

House Bill 884 (AS PASSED HOUSE AND SENATE)

By: Representatives Taylor of the 173rd, Atwood of the 179th, Smith of the 134th, Meadows of the 5th, Brockway of the 102nd, and others

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 eliminate the foreign and alien insurer deposit requirement of securities eligible for the
3 investment of capital funds in certain amounts at the discretion of the Commissioner; to
4 revise the definition of company action level event to include a health organization with
5 certain total adjusted capital levels; to provide for related matters; to repeal conflicting laws;
6 and for other purposes.

7 BE IT ENACTED BY THE GENERAL ASSEMBLY OF GEORGIA:

8 **SECTION 1.**

9 Title 33 of the Official Code of Georgia Annotated, relating to insurance, is amended by
10 revising Code Section 33-3-9, relating to requirement of additional deposits of securities by
11 foreign and alien insurers, as follows:

12 "33-3-9.

13 ~~(a) In addition to the deposit required by Code Section 33-3-8, each foreign and alien~~
14 ~~insurer shall deposit with the Commissioner securities eligible for the investment of capital~~
15 ~~funds in an amount not less than \$10,000.00 nor more than \$25,000.00 at the discretion of~~
16 ~~the Commissioner. This deposit and the deposit required by paragraph (1) of subsection (b)~~
17 ~~of Code Section 33-3-8 shall be administered as provided in Chapter 12 of this title.~~
18 ~~Deposits under this Code section shall be held for the protection of the insurer's~~
19 ~~policyholders in Georgia and others in Georgia entitled to the proceeds of its policies.~~

20 ~~(b) On and after July 1, 1967, in those instances in which the Commissioner in his or her~~
21 ~~judgment shall deem it to be in the best interests of the citizens of this state, no certificate~~
22 ~~of authority shall be issued by the Commissioner to any foreign and alien insurer nor shall~~
23 ~~any certificate of authority be renewed for any such insurer unless said such insurer shall~~
24 ~~deposit with the Commissioner, in addition to those requirements provided for in~~
25 ~~subsection (a) of this Code section, securities eligible for the investment of capital funds~~
26 ~~in such amount as the Commissioner shall require, ; but in no event shall he require a~~

27 ~~deposit of additional securities which would bring the aggregate total of such securities~~
28 ~~required by this Code section to be on deposit to exceed \$100,000.00. Such additional~~
29 ~~deposits~~ This deposit and the deposit required by paragraph (1) of subsection (b) of Code
30 Section 33-3-8 shall be administered as provided for in this subsection Chapter 12 of this
31 title. ; provided, however, such additional deposits shall not apply to foreign and alien life
32 insurers. Deposits under this Code section shall be held for the protection of the insurer's
33 policyholders in this state and others in this state entitled to the proceeds of its policies."

34 **SECTION 2.**

35 Said title is further amended in paragraph (1) of subsection (a) of Code Section 33-56-3,
36 relating to company action level events, preparation and submission of risk-based capital
37 level plan, hearing, and out-of-state filing, by adding a new subparagraph to read as follows:

38 "(D) If a health organization has total adjusted capital which is greater than or equal to
39 its company action level RBC but less than the product of its authorized control level
40 RBC and 3.0 and triggers the trend test determined in accordance with the trend test
41 calculation included in the health RBC instructions;"

42 **SECTION 3.**

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