SOUTH CAROLINA STATE REGISTER DISCLAIMER

SOUTH CAROLINA STATE REGISTER

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of the
GENERAL ASSEMBLY

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This issue contains notices, proposed regulations, emergency regulations, final form regulations, and other documents filed in the Office of the Legislative Council, pursuant to Article 1, Chapter 23, Title 1, Code of Laws of South Carolina, 1976.

SOUTH CAROLINA STATE REGISTER

An official state publication, the *South Carolina State Register* is a temporary update to South Carolina's official compilation of agency regulations--the *South Carolina Code of Regulations*. Changes in regulations, whether by adoption, amendment, repeal or emergency action must be published in the *State Register* pursuant to the provisions of the Administrative Procedures Act. The *State Register* also publishes the Governor's Executive Orders, notices or public hearings and meetings, and other documents issued by state agencies considered to be in the public interest. All documents published in the *State Register* are drafted by state agencies and are published as submitted. Publication of any material in the *State Register* is the official notice of such information.

STYLE AND FORMAT

Documents are arranged within each issue of the *State Register* according to the type of document filed:

Notices are documents considered by the agency to have general public interest.
Notices of Drafting Regulations give interested persons the opportunity to comment during the initial drafting period before regulations are submitted as proposed.
Proposed Regulations are those regulations pending permanent adoption by an agency.
Pending Regulations Submitted to the General Assembly are regulations adopted by the agency pending approval by the General Assembly.
Final Regulations have been permanently adopted by the agency and approved by the General Assembly.
Emergency Regulations have been adopted on an emergency basis by the agency.
Executive Orders are actions issued and taken by the Governor.

2010 PUBLICATION SCHEDULE

Documents will be accepted for filing on any normal business day from 8:30 A.M. until 5:00 P.M. All documents must be submitted in the format prescribed in the *Standards Manual for Drafting and Filing Regulations.*

To be included for publication in the next issue of the *State Register*, documents will be accepted no later than 5:00 P.M. on any closing date. The modification or withdrawal of documents filed for publication must be made **by 5:00 P.M.** on the closing date for that issue.

	Jan.	Feb.	Mar.	Apr.	May	June	July	Aug.	Sept.	Oct.	Nov.	Dec.
Submission Deadline	1/8	2/12	3/12	4/9	5/14	6/11	7/9	8/13	9/10	10/8	11/12	12/10
Publishing Date	1/22	2/26	3/26	4/23	5/28	6/25	7/23	8/27	9/24	10/22	11/26	12/24

REPRODUCING OFFICIAL DOCUMENTS

Documents appearing in the *State Register* are prepared and printed at public expense. Media services are encouraged to give wide publicity to documents printed in the *State Register*.

PUBLIC INSPECTION OF DOCUMENTS

Documents filed with the Office of the State Register are available for public inspection during normal office hours, 8:30 A.M. to 5:00 P.M., Monday through Friday. The Office of the State Register is in the Legislative Council, Fourth Floor, Rembert C. Dennis Building, 1000 Assembly Street, in Columbia. Telephone inquiries concerning material in the *State Register* or the *South Carolina Code of Regulations* may be made by calling (803) 212-4500.

ADOPTION, AMENDMENT AND REPEAL OF REGULATIONS

To adopt, amend or repeal a regulation, an agency must publish in the *State Register* a Notice of Drafting; a Notice of the Proposed Regulation that contains an estimate of the proposed action's economic impact; and, a notice that gives the public an opportunity to comment on the proposal. If requested by twenty-five persons, a public hearing must be held at least thirty days after the date of publication of the notice in the *State Register*.

After the date of hearing, the regulation must be submitted to the General Assembly for approval. The General Assembly has one hundred twenty days to consider the regulation. If no legislation is introduced to disapprove or enacted to approve before the expiration of the one-hundred-twenty-day review period, the regulation is approved on the one hundred twentieth day and is effective upon publication in the *State Register*.

EMERGENCY REGULATIONS

An emergency regulation may be promulgated by an agency if the agency finds imminent peril to public health, safety or welfare. Emergency regulations are effective upon filing for a ninety-day period. If the original filing began and expired during the legislative interim, the regulation can be renewed once.

REGULATIONS PROMULGATED TO COMPLY WITH FEDERAL LAW

Regulations promulgated to comply with federal law are exempt from General Assembly review. Following the notice of proposed regulation and hearing, regulations are submitted to the *State Register* and are effective upon publication.

EFFECTIVE DATE OF REGULATIONS

Final Regulations take effect on the date of publication in the *State Register* unless otherwise noted within the text of the regulation.

Emergency Regulations take effect upon filing with the Legislative Council and remain effective for ninety days. If the original ninety-day period begins and expires during legislative interim, the regulation may be refiled for one additional ninety-day period.

