

House Bill 1315

By: Representatives Holmes of the 61st, Thomas of the 55th, Gordon of the 162nd, and Marin of the 96th

A BILL TO BE ENTITLED
AN ACT

1 To amend Chapter 34 of Title 33 of the Official Code of Georgia Annotated, relating to
2 motor vehicle accident reparations, so as to provide that each policy of motor vehicle liability
3 insurance issued in this state on and after July 1, 2008, shall provide that, when a motor
4 vehicle accident results in liability under such policy for property damage to a motor vehicle
5 and such damaged motor vehicle is capable of being repaired and restored to the condition
6 such vehicle was in prior to such accident, the owner of such damaged motor vehicle shall
7 have the option of receiving the fair market value of such vehicle or the cost of such vehicle
8 being repaired and restored to the condition such vehicle was in prior to the motor vehicle
9 accident notwithstanding that such repairs and restoration exceed the fair market value of
10 such motor vehicle; to provide that, if the cost of such repairs and restoration is less than the
11 fair market value of such motor vehicle, the owner of such motor vehicle shall receive only
12 the cost of such repairs and restoration along with any diminution in value of such vehicle
13 as a result of such damage; to provide that no such payment shall exceed the limits of such
14 motor vehicle liability insurance policy for property damage; to provide for related matters;
15 to provide for an effective date and applicability; to repeal conflicting laws; and for other
16 purposes.

17 BE IT ENACTED BY THE GENERAL ASSEMBLY OF GEORGIA:

18 **SECTION 1.**

19 Chapter 34 of Title 33 of the Official Code of Georgia Annotated, relating to motor vehicle
20 accident reparations, is amended by revising Code Section 33-34-3, relating to requirements
21 for issuance of policies, by adding a new subsection to read as follows:

22 "(f) Each policy of motor vehicle liability insurance issued in this state on and after July 1,
23 2008, shall provide that, when a motor vehicle accident results in liability under such
24 policy for property damage to a motor vehicle and such damaged motor vehicle is capable
25 of being repaired and restored to the condition such vehicle was in prior to such accident,
26 the owner of such damaged motor vehicle shall have the option of receiving the fair market

1 value of such vehicle or the cost of such vehicle being repaired and restored to the
2 condition such vehicle was in prior to the motor vehicle accident notwithstanding that such
3 repairs and restoration exceed the fair market value of such motor vehicle. In the event that
4 the cost of such repairs and restoration is less than the fair market value of such motor
5 vehicle, the owner of such motor vehicle shall receive only the cost of such repairs and
6 restoration along with any diminution in value of such vehicle as a result of such damage.
7 Nothing in this subsection shall require that any such payment exceed the limits of such
8 motor vehicle liability insurance policy for property damage."

9 **SECTION 2.**

10 This Act shall become effective on July 1, 2008, and shall apply to all motor vehicle liability
11 insurance policies issued in this state on and after such date.

12 **SECTION 3.**

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