

The House Committee on Insurance offers the following substitute to SB 462:

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 provide
4 for insurance coverage for certain out-of-network ambulance transportation service; to
5 provide for the minimum allowable reimbursement rate for such service; to provide for
6 maximum amounts on copayments, coinsurance, or deductibles for such service; to provide
7 for definitions; to provide for a claim for a refund of certain fees and taxes relative to
8 insurance premiums to be made within three years of payment to the Commissioner; to
9 provide for the Department of Insurance to collect certain data annually from insurers writing
10 private passenger automobile insurance policies; to provide for the Commissioner of
11 Insurance to order the refund of any excess profit made by such insurers; to provide for
12 calculations; to provide for an order, notice, and opportunity for hearing; to provide for cash
13 refunds or credit refunds; to provide for certification; to provide for rules and regulations;
14 to provide for the submission of information on suspected insurance fraud; to provide for
15 certain entities to pay fees into the Special Insurance Fraud Fund; to provide for the
16 Commissioner of Insurance to employ prosecuting attorneys for the prosecution of insurance
17 fraud; to prohibit the solicitation, release, or sale of automobile accident information; to
18 provide for the recruitment of insurers to this state; to provide for the retention of insurers

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

33 BE IT ENACTED BY THE GENERAL ASSEMBLY OF GEORGIA:

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

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

37 **SECTION 1-2.**

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

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

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

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

48 PART II

49 SECTION 2-1.

50 Title 33 of the Official Code of Georgia Annotated, relating to insurance, is amended in
 51 Chapter 20E, the "Surprise Billing Consumer Protection Act," by revising Code Section
 52 33-20E-23, relating to financial responsibilities for ground ambulance transportation, as
 53 follows:

54 "33-20E-23.

55 ~~Nothing in this chapter shall reduce a covered person's financial responsibilities with regard~~
 56 ~~to ground ambulance transportation.~~

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

58 (1) 'Ambulance provider' means an agency, including an agency of any political
 59 subdivision of this state, or a company which is operating under a valid license from the
 60 Emergency Health Section of the Department of Public Health and which provides
 61 emergency transport service; provided, however, that such term shall not include an air
 62 ambulance service as such term is defined in Code Section 31-11-2.

63 (2) 'Clean claim' means a claim for reimbursement of service rendered by an ambulance
 64 provider that has no defect or impropriety, including any lack of required substantiating
 65 documentation, which would reasonably prevent timely payment for a claim.

66 (3) 'Covered service' means emergency transport service which a covered person is
 67 entitled to receive under the terms of a healthcare plan.

68 (4) 'Emergency transport service' means the provision of emergency transportation on
69 the public streets and highways of this state by an ambulance provider for a wounded,
70 injured, sick, invalid, or incapacitated human being to or from a place where medical or
71 hospital care is furnished.

72 (5) 'First responder' means any firefighter of a municipal, county, or volunteer fire
73 department; paramedic as defined in Code Section 31-11-2; emergency medical
74 technician as defined in Code Section 31-11-2; peace officer as defined in Code Section
75 35-8-2; or communications officer as defined in Code Section 37-12-1.

76 (b) A healthcare plan shall consider emergency transport service as a covered service when
77 such emergency transport service is requested by a first responder.

78 (c)(1) The minimum allowable reimbursement rate under any healthcare plan other than
79 a state healthcare plan for covered service to an out-of-network ambulance provider shall
80 be the rate agreed to by contract with or through passage of an ordinance, resolution, rule,
81 or regulation by a county, municipality, special district, or authority for such service
82 within the respective jurisdiction.

83 (2) When no agreement on a minimum reimbursement rate exists as set forth in
84 paragraph (1) of this subsection, the minimum allowable reimbursement amount shall be
85 the lesser of:

86 (A) Three hundred and twenty-five percent of the reimbursement rate under the
87 Medicare program, Part A or B of Title XVIII of the federal Social Security Act, 42
88 U.S.C. Section 1395, et seq., as amended, for ambulance services; or

89 (B) The charges billed by the ambulance provider.

90 (d) Any payment made to an ambulance provider pursuant to this Code section shall
91 release a covered person from any further payment responsibility other than any
92 copayment, coinsurance, or deductible owed by the covered person.

93 (e) Any copayment, coinsurance, or deductible paid for covered service provided by an
94 out-of-network ambulance provider shall not exceed the amount of a copayment,

95 coinsurance, or deductible amount owed for similar service provided by an ambulance
96 provider that belongs to the provider network in a healthcare plan.
97 (f) No later than 30 days after the receipt of a clean claim for covered service, an insurer
98 shall remit payment for such service directly to the ambulance provider and shall not remit
99 any payment to a covered person. When an insurer receives a claim that is not a clean
100 claim, such insurer shall, within 30 days after receipt of such claim, send written notice to
101 the ambulance provider making such claim that acknowledges the receipt of such claim and
102 informs the ambulance provider that:
103 (1) The insurer has declined to pay all or part of the claim, including the reasons for such
104 denial; or
105 (2) Additional information is necessary to make a determination regarding payment of
106 all or part of the claim submitted, including the specific information required."

