

The House Committee on Insurance offers the following substitute to SB 503:

A BILL TO BE ENTITLED

AN ACT

1 To amend Title 33 of the Official Code of Georgia Annotated, relating to insurance, so as to
2 update and modernize provisions of the Georgia Insurance Code to improve consumer
3 protections, enhance department authority, and increase government efficiency; to exempt
4 rental home marketplace guarantees from the definition of property insurance; to require
5 certain language; to provide for compliance with certain registration requirements; to provide
6 for definitions; to provide for a claim for a refund of certain fees and taxes relative to
7 insurance premiums to be made within three years of payment to the Commissioner; to
8 provide for the Department of Insurance to collect certain data annually from insurers writing
9 private passenger automobile insurance policies; to provide for the Commissioner of
10 Insurance to order the refund of any excess profit made by such insurers; to provide for
11 calculations; to provide for an order, notice, and opportunity for hearing; to provide for cash
12 refunds or credit refunds; to provide for certification; to provide for rules and regulations; to
13 provide for the submission of information on suspected insurance fraud; to provide for
14 certain entities to pay fees into the Special Insurance Fraud Fund; to provide for the
15 Commissioner of Insurance to employ prosecuting attorneys for the prosecution of insurance
16 fraud; to prohibit the solicitation, release, or sale of automobile accident information; to
17 provide for the recruitment of insurers to this state; to provide for the retention of insurers
18 in this state; to provide for timely claims processing after a catastrophic event; to provide for

19 reporting the use of premium tax funds; to authorize consideration of all available
20 information when reviewing insurance rates; to provide for contractual limitations; to provide
21 for exemptions; to provide for storm damage mitigation through the Georgia Storm
22 Mitigation Program; to provide for funding; to provide for matching and nonmatching grants;
23 to provide for eligibility; to provide for mitigation contractors; to provide for excluded
24 drivers; to provide for increased fees for driving without minimum motor vehicle insurance
25 coverage; to provide for increased monetary penalties; to amend Title 40 of the Official Code
26 of Georgia Annotated, relating to motor vehicles and traffic, so as to provide for excluded
27 drivers and proof of insurance; to provide for violation and penalties; to amend Title 50 of
28 the Official Code of Georgia Annotated, relating to state government, to provide for a
29 conforming change; to provide for related matters; to provide for short titles; to provide for
30 legislative purposes; to provide for effective dates and applicability; to repeal conflicting
31 laws; and for other purposes.

32 BE IT ENACTED BY THE GENERAL ASSEMBLY OF GEORGIA:

33 **PART I**
34 **SECTION 1-1.**

35 This Act shall be known and may be cited as the "Georgia Insurance Fairness Act (GIFA)."

36 **SECTION 1-2.**

37 (a) The purposes of this Act are to ensure that Georgia consumers, including businesses and
38 individuals, have access to:

39 (1) Affordable quality insurance coverage without being subjected to unjustified rate hikes
40 or unfair business practices; and

41 (2) Fair and transparent insurance policies under which claims are processed expeditiously
 42 and in compliance with policy provisions and federal and state law.

43 (b) These purposes shall be accomplished by clarifying regulations of rental home
 44 marketplace guarantees, insurance fraud, uninsured motorists, excluded drivers, premium tax,
 45 insurance rates, and claims processing, enhancing the Commissioner of Insurance's authority,
 46 and increasing the amount of monetary penalties throughout the Georgia Insurance Code.

47 **PART II**

48 **SECTION 2-1.**

49 Title 33 of the Official Code of Georgia Annotated, relating to insurance, is amended in
 50 Chapter 7, relating to type of insurance, limits of risks, and reinsurance by adding a new
 51 subsection to Code Section 33-7-6, relating to property insurance, contract requirements,
 52 rules and regulations, and exemptions, to read as follows:

53 "(g)(1) Property insurance does not include rental home marketplace guarantees,
 54 provided that a person, firm, or corporation providing and administering such rental home
 55 marketplace guarantees:

56 (A) Insures rental home marketplace guarantees under a reimbursement insurance
 57 policy issued and underwritten by an insurer authorized to transact insurance in this
 58 state or a surplus lines insurer, pursuant to which the insurer agrees, for the benefit of
 59 rental home marketplace guarantee beneficiaries, to discharge all of the obligations and
 60 liabilities of the provider of the rental home marketplace guarantee under the terms of
 61 the rental home marketplace guarantee in the event of nonperformance by such
 62 provider;

63 (B) Includes a statement in substantially the following form: 'This agreement is not an
 64 insurance contract' within the rental home marketplace guarantee terms;

65 (C) Clearly specifies the terms and any limitations, exceptions, or exclusions within
66 the rental home marketplace guarantee terms; and

67 (D) Complies with any registration requirement prescribed by the Commissioner
68 through regulation.

69 (2) As used in this subsection, the term 'rental home marketplace' means a person, firm
70 or corporation that:

71 (A) Provides an online application, software, website, system, or other medium
72 through which a property is advertised or is offered to the public as available in this
73 state and that connects platform users to enable them to share property;

74 (B) Provides, directly or indirectly, or maintains a platform for services by transmitting
75 or otherwise communicating the offer or acceptance of a transaction between two
76 platform users or owning or operating the electronic infrastructure or technology that
77 brings two or more platform users together;

78 (C) Engages in the sale or offering of a rental home marketplace guarantee only in a
79 manner that is ancillary to the conduct of its primary legitimate business or activity; and

80 (D) Is not a local or state governmental entity or vendor.

81 (3) As used in this subsection, the term 'rental home marketplace guarantee' means a
82 contract or agreement issued in connection with a rental home marketplace, whether or
83 not for a separate consideration, to reimburse a user sharing property for any damages for
84 which the renter is responsible under the rental home marketplace's terms of service, with
85 or without an additional provision for incidental payment of indemnity.

86 (4) As used in this subsection, the term 'provider' means:

87 (A) A rental home marketplace; or

88 (B) An affiliate or representative of a rental home marketplace who issues or offers as
89 well as administers, either directly or through a third party, a rental home marketplace
90 guarantee.

91 (5) In accordance with this subsection, a rental home marketplace guarantee as described
92 herein shall not constitute any other kind of insurance described in this chapter or
93 elsewhere in law."

94 **PART III**

95 **SECTION 3-1.**

96 Said title is further amended in Chapter 8, relating to fees and taxes, by revising Code
97 Section 33-8-9, relating to granting of refunds and credits by Commissioner, as follows:

98 "33-8-9.

99 Refunds and credits of license fees and taxes levied by this chapter shall be made by the
100 Commissioner in accordance with the provisions of Code Sections 33-2-29 through
101 33-2-31; provided, however, that any claim for a refund of a fee or tax erroneously or
102 illegally assessed and collected under this chapter shall be made by the insurer in writing
103 within three years after the date of payment of such fee or tax to the Commissioner."

104 **PART IV**

105 **SECTION 4-1.**

106 Said title is further amended in Chapter 9, relating to regulation of rates, underwriting rules,
107 and related organizations, by revising Code Section 33-9-41, which is reserved, as follows:

108 "33-9-41.

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

110 (1) 'Anticipated underwriting profit' means the expected, projected, or modeled net profit
111 that an insurer anticipates making from providing insurance coverage, exclusive of
112 income from investments. Such term shall be calculated as the sum of the dollar amounts
113 obtained by multiplying, for each rate filing of the insurer group in effect during a

114 three-year period, the earned premiums applicable to such rate filings by the percentage
115 factor included in such rate filing for profit and contingencies, such percentage factor
116 having been determined with due recognition to investment income from funds generated
117 by business in this state; provided, however, that separate calculations shall not be
118 necessary for consecutive filings containing the same percentage factor for profits and
119 contingencies.

120 (2) 'Cash refund' means a refund issued to a policyholder or former policyholder by an
121 insurer in a single payment of coins, currency, checks, drafts, or money orders.

122 (3) 'Credit refund' means a refund issued to a policyholder by an insurer through
123 application to a policy renewal premium for such policyholder.

124 (4) 'Excess profit' means an underwriting gain for the three most recent calendar accident
125 years combined which is greater than the anticipated underwriting profit plus 5 percent
126 of earned premiums for such calendar accident years.

127 (5) 'Final compilation year' means the final year in which data is reported in a three-year
128 reporting period.

129 (6) 'Private passenger automobile insurance' means insurance that covers the personal
130 use of a private passenger automobile and its operating equipment; covers liability,
131 collision, comprehensive, personal injury protection or medical payments, or uninsured
132 or underinsured motorist protection; or provides the mandatory minimum limits required
133 under Chapter 34 of this title for the personal use of a private passenger automobile.
134 Such insurance may be written on a family automobile policy, standard automobile
135 policy, personal automobile policy, or similar private passenger automobile policy. Such
136 term shall not include commercial automobile insurance or similar policies for
137 commercial automobiles or commercial motor vehicles.

