

The House Committee on Insurance offers the following substitute to HB 84:

A BILL TO BE ENTITLED
AN ACT

1 To amend Chapter 24 of Title 33 of the Official Code of Georgia Annotated, relating to
2 insurance generally, so as to prohibit denial of an aircraft claim based upon certain losses
3 pursuant to special flight provisions; to provide for conspicuous notice and clear exclusion
4 notices and guidance; to provide for applicability; to repeal conflicting laws; and for other
5 purposes.

6 BE IT ENACTED BY THE GENERAL ASSEMBLY OF GEORGIA:

7 **SECTION 1.**

8 Chapter 24 of Title 33 of the Official Code of Georgia Annotated, relating to insurance
9 generally, is amended by revising Code Section 33-24-30, relating to excluding or denying
10 coverage on basis of violation of civil air regulations, as follows:

11 "33-24-30.

12 (a) No policy of insurance issued or delivered in this state covering any loss, expense, or
13 liability arising out of the ownership, maintenance, or use of an aircraft shall exclude or
14 deny coverage because the aircraft is operated in violation of civil air regulations pursuant
15 to federal, state, or local laws or ordinances.

16 (b) This Code section does not prohibit the use of specific exclusions or conditions in any
17 such policy which relates to any of the following:

18 (1) Certification of an aircraft in a stated category by the Federal Aviation
19 Administration;

20 (2) Certification of a pilot in a stated category by the Federal Aviation Administration;

21 (3) Establishing requirements for pilot experience; or

22 (4) Establishing limitations on the use of the aircraft.

23 (c) An insurer shall not deny payment of a claim or otherwise deny coverage or cancel or
24 not renew a policy as a result of any loss that occurs while an aircraft is being operated
25 pursuant to and in compliance with Federal Aviation Regulations' (14 C.F.R. 21.197)
26 special flight permit provisions and based upon the fact that the aircraft was being operated

27 pursuant to such regulations. Provided, further, an insured shall not be required to give any
28 notice to his or her insurer prior to operating the aircraft pursuant to Federal Aviation
29 Regulations (14 C.F.R. 21.197) or otherwise penalized.

30 (d) Any policy of insurance containing one, all, or any combination of the specific
31 exclusions or conditions in the categories permitted in subsection (b) of this Code section
32 shall include conspicuous notice advising the insured that the policy contains such
33 exclusions or conditions and provide specific instructions as to what actions the insured
34 shall undertake in order to protect and preserve his or her rights and coverages under the
35 policy."

36 **SECTION 2.**

37 This Act shall be applicable to policies issued on or renewed after July 1, 2015.

38 **SECTION 3.**

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