SUBSCRIPTIONS

Subscriptions to the *South Carolina State Register* are available electronically through the South Carolina Legislature Online website at www.scstatehouse.gov via an access code, or in a printed format. Subscriptions run concurrent with the State of South Carolina's fiscal year (July through June). The annual subscription fee for **either** format is $100.00. Payment must be made by check payable to the Legislative Council. To subscribe complete the form below and mail with payment. Access codes for electronic subscriptions will be e-mailed to the address submitted on this form.

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In order by General Assembly review expiration date
The history, status, and full text of these regulations are available on the
South Carolina General Assembly Home Page: http://www.scstatehouse.gov/regnsrch.htm

DOC. NO.	SUBJECT	HOUSE COMMITTEE	SENATE COMMITTEE
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4055	Illegal Aliens and Private Employment	Judiciary	Labor, Commerce and Industry
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4059	South Carolina Reinsurance Facility Recoupment	Labor, Commerce and Industry	Banking and Insurance
4060	Life Insurance Disclosure	Labor, Commerce and Industry	Banking and Insurance
4061	Valuation of Investments	Labor, Commerce and Industry	Banking and Insurance
4068	Funeral Service Practice Act	Labor, Commerce and Industry	Judiciary
4066	Long Term Care Insurance	Labor, Commerce and Industry	Banking and Insurance
4067	Law Enforcement Officer and E-911 Officer Training & Certification	Judiciary	Judiciary
4063	Workers' Compensation Insurance and Use of Leased Vehicles	Labor, Commerce and Industry	Judiciary
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4070	Air Pollution Control Regulations and Standards	Agriculture and Natural Resources	Medical Affairs
4083	Use of Senior-Specific Certifications and Professional Designations in the Sale of Life Insurance and Annuities	Labor, Commerce and Industry	Banking and Insurance
4088	Annuity and Deposit Fund Disclosure	Labor, Commerce and Industry	Banking and Insurance
4080	Hazardous Waste Management	Agriculture and Natural Resources	Medical Affairs
4081	Athletic Trainers	Medical, Military, Pub & Mun Affairs	Medical Affairs
4069	Species or Subspecies of Non-game Wildlife	Agriculture and Natural Resources	Fish, Game and Forestry
4085	Air Pollution Control Regulations and Standards	Agriculture and Natural Resources	Medical Affairs
4090	Seasons, Limits, Methods of Take and Special Use Restrictions on WMA's; Turkey Hunting Rules and Seasons	Agriculture and Natural Resources	Fish, Game and Forestry
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4091	Seeds	Agriculture and Natural Resources	Agriculture and Natural Resources
4073	Definitions for Charter Bus, Equipped to Carry and Passenger	Labor, Commerce and Industry	Judiciary
4078	Uniform Real Property Recording Act	Judiciary	Judiciary
4105	Citrus Greening Quarantine	Agriculture and Natural Resources	Agriculture and Natural Resources
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4097	Continuing Insurance Education	Labor, Commerce and Industry	Banking and Insurance
4098	Annual Audited Financial Reporting Regulation	Labor, Commerce and Industry	Banking and Insurance
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4107	Infectious Waste Management Regulations	Agriculture and Natural Resources	Medical Affairs
4108	Standards for Licensing Community Residential Care Facilities	Medical, Military, Pub & Mun Affairs	Medical Affairs
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4117	Requirements for Additional Areas of Certification	Education	Education
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4022	Riverbanks Parks Commission	Agriculture and Natural Resources	Fish, Game and Forestry
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4014	Environmental Protection Fees	Agriculture and Natural Resources	Medical Affairs
4015	Environmental Protection Fees	Agriculture and Natural Resources	Medical Affairs
Permanently Withdrawn			
4072	Central Fill Pharmacies	Medical, Military, Pub & Mun Affairs	Medical Affairs

Executive Order No. 2010-07

WHEREAS, Marcus W. Kitchens resigned as Spartanburg County Clerk of Court, effective February 3, 2010;

WHEREAS, the undersigned is authorized to appoint a County Clerk of Court in the event of a vacancy pursuant to Sections 1-3-220(2), 4-11-20(1), and 14-17-30 of the South Carolina Code of Laws, as amended; and

WHEREAS, Meredith Hope Blackley, residing at 651 Thornbird Circle, Boiling Springs, South Carolina 29316, is a fit and proper person to serve as the Spartanburg County Clerk of Court.

NOW, THEREFORE, pursuant to the authority vested in me by the Constitution and Statutes of this State, I hereby appoint Meredith Hope Blackley as Clerk of Court of Spartanburg County until the next general election for this office and until her successor shall qualify.