107 **PART III**

108 **SECTION 3-1.**

109 Said title is further amended in Chapter 8, relating to fees and taxes, by revising Code
110 Section 33-8-9, relating to granting of refunds and credits by Commissioner, as follows:
111 "33-8-9.
112 Refunds and credits of license fees and taxes levied by this chapter shall be made by the
113 Commissioner in accordance with the provisions of Code Sections 33-2-29 through
114 33-2-31; provided, however, that any claim for a refund of a fee or tax erroneously or
115 illegally assessed and collected under this chapter shall be made by the insurer in writing
116 within three years after the date of payment of such fee or tax to the Commissioner."

117 **PART IV**
118 **SECTION 4-1.**

119 Said title is further amended in Chapter 9, relating to regulation of rates, underwriting rules,
120 and related organizations, by revising Code Section 33-9-41, which is reserved, as follows:
121 "33-9-41.

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

123 (1) 'Anticipated underwriting profit' means the expected, projected, or modeled net profit
124 that an insurer anticipates making from providing insurance coverage, exclusive of
125 income from investments. Such term shall be calculated as the sum of the dollar amounts
126 obtained by multiplying, for each rate filing of the insurer group in effect during a
127 three-year period, the earned premiums applicable to such rate filings by the percentage
128 factor included in such rate filing for profit and contingencies, such percentage factor
129 having been determined with due recognition to investment income from funds generated
130 by business in this state; provided, however, that separate calculations shall not be
131 necessary for consecutive filings containing the same percentage factor for profits and
132 contingencies.

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

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

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

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

142 (6) 'Private passenger automobile insurance' means insurance that covers the personal
143 use of a private passenger automobile and its operating equipment; covers liability,
144 collision, comprehensive, personal injury protection or medical payments, or uninsured
145 or underinsured motorist protection; or provides the mandatory minimum limits required
146 under Chapter 34 of this title for the personal use of a private passenger automobile.
147 Such insurance may be written on a family automobile policy, standard automobile
148 policy, personal automobile policy, or similar private passenger automobile policy. Such
149 term shall not include commercial automobile insurance or similar policies for
150 commercial automobiles or commercial motor vehicles.

151 (b) No later than July 1, 2027, and annually thereafter, any domestic, foreign, or alien
152 insurer that is authorized to write private passenger automobile insurance policies in this
153 state shall file with the department on forms prescribed by the Commissioner data for
154 private passenger automobile insurance in this state. Such data shall include both voluntary
155 and joint underwriting association business and shall include the following:

156 (1) Calendar year total limits earned premium;
157 (2) Accident year incurred losses and loss adjustment expenses;
158 (3) Administrative and selling expenses incurred in this state or allocated to this state for
159 the calendar year;
160 (4) Policyholder dividends incurred during the applicable calendar year;
161 (5) A schedule of private passenger automobile loss and loss adjustment experience for
162 each of the three most recent accident years. The incurred losses and loss adjustment
163 expenses shall be valued as of March 31 of the year following the close of the accident
164 year, developed to an ultimate basis, and at two twelve month intervals thereafter, each
165 developed to an ultimate basis, so that a total of three evaluations will be provided for
166 each accident year; and

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

169 (c) The department shall review the data collected pursuant to subsection (b) of this Code
170 section to determine if excess profit has been realized based on a comparison of the
171 insurer's underwriting gain and anticipated underwriting profit. Each insurer's underwriting
172 gain or loss for each calendar accident year shall be calculated as the sum of the accident
173 year incurred losses and loss adjustment expenses as of March 31 of the following year,
174 developed to an ultimate basis, plus the administrative and selling expenses incurred in the
175 calendar year, plus policyholder dividends applicable to the calendar year, subtracted from
176 the calendar year earned premium. Such underwriting gain or loss shall be compared to
177 the anticipated underwriting profit for the three most recent calendar accident years to
178 determine if excess profit has been realized.

179 (d) Whenever the Commissioner has determined that an excess profit has been realized,
180 the Commissioner shall issue an order for the insurer to return excess profit and otherwise
181 comply with the provisions of this Code section. The order shall contain or shall be
182 accompanied by a notice of opportunity for hearing which clearly explains that the
183 opportunity must be requested within ten days of receipt of the order and notice. The order
184 and notice shall be served in person by the Commissioner or his or her agent or by
185 registered or certified mail or statutory overnight delivery, return receipt requested. The
186 hearing shall be conducted in accordance with the provisions of Chapter 2 of this title.

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

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

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

194 (B) A credit refund, which shall be applied to policy renewal premium notices that are
195 forwarded to policyholders no more than 60 days after a final order on the refund of

196 excess profit; provided, however, that, if a policyholder cancels the policy or allows the
 197 policy to terminate, the insurer shall make a cash refund no more than 60 days after
 198 termination of coverage.

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

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

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

209

PART V

210

SECTION 5-1.

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

215 "(f) Any person, other than an insurer, agent, or other person licensed under this title, or
 216 an employee thereof, having knowledge of or who believes that a fraudulent insurance act
 217 is being or has been committed may send to the Commissioner a report of information
 218 pertinent to such knowledge of or belief and such additional information relative thereto
 219 as the Commissioner may request. Any insurer, agent, or other person licensed under this
 220 title, or an employee thereof, having knowledge of or who believes that a fraudulent

221 insurance act is being or has been committed shall send to the Commissioner a report or
222 information pertinent to such knowledge or belief and such additional information relative
223 thereto as the Commissioner or his or her employees or agents may require. Any insurer
224 that conducts an independent investigation of suspected insurance fraud shall not be
225 required to complete such investigation before sending information pertinent to such
226 investigation to the Commissioner. The Commissioner or his or her employees or agents
227 shall review such information or reports as, in the judgment of the Commissioner or such
228 employees or agents, may require further investigation. The Commissioner shall then
229 cause an investigation of the facts surrounding such information or report to be made to
230 determine the extent, if any, to which a fraudulent insurance act is being committed and
231 shall report any alleged violations of law which the investigations disclose to the
232 appropriate prosecuting attorney having jurisdiction with respect to any such violation. If
233 prosecution by the prosecuting attorney is not begun within 90 days of the report, the
234 prosecuting attorney shall inform the Commissioner of the reasons for the lack of
235 prosecution."