138 (b) No later than July 1, 2027, and annually thereafter, any domestic, foreign, or alien
139 insurer that is authorized to write private passenger automobile insurance policies in this
140 state shall file with the department on forms prescribed by the Commissioner data for

141 private passenger automobile insurance in this state. Such data shall include both voluntary
142 and joint underwriting association business and shall include the following:

143 (1) Calendar year total limits earned premium;

144 (2) Accident year incurred losses and loss adjustment expenses;

145 (3) Administrative and selling expenses incurred in this state or allocated to this state for
146 the calendar year;

147 (4) Policyholder dividends incurred during the applicable calendar year;

148 (5) A schedule of private passenger automobile loss and loss adjustment experience for
149 each of the three most recent accident years. The incurred losses and loss adjustment
150 expenses shall be valued as of March 31 of the year following the close of the accident
151 year, developed to an ultimate basis, and at two twelve month intervals thereafter, each
152 developed to an ultimate basis, so that a total of three evaluations will be provided for
153 each accident year; and

154 (6) Any supplemental data the department needs for the determination of compliance
155 with the provisions of this Code section.

156 (c) The department shall review the data collected pursuant to subsection (b) of this Code
157 section to determine if excess profit has been realized based on a comparison of the
158 insurer's underwriting gain and anticipated underwriting profit. Each insurer's underwriting
159 gain or loss for each calendar accident year shall be calculated as the sum of the accident
160 year incurred losses and loss adjustment expenses as of March 31 of the following year,
161 developed to an ultimate basis, plus the administrative and selling expenses incurred in the
162 calendar year, plus policyholder dividends applicable to the calendar year, subtracted from
163 the calendar year earned premium. Such underwriting gain or loss shall be compared to
164 the anticipated underwriting profit for the three most recent calendar accident years to
165 determine if excess profit has been realized.

166 (d) Whenever the Commissioner has determined that an excess profit has been realized,
167 the Commissioner shall issue an order for the insurer to return excess profit and otherwise

168 comply with the provisions of this Code section. The order shall contain or shall be
169 accompanied by a notice of opportunity for hearing which clearly explains that the
170 opportunity must be requested within ten days of receipt of the order and notice. The order
171 and notice shall be served in person by the Commissioner or his or her agent or by
172 registered or certified mail or statutory overnight delivery, return receipt requested. The
173 hearing shall be conducted in accordance with the provisions of Chapter 2 of this title.

174 (e)(1) Excess profit shall be refunded unless an insurer demonstrates to the department
175 that the refund of excess profit will render the insurer financially impaired or insolvent.

176 (2) Excess profit shall be refunded on a pro rata basis in relation to the final compilation
177 year earned premiums to the private passenger automobile insurance policyholders of
178 record of the insurer on December 31 on the final compilation year and shall be returned
179 to such policyholders in the form of:

180 (A) A cash refund within 60 days of a final order on the refund of excess profit; or

181 (B) A credit refund, which shall be applied to policy renewal premium notices that are
182 forwarded to policyholders no more than 60 days after a final order on the refund of
183 excess profit; provided, however, that, if a policyholder cancels the policy or allows the
184 policy to terminate, the insurer shall make a cash refund no more than 60 days after
185 termination of coverage.

186 (f) An insurer shall immediately certify to the department when all cash refunds or credit
187 refunds have been made. Any cash refund or credit refund made pursuant to this Code
188 section shall be treated as a policyholder dividend applicable to the year in which it is
189 incurred for purposes of reporting under this Code section for subsequent years.

190 (g) The data in the required reports to the department obtained pursuant to this Code
191 section and cash refunds or credit refunds to policyholders issued pursuant to this Code
192 section may be rounded to the nearest dollar, provided that such rounding shall be applied
193 consistently.

194 (h) The Commissioner shall be authorized to promulgate rules and regulations necessary
195 for the implementation and enforcement of this Code section. Reserved."

196

PART V

197

SECTION 5-1.

198 Said title is further amended in Chapter 1, relating to general provisions, by revising
199 subsection (f) of Code Section 33-1-16, relating to investigation of fraudulent insurance act,
200 collection of evidence, immunity from liability, public inspection, and enforcement, as
201 follows:

202 "(f) Any person, other than an insurer, agent, or other person licensed under this title, or
203 an employee thereof, having knowledge of or who believes that a fraudulent insurance act
204 is being or has been committed may send to the Commissioner a report of information
205 pertinent to such knowledge of or belief and such additional information relative thereto
206 as the Commissioner may request. Any insurer, agent, or other person licensed under this
207 title, or an employee thereof, having knowledge of or who believes that a fraudulent
208 insurance act is being or has been committed shall send to the Commissioner a report or
209 information pertinent to such knowledge or belief and such additional information relative
210 thereto as the Commissioner or his or her employees or agents may require. Any insurer
211 that conducts an independent investigation of suspected insurance fraud shall not be
212 required to complete such investigation before sending information pertinent to such
213 investigation to the Commissioner. The Commissioner or his or her employees or agents
214 shall review such information or reports as, in the judgment of the Commissioner or such
215 employees or agents, may require further investigation. The Commissioner shall then
216 cause an investigation of the facts surrounding such information or report to be made to
217 determine the extent, if any, to which a fraudulent insurance act is being committed and
218 shall report any alleged violations of law which the investigations disclose to the

219 appropriate prosecuting attorney having jurisdiction with respect to any such violation. If
220 prosecution by the prosecuting attorney is not begun within 90 days of the report, the
221 prosecuting attorney shall inform the Commissioner of the reasons for the lack of
222 prosecution."

223 **SECTION 5-2.**

224 Said title is further amended in said chapter by revising subsection (c) of Code Section
225 33-1-17, relating to Special Insurance Fraud Fund, as follows:

226 "(c)(1) The Commissioner shall prepare, on an annual basis, a separate budget request
227 to the General Assembly which sets forth the anticipated cost and expense of funding the
228 investigation and prosecution of insurance fraud in this state for the ensuing 12 months.
229 Such budget request shall set forth the annual cost and expense of the investigation and
230 prosecution of insurance fraud in ~~Georgia~~ this state for the preceding 12 months.

231 (2) There is imposed upon each foreign, alien, and domestic insurance company doing
232 business in the state an annual assessment under a formula to be established by regulation
233 promulgated by the Commissioner. The formula shall be calculated such that the total
234 proceeds paid or collected from such assessments for any year shall not exceed the
235 amounts appropriated by the General Assembly pursuant to paragraph (3) of this
236 subsection, which appropriation shall be based upon the budget request setting forth the
237 applicable annual cost and expense of the investigation and prosecution of insurance
238 fraud in ~~Georgia~~ this state submitted by the Commissioner. Such assessments may be
239 measured by kind of company, kind of insurance, income, volume of transactions, or such
240 other factors as the Commissioner ~~determines~~ deems appropriate. Assessments based on
241 the annual appropriation shall be due on September 1 of the year of the assessment. Any
242 insurance company which fails to report and pay any such assessment shall be subject to
243 penalties and interest as provided by subsection (d) of Code Section 33-8-6. The
244 Commissioner shall provide by regulation for such other terms and conditions for the

245 payment or collection of such assessments as may be necessary to ensure the proper
 246 payment and collection thereof. Notwithstanding the foregoing, the provisions of this
 247 Code section shall not apply to ~~an agency captive insurance company~~; any certified
 248 dormant captive insurance company. Any agency captive insurance company, industrial
 249 insured captive insurance company, sponsored captive insurance company (including a
 250 protected cell thereof), or pure captive insurance company. ~~Foreign and~~ shall pay a fixed
 251 amount of \$100.00 per year into the Special Insurance Fraud Fund, and any foreign or
 252 alien captive insurance companies company doing business in Georgia this state shall;
 253 ~~however,~~ pay a fixed amount of \$100.00 \$200.00 per year into the Special Insurance
 254 Fraud Fund, without regard to the amount of the Georgia this state premium written by
 255 such foreign or alien captive insurance company. No additional amount shall be assessed
 256 against ~~the foreign or alien~~ any captive insurance company for the purpose of funding the
 257 investigation and prosecution of insurance fraud.

258 (3) The General Assembly may appropriate funds to the department for the investigation
 259 ~~of insurance fraud and for the funding of the~~ prosecution of insurance fraud. The
 260 Commissioner is authorized to use such funds for the investigation of insurance fraud and
 261 to reimburse prosecuting attorneys for some or all of the costs of retaining assistant
 262 prosecuting attorneys to prosecute insurance fraud cases. The Commissioner is further
 263 authorized to use such funds to employ prosecuting attorneys for the prosecution of
 264 insurance fraud, which the district attorney in each judicial circuit may appoint in the
 265 manner as provided in Code Section 15-18-20. The Commissioner shall provide by
 266 regulation for such other terms and conditions for the use of the funds for the
 267 investigation, reimbursement, and prosecution contemplated by the terms of this
 268 paragraph."

269 **SECTION 5-3.**

270 Said title is further amended in said chapter by adding a new Code section to read as follows:

S. B. 503 (SUB)

271 "33-1-9.2.