GIVEN UNDER MY HAND AND THE GREAT SEAL OF THE STATE OF SOUTH CAROLINA, THIS 5th DAY OF MARCH 2010.

MARK SANFORD
Governor

DEPARTMENT OF CONSUMER AFFAIRS

NOTICE

CHANGES IN DOLLAR AMOUNTS

The Administrator of the Department of Consumer Affairs announces changes in Dollar Amounts in Regulation 28-62, pursuant to Sections 37-1-109 and 37-6-104(1)(e). The changes will adjust certain dollar amounts in the Consumer Protection Code which are subject to change on July 1 of every even numbered year based on the changes in the Consumer Price Index for December of the prior year. The dollar amounts will increase 10% from the original amount, with the exception of Sections 37-2-203(2) and 37-3-203(2) which have a self-executing formula of 40% of the amount in Sections 37-2-203(1) and 37-3-203(1). The designated dollar amount figures are Sections 37-2-104(1)(e), 37-2-106(1)(b), 37-2-203(1), 37-2-407(1), 37-2-705(1)(a), 37-2-705(1)(b), 37-3-(104(1)(d), 37-3-203(1), 37-3-510, 37-3-511, 37-3-514, 37-5-102(2), (3) and (4), 37-10-103, and 37-23-80. Pursuant to Section 1 of Act No. 82 of 2001, the Department is required to announce these changes by publication in the State Register by April 30 of each even numbered year. Section 1 of Act No. 42 of 2003 added Sections 37-10-103 and 37-23-80 to the amounts subject to change.

		Change Dollar Amount	
		From	To
Section		7/1/2008 to 6/30/2010	7/1/2010 to 6/30/2012
2.104(1)(e)	Consumer Credit Sale	82,500.00	85,000.00
2.106(1)(b)	Consumer Lease	82,500.00	85,000.00
2.203(1)	Delinquency Charge – Sales	16.50	17.00
2.203(2)	Minimum Delinquency Charge	6.60	6.80
2.407(1)	Security Interest – Sales	990.00 3,300.00	1,020.00 3,400.00
2.705(1)(a)	Delinquency Charge – Rental Purchase	9.20	9.60
2.705(1)(b)	Delinquency Charge – Rental Purchase	5.00	5.20
3.104(1)(d)	Consumer Loans	82,500.00	85,000.00
3.203(1)	Delinquency Charge – Loans	16.50	17.00
3.203(2)	Minimum Delinquency	6.60	6.80
3.510	Land as Security – Supervised Loans	3,300.00	3,400.00
3.511	Maximum Loan Term	990.00 3,300.00	1,020.00 3,400.00
3.514	Attorney's Fees – Supervised Loans	3,300.00	3,400.00
5.103(2), (3) & (4)	Deficiency Judgment	4,950.00	5,150.00
10.103	Prepayment Penalty	210,000.00	225,000.00
23.80	Prepayment Penalty	210,000.00	225,000.00

DEPARTMENT OF HEALTH AND ENVIRONMENTAL CONTROL

NOTICE

In accordance with Section 44-7-200(C), Code of Laws of South Carolina, the public is hereby notified that a Certificate of Need application has been accepted for filing and publication March 26, 2010, for the following project(s). After the application is deemed complete, affected persons will be notified that the review cycle has begun. For further information, please contact Mrs. Sarah "Sallie" C. Harrell, Division of Planning and Certification of Need, 2600 Bull St., Columbia, SC 29201 at (803) 545-4200.

Affecting Spartanburg County

Renovation of existing space for the establishment of diagnostic cardiac catheterization services with one (1) diagnostic cardiac catheterization laboratory
Spartanburg Regional Healthcare System d/b/a the Village Hospital
Greer, South Carolina
Project Cost: $4,065,410

In accordance with S.C. DHEC Regulation 61-15, the public and affected persons are hereby notified that the review cycle has begun for the following project(s) and a proposed decision will be made within 60 days beginning March 26, 2010. "Affected persons" have 30 days from the above date to submit comments or requests for a public hearing to Mr. Les W. Shelton, Division of Planning and Certification of Need, 2600 Bull Street, Columbia, S.C. 29201. For further information call (803) 545-4200.

[INTENTIONALLY LEFT BLANK – NO ITEMS FOR AFFECTED PERSONS]

DEPARTMENT OF HEALTH AND ENVIRONMENTAL CONTROL

NOTICE

The DHEC Office of Ocean and Coastal Resource Management (DHEC OCRM) is mandated by the Coastal Tidelands and Wetlands Act (S.C. Code Ann Section 48-39-10 et seq.) to review the position of the beachfront baseline and 40-year setback line, the State's beachfront jurisdictional lines, and erosion rates every 8 to 10 years. DHEC OCRM has reviewed the position of the baseline and the 40-year setback line for the areas listed below, made notice of proposed revisions and held public hearings to acquire public comment. The beachfront baseline and 40-year setback lines for the following areas have been finalized:

Waites Island
Briarcliffe Acres
Shore Drive
Myrtle Beach
Surfside Beach
Garden City

Maps showing the new lines are available as PDF files that can be downloaded from the DHEC website at http://www.dhec.sc.gov/environment/ocrm/permit/beachfront.htm. For further information please contact DHEC OCRM project manager Bill Eiser at (843) 953-0237 or eiserwc@dhec.sc.gov.