236 **SECTION 5-2.**

237 Said title is further amended in said chapter by revising subsection (c) of Code Section
238 33-1-17, relating to Special Insurance Fraud Fund, as follows:

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

244 (2) There is imposed upon each foreign, alien, and domestic insurance company doing
245 business in the state an annual assessment under a formula to be established by regulation
246 promulgated by the Commissioner. The formula shall be calculated such that the total

247 proceeds paid or collected from such assessments for any year shall not exceed the
248 amounts appropriated by the General Assembly pursuant to paragraph (3) of this
249 subsection, which appropriation shall be based upon the budget request setting forth the
250 applicable annual cost and expense of the investigation and prosecution of insurance
251 fraud in ~~Georgia~~ this state submitted by the Commissioner. Such assessments may be
252 measured by kind of company, kind of insurance, income, volume of transactions, or such
253 other factors as the Commissioner ~~determines~~ deems appropriate. Assessments based on
254 the annual appropriation shall be due on September 1 of the year of the assessment. Any
255 insurance company which fails to report and pay any such assessment shall be subject to
256 penalties and interest as provided by subsection (d) of Code Section 33-8-6. The
257 Commissioner shall provide by regulation for such other terms and conditions for the
258 payment or collection of such assessments as may be necessary to ensure the proper
259 payment and collection thereof. Notwithstanding the foregoing, the provisions of this
260 Code section shall not apply to ~~an agency captive insurance company~~; any certified
261 dormant captive insurance company. Any agency captive insurance company, industrial
262 insured captive insurance company, sponsored captive insurance company (including a
263 protected cell thereof), or pure captive insurance company. ~~Foreign and~~ shall pay a fixed
264 amount of \$100.00 per year into the Special Insurance Fraud Fund, and any foreign or
265 alien captive insurance companies company doing business in ~~Georgia~~ this state shall;
266 ~~however~~, pay a fixed amount of ~~\$100.00~~ \$200.00 per year into the Special Insurance
267 Fraud Fund, without regard to the amount of the ~~Georgia~~ this state premium written by
268 such ~~foreign or alien~~ captive insurance company. No additional amount shall be assessed
269 against ~~the foreign or alien~~ any captive insurance company for the purpose of funding the
270 investigation and prosecution of insurance fraud.

271 (3) The General Assembly may appropriate funds to the department for the investigation
272 ~~of insurance fraud and for the funding of the~~ prosecution of insurance fraud. The
273 Commissioner is authorized to use such funds for the investigation of insurance fraud and

274 to reimburse prosecuting attorneys for some or all of the costs of retaining assistant
 275 prosecuting attorneys to prosecute insurance fraud cases. The Commissioner is further
 276 authorized to use such funds to employ prosecuting attorneys for the prosecution of
 277 insurance fraud, which the district attorney in each judicial circuit may appoint in the
 278 manner as provided in Code Section 15-18-20. The Commissioner shall provide by
 279 regulation for such other terms and conditions for the use of the funds for the
 280 investigation, reimbursement, and prosecution contemplated by the terms of this
 281 paragraph."

282 SECTION 5-3.

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

284 "33-1-9.2.

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

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

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

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

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

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

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

311 (c) It is unlawful for:

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

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

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

327 **SECTION 5-4.**

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

331 **SECTION 5-5.**

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

336 **PART VI**

337 **SECTION 6-1.**

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

340 "33-1-28.

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

345

PART VII

346

SECTION 7-1.

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

349 "33-3-28.1.

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

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

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

362 (1) Within 15 calendar days of receiving notification of a claim, the insurer shall
363 acknowledge the claim and provide necessary claims forms and reasonable instructions
364 to the insured. Notification of a claim provided to an insurer's agent shall constitute
365 notification to the insurer. Acknowledgment of the claim made by any means other than
366 writing shall be noted and dated in the insurer's claim file on the insured. Payment within
367 15 calendar days of receiving notification of a claim shall satisfy the requirements of this
368 paragraph:

369 (2) The insurer shall affirm or deny liability on claims for losses arising from
370 catastrophic events within 15 calendar days of receiving the completed proof of loss from

371 the insured under a motor vehicle policy and within 60 calendar days of receiving the
 372 completed proof of loss from the insured under all other property insurance policies. If
 373 the insurer does not require proof of loss to be completed, a coverage investigation shall
 374 take place within 30 calendar days from the day notification the claim was received;
 375 (3) Payment shall be tendered to the insured within ten days after coverage is accepted
 376 and the full amount of the claim is determined and not in dispute. In claims where
 377 multiple coverages are involved, payment for individual coverages that are not in dispute
 378 shall be tendered within ten days after coverage is confirmed if such payment would
 379 terminate the insurer's known liability under that individual coverage;
 380 (4) If the insurer needs more time than specified in paragraph (3) of this subsection to
 381 determine liability, such insurer shall notify the claimant within five business days after
 382 the time limitation has elapsed that more time is needed, the reason more time is needed,
 383 and an estimate of additional time needed to establish liability. Notification by any other
 384 means than writing shall be noted and dated in the insurer's claim file on the insured; and
 385 (5) The total time the insurer has to affirm or deny liability shall not exceed 60 days from
 386 the time the insurer is notified of the claim, unless the insurer has documented in the
 387 claim file that reasonable and necessary information to determine liability has been
 388 requested and not been provided by the insured."

