

House Bill 1121

By: Representatives Willard of the 49<sup>th</sup>, Knox of the 24<sup>th</sup>, Millar of the 79<sup>th</sup>, Lindsey of the 54<sup>th</sup>, Maxwell of the 17<sup>th</sup>, and others

A BILL TO BE ENTITLED  
AN ACT

1 To amend Article 3 of Chapter 3 of Title 44 of the Official Code of Georgia Annotated,  
2 relating to condominiums, so as to change certain provisions relating to insurance coverage  
3 for condominium associations; to provide for related matters; to repeal conflicting laws; and  
4 for other purposes.

5 BE IT ENACTED BY THE GENERAL ASSEMBLY OF GEORGIA:

6 style="text-align:center">**SECTION 1.**

7 Article 3 of Chapter 3 of Title 44 of the Official Code of Georgia Annotated, relating to  
8 condominiums, is amended by revising Code Section 44-3-107, relating to insurance  
9 coverage for condominium associations, as follows:

10 "44-3-107.

11 The association shall obtain:

12 (1) A ~~casualty~~ property insurance policy or policies affording fire and extended coverage  
13 insurance for and in an amount consonant with the full replacement value of all structures  
14 within the condominium; provided, however, that the association may exclude from such  
15 coverage (A) improvements made by the unit owners, and (B) structures covered by  
16 builder's risk insurance, such coverage to be in an amount consonant with the full  
17 replacement value thereof, but only during such period of time as the builder's risk  
18 insurance remains in full force and effect and only on the condition that the association  
19 is named as an additional insured; and

20 (2) A liability insurance policy or policies, ~~in amounts specified by the condominium~~  
21 ~~instruments but not in amounts less than \$500,000.00 for injury, including death, to a~~  
22 ~~single person, \$1 million for injury or injuries, including death, arising out of a single~~  
23 ~~occurrence; and \$50,000.00 for property damage; or, in the alternative, a liability policy~~  
24 ~~affording coverage for bodily injury and property damage with a combined single limit~~  
25 ~~in an amount not less than \$1,050,000.00~~ \$1 million for a single occurrence and \$2  
26 million aggregate. The policy or policies shall cover the association, the board of

1 directors and the officers of the association, all agents and employees of the association,  
2 and all unit owners and other persons entitled to occupy any unit or other portion of the  
3 condominium for occurrences commonly insured against arising out of or in connection  
4 with the use, ownership, or maintenance of the common elements or other portion of the  
5 condominium which the association has the responsibility to maintain; and  
6 ~~(3) Any other types and amounts of insurance coverage as may be specified in the~~  
7 ~~condominium instruments or authorized by the board of directors."~~

8 **SECTION 2.**

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