South Carolina Code Ann. Section 48-39-280(E) of the Coastal Tidelands and Wetlands Act and Section F of S.C. DHEC Regulation 30-14 identify procedures for appealing baselines and erosion rates. Any landowner claiming ownership of affected property who feels that the final or revised setback line, baseline, or erosion

rate as adopted is in error, upon submittal of substantiating evidence, within one year of the revision date, must be granted a review of the setback line, baseline, or erosion rate, or a review of all three. This notice, published in the State Register on March 26, 2010, establishes the final revision date for the above listed areas and the date for the commencement of public review of this information. The Department shall hear all requests for review. The process for this review can be found in Section F of Regulation 30-14 http://www.dhec.sc.gov/environment/ocrm/regs/docs/CAR_0408.pdf [48-39-280(E)].

DEPARTMENT OF HEALTH AND ENVIRONMENTAL CONTROL

NOTICE

NOTICE OF CANCELLATION AND RESCHEDULING OF PUBLIC HEARING
State Register Document No. 4122

The Department of Health and Environmental Control issued a Notice of Proposed Regulation to revise Regulation 61-62.96, Nitrogen Oxides (NO_X) and Sulfur Dioxide (SO_2) Budget Trading Program, and the South Carolina State Implementation Plan (SIP) in the State Register on December 25, 2009, identified as Document 4122. The Notice published in the State Register proposed to amend R.61-62.96 and the SIP to address the outstanding requests made by the EPA in order to obtain full SIP approval. These revisions will address the requirements of the CAIR NO_X Annual Allowance Allocations, the requirements of recordation of the CAIR NO_X Annual Allowance Allocations, the definition of "fossil-fuel-fired," the definition of "Non-EGU Applicability," the timing requirements of the CAIR NO_X Ozone Season Allocations, the requirements of the CAIR NO_X Ozone Seasons Allowance Allocations, and the requirements of recordation of the CAIR NO_X Ozone Season Allowances. The Department also proposed to make typographical corrections and clarifications to R.61-62.96, as necessary. The aforementioned Notice scheduled a Staff Informational Forum that the Department held on January 25, 2010, a write-in comment period that closed January 25, 2010, and a Public Hearing scheduled before the DHEC Board of Health and Environmental Control for March 11, 2010.

The public hearing scheduled for March 11 was cancelled and has been rescheduled for May 13, 2010, as noticed below:

The public hearing will be held at the regularly scheduled Board meeting on May 13, 2010, in the Board Room of the Commissioner's Suite, Third Floor, Aycock Building of the Department of Health and Environmental Control, 2600 Bull St., Columbia, SC. The Board meeting commences at 10:00 a.m. at which time the Board will consider items on its agenda in the order presented. The order of presentation for public hearing on May 13, 2010, will be noticed in the Board's agenda to be published by the Department 24 hours in advance of the meeting. Interested persons are invited to make oral or written comments on the proposed regulation at the public hearing. Persons desiring to make oral comments at the hearing are asked to limit their statements to five minutes and, as a courtesy, are asked to provide written copies of their presentations for the record. Any comments made at the public hearing will be given consideration in formulating the final version of the regulations. Please direct questions to Alan Hancock, Regulatory Development Section, Bureau of Air Quality, 2600 Bull Street, Columbia, SC 29201, by electronic mail at hancocam@dhec.sc.gov, or by telephone at (803) 898-4139.

DEPARTMENT OF LABOR, LICENSING AND REGULATION
OFFICE OF STATE FIRE MARSHAL

NOTICE OF GENERAL PUBLIC INTEREST

Notice is hereby given that, in accordance with Section 1-34-30 of the 1976 Code of Laws of South Carolina, as amended, the Department of Labor, Licensing and Regulation, Office of State Fire Marshal intends to adopt the latest edition of the following nationally recognized code.

1. National Fire Protection Association 10, Standard for Portable Fire Extinguishers, 2010 Edition

2. The original promulgating authority for this code is:
   National Fire Protection Association
   1 Batterymarch Park
   Quincy, Massachusetts 02269

3. This code is reference by:
   South Carolina Code of Laws, Section 23-9-45
   South Carolina Regulations 71-8300.2(E)

The Office of State Fire Marshal specifically requests comments concerning sections of these editions which may be unsuitable for enforcement in South Carolina. Written comments may be submitted to John Reich at 141 Monticello Trail, Columbia, SC 29203, by fax at 803-896-9806, or by e-mail to reichj@llr.sc.gov.