389 **PART VIII**

390 **SECTION 8-1.**

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

394 "(f) On or before January 1, 2027, and annually thereafter, any county or municipal
 395 corporation receiving allocated taxes collected pursuant to this Code section shall file with

396 the Commissioner an annual report on a form prescribed by the Commissioner
 397 demonstrating how funds were expended for purposes authorized by law or a copy of the
 398 budget report required of counties pursuant to Code Section 33-8-8.3."

399 **PART IX**

400 **SECTION 9-1.**

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

405 "(h) The Commissioner is authorized to consider all information available to the
 406 department, including, but not limited to, any and all filings, applications, and renewals
 407 made to the department; filings made pursuant to this chapter; data submissions made
 408 pursuant to directives, bulletins, and data calls; disclosures and reports from financial
 409 examinations; disclosures and reports from market conduct examinations; complaints
 410 submitted to the department and other state agencies; complaints, investigations, and
 411 reports by insurance departments in other states; complaints, investigations, and reports by
 412 federal agencies; orders, consent orders, and consent agreements; fines, penalties, and other
 413 assessments imposed by the department or other state agencies; and litigation by and
 414 against the company."

415 **PART X**

416 **SECTION 10-1.**

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

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419 "33-24-59.37.

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

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

430

PART XI

431

SECTION 11-1.

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

434

"ARTICLE 3

435 33-32-20.

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

438 33-32-21.

439 As used in this article, the term:

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

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

443 33-32-22.

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

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

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

452 33-32-23.

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

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

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

464 33-32-24.

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

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

468 (1) Roof deck attachments;

469 (2) Secondary water barriers;

470 (3) Roof coverings;

471 (4) Brace gable ends;

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

473 (6) Opening protections;

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

475 (8) Tie downs;

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

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

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

482 33-32-25.

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

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

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

- 490 (2) The legal residence of the applicant; and
491 (3) Covered by a current homeowners or dwelling insurance policy that:
492 (A) Is issued by an insurer authorized to insurance in this state, issued by a surplus
493 lines insurer when lawfully placed by a surplus lines broker authorized to do business
494 in this state, or is covered through the underwriting association established pursuant to
495 Chapter 33 of this title;
496 (B) Provides insurance coverage of the residential property equal to or greater than the
497 fair market value of the property as such term is defined in Code Section 48-5-2; and
498 (C) Has undergone an acceptable wind certification and hurricane mitigation inspection
499 in accordance with program requirements.
- 500 (c) The type and amount of grants shall be awarded as follows:
501 (1) A resilient mitigation award for roof retrofits meeting industry standards and
502 guidelines, such as Georgia Strong Home retrofit guidelines and Institute for Business
503 and Home Safety Fortified Roof retrofit guidelines for a residential property, as may be
504 provided for by rules. Such award shall not exceed \$6,000.00 for matching grants or
505 \$7,500.00 for nonmatching grants;
506 (2) A sustainable mitigation award for roof retrofits meeting industry standards and
507 guidelines, such as Georgia Strong Home retrofit guidelines only, or for window
508 replacement and opening protection retrofits meeting industry standards and guidelines,
509 such as Georgia Strong Home opening protection guidelines for residential property, as
510 may be provided for by rules. Such award shall not exceed \$4,000.00 for matching grants
511 or \$5,000.00 for nonmatching grants awards; or
512 (3) A sustainable mitigation award for hurricane shuttering and protective barrier
513 systems meeting industry standards and guidelines, such as Georgia Strong Home
514 opening protection guidelines, as may be provided for by rules. Such award shall not
515 exceed \$4,000.00 for either matching or nonmatching grants.

516 (d) The amount of any nonmatching grant shall be determined based on the cost of the
517 mitigation project and a percentage of the total adjusted household income of the applicant
518 according to their most recent federal income tax return. Applicants for nonmatching
519 grants with a total annual adjusted gross household income that does not exceed the median
520 annual adjusted gross income for households within the county in which the applicant
521 resides may be eligible for the maximum amount of such grant. Applicants for
522 nonmatching grants with a total annual adjusted household income above the median for
523 households within the county in which the applicant resides may be awarded a lower grant
524 amount.

525 33-32-26.

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

529 (1) No matching grant for any one local government or nonprofit entity shall exceed
530 \$25,000.00 in any fiscal year;

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

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

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

541 33-32-27.

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

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

548 33-32-28.

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

551 **PART XII**
552 **SECTION 12-1.**

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

555 "33-34-5.

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

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

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

563 (b) An insurer may exclude a named individual from coverage under a motor vehicle
564 insurance policy, provided that such insurer identifies such named individual as an

565 excluded driver to the Department of Revenue as provided in Code Section 40-6-10.2.
566 Such insurer shall notify the Department of Revenue when such named individual is no
567 longer an excluded driver under such policy. Reserved."