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

273 (1) 'Capper,' 'runner,' or 'steerer' means a person who receives a pecuniary benefit from
274 a practitioner or healthcare service provider, whether directly or indirectly, to solicit,
275 procure, or attempt to procure a client, patient, or customer at the direction or request of,
276 or in cooperation with, a practitioner or healthcare service provider whose purpose is to
277 obtain benefits under a contract of insurance or to assert a claim against an insured or an
278 insurer for providing services to the client, patient, or customer. Such terms shall not
279 include:

280 (A) Any insurance company or agent or employee thereof that provides referrals or
281 recommendations to its insureds; or

282 (B) A practitioner or healthcare service provider that procures clients, patients, or
283 customers through the use of public media or by referrals or recommendations from
284 other practitioners or healthcare service providers.

285 (2) 'Practitioner' means an attorney, healthcare professional, owner or partial owner of
286 a healthcare practice or facility, or any person employed or acting on behalf of any of the
287 individuals listed in this paragraph.

288 (3) 'Public media' means telephone directories, professional directories, newspapers and
289 other periodicals, radio and television, billboards, and mailed or electronically transmitted
290 written communications that do not involve in-person contact with a specific prospective
291 client, patient, or customer.

292 (b) Except as provided for in paragraph (5) of subsection (a) of Code Section 50-18-72,
293 it is unlawful for any person in an individual capacity or in a capacity as a law enforcement
294 officer, law enforcement records staff member, wrecker services staff member, emergency
295 staff member, physician, hospital employee, or attorney to solicit, release, or sell any
296 information relating to the parties of a motor vehicle collision for personal financial gain.
297 This subsection shall not apply to mass public media advertisement and solicitation.

298 (c) It is unlawful for:

299 (1) Any person in an individual capacity or in a capacity as a public or private employee
 300 or any firm, corporation, partnership, or association to act as a capper, runner, or steerer
 301 for any practitioner or healthcare service provider. This paragraph shall not prohibit an
 302 attorney or healthcare provider from making a referral and receiving compensation as is
 303 permitted under applicable professional rules of conduct; and

304 (2) Any practitioner or healthcare service provider to compensate or give anything of
 305 value to a person acting as a capper, runner, or steerer. It is also unlawful for any capper,
 306 runner, or steerer to recommend or secure a practitioner's or healthcare service provider's
 307 employment by a client, patient, or customer if such practitioner or healthcare service
 308 provider obtains or intends to obtain benefits under a contract of insurance or asserts a
 309 claim against an insured or an insurer for providing services to the client, patient, or
 310 customer.

311 (d) Any person convicted of a violation of this Code section shall be guilty of a felony and,
 312 upon conviction thereof, shall be punished by imprisonment of not more than ten years and
 313 by a fine of not more than \$200,000.00 per violation."

314 **SECTION 5-4.**

315 Said title is further amended in Chapter 24, relating to insurance generally, by repealing and
 316 reserving Code Section 33-24-53, relating to solicitation, release, or sale of automobile
 317 accident information prohibited, definitions, exceptions, and penalties.

318 **SECTION 5-5.**

319 Title 50 of the Official Code of Georgia Annotated, relating to state government, is amended
 320 in Code Section 50-18-72, relating to when public disclosure not required, by replacing
 321 "Code Section 33-24-53" with "Code Section 33-1-9.2" where such term occurs in
 322 subparagraph (a)(5)(I).

323

PART VI

324

SECTION 6-1.

325 Said title is further amended in Chapter 1, relating to general provisions, by adding a new
326 Code section to read as follows:

327 "33-1-28.

328 The Commissioner, in coordination with the Department of Economic Development, is
329 authorized to pursue the recruitment and retention of insurers to keep or change domiciles
330 in or to this state and to locate local, regional, national, and international headquarters and
331 major offices in this state."

332

PART VII

333

SECTION 7-1.

334 Said title is further amended in Chapter 3, relating to authorization and general requirements
335 for transaction of insurance, by adding a new Code section to read as follows:

336 "33-3-28.1.

337 (a) As used in this Code section, the term 'catastrophic event' means a major natural or
338 human caused event, including, but not limited to, windstorms, cyclones, earthquakes,
339 hurricanes, ice storms, tornadoes, high winds, floods, hail storms, or any other weather
340 events or occurrences, provided that any such event or occurrence has been declared as a
341 disaster or emergency by the President of the United States or the Governor.

342 (b) After a catastrophic event occurs in this state, the Commissioner is authorized to
343 extend the time period during which insurers require receipt of claims from insureds when,
344 at the sole determination of the Commissioner, a lack of qualified resources are available
345 for insureds to file an accurate claim.

346 (c) After a catastrophic event occurs in this state, the Commissioner is authorized to issue
347 a directive requiring every insurer to comply with the following requirements relating to
348 processing property claims arising from the catastrophic event:

349 (1) Within 15 calendar days of receiving notification of a claim, the insurer shall
350 acknowledge the claim and provide necessary claims forms and reasonable instructions
351 to the insured. Notification of a claim provided to an insurer's agent shall constitute
352 notification to the insurer. Acknowledgment of the claim made by any means other than
353 writing shall be noted and dated in the insurer's claim file on the insured. Payment within
354 15 calendar days of receiving notification of a claim shall satisfy the requirements of this
355 paragraph;

356 (2) The insurer shall affirm or deny liability on claims for losses arising from
357 catastrophic events within 15 calendar days of receiving the completed proof of loss from
358 the insured under a motor vehicle policy and within 60 calendar days of receiving the
359 completed proof of loss from the insured under all other property insurance policies. If
360 the insurer does not require proof of loss to be completed, a coverage investigation shall
361 take place within 30 calendar days from the day notification the claim was received;

362 (3) Payment shall be tendered to the insured within ten days after coverage is accepted
363 and the full amount of the claim is determined and not in dispute. In claims where
364 multiple coverages are involved, payment for individual coverages that are not in dispute
365 shall be tendered within ten days after coverage is confirmed if such payment would
366 terminate the insurer's known liability under that individual coverage;

367 (4) If the insurer needs more time than specified in paragraph (3) of this subsection to
368 determine liability, such insurer shall notify the claimant within five business days after
369 the time limitation has elapsed that more time is needed, the reason more time is needed,
370 and an estimate of additional time needed to establish liability. Notification by any other
371 means than writing shall be noted and dated in the insurer's claim file on the insured; and

372 (5) The total time the insurer has to affirm or deny liability shall not exceed 60 days from
 373 the time the insurer is notified of the claim, unless the insurer has documented in the
 374 claim file that reasonable and necessary information to determine liability has been
 375 requested and not been provided by the insured."

376 **PART VIII**

377 **SECTION 8-1.**

378 Said title is further amended in Chapter 8, relating to fees and taxes, by adding a new
 379 subsection to Code Section 33-8-8.2, relating to county and municipal corporation taxes on
 380 other than life insurance companies, to read as follows:

381 "(f) On or before January 1, 2027, and annually thereafter, any county or municipal
 382 corporation receiving allocated taxes collected pursuant to this Code section shall file with
 383 the Commissioner an annual report on a form prescribed by the Commissioner
 384 demonstrating how funds were expended for purposes authorized by law or a copy of the
 385 budget report required of counties pursuant to Code Section 33-8-8.3."

386 **PART IX**

387 **SECTION 9-1.**

388 Said title is further amended in Chapter 9, relating to regulation of rates, underwriting rules,
 389 and related organizations, by adding a new subsection to Code Section 33-9-21, relating to
 390 maintenance and filing rates, rating plans, rating systems, or underwriting rules and
 391 examination of claim reserve practices by Commissioner, to read as follows:

392 "(h) The Commissioner is authorized to consider all information available to the
 393 department, including, but not limited to, any and all filings, applications, and renewals
 394 made to the department; filings made pursuant to this chapter; data submissions made

395 pursuant to directives, bulletins, and data calls; disclosures and reports from financial
396 examinations; disclosures and reports from market conduct examinations; complaints
397 submitted to the department and other state agencies; complaints, investigations, and
398 reports by insurance departments in other states; complaints, investigations, and reports by
399 federal agencies; orders, consent orders, and consent agreements; fines, penalties, and other
400 assessments imposed by the department or other state agencies; and litigation by and
401 against the company."

402 **PART X**

403 **SECTION 10-1.**

404 Said title is further amended in Chapter 24, relating to insurance generally, by adding a new
405 Code section to read as follows:

406 "33-24-59.37.

407 (a) No property, casualty, credit, marine and transportation, or vehicle insurance policy
408 providing first-party insurance coverage for loss or damage to any type of real or personal
409 property in this state, or any related contract or instrument to such policy, shall contain a
410 contractual limitation requiring commencement of any suit or action within a specified
411 period of time of less than two years from the date of loss; provided, however, that such
412 limitation shall apply only to the portion or portions of such policies providing first-party
413 property insurance coverage. This subsection shall apply to all such policies issued,
414 delivered, issued for delivery, or renewed in this state on and after July 1, 2027.