If no comments are received within sixty (60) days of publication of this notice, the Office of State Fire Marshal will promulgate this latest edition without amendment.

DEPARTMENT OF LABOR, LICENSING AND REGULATION
OFFICE OF STATE FIRE MARSHAL

NOTICE OF GENERAL PUBLIC INTEREST

Notice is hereby given that, in accordance with Section 1-34-30 of the 1976 Code of Laws of South Carolina, as amended, the Department of Labor, Licensing and Regulation, Office of State Fire Marshal intends to adopt the latest edition of the following nationally recognized code.

1. National Fire Protection Association 11, Standard for Low-, Medium-, and High-Expansion Systems, 2010 Edition

2. The original promulgating authority for this code is:
   National Fire Protection Association
   1 Batterymarch Park
   Quincy, Massachusetts 02269

3. The code is referenced by:
   South Carolina Regulations 71-8300.2(F)(1)

The Office of State Fire Marshal specifically requests comments concerning sections of these editions which may be unsuitable for enforcement in South Carolina. Written comments may be submitted to John Reich at 141 Monticello Trail, Columbia, SC 29203, by fax at 803-896-9806, or by e-mail to reichj@llr.sc.gov.

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DEPARTMENT OF LABOR, LICENSING AND REGULATION
OFFICE OF STATE FIRE MARSHAL

NOTICE OF GENERAL PUBLIC INTEREST

Notice is hereby given that, in accordance with Section 1-34-30 of the 1976 Code of Laws of South Carolina, as amended, the Department of Labor, Licensing and Regulation, Office of State Fire Marshal intends to adopt the latest edition of the following nationally recognized code.

1. National Fire Protection Association 12A, Standard on Halon 1301 Extinguishing Systems, 2009 Edition

2. National Fire Protection Association
   1 Batterymarch Park
   Quincy, Massachusetts 02269

3. The code is referenced by:
   South Carolina Regulations 71-8300.2(F)(3)

The Office of State Fire Marshal specifically requests comments concerning sections of these editions which may be unsuitable for enforcement in South Carolina. Written comments may be submitted to John Reich at 141 Monticello Trail, Columbia, SC 29203, by fax at 803-896-9806, or by e-mail to reichj@llr.sc.gov.

If no comments are received within sixty (60) days of publication of this notice, the Office of State Fire Marshal will promulgate this latest edition without amendment.

DEPARTMENT OF LABOR, LICENSING AND REGULATION
OFFICE OF STATE FIRE MARSHAL

NOTICE OF GENERAL PUBLIC INTEREST

Notice is hereby given that, in accordance with Section 1-34-30 of the 1976 Code of Laws of South Carolina, as amended, the Department of Labor, Licensing and Regulation, Office of State Fire Marshal intends to adopt the latest edition of the following nationally recognized code.

1. National Fire Protection Association 22, Standard for Water Tanks for Private Fire Protection, 2008 Edition

2. The original promulgating authority for this code is:
   National Fire Protection Association
   1 Batterymarch Park
   Quincy, Massachusetts 02269

3. This code is referenced by:
   South Carolina Code of Laws, Section 41-10-240(A)
   South Carolina Regulations 71-8300.2(G)(9)

The Office of State Fire Marshal specifically requests comments concerning sections of these editions which may be unsuitable for enforcement in South Carolina. Written comments may be submitted to John Reich at 141 Monticello Trail, Columbia, SC 29203, by fax at 803-896-9806, or by e-mail to reichj@llr.sc.gov.

If no comments are received within sixty (60) days of publication of this notice, the Office of State Fire Marshal will promulgate this latest edition without amendment.

DEPARTMENT OF LABOR, LICENSING AND REGULATION
OFFICE OF STATE FIRE MARSHAL

NOTICE OF GENERAL PUBLIC INTEREST

Notice is hereby given that, in accordance with Section 1-34-30 of the 1976 Code of Laws of South Carolina, as amended, the Department of Labor, Licensing and Regulation, Office of State Fire Marshal intends to adopt the latest edition of the following nationally recognized code.

1. National Fire Protection Association 52, Utility LP-Gas Plant Code, 2010 Edition

2. The original promulgating authority for this code is:
   National Fire Protection Association
   1 Batterymarch Park
   Quincy, Massachusetts 02269

3. This code is referenced by:
   South Carolina Regulations 71-8300.2(J)

The Office of State Fire Marshal specifically requests comments concerning sections of these editions which may be unsuitable for enforcement in South Carolina. Written comments may be submitted to John Reich at 141 Monticello Trail, Columbia, SC 29203, by fax at 803-896-9806, or by e-mail to reichj@llr.sc.gov.

