

Senate Bill 224

By: Senators Harbin of the 16th, Gooch of the 51st, Harbison of the 15th, Moore of the 53rd,
Williams of the 25th and others

A BILL TO BE ENTITLED
AN ACT

1 To amend Chapter 25 of Title 33 of the Official Code of Georgia Annotated, relating to life
2 insurance, so as to provide for certain protections for life insurance policyholders and
3 beneficiaries; to provide for an owner of a life insurance policy or annuity to have a right to
4 be represented by a local agent when such policy or annuity is sold; to provide for such
5 owner to have a right to be represented by a local agent when such agent does not have a
6 contract with such company; to provide such owner with an annual notice report on such
7 policy or annuity; to provide for enforcement; to provide for a short title; to provide for
8 legislative findings; to provide for related matters; to provide for an effective date; to repeal
9 conflicting laws; and for other purposes.

10 BE IT ENACTED BY THE GENERAL ASSEMBLY OF GEORGIA:

11 **SECTION 1.**

12 This Act shall be known as and may be cited as the "Georgia Citizens' Life Insurance Bill
13 of Rights."

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SECTION 2.

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15 The Georgia General Assembly finds that:

16 (1) Life insurance serves a vital purpose to Georgia citizens seeking to provide for and
17 protect their families and loved ones;

18 (2) The business of life insurance often interferes with the purpose of life insurance by
19 limiting the dissemination of information when life insurance companies and agents no
20 longer have a contractual relationship;

21 (3) The nature of life insurance often interferes with the purpose of life insurance by
22 limiting the dissemination of information or the distribution of benefits when life insurance
23 companies fail to perform due diligence in verifying policyholders and beneficiaries; and

24 (4) Georgia citizens have a right to representation and counsel regarding a policy or
25 annuity, a right to obtain the information they need to make policy decisions, and a right
26 to receive the benefits which the original policyholder bought.

SECTION 3.

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28 Chapter 25 of Title 33 of the Official Code of Georgia Annotated, relating to life insurance,
29 is amended by adding a new Code section to read as follows:

30 "33-25-16.

31 (a) The owner of a life insurance policy or annuity shall have a right to be represented by
32 a local agent. When an insurer that issues or issues for delivery a life insurance policy or
33 annuity in this state sells a group of policies or annuities to another insurer, the agent of
34 record shall remain with such policy or annuity; provided, however, that if such agent is
35 retired or deceased, such company shall provide a local agent when the owner of such
36 policy makes a request in writing or by electronic means, in a manner and form as
37 prescribed by the Commissioner.

38 (b) The owner of a life insurance policy or annuity shall have a right to counsel of their
39 choice regarding such policy or annuity. An insurer that issues or issues for delivery a life

40 insurance policy or annuity in this state shall provide a local agent that is not licensed with
41 such company illustrations, information, status, and reprojections regarding a policy when
42 the owner of such policy makes a request in writing or by electronic means, in a manner
43 and form as prescribed by the Commissioner.

44 (c) The owner of a life insurance policy or annuity shall have a right to regular information
45 regarding such policy or annuity. An insurer that issues or issues for delivery a life
46 insurance policy or annuity in this state shall provide the owner of a policy or annuity with
47 an annual notice report on the status of such policy or annuity, even if such policy or
48 annuity is fully paid, in a manner and form as prescribed by the Commissioner.

49 (d) The Commissioner is authorized to promulgate rules and regulations and establish
50 procedures necessary to carry into effect, implement, and enforce this Code section and,
51 in doing so, to exercise the powers granted to the Commissioner by Code Section 33-2-24
52 and any other provisions of this title."

53 **SECTION 4.**

54 This Act shall become effective upon its approval by the Governor or upon its becoming law
55 without such approval.

56 **SECTION 5.**

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