

**BEFORE THE COMMISSIONER OF INSURANCE**

**STATE OF GEORGIA**

**IN THE MATTER OF:**

**CHAPTER 120-2-18-.05  
Deposit Requirements**

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**DOCKET NUMBER I-16-I-2**

**ORDER**

**I. STATEMENT OF PROCEEDINGS**

On August 18, 2016, a Notice of Hearing and Intent to Adopt Rule Changes was given regarding proposed amendments to Regulation 120-2-18-.05. (Record, Exhibit 1) The primary purpose of the proposed amendments is to implement a \$200,000 maximum limit on statutory deposits that this office will require under O.C.G.A. Section 33-3-9. Additionally, the proposed amendments remove duplicative language from the regulation that is already in the statute.

By letter dated August 18, 2016, the Office of the Attorney General opined that the proposed amendments are within the Commissioner's scope of authority. (Record, Exhibit 5) Pursuant to O.C.G.A. Section 50-13-4(e), the proposed amendments 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 amendments were assigned accordingly. (Record, Exhibit 7)

**II. CONSIDERATION OF INTERESTED PARTY COMMENTS**

Interested persons were given the opportunity to participate in the proposed rulemaking by submitting their written comments to the Department of Insurance by September 19, 2016, and by making oral comments at the public hearing held on September 22, 2016. No written comments were submitted. Allan Hayes, however, offered oral comments on behalf of

America's Health Insurance Plans ("AHIP"), a national trade association of health insurance companies. (Transcript, p. 9). Mr. Hayes indicated that AHIP supports the proposed amendments.

Chris Taylor, an Assistant Director of the Insurance and Financial Oversight Division of this office, also spoke at the hearing (Transcript, pp. 7-8). According to Mr. Taylor, the Department's current amendments are needed to implement a \$200,000 maximum limit on statutory deposits that this office will require under O.C.G.A. Section 33-3-9 and to remove some unnecessary language in the regulation. Mr. Taylor recommends that the Commissioner adopt the proposed amendments.

### III. DECISION

**WHEREAS**, the Commissioner finds persuasive the comments offered at the hearing in support of the proposed amendments, and **WHEREAS** no comments were offered in opposition, **IT IS HEREBY ORDERED** that the proposed amendments to Regulation 120-2-18-.05 entitled "Deposit Requirements" are **HEREBY ADOPTED**. A copy of the new Regulation is attached hereto and made a part hereof by reference.

Given under my Hand and Seal this 20<sup>th</sup> day of October, 2016.



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RALPH T. HUDGENS  
COMMISSIONER OF INSURANCE  
STATE OF GEORGIA