If no comments are received within sixty (60) days of publication of this notice, the Office of State Fire Marshal will promulgate this latest edition without amendment.

DEPARTMENT OF LABOR, LICENSING AND REGULATION
OFFICE OF STATE FIRE MARSHAL

NOTICE OF GENERAL PUBLIC INTEREST

Notice is hereby given that, in accordance with Section 1-34-30 of the 1976 Code of Laws of South Carolina, as amended, the Department of Labor, Licensing and Regulation, Office of State Fire Marshal intends to adopt the latest edition of the following nationally recognized code.

1. National Fire Protection Association 495, Explosive Materials Code, 2010 Edition

2. The original promulgating authority for this code is:
   National Fire Protection Association
   1 Batterymarch Park
   Quincy, Massachusetts 02269

3. This code is referenced by:
   South Carolina Regulations 71-8300.2(W)

The Office of State Fire Marshal specifically requests comments concerning sections of these editions which may be unsuitable for enforcement in South Carolina. Written comments may be submitted to John Reich at 141 Monticello Trail, Columbia, SC 29203, by fax at 803-896-9806, or by e-mail to reichj@llr.sc.gov.

If no comments are received within sixty (60) days of publication of this notice, the Office of State Fire Marshal will promulgate this latest edition without amendment.

DEPARTMENT OF LABOR, LICENSING AND REGULATION
OFFICE OF STATE FIRE MARSHAL

NOTICE OF GENERAL PUBLIC INTEREST

Notice is hereby given that, in accordance with Section 1-34-30 of the 1976 Code of Laws of South Carolina, as amended, the Department of Labor, Licensing and Regulation, Office of State Fire Marshal intends to adopt the latest edition of the following nationally recognized code.

1. National Fire Protection Association 750, Standard on Water Mist Fire Protection Systems, 2010 Edition

2. The original promulgating authority for this code is:
   National Fire Protection Association
   1 Batterymarch Park
   Quincy, Massachusetts 02269

3. This code is referenced by:
   South Carolina Regulations 71-8300.2(F)(6)

The Office of State Fire Marshal specifically requests comments concerning sections of these editions which may be unsuitable for enforcement in South Carolina. Written comments may be submitted to John Reich at 141 Monticello Trail, Columbia, SC 29203, by fax at 803-896-9806, or by e-mail to reichj@llr.sc.gov.

If no comments are received within sixty (60) days of publication of this notice, the Office of State Fire Marshal will promulgate this latest edition without amendment.

DEPARTMENT OF LABOR, LICENSING AND REGULATION
OFFICE OF STATE FIRE MARSHAL

NOTICE OF GENERAL PUBLIC INTEREST

Notice is hereby given that, in accordance with Section 1-34-30 of the 1976 Code of Laws of South Carolina, as amended, the Department of Labor, Licensing and Regulation, Office of State Fire Marshal intends to adopt the latest edition of the following nationally recognized code.

1. National Fire Protection Association 2010, Standard for Fixed Aerosol Fire-Extinguishing Systems, 2010 Edition

2. The original promulgating authority for this code is:
   National Fire Protection Association
   1 Batterymarch Park
   Quincy, Massachusetts 02269

3. This code is referenced by:
South Carolina Regulations 71-8300.2(F)(8)

The Office of State Fire Marshal specifically requests comments concerning sections of these editions which may be unsuitable for enforcement in South Carolina. Written comments may be submitted to John Reich at 141 Monticello Trail, Columbia, SC 29203, by fax at 803-896-9806, or by e-mail to reichj@llr.sc.gov.

If no comments are received within sixty (60) days of publication of this notice, the Office of State Fire Marshal will promulgate this latest edition without amendment.

DEPARTMENT OF HEALTH AND ENVIRONMENTAL CONTROL
CHAPTER 61
Statutory Authority: 1976 Code Sections 13-7-45 and 48-2-50 (1993)

Notice of Drafting:

The Department of Health and Environmental Control proposes to amend Section G(5) of R. 61-30, Environmental Protection Fees. Interested persons may submit comments to Aaron Gantt, Chief, Bureau of Radiological Health, S.C. Department of Health and Environmental Control, 2600 Bull Street, Columbia, S.C. 29201. To be considered, comments must be received by 5:00 p.m. on April 26, 2010, the close of the drafting comment period.

Synopsis:

The Department proposes to revise R. 61-30, Section G(5), in order to increase fees associated with Radioactive Material Licenses. The Department is required by statute (Section 13-7-45, S.C. Code) to set fees in an amount needed to fund the Agreement State Program. Legislative review will be required.

