**South Carolina General Assembly**

119th Session, 2011-2012

**A7, R23, H3332**

**STATUS INFORMATION**

General Bill

Sponsors: Reps. Sandifer, McLeod, Bowers, Bales, Anderson, Pinson and Clemmons

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Introduced in the House on January 18, 2011

Introduced in the Senate on February 15, 2011

Last Amended on February 8, 2011

Passed by the General Assembly on March 10, 2011

Governor's Action: April 12, 2011, Signed

Summary: Automobile insurance

**HISTORY OF LEGISLATIVE ACTIONS**

 Date Body Action Description with journal page number

 1/18/2011 House Introduced and read first time ([House Journal‑page 3](file:///h%3A%5Chj%20archive%5C2011%5C01-18-11.docx))

 1/18/2011 House Referred to Committee on **Labor, Commerce and Industry** ([House Journal‑page 3](file:///h%3A%5Chj%20archive%5C2011%5C01-18-11.docx))

 2/2/2011 House Member(s) request name added as sponsor: Bowers, Bales, Anderson, Pinson

 2/2/2011 House Committee report: Favorable with amendment **Labor, Commerce and Industry** ([House Journal‑page 3](file:///h%3A%5Chj%20archive%5C2011%5C02-02-11.docx))

 2/3/2011 House Member(s) request name added as sponsor: Clemmons

 2/8/2011 House Amended ([House Journal‑page 67](file:///h%3A%5Chj%20archive%5C2011%5C02-08-11.docx))

 2/8/2011 House Requests for debate‑Rep(s). Ott, Cobb‑Hunter, JH Neal, Hosey, Williams, Jefferson, King, Brantley, Brady, Sandifer, RL Brown, Bales, Anderson, Bikas, Weeks, Mitchell, Anthony, and Clyburn ([House Journal‑page 67](file:///h%3A%5Chj%20archive%5C2011%5C02-08-11.docx))

 2/9/2011 House Read second time ([House Journal‑page 29](file:///h%3A%5Chj%20archive%5C2011%5C02-09-11.docx))

 2/9/2011 House Roll call Yeas‑110 Nays‑0 ([House Journal‑page 29](file:///h%3A%5Chj%20archive%5C2011%5C02-09-11.docx))

 2/10/2011 House Read third time and sent to Senate ([House Journal‑page 37](file:///h%3A%5Chj%20archive%5C2011%5C02-10-11.docx))

 2/15/2011 Senate Introduced and read first time ([Senate Journal‑page 8](file:///h%3A%5Csj%20archive%5C2011%5C02-15-11.docx))

 2/15/2011 Senate Referred to Committee on **Banking and Insurance** ([Senate Journal‑page 8](file:///h%3A%5Csj%20archive%5C2011%5C02-15-11.docx))

 2/23/2011 Senate Committee report: Favorable **Banking and Insurance** ([Senate Journal‑page 29](file:///h%3A%5Csj%20archive%5C2011%5C02-23-11.docx))

 2/24/2011 Scrivener's error corrected

 3/9/2011 Senate Read second time ([Senate Journal‑page 15](file:///h%3A%5Csj%20archive%5C2011%5C03-09-11.docx))

 3/9/2011 Senate Roll call Ayes‑42 Nays‑0 ([Senate Journal‑page 15](file:///h%3A%5Csj%20archive%5C2011%5C03-09-11.docx))

 3/10/2011 Senate Read third time and enrolled ([Senate Journal‑page 5](file:///h%3A%5Csj%20archive%5C2011%5C03-10-11.docx))

 4/6/2011 Ratified R 23

 4/12/2011 Signed By Governor

 4/14/2011 Effective date See Act for Effective Date

 4/15/2011 Act No. 7

**VERSIONS OF THIS BILL**

[1/18/2011](file:///p%3A%5Cpprever%5C2011-12%5C3332_20110118.docx)

[2/2/2011](file:///p%3A%5Cpprever%5C2011-12%5C3332_20110202.docx)

[2/8/2011](file:///p%3A%5Cpprever%5C2011-12%5C3332_20110208.docx)

[2/9/2011](file:///p%3A%5Cpprever%5C2011-12%5C3332_20110209.docx)

[2/23/2011](file:///p%3A%5Cpprever%5C2011-12%5C3332_20110223.docx)

[2/24/2011](file:///p%3A%5Cpprever%5C2011-12%5C3332_20110224.docx)

(A7, R23, H3332)