415 (b) Liability coverage and workers' compensation coverage are expressly exempted from
416 the requirements of subsection (a) of this Code section."

417 **PART XI**
418 **SECTION 11-1.**

419 Said title is further amended in Chapter 32, relating to property insurance, by adding a new
420 article to read as follows:

421 "ARTICLE 3

422 33-32-20.

423 This article shall be known and may be cited as the 'Georgia Storm Damage Mitigation
424 Program Act.'

425 33-32-21.

426 As used in this article, the term:

427 (1) 'Program' means the Georgia Storm Damage Mitigation Program.

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

430 33-32-22.

431 (a) There is established the Georgia Storm Damage Mitigation Program within the
432 department for the purpose of reducing the financial impact of property insurance claims
433 in this state by mitigating losses and lowering repair costs through a comprehensive and
434 coordinated approach to remedy damages due to tornadoes, hurricanes, and windstorms.

435 (b) The Commissioner shall administer the program and is authorized to appoint a program
436 administrator.

437 (c) The program shall not create an entitlement for residential property owners or obligate
438 the state in any way to fund the inspection or retrofitting of residential property.

439 33-32-23.

440 (a) Implementation of the Georgia Storm Damage Mitigation Program is subject to
441 sufficient funds provided through annual legislative appropriations and other funds as
442 provided for in this Code section.

443 (b) The program shall be funded through the use of all premium taxes collected from the
444 underwriting association established pursuant to Chapter 33 of this title and through
445 one-tenth of 1 percent of state insurance premium taxes collected annually and remitted to
446 the department pursuant to Code Section 33-8-4.

447 (c) The Commissioner or the program administrator is authorized to solicit and accept
448 federal funding in support of the program as well as private funding, public grants, in-kind
449 gifts, or any other funding or donations from individuals, private organizations, or
450 foundations.

451 33-32-24.

452 (a) The department is authorized to award grants under the program subject to the
453 availability of funds.

454 (b) Grants may be used for the following improvements to residential property:

455 (1) Roof deck attachments;

456 (2) Secondary water barriers;

457 (3) Roof coverings;

458 (4) Brace gable ends;

459 (5) Reinforcement of roof-to-wall connections;

460 (6) Opening protections;

461 (7) Exterior doors, including, but not limited to, garage doors;

462 (8) Tie downs;

463 (9) Fixing problems associated with weakened trusses, studs, and other structural
464 components;

465 (10) Inspection and repair or replacement of manufactured home piers, anchors, and
466 tie-down straps; and

467 (11) Any other mitigation techniques recommended by the Commissioner or the program
468 administrator, as provided in rules and regulations promulgated by the Commissioner.

469 33-32-25.

470 (a) Any grants issued pursuant to this Code section shall be used to assist owners of a
471 single-family dwelling or site-built, manufactured, or modular, owner occupied, residential
472 property to retrofit such property to be less vulnerable to hurricanes, tornadoes, hail,
473 windstorms, or flooding damage.

474 (b) To be eligible for a grant, a residential property shall be:

475 (1) A single-family dwelling or a site-built, manufactured, or modular residential
476 property owned and occupied by the applicant;

477 (2) The legal residence of the applicant; and

478 (3) Covered by a current homeowners or dwelling insurance policy that:

479 (A) Is issued by an insurer authorized to insurance in this state, issued by a surplus
480 lines insurer when lawfully placed by a surplus lines broker authorized to do business
481 in this state, or is covered through the underwriting association established pursuant to
482 Chapter 33 of this title;

483 (B) Provides insurance coverage of the residential property equal to or greater than the
484 fair market value of the property as such term is defined in Code Section 48-5-2; and

485 (C) Has undergone an acceptable wind certification and hurricane mitigation inspection
486 in accordance with program requirements.

487 (c) The type and amount of grants shall be awarded as follows:

488 (1) A resilient mitigation award for roof retrofits meeting industry standards and
489 guidelines, such as Georgia Strong Home retrofit guidelines and Institute for Business
490 and Home Safety Fortified Roof retrofit guidelines for a residential property, as may be

491 provided for by rules. Such award shall not exceed \$6,000.00 for matching grants or
492 \$7,500.00 for nonmatching grants;

493 (2) A sustainable mitigation award for roof retrofits meeting industry standards and
494 guidelines, such as Georgia Strong Home retrofit guidelines only, or for window
495 replacement and opening protection retrofits meeting industry standards and guidelines,
496 such as Georgia Strong Home opening protection guidelines for residential property, as
497 may be provided for by rules. Such award shall not exceed \$4,000.00 for matching grants
498 or \$5,000.00 for nonmatching grants awards; or

499 (3) A sustainable mitigation award for hurricane shuttering and protective barrier
500 systems meeting industry standards and guidelines, such as Georgia Strong Home
501 opening protection guidelines, as may be provided for by rules. Such award shall not
502 exceed \$4,000.00 for either matching or nonmatching grants.

503 (d) The amount of any nonmatching grant shall be determined based on the cost of the
504 mitigation project and a percentage of the total adjusted household income of the applicant
505 according to their most recent federal income tax return. Applicants for nonmatching
506 grants with a total annual adjusted gross household income that does not exceed the median
507 annual adjusted gross income for households within the county in which the applicant
508 resides may be eligible for the maximum amount of such grant. Applicants for
509 nonmatching grants with a total annual adjusted household income above the median for
510 households within the county in which the applicant resides may be awarded a lower grant
511 amount.

512 33-32-26.

513 Matching grants may be made available to local governments and nonprofit entities for
514 projects that reduce storm and hurricane damage to single-family dwelling or a site-built,
515 manufactured, or modular owner occupied, residential property, provided that:

516 (1) No matching grant for any one local government or nonprofit entity shall exceed
517 \$25,000.00 in any fiscal year;

518 (2) The total amount of matching grants awarded to all local governments and nonprofit
519 entities combined shall not exceed \$200,000.00 in any fiscal year;

520 (3) The difference between \$250,000.00 and the total amount of grants awarded to all
521 local governments and nonprofit entities combined in any fiscal year shall be applied to
522 grants to individual residential property owners as provided in Code Section 33-32-25;
523 and

524 (4) For any project funded, in whole or in part, by a grant pursuant to this Code section,
525 the local government or nonprofit entity shall employ multimedia public education,
526 awareness, and advertising efforts designed to specifically address mitigation techniques,
527 as well as a component to support ongoing consumer resources and referral services.

528 33-32-27.

529 (a) The department shall create a process in which mitigation contractors agree to
530 participate and seek reimbursement under the program and homeowners agree to select
531 from a list of participating contractors.

532 (b) Any mitigation projects shall be based upon the securing of all required local permits
533 and inspections and shall be subject to random reinspection. The Commissioner or the
534 program administrator may reinspect up to 10 percent of all mitigation projects.

535 33-32-28.

536 The Commissioner shall promulgate rules and regulations necessary to implement the
537 provisions of this article."

538

PART XII

539

SECTION 12-1.

540 Said title is further amended in Chapter 34, relating to motor vehicle accident reparations,
541 by revising Code Section 33-34-5, which is designated as reserved, as follows:

542 "33-34-5.

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

544 (1) 'Excluded driver' means an individual expressly designated as excluded from
545 coverage under a motor vehicle insurance policy.

546 (2) 'Motor vehicle insurance policy' means an automobile liability policy or motor
547 vehicle liability policy issued, delivered, issued for delivery, or renewed in this state on
548 and after July 1, 2027, to the owner of a motor vehicle which provides at least the
549 minimum coverage required by this chapter.

550 (b) An insurer may exclude a named individual from coverage under a motor vehicle
551 insurance policy, provided that such insurer identifies such named individual as an
552 excluded driver to the Department of Revenue as provided in Code Section 40-6-10.2.
553 Such insurer shall notify the Department of Revenue when such named individual is no
554 longer an excluded driver under such policy. Reserved."

555

SECTION 12-2.

556 Title 40 of the Official Code of Georgia Annotated, relating to motor vehicles and traffic, is
557 amended in Chapter 6, relating to uniform rules of the road, by adding a new Code section
558 to read as follows:

559 "40-6-10.2.

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

561 (1) 'Excluded driver' means an individual expressly designated as excluded from
562 coverage under a motor vehicle insurance policy.

563 (2) 'Motor vehicle insurance policy' means an automobile liability policy or motor
564 vehicle liability policy issued, delivered, issued for delivery, or renewed in this state on
565 and after July 1, 2027, to the owner of a motor vehicle which provides at least the
566 minimum coverage required by Chapter 34 of Title 33.

567 (b) When an insurer excludes a named individual from coverage under a motor vehicle
568 insurance policy as provided in Code Section 33-34-5, such insurer shall identify such
569 named individual as an excluded driver under such policy in a notice to the Department of
570 Revenue. Insurance coverage information included in such notice of exclusion shall be
571 limited to the name and contact information of the insurer, the vehicle identification
572 number, the make and year of the insured motor vehicle, the policy effective date, and the
573 name of the excluded driver.

