

Senate Bill 531

By: Senators Rogers of the 21st, Hudgens of the 47th and Chapman of the 3rd

A BILL TO BE ENTITLED  
AN ACT

1 To amend Code Section 33-7-11 of the Official Code of Georgia Annotated, relating to  
2 uninsured motorist coverage under motor vehicle liability policies, so as to change certain  
3 provisions relating to damages recoverable by an insured under uninsured motorist coverage;  
4 to provide for an effective date and applicability; to repeal conflicting laws; and for other  
5 purposes.

6 BE IT ENACTED BY THE GENERAL ASSEMBLY OF GEORGIA:

7 **SECTION 1.**

8 Code Section 33-7-11 of the Official Code of Georgia Annotated, relating to uninsured  
9 motorist coverage under motor vehicle liability policies, is amended by striking paragraphs  
10 (1) and (2) of subsection (a) and inserting in lieu thereof the following:

11 "(a)(1) No automobile liability policy or motor vehicle liability policy shall be issued or  
12 delivered in this state to the owner of such vehicle or shall be issued or delivered by any  
13 insurer licensed in this state upon any motor vehicle then principally garaged or  
14 principally used in this state unless it contains an endorsement or provisions undertaking  
15 to pay the insured ~~all sums which said insured shall be legally entitled to recover as~~  
16 damages for bodily injury or death of an insured or for injury to or destruction of property  
17 of an insured under the named insured's policy sustained from the owner or operator of  
18 an uninsured motor vehicle, within limits exclusive of interests and costs which at the  
19 option of the insured shall be:

20 (A) Not less than \$25,000.00 because of bodily injury to or death of one person in any  
21 one accident, and, subject to such limit for one person, \$50,000.00 because of bodily  
22 injury to or death of two or more persons in any one accident, and \$25,000.00 because  
23 of injury to or destruction of property; or

24 (B) Equal to the limits of liability because of bodily injury to or death of one person  
25 in any one accident and of two or more persons in any one accident, and because of  
26 injury to or destruction of property of the insured which is contained in the insured's

1 personal coverage in the automobile liability policy or motor vehicle liability policy  
2 issued by the insurer to the insured if those limits of liability exceed the limits of  
3 liability set forth in subparagraph (A) of this paragraph ~~of this Code section~~. In any  
4 event, the insured may affirmatively choose uninsured motorist limits in an amount less  
5 than the limits of liability.

6 (2) The coverages for bodily injury or death or for injury to or destruction of property  
7 ~~of the insured~~ an insured person, as provided in paragraph (1) of this subsection, may be  
8 subject to deductible amounts as follows:

9 (A) For bodily injury or death, deductibles of \$250.00, \$500.00, or \$1,000.00, at the  
10 option of any named insured in the policy. Deductibles above \$1,000.00 may be  
11 offered, subject to approval of the Commissioner;

12 (B) For injury to or destruction of property of the insured, deductibles of \$250.00,  
13 \$500.00, or \$1,000.00, at the option of any named insured in the policy. Deductibles  
14 above \$1,000.00 may be offered, subject to the approval of the Commissioner;

15 (C) Deductible amounts shown in subparagraphs (A) and (B) of this paragraph may not  
16 be reduced below \$250.00;

17 (D) Deductible amounts shown in subparagraphs (A) and (B) of this paragraph shall  
18 be made available at a reduced premium; and

19 (E) Where an insurer has combined into one single limit the coverages required under  
20 paragraph (1) of this subsection, any deductible selected under subparagraphs (A) and  
21 (B) of this paragraph shall be combined and the resultant total shall be construed to be  
22 a single aggregate deductible.

23 (3) The coverage required under paragraph (1) of this subsection shall not be applicable  
24 where any insured named in the policy shall reject the coverage in writing. The coverage  
25 need not be provided in or supplemental to a renewal policy where the named insured had  
26 rejected the coverage in connection with a policy previously issued to said insured by the  
27 same insurer. The amount of coverage need not be increased in a renewal policy from the  
28 amount shown on the declarations page for coverage existing prior to July 1, 2001. The  
29 amount of coverage need not be increased from the amounts shown on the declarations  
30 page on renewal once coverage is issued.

31 (4) The filing of a petition for relief in bankruptcy under a chapter of Title 11 of the  
32 United States Code by an uninsured motorist as defined in this Code section, or the  
33 appointment of a trustee in bankruptcy for an uninsured motorist as defined in this Code  
34 section, or the discharge in bankruptcy of an uninsured motorist as defined in this Code  
35 section shall not affect the legal liability of an uninsured motorist as the term 'legal  
36 liability' is used in this Code section, and such filing of a petition for relief in voluntary  
37 or involuntary bankruptcy, the appointment of a trustee in bankruptcy, or the discharge

1 in bankruptcy of such an uninsured motorist shall not be pleaded by the insurance carrier  
2 providing uninsured motorist protection in bar of any claim of an insured person as  
3 defined in this Code section so as to defeat payment for damages sustained by any  
4 insured person by the insurance company providing uninsured motorist protection and  
5 coverage under the terms of this chapter as now or hereafter amended; but the insurance  
6 company or companies shall have the right to defend any such action in its own name or  
7 in the name of the uninsured motorist and shall make payment of any judgment up to the  
8 limits of the applicable uninsured motorist insurance protection afforded by its policy. In  
9 those cases the uninsured motorist upon being discharged in bankruptcy may plead the  
10 discharge in bankruptcy against any subrogation claim of any uninsured motorist carrier  
11 making payment of a claim or judgment in favor of an uninsured person, and the  
12 uninsured motorist may plead said motorist's discharge in bankruptcy in bar of all  
13 amounts of an insured person's claim in excess of uninsured motorist protection available  
14 to the insured person."

15 **SECTION 2.**

16 This Act shall become effective on July 1, 2006, and shall apply to all policies issued,  
17 delivered, or issued for delivery in this state on and after such date.

18 **SECTION 3.**

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