

## Session 108 - (1989-1990)

**H 4900 General Bill, By J.J. Bailey, R.A. Barber, T.M. Burriss, R.S. Corning, Fair, H.M. Hallman, D.N. Holt, M.F. Jaskwich, H.H. Keyserling, Koon, Littlejohn, S.G. Manly, T.T. Mappus, A.C. McGinnis, J. Rama, T.F. Rogers, R. Smith, C.Y. Waites, Washington, C.C. Wells and D.E. Winstead**

A Bill to enact the "Consumer Choice in Motor Vehicle Insurance Act"; to amend Section 38-77-950, as amended, relating to automobile insurance, unreasonable or excessive use of the Reinsurance Facility by an insurer, and notice to a policyholder that his policy is in the Facility, so as to provide that, in order to eliminate cross-subsidization between premiums generated under each tort options, all insurers shall apply the cession limitation to each of the options whose risks are ceded, and provide that under either option, recoupment only applies to the coverages ceded to the Facility under each respective option; to amend Section 38-77-600, as amended, relating to automobile insurance and the Reinsurance Facility recoupment charge, so as to provide that, for purposes of interpreting and applying the Facility recoupment charge formula to risks ceded under the tort and no-fault options in accordance with Section 38-77-950, a separate "net facility operating loss" must be developed independently for risks ceded under each option and the formula applied independently to each option in order for separate recoupment charges to be developed for insureds under each option, provide that personal protection insureds shall continue to pay the appropriate tort recoupment charge until the personal protection recoupment charges are determinable in accordance with current facility operations and accounting procedures, and provide that, in order to carry out the intent to shift one-half of recoupment charges off zero merit surcharge risks, the Chief Insurance Commissioner may modify the formula; to amend Section 16-1-10, as amended, relating to crimes classified as felonies, so as to include the offenses provided for in this Act; and to provide that this Act applies to the use or operation of motor vehicles in South Carolina on and after the effective date of this Act, and provide that a policy of liability insurance obtained to satisfy the financial responsibility laws of this State must be construed as if the full tort insurance requirements specified in this Act were embodied in the policy unless, before the effective date of this Act, the named insured has exercised a right of election for personal protection coverage pursuant to provisions of this Act.

**03/28/90 House Introduced and read first time HJ-201**

**03/28/90 House Referred to Committee on Labor, Commerce and Industry HJ-202**