

Bond Case Briefs

Municipal Finance Law Since 1971

INSURANCE - GEORGIA

Atlantic Specialty Insurance Company v. City of College Park

Court of Appeals of Georgia - November 2, 2020 - S.E.2d - 2020 WL 6390041

Relatives of deceased persons brought action against municipality, alleging wrongful death after deceased persons' vehicle was struck by unknown driver who was being pursued by police.

Insurer intervened for limited purpose of litigating limits of its insurance policy with municipality, and trial court held on insurer's motion for partial summary judgment that insurance policy limits available were \$5 million under business auto and excess liability coverage. Insurer appealed.

The Court of Appeals held that policy's endorsements did not exempt insurer from statutory language that increased sovereign immunity waiver to amount of coverage.

Public policy prevented sovereign immunity endorsement in municipality's insurance policy that included business auto and excess liability coverage from limiting \$1 million for automobile liability coverage and \$4 million for excess coverage to \$700,000 for claimants who sustained injuries arising out of negligent use of government motor vehicle; insurer was required to pay damages under policy if defense of sovereign immunity was not applicable, and waiver of sovereign immunity, which occurred by operation of law, was limited to amount of coverage purchased by municipality as prescribed by statute.