

The House Committee on Insurance offers the following substitute to HB 1693:

A BILL TO BE ENTITLED
AN ACT

To amend Code Section 33-7-11.1 of the Official Code of Georgia Annotated, relating to commencement of liability of insurer to pay benefits to third party on behalf of insured, so as to include towing and storage costs in the losses for which an insurer must pay to a third party on behalf of an insured under a motor vehicle or automobile liability insurance policy; to provide for related matters; to repeal conflicting laws; and for other purposes.

BE IT ENACTED BY THE GENERAL ASSEMBLY OF GEORGIA:

SECTION 1.

Code Section 33-7-11.1 of the Official Code of Georgia Annotated, relating to commencement of liability of insurer to pay benefits to third party on behalf of insured, is amended by striking the Code section in its entirety and inserting in lieu thereof a new Code Section 33-7-11.1 to read as follows:

"33-7-11.1.

(a) As used in this Code section, 'liability insurance policy' means an automobile liability or motor vehicle liability insurance policy issued or delivered in this state to the owner of such vehicle or issued or delivered by any insurer licensed in this state upon any such motor vehicle then principally garaged or principally used in this state.

(b) ~~Whenever any insurer undertakes~~ Any insurer, upon acceptance of liability, pursuant to any automobile liability or motor vehicle liability insurance policy, ~~to~~ shall pay reasonable benefits for losses, including total losses, to a third party on behalf of an insured for loss of use and towing and storage costs of such a motor vehicle, and the liability of the insurer for payment of ~~the~~ benefits for losses, including total losses, to the third party shall commence as of the time of the incident or occurrence which results in ~~the loss of use of the motor vehicle~~ such losses; provided, however, in no event shall this Code section be construed so as to relieve the claimant of his or her obligation to mitigate his or her losses or to require the payment of loss of use and towing and storage costs benefits in an amount which is greater than the actual ~~loss of use~~ losses suffered.

H. B. 1693 (SUB)

1 (c) The provisions of this Code section shall be applicable to all automobile liability or
2 motor vehicle liability insurance policies ~~pursuant to which an insurer undertakes to~~ that
3 pay benefits to a third party on behalf of an insured for the loss of use and towing and
4 storage costs of such motor vehicle issued, delivered, or renewed in this state on or after
5 ~~November 1, 1982~~ July 1, 2002."

6 **SECTION 2.**

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