574 (c) When a law enforcement officer of this state determines that the operator of a motor
575 vehicle is an excluded driver under the motor vehicle insurance policy for such vehicle and
576 such operator does not have proof of effective insurance, the law enforcement officer shall
577 issue a uniform traffic citation for operating a motor vehicle without proof of insurance as
578 provided in Code Section 40-6-10.

579 (d) An owner who knowingly authorizes an individual to operate a motor vehicle when
580 such individual is an excluded driver under the motor vehicle insurance policy for such
581 vehicle and the owner knows such individual does not have other effective insurance shall
582 be guilty of a misdemeanor and, upon conviction thereof, shall be subject to a fine of not
583 less than \$200.00 nor more than \$1,000.00 or confinement for not more than 12 months,
584 or both."

585

PART XIII

586

SECTION 13-1.

587 Said title is further amended in Chapter 2, relating to registration and licensing of motor
 588 vehicles, by revising subsection (e) of Code Section 40-2-137, relating to notice of insurance
 589 coverage and termination, lapses in insurance coverage, and insurance coverage for active
 590 duty military personnel, as follows:

591 "(e)(1) When proof of minimum motor vehicle insurance coverage is provided within the
 592 time period specified in this Code section, but there has been a lapse of coverage for a
 593 period of more than ten days, the owner shall remit a ~~\$25.00~~ \$50.00 lapse fee to the
 594 department. Failure to remit ~~the lapse~~ such fee to ~~the department~~ within 30 days of the
 595 date of such notice ~~will~~ shall result in the immediate suspension of ~~the~~ such owner's
 596 motor vehicle registration by operation of law. If any lapse fee provided for in this Code
 597 section is paid to the county tax commissioner, the county shall retain ~~\$5.00~~ \$10.00
 598 thereof as a collection fee.

599 (2) If proof is not provided within the time period specified in this Code section that
 600 minimum motor vehicle insurance coverage is in effect, the owner's motor vehicle
 601 registration shall be suspended immediately by operation of law ~~by the department~~.
 602 When such proof is provided and the owner pays a ~~\$25.00~~ \$50.00 lapse fee and pays a
 603 ~~\$60.00~~ \$125.00 restoration fee, the suspension shall terminate; provided, however, that
 604 the commissioner may waive the lapse fee and restoration fee for any owner whose
 605 vehicle registration has been suspended pursuant to this paragraph who provides proof
 606 of continuous minimum motor vehicle insurance coverage. If any restoration fee
 607 provided for in this Code section is paid to the county tax commissioner, the county shall
 608 retain ~~\$10.00~~ \$15.00 thereof as a collection fee.

609 (3) In the event of a second suspension of the owner's registration under this Code
 610 section; within a five-year period of a prior suspension, ~~the department by operation of~~

611 ~~law shall suspend the~~ such owner's motor vehicle registration shall be suspended
 612 immediately by operation of law. When proof is provided that minimum motor vehicle
 613 insurance coverage is in effect and the owner pays a ~~\$25.00~~ \$125.00 lapse fee and pays
 614 a ~~\$60.00~~ \$150.00 restoration fee, the suspension shall terminate.

615 (4) In the event of a third or subsequent suspension of the owner's registration under this
 616 Code section; within the previous five-year period from the date of the third or
 617 subsequent suspension, ~~the department by operation of law shall revoke the~~ such owner's
 618 motor vehicle registration shall be revoked immediately by operation of law. When proof
 619 is provided that minimum motor vehicle insurance coverage is in effect and the owner
 620 pays a ~~\$25.00~~ \$150.00 lapse fee and pays a ~~\$160.00~~ \$500.00 restoration fee, the owner
 621 may apply for registration of the motor vehicle."

622 **PART XIV**

623 **SECTION 14-1.**

624 Title 33 of the Official Code of Georgia Annotated, relating to insurance, is further amended
 625 in Chapter 1, relating to general provisions, by revising subsection (e) of Code Section
 626 33-1-9, relating to insurance fraud, venue, penalty, and exemption, as follows:

627 "(e) A natural person convicted of a violation of this Code section shall be guilty of a
 628 felony and shall be punished by imprisonment for not less than two nor more than ~~ten~~
 629 15 years; or by a fine of up to \$100,000.00 for each and every act in violation of this
 630 Code section ~~not more than \$10,000.00~~, or both."

631 **SECTION 14-2.**

632 Said title is further amended in said chapter by revising subsection (c) of Code Section
 633 33-1-9.1, relating to crimes of staging a collision or filing a fraudulent claim and penalty, as
 634 follows:

635 "(c) A person shall be guilty of the crime of making a fraudulent claim related to a staged
 636 collision when such person makes, or assists in making, a claim for insurance benefits of
 637 any type or brings, or assists in bringing, a civil lawsuit against another seeking monetary
 638 damages with knowledge that the injuries for which insurance benefits or monetary
 639 damages are sought resulted from a staged collision, or seeks to obtain any benefit to which
 640 such claimant is not legally entitled. Making a fraudulent claim related to a staged
 641 collision shall constitute a felony and shall be punishable by no less than one year nor more
 642 than five years' imprisonment or by a fine of up to \$100,000.00 for each and every act in
 643 violation of this subsection, or both."

644 **SECTION 14-3.**

645 Said title is further amended in said chapter by revising subsection (c) of Code Section
 646 33-1-15, relating to affidavit that insured's motor vehicle stolen, as follows:

647 "(c) Any person who violates subsection (b) of this Code section shall be guilty of a felony
 648 and, upon conviction thereof, shall be punished by imprisonment for not less than one nor
 649 more than five years or by a fine of not more than ~~\$10,000.00~~ \$20,000.00, or both."

650 **SECTION 14-4.**

651 Said title is further amended in said chapter by revising subsection (d) of Code Section
 652 33-1-16.1, relating to excessive, fraudulent, or high-tech drug testing of certain individuals
 653 as fraudulent insurance act, as follows:

654 "(d) A natural person convicted of a violation of this Code section shall be guilty of a
 655 misdemeanor of a high and aggravated nature and shall be punished by ~~imprisonment~~
 656 confinement for not more than 12 months, by a fine of not more than ~~\$1,000.00~~ \$2,500.00
 657 per violation, or both."

658 **SECTION 14-5.**

659 Said title is further amended in said chapter by revising paragraph (1) of subsection (i) of
660 Code Section 33-1-27, relating to insurance coverage for mental health and substance abuse
661 disorders, compliance with mental health parity requirements, complaints and violations, and
662 appointment of mental health parity officer, as follows:

663 "(i)(1) If the Commissioner determines that a health insurer failed to submit a timely or
664 sufficient report required under paragraph (4) of subsection (b) of this Code section or
665 failed to submit timely and sufficient data pursuant to a data call conducted pursuant to
666 paragraph (1) of subsection (c) of this Code section, the Commissioner may impose a
667 monetary penalty of up to ~~\$2,000.00~~ \$10,000.00 for each and every act in violation,
668 unless the insurer knew or reasonably should have known that he or she was in violation,
669 in which case the monetary penalty may be increased to an amount of up to ~~\$5,000.00~~
670 \$25,000.00 for each and every act in violation."

671 **SECTION 14-6.**

672 Said title is further amended in Chapter 2, relating to Department and Commissioner, by
673 revising subsection (g) of Code Section 33-2-24, relating to enforcement of title and rules,
674 regulations, and orders, issuance of orders without hearings, civil actions, criminal violations,
675 and penalties, as follows:

676 "(g) In addition to all other penalties provided for under this title, the Commissioner shall
677 have the authority:

678 (1) To place any person duly licensed under this title on probation for a period of time
679 not to exceed one year for each and every act in violation of this title or of the rules,
680 regulations, or orders of the Commissioner; and

681 (2) To subject any person duly licensed or that should be licensed under this title to a
682 monetary penalty of up to ~~\$2,000.00~~ \$10,000.00 for each and every act in violation of this
683 title or of the rules, regulations, or orders of the Commissioner, unless such person knew

684 or reasonably should have known he or she was in violation of this title or of the rules,
 685 regulations, or orders of the Commissioner, in which case the monetary penalty provided
 686 for in this paragraph may be increased to an amount up to ~~\$5,000.00~~ \$25,000.00 for each
 687 and every act in violation."