The public and regulated communities are invited to recommend issues for consideration to the proposed amendment stated above.

The proposed amendment will require legislative review.

DEPARTMENT OF HEALTH AND ENVIRONMENTAL CONTROL
CHAPTER 61
Statutory Authority: 1976 Code Sections 13-7-10 et seq. and 13-7-40

Notice of Drafting:

The Department of Health and Environmental Control proposes to amend R. 61-63, Radioactive Materials (Title A). Interested persons may submit comments to Aaron Gantt, Chief, Bureau of Radiological Health, S.C. Department of Health and Environmental Control, 2600 Bull Street, Columbia, S.C. 29201. To be considered, comments must be received by 5:00 p.m. on April 26, 2010, the close of the drafting comment period.

Synopsis:

The Nuclear Regulatory Commission continually updates regulations, and state regulations are amended regularly to incorporate federal updates. The Department plans to adopt into regulation the Nuclear Regulatory Commission updates as an item of compatibility. Section 274 of the Atomic Energy Act of 1954, as amended, requires that the states adopt federal regulations for compatibility. The Department intends to make changes to R. 61-63 to this extent. The intended action includes minor corrections and clarifications in Parts II and IV, requirements for medical use of radioactive material. It also provides changes to Parts I and II for exemptions from licensing, General Licenses, and licensing and reporting requirements. Medical Use, Part IV, is also revised to provide clarification for Authorized User requirements. Proposed regulations will comply with 10 CFR Parts 30, 31, 32, and 35, Final Rules, published in the Federal Register on October 29, 2007, December 17, 2007, and September 28, 2009.

Legislative review will not be required.

DEPARTMENT OF HEALTH AND ENVIRONMENTAL CONTROL
CHAPTER 61
Statutory Authority: 1976 Code Sections 44-96-10 et seq.

Notice of Drafting:

The Department of Health and Environmental Control is proposing to amend R.61-107.4, Solid Waste Management: Yard Trash and Land-clearing Debris; and Compost. Interested persons may submit their views by writing to Kent Coleman at S.C. Department of Health and Environmental Control, Bureau of Land and Waste Management, 2600 Bull Street, Columbia, SC 29201. To be considered, written comments must be received no later than 5:00 p.m. on April 27, 2010, the close of the drafting comment period.

Synopsis:

The proposed amendment of R.61-107.4, Solid Waste Management: Yard Trash and Land-clearing Debris; and Compost, will amend the applicability of the regulation, and update, clarify and amend the rules for design, operation, monitoring, reporting and closure of wood grinding and composting facilities. The current regulation encourages the production of compost; however, it is limited in scope. The current regulation addresses the handling and processing of yard trash and land-clearing debris. This amendment will clarify the scope of the regulation by addressing standards to manage and compost a variety of other organic solid waste materials, such as food waste. Distinctions between composting and wood grinding operations will be clarified. Changes the Department are considering will include, but are not limited to, operation standards, siting requirements, exemptions, permitting requirements, penalties and financial assurance for wood grinding and composting facilities.

The name of the regulation may change to reflect the change in scope of the regulation.

Legislative review is required.

DEPARTMENT OF HEALTH AND ENVIRONMENTAL CONTROL
CHAPTER 61
Statutory Authority: 1976 Code Sections 48-1-10 et seq.

Notice of Drafting:

The Department of Health and Environmental Control proposes to amend specific sections of Regulation 61-68, Water Classifications and Standards, and Regulation 61-69, Classified Waters. Interested persons are invited to submit their views and recommendations in writing to Gina L. Kirkland, Water Quality Standards Coordinator, Bureau of Water, 2600 Bull Street, Columbia, South Carolina 29201 or via email at kirklagl@dhec.sc.gov. To be considered, written comments must be received no later than 5:00 p.m. on April 26, 2010, the close of the drafting comment period.

Synopsis:

Section 303(c)(2)(B) of the Federal Clean Water Act (CWA) requires that South Carolina's water quality standards be reviewed and revised, where necessary, at least once every three years for the purposes of considering the Environmental Protection Agency's (EPA) most recent numeric and narrative criteria and to comply with recent Federal regulatory revisions and recommendations. The Department has prepared this notice of drafting to begin the required triennial review process. In order to comply with this Federal requirement, the Department will need to make specific revisions to the existing water quality standards regulation (R.61-68).

14 DRAFTING NOTICES

Regulation 61-69 lists all named waterbodies, their counties, classifications and designations, descriptions, and any site-specific criteria that apply to the specific waterbodies and is amended from time to time to include changes in classification or site-specific criteria.

Some of the issues which may be addressed include, but are not limited to, the following:

- Review and, where appropriate, adoption of Federal toxics criteria to reflect the most current final published criteria in accordance with Sections 304(a) and 307(a) of the CWA.

