



# OFFICE OF INSURANCE AND SAFETY FIRE COMMISSIONER

**RALPH T. HUDGENS**  
COMMISSIONER OF INSURANCE  
SAFETY FIRE COMMISSIONER  
INDUSTRIAL LOAN COMMISSIONER

SEVENTH FLOOR, WEST TOWER  
FLOYD BUILDING  
2 MARTIN LUTHER KING, JR. DRIVE  
ATLANTA, GA 30334  
(404) 656-2056  
[www.oci.ga.gov](http://www.oci.ga.gov)

## DIRECTIVE 17-EX-3

TO: All Property & Casualty Insurers Writing Automobile Liability or Motor Vehicle Liability Insurance Policies in Georgia

FROM: Ralph T. Hudgens  
Insurance and Safety Fire Commissioner

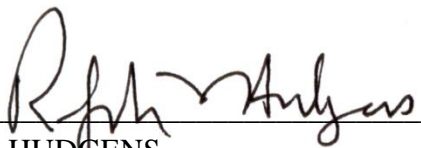
DATE: April 18, 2017

RE: Property Damage Liability Claims involving the Removal of Vehicles after an Accident

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It has come to my attention that some insurers may not be complying with legal requirements in O.C.G.A. § 33-7-11.1(b), related to the prompt payment of towing costs. According to that code section, “[a]ny insurer, upon acceptance of liability, pursuant to any automobile liability or motor vehicle liability insurance policy, shall pay reasonable benefits for losses... to a third party on behalf of an insured for... towing... costs of such a motor vehicle, and the liability of the insurer for payment... shall commence as of the time of the incident or occurrence which results in such [loss]....” All auto insurance companies must provide such coverage to any policyholder whose vehicle is principally garaged or principally used in this state.<sup>1</sup> Moreover, as with all claims, after determining coverage and accepting liability, the insurer must issue payment promptly. Be aware that “[n]ot attempting in good faith to effectuate prompt, fair, and equitable settlement of claims submitted in which liability has become reasonably clear” constitutes a violation of the Unfair Claims Settlement Practices Act.<sup>2</sup> Govern yourselves accordingly.

Any consumer or service provider who would like to submit a complaint should go to [www.oci.ga.gov](http://www.oci.ga.gov) or call 800-656-2298.

  
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RALPH T. HUDGENS  
INSURANCE AND SAFETY FIRE COMMISSIONER  
STATE OF GEORGIA

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<sup>1</sup> O.C.G.A. § 33-7-11.1

<sup>2</sup> O.C.G.A. § 33-6-34(4)