688 **SECTION 14-7.**

689 Said title is further amended in said Chapter 6, relating to unfair trade practices, by revising
 690 subsection (a) of Code Section 33-6-8, relating to issuance of cease and desist orders,
 691 issuance of orders providing for other relief, change in orders, and date on which orders
 692 appealable, as follows:

693 "(a) If, after the hearing provided for in Code Section 33-6-7, the Commissioner shall
 694 determine that the person charged has engaged in an unfair method of competition or an
 695 unfair or deceptive act or practice, he or she shall reduce his or her findings to writing and
 696 shall issue and cause to be served upon the person charged with the violation a copy of the
 697 findings and an order requiring such person to cease and desist from engaging in the
 698 method of competition, act, or practice; and, if the act or practice is a violation of Code
 699 Sections 33-6-4 and 33-6-5, the Commissioner may at his or her discretion order any one
 700 or more of the following:

701 (1) Payment of a monetary penalty of not more than ~~\$1,000.00~~ \$5,000.00 for each and
 702 every act or violation, unless the person knew or reasonably should have known he or she
 703 was in violation of this article, in which case the penalty shall be not more than ~~\$5,000.00~~
 704 \$25,000.00 for each and every act or violation;

705 (2) Suspension or revocation of the person's license, if he or she knew or reasonably
 706 should have known he or she was in violation of this article; or

707 (3) Any other relief as is reasonable and appropriate."

708 **SECTION 14-8.**

709 Said title is further amended in said chapter by revising Code Section 33-6-9, relating to
710 penalties for violations of cease and desist orders, as follows:

711 "33-6-9.

712 After notice and hearing and upon order of the Commissioner, any person who violates a
713 cease and desist order under Code Section 33-6-8, while the order is in effect may, at the
714 discretion of the Commissioner, be subject to any one or more of the following:

- 715 (1) A monetary penalty of not more than ~~\$10,000.00~~ \$15,000.00 for each and every act
716 or violation;
- 717 (2) Suspension or revocation of such person's license; or
- 718 (3) Any other relief as is reasonable and appropriate."

719 **SECTION 14-9.**

720 Said title is further amended in Chapter 9, relating to regulation of rates, underwriting rules,
721 and related organizations, by revising Code Section 33-9-38, relating to penalty for failure
722 to comply with final order of Commissioner and penalty for willful violation of provision of
723 chapter, as follows:

724 "33-9-38.

725 (a) Any person, insurer, organization, group, or association who fails to comply with a
726 final order of the Commissioner under this chapter shall be liable to the state in an amount
727 not exceeding ~~\$50.00~~ \$1,000.00; but, if such failure is willful, the person, insurer,
728 organization, group, or association shall be liable to the state in an amount not exceeding
729 ~~\$5,000.00~~ \$10,000.00. The Commissioner shall collect the amount so payable and may
730 bring an action in the name of the people of the State of Georgia to enforce collection.
731 Such penalties may be in addition to any other penalties provided by law.

732 (b) Any person who willfully violates this chapter shall be guilty of a misdemeanor."

733 **SECTION 14-10.**

734 Said title is further amended in Chapter 15, relating to fraternal benefit societies, by revising
735 Code Section 33-15-122, relating to violations and penalties, as follows:

736 "33-15-122.

737 (a) Any person, officer, member, or examining physician of any society doing business
738 under this chapter who shall knowingly or willfully make any false or fraudulent statement
739 or representation in or relating to any application for membership or for the purpose of
740 obtaining money from or a benefit in any society shall be guilty of a misdemeanor of a high
741 and aggravated nature and shall be punished by confinement for not less than one nor more
742 than five years or by a fine of not more than \$5,000.00, or both.

743 (b) Any person who willfully makes a false or fraudulent statement in any verified report
744 or declaration under oath required or authorized by this chapter or of any material fact or
745 thing contained in a sworn statement concerning the death or disability of an insured for
746 the purpose of procuring payment of a benefit named in the certificate shall be guilty of
747 ~~false swearing a misdemeanor of a high and aggravated nature~~ and shall be ~~subject to the
748 penalties therefor prescribed by Code Section 16-10-71~~ punished by confinement for not
749 less than one nor more than five years or by a fine of not more than \$5,000.00, or both.

750 (c) Any person who solicits membership for, or in any manner assists in procuring
751 membership in, any society not licensed to do business in this state shall, upon conviction
752 thereof, be fined not less than \$50.00 nor more than \$200.00.

753 (d) Any person guilty of a willful violation of, or neglect or refusal to comply with, the
754 provisions of this chapter for which a penalty is not otherwise prescribed shall, upon
755 conviction thereof, be subject to a fine not to exceed ~~\$200.00~~ \$5,000.00."

756 **SECTION 14-11.**

757 Said title is further amended in Chapter 20E, relating to the "Surprise Billing Consumer
758 Protection Act," by revising subsection (a) of Code Section 33-20E-26, relating to
759 enforcement and monetary penalties, as follows:

760 "(a) For each and every act in violation of Code Section 33-20E-24, the Commissioner
761 may impose a monetary penalty of up to ~~\$2,000.00~~ \$10,000.00, unless the insurer knew or
762 reasonably should have known of the violation, in which case the monetary penalty
763 imposed may be up to ~~\$5,000.00~~ \$25,000.00 for each and every act in violation."

764 **SECTION 14-12.**

765 Said title is further amended in Chapter 22, relating to insurance premium finance
766 companies, by revising subsection (e) of Code Section 33-22-3, relating to requirement of
767 license for transaction of business, fees, change of address, and examination of applicants,
768 as follows:

769 "(e) Any person who shall engage in the business of financing insurance premiums in this
770 state without obtaining a license as provided in this Code section shall, upon conviction,
771 be subject to a fine of not more than ~~\$1,000.00~~ \$2,000.00."

772 **SECTION 14-13.**

773 Said title is further amended in said chapter by revising subsections (c) and (d) of Code
774 Section 33-22-6, relating to grounds and procedure for revocation, suspension, or nonrenewal
775 of license or imposition of probation or fine, as follows:

776 "(c) In lieu of revoking or suspending the license for any of the causes enumerated in
777 subsection (a) of this Code section, the Commissioner shall have the authority after a
778 hearing to place the premium finance company on probation for a period of time not to
779 exceed one year and may subject such company to a penalty of not more than ~~\$1,000.00~~

780 \$2,000.00 for each offense when, in his or her judgment, he or she finds that the public
781 interest would not be harmed by the continued operation of the company.

782 (d) The Commissioner shall ~~also~~ have the authority after a hearing to subject any person
783 or entity who is acting as a premium finance company in this state without a license, as
784 provided for by this chapter, to a penalty of not more than ~~\$1,000.00~~ \$2,000.00 for each
785 violation of this chapter. The amount of any such penalty shall be paid by the company,
786 person, or entity to the Commissioner for the use of the state."

787 **SECTION 14-14.**

788 Said title is further amended in said chapter by revising subsection (b) of Code Section
789 33-22-14, relating to disposition of unearned premiums upon cancellation of insurance
790 policy, as follows:

791 "(b)(1) In the event that the crediting of return premiums to the account of the insured
792 results in a surplus over the amount due from the insured, the premium finance company
793 shall refund the excess within ten working days of receipt of the return premium or tender
794 of return premium to the insured via the agent, agency, or broker placing the insurance
795 and shall furnish such agent, agency, or broker, upon a written request, a report setting
796 forth an itemization of the unearned finance charge and other charges under the premium
797 finance agreement; provided, however, there shall be no refund required when the excess
798 due the insured is less than \$5.00.

799 (2) Any insurance premium finance company failing to tender refunds or to furnish any
800 report requested by the agent, agency, or broker as required in paragraph (1) of this
801 subsection shall pay to the insured via the agent, agency, or broker a penalty equal to ~~25~~
802 50 percent of the amount of the refund and interest equal to 18 percent per annum until
803 such time as the refund is made; ~~provided, however, the maximum amount of such~~
804 ~~penalty and interest shall not exceed 50 percent of the amount of the refund due."~~

805 **SECTION 14-15.**

806 Said title is further amended in Chapter 23, relating to licensing, by revising paragraph (14)
807 of subsection (d) of Code Section 33-23-12, relating to limited licenses, as follows:

808 "(14) If a vendor or its employee or authorized representative violates any provision of
809 this subsection, the Commissioner may impose any of the following penalties:

810 (A) After notice and hearing, fines not to exceed ~~\$500.00~~ \$1,000.00 per violation or
811 ~~\$5,000.00~~ \$10,000.00 in the aggregate for such conduct; and

812 (B) After notice and hearing, other penalties that the Commissioner deems necessary
813 and reasonable to carry out the purpose of this article, including:

814 (i) Suspending the privilege of transacting portable electronics insurance pursuant to
815 this subsection at specific business locations where violations have occurred; and

816 (ii) Suspending or revoking the ability of individual employees or authorized
817 representatives to act under the license;"

818 **SECTION 14-16.**

819 Said title is further amended in Chapter 24, relating to insurance generally, by revising
820 subsection (n) of Code Section 33-24-19.1, relating to certificate of insurance forms to be
821 approved by Commissioner, definitions, and required provisions of certificate, as follows:

822 "(n) Any person ~~who~~ that violates this Code section may be fined up to ~~\$5,000.00~~
823 \$10,000.00 per violation."

