



NEWS RELEASE

JOHN OXENDINE
COMMISSIONER OF INSURANCE
SAFETY FIRE COMMISSIONER
INDUSTRIAL LOAN COMMISSIONER
COMPTROLLER GENERAL

Seventh Floor, West Tower
2 Martin Luther King Jr. Dr.
Atlanta, Georgia 30334
www.gainsurance.org

For Immediate Release
March 6, 2008

Contact: Glenn Allen or Wayne Whitaker
404-651-7902
inscomm@oci.ga.gov

OXENDINE: GEORGIA CONSUMERS LOSE WITH PASSAGE OF SB 276

Atlanta – Insurance Commissioner John W. Oxendine expressed “profound disappointment” today that Senate Bill 276, as amended by the House, passed both bodies of the Georgia General Assembly.

“Today the trial lawyers and big insurance companies are laughing all the way to the bank at the expense of Georgia consumers,” Oxendine said. “If allowed to become law, this legislation can only result in higher auto insurance premiums for Georgia drivers.”

As amended by the House Non-Civil Judiciary Committee – not the House Insurance Committee – the bill removed Oxendine’s authority to approve rates for auto insurance policies. Under the revised law, insurers could simply file their rates with the Commissioner’s office, and immediately start charging higher prices.

“This bill is the result of a last-minute backroom deal between the insurance industry and trial lawyers,” Oxendine said. “My question is, what about consumers – shouldn’t they have been included in the negotiations?”

Oxendine pointed out that the prior-approval law was enacted in 1992 to protect consumers from the double digit rate increase of the previous decades. “Those consumer protections were thrown out the window today with the passage of SB 276,” Oxendine said. “Unfortunately I expect the same result from insurance companies freed from oversight – higher premiums.”

###