568 **SECTION 12-2.**

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

572 "40-6-10.2.

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

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

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

580 (b) When an insurer excludes a named individual from coverage under a motor vehicle
581 insurance policy as provided in Code Section 33-34-5, such insurer shall identify such
582 named individual as an excluded driver under such policy in a notice to the Department of
583 Revenue. Insurance coverage information included in such notice of exclusion shall be
584 limited to the name and contact information of the insurer, the vehicle identification
585 number, the make and year of the insured motor vehicle, the policy effective date, and the
586 name of the excluded driver.

587 (c) When a law enforcement officer of this state determines that the operator of a motor
588 vehicle is an excluded driver under the motor vehicle insurance policy for such vehicle and
589 such operator does not have proof of effective insurance, the law enforcement officer shall

590 issue a uniform traffic citation for operating a motor vehicle without proof of insurance as
 591 provided in Code Section 40-6-10.

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

598 **PART XIII**

599 **SECTION 13-1.**

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

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

612 (2) If proof is not provided within the time period specified in this Code section that
 613 minimum motor vehicle insurance coverage is in effect, the owner's motor vehicle
 614 registration shall be suspended immediately by operation of law ~~by the department.~~

615 When such proof is provided and the owner pays a ~~\$25.00~~ \$50.00 lapse fee and pays a
 616 ~~\$60.00~~ \$125.00 restoration fee, the suspension shall terminate; provided, however, that
 617 the commissioner may waive the lapse fee and restoration fee for any owner whose
 618 vehicle registration has been suspended pursuant to this paragraph who provides proof
 619 of continuous minimum motor vehicle insurance coverage. If any restoration fee
 620 provided for in this Code section is paid to the county tax commissioner, the county shall
 621 retain ~~\$10.00~~ \$15.00 thereof as a collection fee.

622 (3) In the event of a second suspension of the owner's registration under this Code
 623 section; within a five-year period of a prior suspension, ~~the department by operation of~~
 624 ~~law shall suspend the~~ such owner's motor vehicle registration shall be suspended
 625 immediately by operation of law. When proof is provided that minimum motor vehicle
 626 insurance coverage is in effect and the owner pays a ~~\$25.00~~ \$125.00 lapse fee and pays
 627 a ~~\$60.00~~ \$150.00 restoration fee, the suspension shall terminate.

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

635 **PART XIV**

636 **SECTION 14-1.**

637 Title 33 of the Official Code of Georgia Annotated, relating to insurance, is further amended
 638 in Chapter 1, relating to general provisions, by revising subsection (e) of Code Section
 639 33-1-9, relating to insurance fraud, venue, penalty, and exemption, as follows:

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

644 **SECTION 14-2.**

645 Said title is further amended in said chapter by revising subsection (c) of Code Section
 646 33-1-9.1, relating to crimes of staging a collision or filing a fraudulent claim and penalty, as
 647 follows:

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

657 **SECTION 14-3.**

658 Said title is further amended in said chapter by revising subsection (c) of Code Section
 659 33-1-15, relating to affidavit that insured's motor vehicle stolen, as follows:

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

663 **SECTION 14-4.**

664 Said title is further amended in said chapter by revising subsection (d) of Code Section
665 33-1-16.1, relating to excessive, fraudulent, or high-tech drug testing of certain individuals
666 as fraudulent insurance act, as follows:

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

671 **SECTION 14-5.**

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

676 "(i)(1) If the Commissioner determines that a health insurer failed to submit a timely
677 or sufficient report required under paragraph (4) of subsection (b) of this Code section
678 or failed to submit timely and sufficient data pursuant to a data call conducted pursuant
679 to paragraph (1) of subsection (c) of this Code section, the Commissioner may impose
680 a monetary penalty of up to ~~\$2,000.00~~ \$10,000.00 for each and every act in violation,
681 unless the insurer knew or reasonably should have known that he or she was in
682 violation, in which case the monetary penalty may be increased to an amount of up to
683 ~~\$5,000.00~~ \$25,000.00 for each and every act in violation."

684 **SECTION 14-6.**

685 Said title is further amended in Chapter 2, relating to Department and Commissioner, by
686 revising subsection (g) of Code Section 33-2-24, relating to enforcement of title and rules,

687 regulations, and orders, issuance of orders without hearings, civil actions, criminal violations,
688 and penalties, as follows:

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

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

694 (2) To subject any person duly licensed or that should be licensed under this title to a
695 monetary penalty of up to ~~\$2,000.00~~ \$10,000.00 for each and every act in violation of this
696 title or of the rules, regulations, or orders of the Commissioner, unless such person knew
697 or reasonably should have known he or she was in violation of this title or of the rules,
698 regulations, or orders of the Commissioner, in which case the monetary penalty provided
699 for in this paragraph may be increased to an amount up to ~~\$5,000.00~~ \$25,000.00 for each
700 and every act in violation."