824 **SECTION 14-17.**

825 Said title is further amended in said chapter by revising subsection (c) of Code Section
826 33-24-44, relating to cancellation of policies generally, as follows:

827 "(c)(1) Any unearned premium which has been paid by the insured shall be refunded to
828 the insured on a pro rata basis as provided in this Code section. If the return does not
829 accompany notice of cancellation, then such return shall be made on or before the

830 cancellation date either directly to the named insured or to the insured's agent of record.
831 In the event the insurer elects to return such unearned premium to the insured via the
832 insured's agent of record, such agent shall return the unearned premium to the insured
833 either in person or by depositing such return in the mail within ten working days of
834 receipt of the unearned premium, or within ten working days of notification from the
835 insurer of the amount of return of unearned premium due, or on the effective date of
836 cancellation, whichever is later. If the insured has an open account with the agent, such
837 return of unearned premium may be applied to any outstanding balance and any
838 remaining unearned premium shall be returned to the insured either in person or by
839 depositing such return in the mail within ten working days of receipt of the unearned
840 premium, or within ten working days of notification from the insurer of the amount of
841 return of unearned premium due, or on the effective date of cancellation, whichever is
842 later.

843 (2) Paragraph (1) of this subsection shall not apply if an audit or rate investigation is
844 required or if the premiums are financed by a premium finance company. If an audit or
845 rate investigation is required, then the refund of unearned premium shall be made within
846 30 days after the conclusion of the audit or rate investigation. If the premiums are
847 financed by a premium finance company, any unearned premiums shall be tendered to
848 the premium finance company within ten working days after cancellation.

849 (3) Any insurer or agent failing to return any unearned premium as prescribed in
850 paragraphs (1) and (2) of this subsection shall pay to the insured a penalty equal to ~~25~~ 50
851 percent of the amount of the return of the unearned premium and interest equal to 18
852 percent per annum until such time that proper return has been made, which penalty and
853 interest ~~must~~ shall be paid at the time the return is made; ~~provided, however, that the~~
854 ~~maximum amount of such penalty and interest shall not exceed 50 percent of the amount~~
855 ~~of the refund due.~~ Failure to return any unearned premium shall not invalidate a notice
856 of cancellation given in accordance with subsection (b) of this Code section."

857 **SECTION 14-18.**

858 Said title is further amended in Chapter 31, relating to credit life insurance and credit
 859 accident and sickness insurance, by revising subsection (b) of Code Section 33-31-12,
 860 relating to promulgation of rules and regulations, enforcement of provisions, and penalties
 861 for violations, as follows:

862 "(b) In addition to any other penalty provided by law, any person who violates an order of
 863 the Commissioner after it has become final and while the order is in effect, upon proof of
 864 the violation to the satisfaction of the court, shall forfeit and pay to ~~this~~ the state a sum not
 865 to exceed ~~\$250.00~~ \$500.00, which may be recovered in a civil action, except that if such
 866 violation is found to be willful, the amount of such penalty shall be a sum not to exceed
 867 ~~\$1,000.00~~ \$2,000.00. The Commissioner, in his or her discretion, may revoke or suspend
 868 the license or certificate of authority of the person guilty of such violation. The order for
 869 suspension or revocation shall be subject to judicial review as provided in Chapter 2 of this
 870 title."

871 **SECTION 14-19.**

872 Said title is further amended in Chapter 34A, relating to vehicle protection product
 873 warranties, by revising subsection (g) of Code Section 33-34A-11, relating to examinations
 874 by Commissioner, enforcement, opportunity for a hearing, burden on Commissioner to show
 875 justification, and penalty for violations, as follows:

876 "(g) A person ~~who~~ is found to have violated this chapter or orders or rules of the
 877 Commissioner may be ordered to pay to the Commissioner a civil penalty in an amount,
 878 determined by the Commissioner, of not more than ~~\$500.00~~ \$1,000.00 per violation and
 879 not more than ~~\$10,000.00~~ \$20,000.00 in the aggregate for all violations of a similar nature.
 880 For purposes of this Code section, violations shall be of a similar nature if the violation
 881 consists of the same or similar course of conduct, action, or practice, irrespective of the

882 number of times the conduct, action, or practice ~~that is~~ determined to be a violation of this
883 chapter occurred."

884 **SECTION 14-20.**

885 Said title is further amended in Chapter 35, relating to prepaid legal services plans, by
886 revising subsection (c) of Code Section 33-35-7, relating to grounds and procedure for
887 revocation, suspension, or refusal to renew licenses, imposition of probation or fine, and
888 review, as follows:

889 "(c) In lieu of revoking, suspending, or refusing to renew the license for any of the causes
890 enumerated in subsection (a) of this Code section, after any hearing as provided in this
891 subsection the Commissioner may place the sponsor on probation for a period of time not
892 to exceed one year or may fine the sponsor not more than ~~\$2,000.00~~ \$10,000.00 for each
893 offense, or ~~to~~ both, when, in the Commissioner's judgment he or she finds that the public
894 interest would not be harmed by the continued operation of the sponsor. The amount of
895 any penalty shall be paid by such sponsor to the Commissioner for the use of the state."

896 **SECTION 14-21.**

897 Said title is further amended in Chapter 36, relating to Georgia Insurers Insolvency Pool, by
898 revising subsection (b) of Code Section 33-36-19, relating to advertisements,
899 announcements, or statements using insolvency pool for purpose of sales, as follows:

900 "(b) Any person who violates subsection (a) of this Code section may, after notice and
901 hearing and upon order of the Commissioner, be subject to one or both of the following:
902 (1) A monetary penalty of not more than ~~\$1,000.00~~ \$2,000.00 for each act or violation,
903 but not to exceed an aggregate penalty of ~~\$10,000.00~~ \$20,000.00; or
904 (2) Suspension or revocation of his or her license or certificate of authority."

905 **SECTION 14-22.**

906 Said title is further amended in Chapter 37, relating to insurers rehabilitation and liquidation,
 907 by revising subsection (d) of Code Section 33-37-6, relating to cooperation with
 908 Commissioner mandated and penalties for failure to cooperate, as follows:

909 "(d) Any person included within subsection (a) of this Code section who fails to cooperate
 910 with the Commissioner, or any person who obstructs or interferes with the Commissioner
 911 in the conduct of any delinquency proceeding or any investigation preliminary or incidental
 912 thereto, or who violates any order the Commissioner issued validly under this chapter may:

913 (1) Be sentenced to pay a fine not exceeding ~~\$10,000.00~~ \$20,000.00 or to undergo
 914 ~~imprisonment~~ confinement for a term of not more than one year, or both; or

915 (2) After a hearing, be subject to the imposition by the Commissioner of a civil penalty
 916 not to exceed ~~\$10,000.00~~ \$20,000.00 and shall be subject further to the revocation or
 917 suspension of any insurance licenses issued by the Commissioner."

918 **SECTION 14-23.**

919 Said title is further amended in said chapter by revising subsection (b) of Code Section
 920 33-37-22, relating to responsibility of agent to provide information and penalty for violation,
 921 as follows:

922 "(b) Any agent failing to provide information to the liquidator as required in subsection (a)
 923 of this Code section may be subject to payment of a penalty of not more than ~~\$1,000.00~~
 924 \$2,000.00 and may have his or her licenses suspended, said penalty to be imposed after a
 925 hearing held by the Commissioner."

926 **SECTION 14-24.**

927 Said title is further amended in said chapter by revising subsection (b) of Code Section
 928 33-37-32, relating to premiums due during pendency of liquidation action, penalties for
 929 violation, notice, and right to appeal, as follows:

930 "(b) Upon satisfactory evidence of a violation of this Code section, the Commissioner may
931 pursue either one or both of the following courses of action:

932 (1) Suspend, revoke, or refuse to renew the licenses of such offending party or parties;
933 or

934 (2) Impose a penalty of not more than ~~\$5,000.00~~ \$10,000.00 for each and every act in
935 violation of this Code section by said party or parties."

936 **SECTION 14-25.**

937 Said title is further amended in Chapter 38, relating to Georgia Life and Health Insurance
938 Guaranty Association, by revising subsection (b) of Code Section 33-38-21, relating to
939 references to the association in advertisements for insurance, as follows:

940 "(b) Any person who violates subsection (a) of this Code section may, after notice and
941 hearing and upon order of the Commissioner, be subject to one or more of the following:

942 (1) A monetary penalty of not more than ~~\$1,000.00~~ \$2,000.00 for each act or violation,
943 but not to exceed an aggregate penalty of ~~\$10,000.00~~ \$20,000.00; or

944 (2) Suspension or revocation of his or her license or certificate of authority."

945 **SECTION 14-26.**

946 Said title is further amended in Chapter 39, relating to collection, use, and disclosure of
947 information gathered by insurance institutions, by revising Code Section 33-39-19, relating
948 to monetary penalty for knowing violations of chapter and monetary penalty for violation of
949 cease and desist order, as follows:

950 "33-39-19.

