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Georgia Looks to Revise Civil Procedures for Vehicle Accident Settlements

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In a move to address its high rates of vehicle accident settlements, the state of Georgia has passed new legislation aimed at clarifying and streamlining the settlement process. Senate Bill 83, signed into law in late April, revised several civil procedures related to settlement offers for personal injury, bodily injury, and death claims stemming from motor vehicle accidents.

The new law, which applies to settlement offers made after April 24th, seeks to provide more clarity around the acceptance of such offers. It comes as Georgia continues to grapple with having some of the highest vehicle accident settlement rates in the country, though the state's figures still pale in comparison to the staggering numbers seen in Florida.

In addition to the reform effort, Georgia House Bill 1114 authorizes the Commissioner of Insurance to gather data from insurers on tort claims and tort claims liability. This data collection bill aims to protect the confidentiality of the collected data, focusing on qualitative information from January 1, 2019, to the present. The data will detail the following:

- The number of lawsuits
- Total attorneys' fees and court costs
- The total value of the incurred claims

The authorization for this data collection runs from July 1, 2024, through July 1, 2029. The Commissioner is required to file an initial report by November 1, 2024, submitting it to the Governor's Office and the House and Senate committees with insurance jurisdiction.

The purpose of this data collection is to examine the effects of tort litigation on insurance premiums and the overall viability of the insurance market in the state.

While modest in scope compared to the sweeping tort reform measures passed in other states, Georgia's latest legislative effort is viewed by some as an important first step in addressing the influence of the settlement industry within the state. Lobbyists and special interest groups have long played a role in shaping Georgia's laws around vehicle accident claims, leading to a legal environment that has been criticized as overly favorable to plaintiffs.

With Senate Bill 83 now in effect, legal experts anticipate a surge of discussions and debates within Georgia around the appropriate balance between protecting the rights of accident victims and reining in excessive settlement payouts. The state will be closely watched to see if these revisions have a meaningful impact on reducing its outsized settlement figures or if more comprehensive reforms will be needed in the years ahead.

Enlyte's government affairs team is working closely with our lobbyists and Georgia lawmakers on this issue. To stay up to date on this and other regulatory issues, sign up to receive our monthly Compliance Connection Newsletter.



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