701 **SECTION 14-7.**

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

706 "(a) If, after the hearing provided for in Code Section 33-6-7, the Commissioner shall
707 determine that the person charged has engaged in an unfair method of competition or an
708 unfair or deceptive act or practice, he or she shall reduce his or her findings to writing and
709 shall issue and cause to be served upon the person charged with the violation a copy of the
710 findings and an order requiring such person to cease and desist from engaging in the
711 method of competition, act, or practice; and, if the act or practice is a violation of Code

712 Sections 33-6-4 and 33-6-5, the Commissioner may at his or her discretion order any one
713 or more of the following:

- 714 (1) Payment of a monetary penalty of not more than ~~\$1,000.00~~ \$5,000.00 for each and
715 every act or violation, unless the person knew or reasonably should have known he or she
716 was in violation of this article, in which case the penalty shall be not more than ~~\$5,000.00~~
717 \$25,000.00 for each and every act or violation;
- 718 (2) Suspension or revocation of the person's license, if he or she knew or reasonably
719 should have known he or she was in violation of this article; or
- 720 (3) Any other relief as is reasonable and appropriate."

721 **SECTION 14-8.**

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

724 "33-6-9.

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

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

732 **SECTION 14-9.**

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

737 "33-9-38.

738 (a) Any person, insurer, organization, group, or association who fails to comply with a
 739 final order of the Commissioner under this chapter shall be liable to the state in an amount
 740 not exceeding ~~\$50,000~~ \$1,000.00; but, if such failure is willful, the person, insurer,
 741 organization, group, or association shall be liable to the state in an amount not exceeding
 742 ~~\$5,000.00~~ \$10,000.00. The Commissioner shall collect the amount so payable and may
 743 bring an action in the name of the people of the State of Georgia to enforce collection.
 744 Such penalties may be in addition to any other penalties provided by law.

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

746 **SECTION 14-10.**

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

749 "33-15-122.

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

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

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

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

769 **SECTION 14-11.**

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

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

777 **SECTION 14-12.**

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

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

785 **SECTION 14-13.**

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

789 "(c) In lieu of revoking or suspending the license for any of the causes enumerated in
 790 subsection (a) of this Code section, the Commissioner shall have the authority after a
 791 hearing to place the premium finance company on probation for a period of time not to
 792 exceed one year and may subject such company to a penalty of not more than ~~\$1,000.00~~
 793 \$2,000.00 for each offense when, in his or her judgment, he or she finds that the public
 794 interest would not be harmed by the continued operation of the company.

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

800 **SECTION 14-14.**

801 Said title is further amended in said chapter by revising subsection (b) of Code Section
 802 33-22-14, relating to disposition of unearned premiums upon cancellation of insurance
 803 policy, as follows:

804 "(b)(1) In the event that the crediting of return premiums to the account of the insured
 805 results in a surplus over the amount due from the insured, the premium finance company
 806 shall refund the excess within ten working days of receipt of the return premium or tender
 807 of return premium to the insured via the agent, agency, or broker placing the insurance
 808 and shall furnish such agent, agency, or broker, upon a written request, a report setting
 809 forth an itemization of the unearned finance charge and other charges under the premium

810 finance agreement; provided, however, there shall be no refund required when the excess
811 due the insured is less than \$5.00.

812 (2) Any insurance premium finance company failing to tender refunds or to furnish any
813 report requested by the agent, agency, or broker as required in paragraph (1) of this
814 subsection shall pay to the insured via the agent, agency, or broker a penalty equal to ~~25~~
815 50 percent of the amount of the refund and interest equal to 18 percent per annum until
816 such time as the refund is made; ~~provided, however, the maximum amount of such~~
817 ~~penalty and interest shall not exceed 50 percent of the amount of the refund due."~~

818 **SECTION 14-15.**

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

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

823 (A) After notice and hearing, fines not to exceed ~~\$500.00~~ \$1,000.00 per violation or
824 ~~\$5,000.00~~ \$10,000.00 in the aggregate for such conduct; and

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

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

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

831 **SECTION 14-16.**

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

835 "(n) Any person ~~who~~ that violates this Code section may be fined up to ~~\$5,000.00~~
836 \$10,000.00 per violation."

837 **SECTION 14-17.**

838 Said title is further amended in said chapter by revising subsection (c) of Code Section
839 33-24-44, relating to cancellation of policies generally, as follows:

840 "(c)(1) Any unearned premium which has been paid by the insured shall be refunded to
841 the insured on a pro rata basis as provided in this Code section. If the return does not
842 accompany notice of cancellation, then such return shall be made on or before the
843 cancellation date either directly to the named insured or to the insured's agent of record.
844 In the event the insurer elects to return such unearned premium to the insured via the
845 insured's agent of record, such agent shall return the unearned premium to the insured
846 either in person or by depositing such return in the mail within ten working days of
847 receipt of the unearned premium, or within ten working days of notification from the
848 insurer of the amount of return of unearned premium due, or on the effective date of
849 cancellation, whichever is later. If the insured has an open account with the agent, such
850 return of unearned premium may be applied to any outstanding balance and any
851 remaining unearned premium shall be returned to the insured either in person or by
852 depositing such return in the mail within ten working days of receipt of the unearned
853 premium, or within ten working days of notification from the insurer of the amount of
854 return of unearned premium due, or on the effective date of cancellation, whichever is
855 later.

856 (2) Paragraph (1) of this subsection shall not apply if an audit or rate investigation is
857 required or if the premiums are financed by a premium finance company. If an audit or
858 rate investigation is required, then the refund of unearned premium shall be made within

859 30 days after the conclusion of the audit or rate investigation. If the premiums are
 860 financed by a premium finance company, any unearned premiums shall be tendered to
 861 the premium finance company within ten working days after cancellation.

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

870

SECTION 14-18.