951 (a) In any case where a hearing pursuant to Code Section 33-39-16 results in the finding
952 of a knowing violation of this chapter, the Commissioner may, in addition to the issuance
953 of a cease and desist order as prescribed in Code Section 33-39-18, order payment of a

954 monetary penalty of not more than ~~\$500.00~~ \$1,000.00 for each violation but not to exceed
 955 ~~\$10,000.00~~ \$20,000.00 in the aggregate for multiple violations.

956 (b) Any person who violates a cease and desist order of the Commissioner under Code
 957 Section 33-39-18 may, after notice and hearing and upon order of the Commissioner, be
 958 subject to one or more of the following penalties, at the discretion of the Commissioner:

959 (1) A monetary fine of not more than ~~\$10,000.00~~ \$20,000.00 for each violation;

960 (2) A monetary fine of not more than ~~\$50,000.00~~ \$100,000.00 if the Commissioner finds
 961 that violations have occurred with such frequency as to constitute a general business
 962 practice; or

963 (3) Suspension or revocation of an insurance institution's or agent's license."

964 **SECTION 14-27.**

965 Said title is further amended in Chapter 47, relating to managing general agents, by revising
 966 subsection (a) of Code Section 33-47-7, relating to violation of chapter and penalties, as
 967 follows:

968 "(a) If the Commissioner finds, after a hearing conducted in accordance with Chapter 2 of
 969 this title, that any person has violated any provision of this chapter, the Commissioner may
 970 order:

971 (1) For each separate violation, a penalty in an amount not to exceed ~~\$10,000.00~~
 972 \$20,000.00;

973 (2) Revocation or suspension of the producer's license; and

974 (3) The managing general agent to reimburse the insurer or the rehabilitator or liquidator
 975 of the insurer for any losses incurred by the insurer caused by a violation of this chapter
 976 committed by the managing general agent."

977

SECTION 14-28.

978 Said title is further amended in Chapter 59, relating to life settlements, by revising subsection
979 (a) of Code Section 33-59-6, relating to filing of annual statement with the Commissioner
980 and confidential information, as follows:

981 "(a)(1) Each provider shall file with the Commissioner on or before May 1 of each year
982 an annual statement containing such information as the Commissioner may prescribe by
983 rule or regulation in addition to any other requirements for any policy settled within five
984 years of policy issuance. In addition to any other requirements, the annual statement shall
985 specify the total number, aggregate face amount, and life settlement proceeds of policies
986 settled during the immediately preceding calendar year, together with a breakdown of the
987 information by policy issue year. The annual statement shall also include the names of
988 the insurance companies whose policies have been settled and the life settlement brokers
989 that have settled said policies.

990 (2) Such information shall be limited to only those transactions where the insured is a
991 resident of this state and shall not include individual transaction data regarding the
992 business of life settlements or information that there is a reasonable basis to believe could
993 be used to identify the owner or the insured.

994 (3) Every provider that willfully fails to file an annual statement as required ~~in~~ by this
995 Code section or willfully fails to reply within 30 days to a written inquiry by the
996 Commissioner in connection therewith, shall, in addition to other penalties provided by
997 this chapter, be subject, upon due notice and opportunity to be heard, to a penalty of up
998 to ~~\$250.00~~ \$500.00 per day of delay, not to exceed ~~\$25,000.00~~ \$50,000.00 in the
999 aggregate, for each such failure."

SECTION 14-29.

1000

1001 Said title is further amended in said chapter by revising subsections (b) and (c) of Code
1002 Section 33-59-16, relating to fraudulent life settlement acts prohibited, criminal and civil
1003 penalties, and revocation of license, as follows:

1004 "(b) For criminal liability purposes, a person that commits a fraudulent life settlement act
1005 shall be guilty of committing insurance fraud and shall be guilty of a felony and, upon
1006 conviction, shall be punished by imprisonment for not less than two nor more than ten
1007 years, or by a fine of not more than ~~\$10,000.00~~ \$20,000.00, or both.

1008 (c) The Commissioner shall be empowered to levy a civil penalty:

1009 (1) Not exceeding ~~\$1,000.00~~ \$2,000.00 for each and every act in violation of this chapter
1010 or, if the person knew or reasonably should have known the acts that he or she committed
1011 were in violation of this chapter, the monetary penalty provided for in this subsection
1012 may be increased to an amount up to ~~\$5,000.00~~ \$10,000.00 for each and every act in
1013 violation; and

1014 (2) The amount of the claim for each violation upon any person, including those persons
1015 and their employees licensed pursuant to this chapter, who is found to have committed
1016 a fraudulent life settlement act or violated any other provision of this chapter."

SECTION 14-30.

1017

1018 Said title is further amended in Chapter 63, relating to guaranteed asset protection waivers,
1019 by revising Code Section 33-63-9, relating to Commissioner to enforce provisions and
1020 penalty for violations, as follows:

1021 "33-63-9.

1022 The Commissioner may take action which is necessary or appropriate to enforce the
1023 provisions of this chapter and to protect guaranteed asset protection waiver holders in this
1024 state. After proper notice and opportunity for hearing, the Commissioner may:

- 1025 (1) Order the creditor, administrator, or any other person not in compliance with this
 1026 chapter to cease and desist from further guaranteed asset protection waiver related
 1027 operations which are in violation of this chapter; and
- 1028 (2) Impose a penalty of not more than ~~\$500.00~~ \$1,000.00 per violation and not more than
 1029 ~~\$10,000.00~~ \$20,000.00 in the aggregate for all violations of a similar nature. For
 1030 purposes of this paragraph, violations ~~must~~ shall be of a similar nature if the violation
 1031 consists of the same or similar course of conduct, action, or practice, irrespective of the
 1032 number of times the conduct, action, or practice which is determined to be a violation of
 1033 this chapter occurred."

1034 **SECTION 14-31.**

1035 Said title is further amended in Chapter 64, relating to regulation and licensure of pharmacy
 1036 benefits managers, by revising subsections (i) and (k) of Code Section 33-64-2, relating to
 1037 license requirements and filing fees, as follows:

1038 "(i) In addition to all other penalties provided for under this title, the Commissioner shall
 1039 have the authority to assess a monetary penalty against any person, business entity, or other
 1040 entity acting as a pharmacy benefits manager without a license of up to ~~\$2,000.00~~
 1041 \$4,000.00 for each transaction in violation of this chapter, unless such person, business
 1042 entity, or other entity knew or reasonably should have known it was in violation of this
 1043 chapter, in which case the monetary penalty provided for in this subsection may be
 1044 increased to an amount of up to ~~\$10,000.00~~ \$20,000.00 for each and every act in violation."

1045 "(k) In addition to all other penalties provided for under this title, the Commissioner shall
 1046 have the authority to place any pharmacy benefits manager on probation for a period of
 1047 time not to exceed one year for each and every act in violation of this chapter and shall
 1048 subject such pharmacy benefits manager to a monetary penalty of up to ~~\$2,000.00~~
 1049 \$4,000.00 for each and every act in violation of this chapter, unless the pharmacy benefits
 1050 manager knew or reasonably should have known he or she was in violation of this chapter,

1051 in which case the monetary penalty provided for in this subsection shall be increased to an
 1052 amount of up to ~~\$10,000.00~~ \$20,000.00 for each and every act in violation. In the event
 1053 a pharmacy benefits manager violates any provision of this chapter while on probation, the
 1054 Commissioner shall have the authority to suspend ~~the~~ such pharmacy benefits manager's
 1055 license. For purposes of this subsection, a violation shall be considered to have occurred
 1056 each time an act in violation of this chapter is committed."

1057 **SECTION 14-31.**

1058 Said title is further amended in Chapter 65, relating to the "Corporate Governance Annual
 1059 Disclosure Act," by revising Code Section 33-65-8, relating to failure to file corporate
 1060 governance annual disclosures and penalty, as follows:

1061 "33-65-8.

1062 Any insurer failing, without just cause, to timely file the corporate governance annual
 1063 disclosure as required in this chapter shall be required, after notice and hearing, to pay a
 1064 penalty of ~~\$100.00~~ \$200.00 for each day's delay, to be recovered by the Commissioner, and
 1065 the penalty so recovered shall be paid into the general fund of the state treasury. The
 1066 maximum penalty under this Code section is ~~\$10,000.00~~ \$20,000.00. The Commissioner
 1067 may reduce the penalty if the insurer demonstrates to the Commissioner that the imposition
 1068 of the penalty would constitute a financial hardship to ~~the~~ such insurer."

1069 **PART XV**

1070 **SECTION 15-1.**

1071 (a) Except as provide in subsection (b) of this section, this Act shall become effective on
 1072 July 1, 2026, and shall apply to all contracts entered into or renewed and all policies issued,
 1073 delivered, issued for delivery, or renewed in this state on or after such date.

1074 (b) Part III of this Act shall become effective on January 1, 2027, and shall be applicable to
1075 all taxable years beginning on or after such date.

1076 **SECTION 15-2.**

1077 All laws and parts of laws in conflict with this Act are repealed.