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Guaranteeing the Right to Trial by Jury,  
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**Media Release**

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**In Georgia, you don't always get what you pay for**

SB 276, a bill ensuring fairness for auto-insurance policy holders  
passes the House Non-Civil Judiciary Committee unanimously and heads to House Rules.

**Atlanta-- Insurance companies in Georgia collect premiums on Uninsured/Underinsured Motorist (UM) Coverage but may never pay out—even after a catastrophic accident.** Following a year in which Insurance Companies raked in record profits (“Insurers’ profits skyrocket”, AJC, 3-27-2007) consumers continue to pay for elective UM Coverage (UM is not required by law), thinking that if they were a victim in an accident they may need to access that money, and often, they cannot.

Consider this scenario if it were to occur under current law:

You are in a bad car accident—and you are not at fault. Your overall damages are \$100,000.

The at-fault driver has \$50,000 in liability insurance—which you collect. You had purchased the optional UM Coverage for \$50,000 and paid a monthly premium. You may think that you could access that \$50,000 to cover the rest of the damages. **Under current law you cannot access the UM Coverage that you have wisely paid for every month.** You can only access the difference of the coverage if your UM is more than the at-fault driver’s liability coverage. Where does that leave you in this scenario? It leaves you with \$50,000 in damages that have gone unpaid for and a policy that you have paid premiums on that you thought would help you out in just such a situation.

**“Not many people are aware that they are paying premiums on a policy, every month, that they may not be able to access when they need it most,”** said Buck Rogers, an Atlanta attorney. **“SB 276 will change that. It will allow consumers to purchase Stacking UM Insurance and get exactly what they pay for.”**

Under current law in Georgia, consumers can only choose Non-Stacking UM Coverage or no UM Coverage at all. SB 276, authored by Senator Cecil Staton, provides consumers a third choice—Stacking UM Coverage.

Stacking UM Coverage allows you to stack your coverage on top of the at-fault driver’s to the extent of the damages. In the scenario above, if you had Stacking UM Coverage, you would no longer be \$50,000 in debt. SB 276 ensures that Georgians get what they pay for. Twenty-three other states, including our neighbors Alabama, Florida and South Carolina all have similar measures that allow stacking.

**“Sadly most people don’t know that they can’t access this coverage until they are in a bad wreck,”** said Chan Caudell an attorney in Cornelia. **“Often I get calls from people who are injured, missing work, and don’t know how to cover their bills and feed their families. They thought the insurance they had chosen to purchase would help them. Unfortunately, I have to tell them it won’t. SB 276 would change that.”**

Not surprisingly, the big insurance companies oppose SB 276, they say that it would increase premiums for UM Coverage. Insurance Commissioner John Oxendine also publicly opposed the bill last year. He said that SB 276 would have minimal benefits (Morris News Service, 4-11-2007). Consumers should not be fooled by this wealthy industry rhetoric. The industry's own numbers show that SB 276 would increase the premium for \$25k in UM Coverage no more than \$3.70 a month. And UM Coverage is NOT mandatory under GA law, so no one will be forced to pay higher premiums under SB 276.

**“For roughly the cost of a gallon of milk a month, families who choose to purchase Stacking UM will finally get what they have paid for—and when they need it most,”** said Rogers. **“SB 276 is the wisest piece of public policy legislation for every Georgian that I know of. Passing this bill will allow every insured in Georgia to decide what is right for themselves and for their families, will help doctors get paid and will help to keep families out of debt. It’s just the right thing to do.”**

**Georgians deserve to get what they have paid for. SB 276 brings fairness back to consumers.**

*\*SB 276 was introduced in the '07 session. It passed the Senate Insurance and Labor Committee, the Senate Floor and the House Non-Civil Judiciary Committee in '07. Time ran out and SB 276 was recommitted to the House Non-Civil Judiciary Committee. On March 3, 2008, SB 276 passed both the subcommittee and the full House Non-Civil Judiciary Committee unanimously. SB 276 now heads to House Rules before heading to the House Floor, and then, assuming passage, the Governor's Office.*

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