**AN ACT TO AMEND SECTION 38‑73‑736, CODE OF LAWS OF SOUTH CAROLINA, 1976, RELATING TO CERTAIN REDUCTIONS IN PREMIUM CHARGES, SO AS TO PROVIDE CERTAIN DEFINITIONS, SUBJECT PREMIUM RATES CHARGED FOR LIABILITY AND COLLISION COVERAGE TO CERTAIN DRIVER TRAINING COURSE CREDITS FOR A DRIVER WHO IS NOT A YOUTHFUL OPERATOR, AND PROVIDE OTHER CONDITIONS CONCERNING THE CREDITS; AND TO AMEND SECTION 38‑73‑737, RELATING TO DRIVER TRAINING COURSE CREDITS TOWARD LIABILITY AND COLLISION INSURANCE COVERAGE, SO AS TO PROVIDE CERTAIN DEFINITIONS, SUBJECT PREMIUM RATES CHARGED FOR LIABILITY AND COLLISION COVERAGE TO CERTAIN DRIVER TRAINING COURSE CREDITS FOR A DRIVER WHO IS A YOUTHFUL OPERATOR, AND PROVIDE OTHER CONDITIONS CONCERNING THE CREDITS.**

Be it enacted by the General Assembly of the State of South Carolina:

**Automobile liability and collision coverage rates, definitions; rate reductions for nonyouthful operator completing approved driver training course**

SECTION 1. Section 38‑73‑736 of the 1976 Code is amended to read:

 “Section 38‑73‑736. (A) As used in this section:

 (1) ‘Approved driver training course’ means a driver’s training course that:

 (a) is approved by the Department of Motor Vehicles or exempt pursuant to Chapter 23, Title 56;

 (b) is administered by a driver’s training school that is licensed or approved by the Department of Motor Vehicles or exempt pursuant to Chapter 23, Title 56;

 (c) is conducted by a person holding a valid driver’s instructor permit pursuant to Chapter 23, Title 56; and

 (d) includes a minimum of six hours of classroom instruction.

 (2) ‘Approved driver training refresher course’ means a driver’s training course that:

 (a) is approved by the Department of Motor Vehicles or exempt pursuant to Chapter 23, Title 56;

 (b) is administered by a driver’s training school that is licensed or approved by the Department of Motor Vehicles or exempt pursuant to Chapter 23, Title 56;

 (c) is conducted by a person holding a valid driver’s instructor permit pursuant to Chapter 23, Title 56;

 (d) includes a minimum of four hours of classroom instruction; and

 (e) is taken by a person that has previously completed successfully an approved driver training course, an approved driver training refresher course, or an approved driver’s education course as defined in Section 38‑73‑737(A)(1) before the termination of the preceding course’s effective period.

 (3) ‘Satisfactory evidence of course completion’ means a certificate signed by an official of the licensed driver’s training school or the Department of Motor Vehicles, which certifies that:

 (a) the person has successfully completed the course; and

 (b) the course is an approved driver training course or approved driver training refresher course and meets the requirements of Chapter 23, Title 56.

 (4) ‘Youthful operator’ means a person under the age of twenty‑five for which premium rates charged for liability coverages and collision coverage under a private passenger automobile insurance policy are determined by a youthful driver classification.

 (B) Premium rates charged for liability coverages and collision coverage under a private passenger automobile insurance policy are subject to an appropriate driver training course credit once satisfactory evidence of course completion is presented by an applicant for the credit that is the named insured or principal operator of the vehicle and is not a youthful operator. The amount of the credit may be determined by each individual insurer based upon factually or statistically supported data and is subject to prior approval or review by the director. The credit must be afforded for a minimum of thirty‑six months from the date the approved driver training course or approved driver training refresher course was completed. The insurer may require, as a condition of providing and maintaining the credit, that the applicant not be involved in an accident for which the applicant is at fault for a three‑year period after course completion. The credit must be afforded by each insurer in a nondiscriminatory manner to all applicants, other than those considered youthful operators.

 (C) Only the vehicle driven by an applicant that has completed successfully an approved driver training course or an approved driver training refresher course qualifies for the insurance credit required by this section. Other vehicles under the private passenger automobile insurance policy do not qualify for the insurance credit required by this section unless the named insured or principal operator of the additional vehicle has successfully completed an approved driver training course or an approved driver training refresher course.

 (D) The insurer must provide the driver training course credit upon receipt of satisfactory evidence of course completion. Nothing in this section may be construed so as to require the insurer to provide the credit for any period of time before the date of receipt of satisfactory evidence of course completion.

