~~Indicates Matter Stricken~~

Indicates New Matter

COMMITTEE REPORT

March 10, 2015

**S. 361**

Introduced by Senators Hayes, Cromer, Shealy and Scott

S. Printed 3/10/15--S.

Read the first time January 27, 2015.

**THE COMMITTEE ON BANKING AND INSURANCE**

To whom was referred a Bill (S. 361) to amend Section 38‑73‑736, as amended, Code of Laws of South Carolina, 1976, relating to automobile insurance rate reductions for non‑youthful operators, etc., respectfully

**REPORT:**

That they have duly and carefully considered the same and recommend that the same do pass:

ROBERT W. HAYES, JR. for Committee.

**A** **BILL**

TO AMEND SECTION 38‑73‑736, AS AMENDED, CODE OF LAWS OF SOUTH CAROLINA, 1976, RELATING TO AUTOMOBILE INSURANCE RATE REDUCTIONS FOR NON‑YOUTHFUL OPERATORS, SO AS TO DELETE REFERENCES TO APPROVED DRIVER TRAINING REFRESHER COURSES AND TO REDUCE FROM SIX HOURS TO FOUR HOURS THE AMOUNT OF CLASSROOM TRAINING REQUIRED FOR APPROVED DRIVER TRAINING COURSES.

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

SECTION 1. Section 38‑73‑736 of the 1976 Code, as last amended by Act 7 of 2011, is further 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~~ four 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~~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 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.”

SECTION 2. This act takes effect upon approval by the Governor.

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