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

875 "(b) In addition to any other penalty provided by law, any person who violates an order of
 876 the Commissioner after it has become final and while the order is in effect, upon proof of
 877 the violation to the satisfaction of the court, shall forfeit and pay to ~~this~~ the state a sum not
 878 to exceed ~~\$250.00~~ \$500.00, which may be recovered in a civil action, except that if such
 879 violation is found to be willful, the amount of such penalty shall be a sum not to exceed
 880 ~~\$1,000.00~~ \$2,000.00. The Commissioner, in his or her discretion, may revoke or suspend
 881 the license or certificate of authority of the person guilty of such violation. The order for
 882 suspension or revocation shall be subject to judicial review as provided in Chapter 2 of this
 883 title."

884 **SECTION 14-19.**

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

889 "(g) A person ~~who is~~ found to have violated this chapter or orders or rules of the
 890 Commissioner may be ordered to pay to the Commissioner a civil penalty in an amount,
 891 determined by the Commissioner, of not more than ~~\$500.00~~ \$1,000.00 per violation and
 892 not more than ~~\$10,000.00~~ \$20,000.00 in the aggregate for all violations of a similar nature.
 893 For purposes of this Code section, violations shall be of a similar nature if the violation
 894 consists of the same or similar course of conduct, action, or practice, irrespective of the
 895 number of times the conduct, action, or practice ~~that is~~ determined to be a violation of this
 896 chapter occurred."

897 **SECTION 14-20.**

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

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

909 **SECTION 14-21.**

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

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

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

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

918 **SECTION 14-22.**

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

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

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

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

931 **SECTION 14-23.**

932 Said title is further amended in said chapter by revising subsection (b) of Code Section
933 33-37-22, relating to responsibility of agent to provide information and penalty for violation,
934 as follows:

935 "(b) Any agent failing to provide information to the liquidator as required in subsection (a)
936 of this Code section may be subject to payment of a penalty of not more than ~~\$1,000.00~~
937 \$2,000.00 and may have his or her licenses suspended, said penalty to be imposed after a
938 hearing held by the Commissioner."

939 **SECTION 14-24.**

940 Said title is further amended in said chapter by revising subsection (b) of Code Section
941 33-37-32, relating to premiums due during pendency of liquidation action, penalties for
942 violation, notice, and right to appeal, as follows:

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

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

946 or

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

949 **SECTION 14-25.**

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

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

- 955 (1) A monetary penalty of not more than ~~\$1,000.00~~ \$2,000.00 for each act or violation,
956 but not to exceed an aggregate penalty of ~~\$10,000.00~~ \$20,000.00; or
957 (2) Suspension or revocation of his or her license or certificate of authority."

958 **SECTION 14-26.**

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

963 "33-39-19.

964 (a) In any case where a hearing pursuant to Code Section 33-39-16 results in the finding
965 of a knowing violation of this chapter, the Commissioner may, in addition to the issuance
966 of a cease and desist order as prescribed in Code Section 33-39-18, order payment of a
967 monetary penalty of not more than ~~\$500.00~~ \$1,000.00 for each violation but not to exceed
968 ~~\$10,000.00~~ \$20,000.00 in the aggregate for multiple violations.

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

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

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

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

977 **SECTION 14-27.**

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

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

984 (1) For each separate violation, a penalty in an amount not to exceed ~~\$10,000.00~~
985 \$20,000.00;

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

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

990 **SECTION 14-28.**

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

994 "(a)(1) Each provider shall file with the Commissioner on or before May 1 of each year
995 an annual statement containing such information as the Commissioner may prescribe by
996 rule or regulation in addition to any other requirements for any policy settled within five
997 years of policy issuance. In addition to any other requirements, the annual statement shall
998 specify the total number, aggregate face amount, and life settlement proceeds of policies
999 settled during the immediately preceding calendar year, together with a breakdown of the
1000 information by policy issue year. The annual statement shall also include the names of
1001 the insurance companies whose policies have been settled and the life settlement brokers
1002 that have settled said policies.

1003 (2) Such information shall be limited to only those transactions where the insured is a
 1004 resident of this state and shall not include individual transaction data regarding the
 1005 business of life settlements or information that there is a reasonable basis to believe could
 1006 be used to identify the owner or the insured.

1007 (3) Every provider that willfully fails to file an annual statement as required ~~in~~ by this
 1008 Code section or willfully fails to reply within 30 days to a written inquiry by the
 1009 Commissioner in connection therewith, shall, in addition to other penalties provided by
 1010 this chapter, be subject, upon due notice and opportunity to be heard, to a penalty of up
 1011 to ~~\$250.00~~ \$500.00 per day of delay, not to exceed ~~\$25,000.00~~ \$50,000.00 in the
 1012 aggregate, for each such failure."

1013 **SECTION 14-29.**

1014 Said title is further amended in said chapter by revising subsections (b) and (c) of Code
 1015 Section 33-59-16, relating to fraudulent life settlement acts prohibited, criminal and civil
 1016 penalties, and revocation of license, as follows:

1017 "(b) For criminal liability purposes, a person that commits a fraudulent life settlement act
 1018 shall be guilty of committing insurance fraud and shall be guilty of a felony and, upon
 1019 conviction, shall be punished by imprisonment for not less than two nor more than ten
 1020 years, or by a fine of not more than ~~\$10,000.00~~ \$20,000.00, or both.