 (E) An applicant qualifying for the insurance credit required by this section only may claim the credit for successful completion of one approved driver training course or one approved driver training refresher course during any private passenger automobile insurance policy period.

 (F) Only an approved driver training course or an approved driver training refresher course taken on a voluntary basis qualifies for the insurance credit. A driver training course taken as a requirement of a driving offense including, but not limited to, ADSAP or driver training courses taken to reduce the number of traffic violation points against a driver’s license, do not qualify for the insurance credit provided in this section.

 (G) A schedule of rates, rate classification, or rating plan for private passenger automobile insurance must provide for an appropriate reduction in premium charges for an insured person who is not a youthful operator and who qualifies as provided in this section.”

**Automobile liability and collision coverage rates, rate reductions for youthful operator completing approved driver training course**

SECTION 2. Section 38‑73‑737 of the 1976 Code is amended to read:

 “Section 38‑73‑737. (A) As used in this section:

 (1) ‘Approved driver’s education course’ means a driver’s training course that:

 (a) is approved by the Department of Motor Vehicles pursuant to Chapter 23, Title 56 or is approved by the Department of Education pursuant to Section 59‑39‑320;

 (b) is administered by a driver’s training school that is licensed by the Department of Motor Vehicles or a state institution or duly accredited and approved college, private, parochial, or public high school pursuant to Chapter 23, Title 56; and

 (c) is conducted by a person holding a valid driver’s instructor permit pursuant to Chapter 23, Title 56.

 (2) ‘Satisfactory evidence of course completion’ means a certificate signed by an official of the school, the Department of Motor Vehicles, the Department of Education, or other responsible educational entity which certifies that:

 (a) the person has successfully completed the course; and

 (b) the course is an approved driver’s education course and meets the requirements of Chapter 23, Title 56 or Section 59‑39‑320.

 (3) ‘Youthful operator’ means a person under the age of twenty‑five for which premium rates charged for liability coverages and collision coverage under a private passenger automobile insurance policy are determined by a youthful driver classification.

 (B) Premium rates charged for liability coverages and collision coverage under a private passenger automobile insurance policy are subject to an appropriate driver’s education course credit once satisfactory evidence of course completion is presented by an applicant for the credit that is the named insured or principal operator of the vehicle and is a youthful operator. The amount of the credit may be determined by each individual insurer based upon factually or statistically supported data and is subject to prior approval or review by the director. The credit must be afforded from the date the approved driver’s education course was completed for as long as the premium rates continue to be determined by a youthful driver classification. The insurer may require, as a condition of providing and maintaining the credit, that the applicant not be involved in an accident for which the applicant is at fault or be convicted of, plead guilty to, or plead nolo contendere to a violation of the motor vehicle laws for any moving violation. The credit required by this section must be afforded by each insurer in a nondiscriminatory manner to all applicants.

 (C) Only the vehicle driven by an applicant that has completed successfully an approved driver’s education course qualifies for the insurance credit required by this section. Other vehicles under the private passenger automobile insurance policy do not qualify for the insurance credit required by this section unless the named insured or principal operator of the additional vehicle has successfully completed an approved driver’s education course.

 (D) The insurer must provide the driver’s education course credit upon receipt of satisfactory evidence of course completion. Nothing in this section may be construed so as to require the insurer to provide the credit for any period of time before the date of receipt of satisfactory evidence of course completion.

 (E) An applicant qualifying for the insurance credit required by this section only may claim the credit for successful completion of one approved driver’s education course during any private passenger automobile insurance policy period.

 (F) An approved driver’s education course taken on a voluntary basis or taken as a requirement of driver licensing qualifies for the insurance credit. Driver training courses taken as a requirement of a driving offense including, but not limited to, ADSAP or driver training courses taken to reduce the number of traffic violation points against a driver’s license, do not qualify for the insurance credit provided in this section.

 (G) A schedule of rates, rate classification, or rating plan for private passenger automobile insurance must provide for an appropriate reduction in premium charges for an insured person who is a youthful operator and who qualifies as provided in this section.”

**Time effective**

SECTION 3. Unless otherwise provided, this act takes effect upon approval by the Governor. The provisions of this act amending Section 38‑73‑736 and Section 38‑73‑737 take effect December 31, 2011.

Ratified the 6th day of April, 2011.

Approved the 12th day of April, 2011.

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