

SENATE SUBSTITUTE TO HB 24:

AS PASSED SENATE

**A BILL TO BE ENTITLED
AN ACT**

1 To amend Code Section 33-6-4 of the Official Code of Georgia Annotated, relating to unfair
2 methods of competition and unfair or deceptive acts or practices in the business of insurance,
3 so as to prohibit additional discriminatory practices based on race, color, or national or ethnic
4 origin; to provide for remedies for violations; to amend Code Section 33-7-11.1 of the
5 Official Code of Georgia Annotated, relating to commencement of liability of insurer to pay
6 benefits to third party on behalf of insured, so as to include towing and storage costs; to
7 provide for related matters; to repeal conflicting laws; and for other purposes.

8 **BE IT ENACTED BY THE GENERAL ASSEMBLY OF GEORGIA:**

9 **SECTION 1.**

10 Code Section 33-6-4 of the Official Code of Georgia Annotated, relating to unfair methods
11 of competition and unfair or deceptive acts or practices in the business of insurance, is
12 amended by inserting a new division (b)(8)(A)(iv) and a new subsection (d) to read as
13 follows:

14 "(iv) Unfair discrimination prohibited by the provisions of this subparagraph includes
15 discrimination based on race, color, and national or ethnic origin. In addition, in
16 connection with any kind of insurance, it shall be an unfair and deceptive act or
17 practice to refuse to insure or to refuse to continue to insure an individual; to limit the
18 amount, extent, or kind of coverage available to an individual; or to charge an
19 individual a different rate for the same coverage because of the race, color, or national
20 or ethnic origin of that individual or to base such refusal, limitation, or rates on
21 criteria which have the effect of discriminating on the basis of race, color, or national
22 or ethnic origin. The prohibitions of this division are in addition to and supplement
23 any and all other provisions of Georgia law prohibiting such discrimination which
24 were previously enacted and currently exist, or which may be enacted subsequently,
25 and shall not be a limitation on such other provisions of law."

26 "(d) A violation of this Code section shall give rise to a civil cause of action for damages
27 resulting from such violation including, but not limited to, all damages recoverable for

1 breach of insuring agreements under Georgia law including damages for bad faith and
 2 attorney's fees and costs of litigation. A violation of this Code section shall also give rise
 3 to the awarding of punitive or exemplary damages in an amount as may be determined by
 4 the trier of fact if such violation is found to be intentional. The remedies provided herein
 5 are in addition to and cumulative of all other remedies that may now or hereafter be
 6 provided by law."

7 SECTION 1A.

8 Code Section 33-7-11.1 of the Official Code of Georgia Annotated, relating to
 9 commencement of liability of insurer to pay benefits to third party on behalf of insured, is
 10 amended by striking subsections (b) and (c) and inserting in lieu thereof new subsections (b)
 11 and (c) to read as follows:

12 "(b) ~~Whenever any insurer undertakes~~ Any insurer, pursuant to any automobile liability
 13 or motor vehicle liability insurance policy, ~~to~~ shall pay reasonable benefits for losses to a
 14 third party on behalf of an insured for loss of use and towing and storage costs of such a
 15 motor vehicle, and the liability of the insurer for payment of ~~the~~ benefits for losses to the
 16 third party shall commence as of the time of the incident or occurrence which results in ~~the~~
 17 ~~loss of use of the motor vehicle~~ such losses; provided, however, in no event shall this Code
 18 section be construed so as to require the payment of loss of use and towing and storage
 19 costs benefits in an amount which is greater than the actual ~~loss of use~~ losses suffered.

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

24 SECTION 2.

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