

BEFORE THE COMMISSIONER OF INSURANCE
STATE OF GEORGIA

IN THE MATTER OF:

CHAPTER 120-2-3
RULE AND REGULATIONS
120-2-3-.06, 120-2-3-.16, 120-2-3-.25,
And 120-2-3-.39

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DOCKET NUMBER I-13-I-1

ORDER

I. STATEMENT OF PROCEEDINGS

On January 28, 2013, Notice of Intent to Adopt Rule Changes and Notice of Hearing was given regarding the following proposed regulatory actions (Record, Exhibit 1):

- The repeal of Regulation 120-2-3-.39 entitled “Retail Vendors of Communications Equipment Limited License” and the adoption in lieu thereof 120-2-3-.39 entitled “Retail Vendors of Portable Electronics Limited License”;
- Amending Regulation 120-2-3-.25 entitled “Resident Adjusters, Public Adjusters, Workers Compensation Adjusters, Crop Hail Adjusters and Emergency Disaster Adjusters”;
- Amending Regulation 120-2-3-.06 entitled “Kinds of Licenses Issued”; and
- Amending Regulation 120-2-3-.16 entitled “Dates for Resident License Renewal and Required Filing of Continuing Education Credits.”

By letter dated February 21, 2013, the Office of the Attorney General opined that the proposed regulatory actions were within this office’s scope of authority (Record, Exhibit 5). Pursuant to O.C.G.A. §50-13-4(e), the proposed regulations were transmitted to Wayne R. Allen, Legislative Counsel for the General Assembly, for assignment to the appropriate standing committees of the Senate and House of Representatives (Record, Exhibit 6). The proposed regulations and were assigned accordingly (Exhibit 7).

II. CONSIDERATION OF SUBMITTED COMMENTS

Interested persons were given the opportunity to participate in the proposed rulemaking by submitting their written comments by March 8, 2013. Interested persons were additionally given the opportunity to make oral comments at the public hearing held March 12, 2013. No written comments were received. Tammy Holmes, the Director of the Agents Licensing Division of the Office of Insurance and Safety Fire (the "Office"), was the only person to offer oral comments at the hearing. (Record, Transcript). Her comments are paraphrased below.

Rule 120-2-3-.39

The proposed changes result from statutory changes to Title 33. The terminology "portable electronics" is substituted for "communications equipment." Moreover, the proposed changes clarify that a limited license is required only for principal or home offices but not for each business location.

Rules 120-2-3-.25 and 120-2-3-.06

These proposed changes are the result of a federal preemption notice regarding crop hail adjusters. In order to retain regulatory authority over multi-peril licenses, this Office needs to expand the definition of a crop peril license to include multi-peril licenses. By necessity, the Georgia crop hail adjuster examination is also replaced with a federal proficiency testing program.

Rule 120-2-3-.16

The proposed changes would allow for the automatic assessment of a \$150.00 penalty for the untimely filing of license renewals. At present, this Office handles late renewal reinstatements and the accompanying \$150.00 administrative fine through time-consuming consent agreements. This change should expedite the license reinstatement process.

III. DECISION

WHEREAS, this Office agrees with Ms. Holmes' comments in support of the need for the proposed regulatory changes, and **WHEREAS**, no comments were offered in opposition to those changes, **IT IS HEREBY ORDERED** that the proposed changes to the regulations within Chapter 120-2-3 as described herein, copies of which are attached hereto and made a part by reference, are **HEREBY ADOPTED**.

Given under my Hand and Seal this 15th day of April, 2013.



RALPH T. HUDGENS
INSURANCE AND SAFETY FIRE COMMISSIONER
STATE OF GEORGIA