
7 conflicting laws; and for other purposes.

8 BE IT ENACTED BY THE GENERAL ASSEMBLY OF GEORGIA:

9 **SECTION 1.**

10 This Act shall be known and may be cited as the "Insurers' Use of Aerial or Satellite Images
11 Act."

12 **SECTION 2.**

13 Chapter 9 of Title 33 of the Official Code of Georgia Annotated, relating to regulation of
14 rates, underwriting rules, and related organizations, is amended by adding a new Code
15 section to read as follows:

"33-9-45.

(a) As used in this Code section, the term:

(1) 'Admitted insurer' means an insurance company authorized or licensed to transact insurance business within this state.

(2) 'Adverse underwriting decision' means a declination, cancellation, or nonrenewal of residential property insurance coverage. Such term also means a reduction in coverage or an increase in premium. Such term does not mean placement of coverage with an insurer that is not an admitted insurer or with the Fair Access to Insurance Requirements Plan described in Chapter 33 of this title.

(3) 'Aerial images' means photographs or other images, except for satellite images, of a named insured's residential property captured from an aircraft, drone, balloon, or unmanned aerial system.

(4) 'Nonrenewal' means a refusal by an insurer or an affiliate of an insurer to renew. Failure of an insured to pay the premium as required of the insured for renewal, a change in policy terms, or a reduction in coverage after the insurer has manifested a willingness to renew by delivering a renewal policy, renewal certificate, or other evidence of renewal to the named insured or his or her representative or has offered to issue a renewal policy, certificate, or other evidence of renewal or has manifested such intention by any other means shall not be considered a nonrenewal.

(5) 'Reduction in coverage' means a change made by an insurer which results in a removal of coverage, diminution in the scope of or less coverage, or the addition of an exclusion. Such term shall not include any change, reduction, or elimination of coverage made at the request of the insured. The correction of typographical or scrivener's errors or the application of mandated legislative changes shall not be considered a reduction in coverage.

(6)(A) 'Renewal' means:

(i) Issuance and delivery by an insurer or an affiliate of such insurer of a policy superseding at the end of the policy period or term a policy previously issued and delivered by the same insurer;

(ii) Issuance and delivery of a certificate or notice extending the term of a policy beyond its policy period or term; or

(iii) The extension of the term of a policy beyond its policy period or term pursuant to a provision for extending the policy by payment of a continuation premium.

(B) Any policy with a policy period or term of less than six months shall be considered to have successive policy periods or terms ending each six months following its original date of issuance and, regardless of its wording, any interim termination by its terms or by refusal to accept premiums shall be a cancellation. Any policy written for a period or term longer than one year or any policy with no fixed expiration date shall be considered as if written for successive policy periods or terms of one year and any termination by an insurer effective on an anniversary date of such policy shall be deemed a refusal to renew.

(7) 'Residential property' means real property used or occupied as the primary residence of a natural person.

(8) 'Satellite images' means images of a named insured's residential property captured from a satellite.

(9)(A) 'Unmanned aerial system' means a powered, aerial vehicle that:

(i) Does not carry a human operator and is operated without the possibility of direct human intervention from within or on the vehicle;

(ii) Uses aerodynamic forces to provide vehicle lift;

(iii) Can fly autonomously or be piloted remotely;

(iv) Can be expendable or recoverable; and

(v) Has the ability to photograph.

(B) Such term does not include a satellite.

(b) When utilizing aerial images or satellite images produced by an unmanned aerial system or satellite as part of its residential property coverage, underwriting, or pricing determinations, an admitted insurer shall:

(1) Ensure that a notice of an adverse underwriting decision by the insurer includes copies of date stamped aerial images or satellite images of the property that show the specific condition or conditions that are out of compliance with the insurer's underwriting guidelines and a description of the steps the property owner may take to reverse the insurer's adverse underwriting decision, including the specific standards that any repairs must adhere to. Such aerial images and satellite images shall have been taken within nine months of the issuance of the adverse underwriting decision;

(2) Establish a point of contact at the insurer and a process for currently insured property owners to provide documentation of completion of the required work that the insurer communicates to the property owner under paragraph (1) of this subsection. Such documentation shall be used by the insurer in considering whether to uphold or reverse the adverse underwriting decision. Any aerial images or satellite images submitted by the property owner to the insurer shall be of equal or greater resolution and quality as the aerial images or satellite images otherwise being relied upon by the insurer to make the adverse underwriting decision;

(3) Establish an appeal process so that the property owner may correct any errors or misunderstandings related to the adverse underwriting decision;

(4) Provide the currently insured property owner a minimum of 60 days to cure the condition or conditions underlying an adverse underwriting decision from the date the insurer identifies the specific condition or conditions, even if the date to cure exceeds the nonrenewal notice period provided for in Code Section 33-24-46. An insurer shall have the right to assess the work used to correct the condition or conditions to ensure that such condition or conditions have been corrected in a manner that meets the standards originally communicated by the insurer under paragraph (1) of this subsection; and

96 (5) Offer a renewal policy or rescission of the insurer's adverse underwriting decision to
97 a property owner who submits proof that he or she has cured the condition or conditions
98 identified in paragraph (1) of this subsection.

99 (c) This Code section is applicable to the Fair Access to Insurance Requirements Plan
100 described in Chapter 33 of this title, as such plan relates to residential properties.

101 (d) The Commissioner shall promulgate rules and regulations to enforce this Code section
102 which shall determine the method or methods by which insured residential property owners
103 shall submit proof of the correction of the condition or conditions identified in
104 paragraph (1) of subsection (b) of this Code section and set forth the minimum and
105 maximum sizes of the aerial images and satellite images provided for in such paragraph."

106 **SECTION 3.**

107 This Act shall become effective on July 1, 2026, and shall apply to all applicable policies,
108 contracts, and certificates executed, delivered, issued for delivery, or renewed in this state
109 on or after October 1, 2026.

110 **SECTION 4.**

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