

Senate Bill 124

By: Senator Martin of the 9th

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 revise the language used in certain automobile and property
3 insurance reduction of coverage notices; to provide for related matters; to repeal conflicting
4 laws; and for other purposes.

5 BE IT ENACTED BY THE GENERAL ASSEMBLY OF GEORGIA:

6 **SECTION 1.**

7 Chapter 24 of Title 33 of the Official Code of Georgia Annotated, relating to insurance
8 generally, is amended in Code Section 33-24-45, relating to cancellation or nonrenewal of
9 automobile or motorcycle policies and procedure for review by the Commissioner, by
10 revising paragraph (4) of subsection (f) as follows:

11 "(4) A reduction in coverage where an insurer provides a written notice of a reduction
12 in coverage to the named insured or his or her representative no less than 30 days prior
13 to the effective date of the proposed reduction in coverage; provided that such notice shall
14 be ~~printed in all capital letters~~ in a separate document ~~entitled~~ with the words 'NOTICE
15 OF REDUCTION IN COVERAGE:' written in all capital letters in at least 12 point type.
16 Such notice shall be delivered as provided in subsection (d) of Code Section 33-24-14,
17 in person, or by depositing the notice in the United States mail to be dispatched by at least
18 first-class mail to the last address of record of the insured and receiving the receipt
19 provided by the United States Postal Service or such other evidence of mailing as
20 prescribed or accepted by the United States Postal Service."

21 **SECTION 2.**

22 Said chapter is further amended in Code Section 33-24-46, relating to cancellation or
23 nonrenewal of certain property insurance policies, by revising paragraph (2) of subsection
24 (d) as follows:

25 "(2) An insurer shall provide a written notice of a reduction in coverage to the named
26 insured no less than 30 days prior to the effective date of the proposed reduction in
27 coverage; provided that such notice shall be ~~printed in all capital letters~~ in a separate
28 document entitled with the words 'NOTICE OF REDUCTION IN COVERAGE:' written
29 in all capital letters in at least 12 point type. Such notice shall be delivered as provided
30 in subsection (d) of Code Section 33-24-14, in person, or by depositing the notice in the
31 United States mail to be dispatched by at least first-class mail to the last address of record
32 of the insured and receiving the receipt provided by the United States Postal Service or
33 such other evidence of mailing as prescribed or accepted by the United States Postal
34 Service."

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SECTION 3.

36 Said chapter is further amended in Code Section 33-24-47, relating to notice required of
37 termination or nonrenewal, increase in premium rates, or change restricting or reducing
38 coverage and failure of insurer to comply, by revising subsection (g) as follows:

39 "(g) An insurer shall provide a written notice of a reduction in coverage to the named
40 insured no less than 45 days prior to the effective date of the proposed reduction in
41 coverage; provided that such notice shall be ~~printed in all capital letters~~ in a separate
42 document entitled with the words 'NOTICE OF REDUCTION IN COVERAGE:' written
43 in all capital letters in at least 12 point type. Such notice shall be delivered to the insured
44 as provided in subsection (d) of Code Section 33-24-14, in person, or by depositing the
45 notice in the United States mail, to be dispatched by at least first-class mail to the last
46 address of record of the insured. A reduction in coverage shall mean a change made by the
47 insurer which results in a removal of coverage, diminution in scope or less coverage, or the
48 addition of an exclusion. Reduction in coverage shall not include any change, reduction,
49 or elimination of coverage made at the request of the insured. The correction of
50 typographical or scrivener's errors or the application of mandated legislative changes shall
51 not be considered a reduction in coverage."

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SECTION 4.

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