

House Bill 1059 (AS PASSED HOUSE AND SENATE)

By: Representatives Gambill of the 15th, Williams of the 148th, Lumsden of the 12th, Smith of the 18th, and Taylor of the 173rd

A BILL TO BE ENTITLED
AN ACT

1 To amend Chapter 24 of Title 33 of the Official Code of Georgia Annotated, relating to
2 insurance generally, so as to provide for exclusions to unfair trade practices and unlawful
3 inducements; to allow an insurer or insurance producer to offer or provide a value-added
4 product or service under certain conditions; to allow an insurer or insurance producer to
5 implement a pilot program offering or providing a value-added product or service under
6 certain conditions; to provide for related matters; to provide for an effective date and
7 applicability; to repeal conflicting laws; and for other purposes.

8 BE IT ENACTED BY THE GENERAL ASSEMBLY OF GEORGIA:

9 **SECTION 1.**

10 Chapter 24 of Title 33 of the Official Code of Georgia Annotated, relating to insurance
11 generally, is amended by adding a new Code section to read as follows:

12 "33-24-59.31.

13 The following shall not be construed as an unfair trade practice under subsection (b) of
14 Code Section 33-6-4 or an unlawful inducement under subsection (c) of Code
15 Section 33-9-36:

- 16 (1) An insurer or insurance producer, by or through employees, affiliates, or third-party
17 representatives, may offer or provide a value-added product or service at no or reduced
18 cost when such product or service is not specified in the policy of insurance when:
- 19 (A) The value-added product or service relates to the insurance coverage;
20 (B) The value-added product or service is offered in a manner that is not unfairly
21 discriminatory, and the availability of the value-added product or service is based on
22 documented objective criteria that is maintained by the insurer or insurance producer
23 and produced upon request by the Commissioner;
24 (C) The cost to the insurer or insurance producer for offering or providing the
25 value-added product or service is reasonable in comparison to the premiums or
26 insurance coverage for the policy class; and
27 (D) The value-added product or service is primarily designed to:
- 28 (i) Provide loss mitigation or loss control;
29 (ii) Reduce claim costs or claim settlement costs;
30 (iii) Provide education about liability risks or risk of loss to persons or property;
31 (iv) Monitor or assess risk, identify sources of risk, or develop strategies for
32 eliminating or reducing risk;
33 (v) Provide post-loss services; or
34 (vi) Encourage behavioral changes to reduce the risk of death or disability of a
35 customer or potential customer that is a policyholder, potential policyholder,
36 certificate holder, potential certificate holder, insured, potential insured or applicant;
37 and
- 38 (2) When an insurer or insurance producer does not have sufficient evidence but has a
39 good-faith belief that the value-added product or service meets the criteria in
40 subparagraph (D) of paragraph (1) of this Code section, the insurer or insurance producer
41 may offer or provide a value-added product or service in a manner that is not unfairly
42 discriminatory as part of a pilot program for no more than a year. An insurer or insurance

43 producer must notify the Commissioner prior to implementing the pilot program and may
44 proceed with such program unless the Commissioner objects in writing within 21 days
45 of notice."

46 **SECTION 2.**

47 This Act shall become effective on July 1, 2022, and shall apply to all policies or contracts
48 issued, delivered, issued for delivery, or renewed in this state on or after such date.

49 **SECTION 3.**

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