

The Senate Committee on Insurance and Labor offered the following substitute to SB 532:

A BILL TO BE ENTITLED
AN ACT

1 To amend Chapter 1 of Title 33 of the Official Code of Georgia Annotated, relating to
2 general provisions for insurance, so as to establish the Back the Blue Fund that distributes
3 voluntary contributions made through motor vehicle insurance policies to increase the pay
4 to or enhance the benefits of law enforcement officers in this state; to require insurers
5 providing motor vehicle insurance in this state to include a provision in policies that allows
6 consumers to contribute money to such fund when submitting premium for motor vehicle
7 insurance policies; to require applications to include identifiable spaces for such donations;
8 to exclude such voluntary donation from gross direct premium for tax purposes; to require
9 insurers to remit such contributions annually to the Commissioner of Insurance for such
10 fund; to require the Commissioner of Insurance to distribute such fund annually in equal
11 portions to the sheriff in each county of this state; to prohibit insurers from deducting
12 administrative costs from such fund; to allow the department to deduct reasonable
13 administrative costs; to provide sheriffs sole discretion to determine the manner in which the
14 fund is used to increase pay and enhance benefits; to provide for automatic repeal; to provide
15 for legislative findings; to provide for definitions; to provide for an effective date and
16 applicability; to repeal conflicting laws; and for other purposes.

17 BE IT ENACTED BY THE GENERAL ASSEMBLY OF GEORGIA:

18

SECTION 1.

19 Chapter 1 of Title 33 of the Official Code of Georgia Annotated, relating to general insurance
20 provisions, is amended by adding a new Code section to read as follows:

21 "33-1-17.1.

22 (a) This Code section shall be known and may be cited as the 'Back the Blue Act.'

23 (b) The General Assembly finds that:

24 (1) There is a hiring and retention crisis with regard to law enforcement officers across
25 this state;

26 (2) Evidence shows that supplementing pay and enhancing benefits improve the retention
27 of experienced law enforcement officers;

28 (3) Retaining experienced law enforcement officers means fewer hiring and training
29 expenses for law enforcement agencies; and

30 (4) Hiring and retaining experienced law enforcement officers increases public safety,
31 builds stronger communities, and restores trust and goodwill between communities and
32 law enforcement officers.

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

34 (1) 'Back the Blue Fund' or 'fund' means the fund established by this Code section.

35 (2) 'Insurer' means an insurance company licensed, registered, or otherwise authorized
36 to do business under the insurance laws of this state.

37 (3) 'Motor vehicle insurance' means insurance for a car, truck, motorcycle, or other road
38 vehicle, including motor vehicles for personal private passenger or commercial use,
39 providing coverage for bodily injury liability, property damage liability, comprehensive
40 physical damage, collision physical damage, or similar coverage.

41 (4) 'Policyholder' means a person who has contracted with an insurer for motor vehicle
42 insurance coverage in this state.

43 (5) 'Sheriff' means the duly elected or appointed sheriff of each county in this state.

44 (d) There is created the Back the Blue Fund for the purpose of increasing the pay to and
45 enhancing the benefits of law enforcement officers in this state. The Commissioner shall
46 be the custodian of the fund and shall administer the fund as further provided in
47 subsection (i) of this Code section.

48 (e) All insurers authorized to transact or transacting insurance in this state or controlling
49 or controlled by or under common control by or with an insurer authorized to transact or
50 transacting insurance in this state which issue policies or contracts providing motor vehicle
51 insurance in this state shall comply with the requirements of this Code section.

52 (f)(1) On and after July 1, 2023, all policies of motor vehicle insurance issued, delivered,
53 issued for delivery, or renewed in this state shall contain a provision allowing the
54 policyholder to elect to contribute an amount of \$3.00 to the Back the Blue Fund in a
55 manner approved by the Commissioner or as otherwise prescribed by regulation
56 promulgated by the Commissioner.

57 (2) Applications for motor vehicle insurance shall include identifiable spaces in which
58 policyholders may indicate such donation.

59 (g) Insurers, or their agent, limited subagent, or any other representative, shall hold
60 amounts dedicated for the Back the Blue Fund in a fiduciary capacity. The amount
61 received shall be promptly accounted for, separated from the premium received, and
62 reasonably ascertainable from the book of accounts and records. Such amount shall not be
63 considered gross direct premium for purposes of computing state premium tax under Code
64 Section 33-8-4, county and municipal premium tax under Code Section 33-8-8.2, any other
65 tax based on the value or volume of gross direct premium in this title, or premium tax
66 under Code Section 47-7-61. Insurers receiving such amounts shall record all transactions
67 relating to such amounts and shall provide such records to the Commissioner upon request.

68 (h)(1) Annually on or before March 1, an insurer shall remit to the Commissioner any
69 and all amounts collected during the preceding calendar year for the Back the Blue Fund.
70 Any expenses incurred by insurers as a result of this Code section shall be defrayed by

71 such insurers from their own funds and shall not be borne by the policyholder, the Back
72 the Blue Fund, or the state.

73 (2) The Commissioner shall determine annually the total amount so contributed and shall
74 withhold therefrom a reasonable amount for administering this voluntary contribution
75 program. If, in any calendar year, the total amount so contributed is less than reasonable
76 administrative costs, the Commissioner shall distribute the fund and defray the costs.

77 (i)(1) No later than July 1, 2024, and annually thereafter, the Commissioner shall
78 distribute the Back the Blue Fund in equal portions to the sheriff of each county in this
79 state.

80 (2) The Back the Blue Fund shall only be used for increasing the pay to or enhancing the
81 benefits of law enforcement officers. Such fund shall be used to increase the sheriff's
82 annual operating budget and shall not be used to supplant or replace funding authorized
83 by the county governing authority for the operation of the office of sheriff.

84 (3) Each sheriff shall have sole discretion to determine the manner in which funds are
85 allocated for the salaries and benefits of deputy sheriffs and jailers.

86 (j) This Code section shall stand repealed and reserved by operation of law on July 1,
87 2027."

88 **SECTION 2.**

89 This Act shall become effective on July 1, 2023, and shall apply to all applicable policies
90 issued, delivered, issued for delivery, or renewed in this state on or after such date.

91 **SECTION 3.**

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