

The House Committee on Insurance offers the following substitute to HB 994:

A BILL TO BE ENTITLED  
AN ACT

1 To amend Titles 51 and 52 of the Official Code of Georgia Annotated, relating to torts and  
2 waters of the state, ports, and watercraft, respectively, so as to revise liability of a boat livery  
3 under certain conditions; to provide for definitions; to provide for the liability of an operator  
4 of a vessel under certain conditions; to exempt a boat livery from liability under certain  
5 conditions; to provide for a boat livery to obtain and carry certain insurance in order to be  
6 exempt from certain liability; to provide for available proof of insurance; to provide for a  
7 written disclaimer; to provide for related matters; to provide for an effective date; to repeal  
8 conflicting laws; and for other purposes.

9 BE IT ENACTED BY THE GENERAL ASSEMBLY OF GEORGIA:

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

11 Title 51 of the Official Code of Georgia Annotated, relating to torts, is amended by adding  
12 a new Code section to read as follows:

13 "51-1-22.1.

14 (a) As used in this Code section, the term:

15 (1) 'Boat livery' means a business which holds any vessel for renting, leasing, or  
16 chartering.

17 (2) 'Vessel' means a self-propelled, motorized boat or vessel having a length of more  
18 than 16 feet with a depth of more than 16 inches, used or capable of being used as a  
19 means of transportation on water. Such term includes but is not limited to personal  
20 watercraft as defined in Code Section 52-7-8.2. Such term excludes an inflatable or  
21 whitewater raft, unless such vessel is self propelled or motorized. Such term excludes a  
22 seaplane.

23 (b) Provided that a boat livery obtains and carries insurance coverage as provided for in  
24 subsection (c) of this Code section:

25 (1) The operator of a vessel rented, leased, or chartered from a boat livery shall be liable  
26 for any injury or damage occasioned by the negligent operation of such vessel, whether  
27 the negligence consists of a violation of the statutes of this state or of neglecting to  
28 observe such ordinary care in such operation as the rules of common law require; and

29 (2) Such boat livery shall not be liable as an owner as provided for in Code  
30 Sections 51-1-21 and 51-1-22 and shall only be liable for any tort caused by the operation  
31 of a vessel that the boat livery rented, leased, or chartered:

32 (A) To an individual who the boat livery knew or should have known at the time of or  
33 before providing the vessel was not a reasonably safe operator of the vessel;

34 (B) To an individual who the boat livery knew or should have known did not meet the  
35 applicable requirements provided for in Code Section 52-7-8.3 or 52-7-22;

36 (C) To an individual who the boat livery knows is operating the vessel in a manner that  
37 is reckless or under the influence of any substance such that the judgment of the  
38 operator is substantially impaired, and the boat livery does not take reasonable steps to  
39 ensure such vessel is not operated in such a manner;

40 (D) When a reasonable inspection revealed or should have revealed that such vessel  
41 was not in reasonably safe operating condition; or

42 (E) When such vessel was not in reasonably safe operating condition based on acts or  
43 omissions of the boat livery.

44 (c)(1) In order to avail itself of the protections provided in subsection (b) of this Code  
 45 section, a boat livery shall not rent, lease, or charter or offer to rent, lease, or charter a  
 46 vessel without first obtaining and maintaining in full force and effect a policy from a  
 47 licensed insurance carrier in this state or a nonadmitted insurer through a licensed surplus  
 48 lines broker that provides coverage for such boat livery against any accident, loss, injury,  
 49 property damage, or other casualty caused by or resulting from the operation of a boat  
 50 livery vessel. Such policy shall provide coverage of not less than \$250,000.00 per person  
 51 per occurrence and not less than \$500,000.00 in the aggregate per occurrence.  
 52 (2) A boat livery shall have proof of such insurance coverage available for inspection at  
 53 the location where the boat livery rents, leases, or charters vessels."

54 **SECTION 2.**

55 Title 52 of the Official Code of Georgia Annotated, relating to waters of the state, ports, and  
 56 watercraft, is amended by revising Code Section 52-7-9, relating to boat liveries, as follows:

57 "52-7-9.

58 (a) The owner of a boat livery shall cause to be kept a record of the name and address of  
 59 the person or persons ~~hiring~~ renting, leasing, or chartering any vessel, the identification  
 60 number thereof, the departure date and time, and the expected time of return. The record  
 61 shall be preserved for at least six months.

62 (b) Neither the owner of a boat livery nor his or her agent or employees shall permit any  
 63 vessel to depart from his or her premises unless it shall have been provided either by the  
 64 owner or renter with the equipment required pursuant to Code Section 52-7-8 and any rules  
 65 and regulations made pursuant thereto.

66 (c) No ~~livery boat~~ livery vessel, except those having a length of 16 feet or less with a depth  
 67 of 16 inches or less, shall be operated by any person unless there is on board a copy of the  
 68 rental agreement authorizing such operation which shows the vessel number, the period of

69 time the ~~boat~~ vessel is authorized for use by such operator, and any other pertinent  
70 information that the department may require.

71 (d) If a boat livery has obtained insurance coverage as provided for in Code  
72 Section 51-1-22.1, such boat livery shall display in conspicuous locations where boat livery  
73 vessels are rented, leased, or chartered the following written disclaimer, provided that such  
74 written disclaimer shall also accompany the rental agreement for a boat livery vessel:

75 NOTICE: THE OWNER OF THIS BOAT LIVERY HAS AN INSURANCE POLICY  
76 WHICH INSURES SUCH BOAT LIVERY AND DOES NOT INSURE YOU. ANY  
77 INSURANCE POLICIES THAT YOU HAVE MAY NOT COVER DAMAGES OR  
78 INJURIES CAUSED DIRECTLY OR INDIRECTLY BY YOUR OPERATION OF A  
79 BOAT LIVERY VESSEL. YOU MAY BE PERSONALLY LIABLE FOR SUCH  
80 DAMAGES OR INJURIES.'

81 (e) A boat livery's provision of the written disclaimer provided for in subsection (d) of this  
82 Code section shall not constitute the selling, soliciting, or negotiating of insurance."

83 **SECTION 3.**

84 This Act shall become effective upon its approval by the Governor or upon its becoming law  
85 without such approval.

86 **SECTION 4.**

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