1021 (c) The Commissioner shall be empowered to levy a civil penalty:

1022 (1) Not exceeding ~~\$1,000.00~~ \$2,000.00 for each and every act in violation of this chapter
 1023 or, if the person knew or reasonably should have known the acts that he or she committed
 1024 were in violation of this chapter, the monetary penalty provided for in this subsection
 1025 may be increased to an amount up to ~~\$5,000.00~~ \$10,000.00 for each and every act in
 1026 violation; and

1027 (2) The amount of the claim for each violation upon any person, including those persons
 1028 and their employees licensed pursuant to this chapter, who is found to have committed
 1029 a fraudulent life settlement act or violated any other provision of this chapter."

1030 **SECTION 14-30.**

1031 Said title is further amended in Chapter 63, relating to guaranteed asset protection waivers,
 1032 by revising Code Section 33-63-9, relating to Commissioner to enforce provisions and
 1033 penalty for violations, as follows:

1034 "33-63-9.

1035 The Commissioner may take action which is necessary or appropriate to enforce the
 1036 provisions of this chapter and to protect guaranteed asset protection waiver holders in this
 1037 state. After proper notice and opportunity for hearing, the Commissioner may:

1038 (1) Order the creditor, administrator, or any other person not in compliance with this
 1039 chapter to cease and desist from further guaranteed asset protection waiver related
 1040 operations which are in violation of this chapter; and

1041 (2) Impose a penalty of not more than ~~\$500.00~~ \$1,000.00 per violation and not more than
 1042 ~~\$10,000.00~~ \$20,000.00 in the aggregate for all violations of a similar nature. For
 1043 purposes of this paragraph, violations ~~must~~ shall be of a similar nature if the violation
 1044 consists of the same or similar course of conduct, action, or practice, irrespective of the
 1045 number of times the conduct, action, or practice which is determined to be a violation of
 1046 this chapter occurred."

1047 **SECTION 14-31.**

1048 Said title is further amended in Chapter 64, relating to regulation and licensure of pharmacy
 1049 benefits managers, by revising subsections (i) and (k) of Code Section 33-64-2, relating to
 1050 license requirements and filing fees, as follows:

1051 "(i) In addition to all other penalties provided for under this title, the Commissioner shall
 1052 have the authority to assess a monetary penalty against any person, business entity, or other
 1053 entity acting as a pharmacy benefits manager without a license of up to ~~\$2,000.00~~
 1054 \$4,000.00 for each transaction in violation of this chapter, unless such person, business
 1055 entity, or other entity knew or reasonably should have known it was in violation of this
 1056 chapter, in which case the monetary penalty provided for in this subsection may be
 1057 increased to an amount of up to ~~\$10,000.00~~ \$20,000.00 for each and every act in violation."

1058 "(k) In addition to all other penalties provided for under this title, the Commissioner shall
 1059 have the authority to place any pharmacy benefits manager on probation for a period of
 1060 time not to exceed one year for each and every act in violation of this chapter and shall
 1061 subject such pharmacy benefits manager to a monetary penalty of up to ~~\$2,000.00~~
 1062 \$4,000.00 for each and every act in violation of this chapter, unless the pharmacy benefits
 1063 manager knew or reasonably should have known he or she was in violation of this chapter,
 1064 in which case the monetary penalty provided for in this subsection shall be increased to an
 1065 amount of up to ~~\$10,000.00~~ \$20,000.00 for each and every act in violation. In the event
 1066 a pharmacy benefits manager violates any provision of this chapter while on probation, the
 1067 Commissioner shall have the authority to suspend ~~the~~ such pharmacy benefits manager's
 1068 license. For purposes of this subsection, a violation shall be considered to have occurred
 1069 each time an act in violation of this chapter is committed."

1070 **SECTION 14-32.**

1071 Said title is further amended in Chapter 65, relating to the "Corporate Governance Annual
 1072 Disclosure Act," by revising Code Section 33-65-8, relating to failure to file corporate
 1073 governance annual disclosures and penalty, as follows:

1074 "33-65-8.

1075 Any insurer failing, without just cause, to timely file the corporate governance annual
 1076 disclosure as required in this chapter shall be required, after notice and hearing, to pay a

1077 penalty of ~~\$100.00~~ \$200.00 for each day's delay, to be recovered by the Commissioner, and
1078 the penalty so recovered shall be paid into the general fund of the state treasury. The
1079 maximum penalty under this Code section is ~~\$10,000.00~~ \$20,000.00. The Commissioner
1080 may reduce the penalty if the insurer demonstrates to the Commissioner that the imposition
1081 of the penalty would constitute a financial hardship to ~~the~~ such insurer."

1082 **PART XV**

1083 **SECTION 15-1.**

1084 (a) Except as provided in subsections (b) and (c) of this section, this Act shall become
1085 effective on July 1, 2026, and shall apply to all contracts entered into or renewed and all
1086 policies issued, delivered, issued for delivery, or renewed in this state on or after such date.
1087 (b) Part II of this Act shall become effective on January 1, 2027, and shall apply to all
1088 policies issued, delivered, issued for delivery, or renewed in this state on or after such date.
1089 (c) Part III of this Act shall become effective on January 1, 2027, and shall be applicable to
1090 all taxable years beginning on or after such date.

1091 **SECTION 15-2.**

1092 All laws and parts of laws in conflict with this Act are repealed.