- Review and revision of the applicability of the fecal coliform bacteriological indicator for protection of recreational and shellfish harvesting uses for tidal saltwaters and consideration of *E. coli* for protection of recreational uses in freshwaters.

- Inclusion of permitting requirement language for drinking water source water protection areas.

- Addition of specific variance language or clarification of existing variance process contained in the current regulation.

- Inclusion of site-specific criterion for named waterbodies using promulgated methodologies listed in R.61-68 that have previously been approved by the EPA.

- Stylistic changes which may include corrections for: readability, grammar, punctuation, typography, codification, references, and language style. Correction of errors that have no impact regarding any change to classification of any listed waterbodies, such as, but not limited to: inaccurate county(ies) listed, misspelled names, wrong names, etc.

Legislative review will be required.

Document No. 4126
CLEMSON UNIVERSITY
STATE CROP PEST COMMISSION
CHAPTER 27
Statutory Authority: 1976 Code Section 46-9-40

Article 17. South Carolina Pesticide Control
27-1070. Definitions
27-1077. Certification and Licensing of Private Applicators
27-1078. Certifications and Licensing of Commercial Applicators
27-1079. Certifications and Licensing of Noncommercial Applicators

Preamble:

The State Crop Pest Commission proposes to amend certain sections of Article 17, specifically: Regulation 27-1070; Regulation 27-1077; Regulation 27-1078 and Regulation 27-1079. The proposed amendments deal with defining certain terms, a new license category for soil fumigation, and clarifications with respect to certification and recertification requirements.

The Notice of Drafting was published in the *State Register* on January 22, 2010. No comments were received.

Section-by-Section Discussion

27-1070. The proposed amendment will add 2 new definitions: Section O defines the term "Inactive License" and Section P defines the term "Continuing Certification Unit."

27-1077F. In Section F, the term "Continuing Certification Units" is substituted for the term "Continuing Certification Hours."

27-1078. A new category of commercial pesticide application license is added in Subsection H(1).

27-1078. Section N has undergone substantial revision. It establishes requirements for Commercial Certification Units for the various categories of commercial pesticide application operations.

27-1078. Section O authorizes the Department to approve a request from a license holder to enter into an "inactive" status for up to five years.

27-1079. Section C of this regulation is amended by deleting subsection C(2) dealing with fee exemptions for non-commercial applicators and by modifying subsection C(6) by changing the recertification requirements for noncommercial applicators.

Notice of Public Hearing and for Opportunity for Public Comment:

Interested members of the public and the regulated community are invited to make oral or written comments on the proposed changes to the regulation at a public hearing scheduled to be held in Conference Room 1, Center for Applied Technology, 511 Westinghouse Road, Pendleton, SC 29670 on Tuesday, April 27, 2010 at 1:30 PM. Should such hearing not be requested pursuant to Section 1-23-110(a)(3) on or before close of business on April 26, 2010 such hearing will be canceled without further notice.

Interested parties are also invited to submit written comments to the proposed amendments by writing to Joseph Krausz, Ph.D., Department of Pesticide Regulation, 511 Westinghouse Road, Pendleton, SC 29670. To be considered comments must be received no later than close of business on Tuesday, April 27, 2010.

Preliminary Fiscal Impact Statement:

There will be no increased costs to the State or its political subdivisions.

Statement of Need and Reasonableness:

This statement of need and reasonableness was determined by staff analysis pursuant to S. C. Code Section 1-23-115(C)(1) through (3) and (9) through (11).

DESCRIPTION OF REGULATION: Regulations 27-1070, 27-1077, 27-1078, and 27-1079 are part of Article 17, which deals with the comprehensive regulation of pesticides.

Purpose: The proposed amendments (as indicated below) to Article 17 are designed to provide a heightened measure of competency in the application of pesticides and to provide flexibility in the administration of the certification program.

Legal Authority: The legal authority for these amendments to Article 17 is Section 46-9-40, South Carolina Code of Laws.

Plan for Implementation: The proposed amendments will take effect upon approval by the General Assembly and publication in the State Register. The proposed amendments will be implemented by providing copies to the regulated community and media notices to the general public.

DETERMINATION OF NEED AND REASONABLENESS OF THE PROPOSED REGULATION BASED ON ALL FACTORS HEREIN AND EXPECTED BENEFITS:

The proposed amendments will provide a greater degree of protection to general public of the State and also to the pest control operators by requiring an enhanced continuing education requirement in the application of pesticides.

DETERMINATION OF COSTS AND BENEFITS:

The general public and the commercial applicators will benefit from the application of enhanced educational requirements for pest control applicators.

UNCERTAINTIES OF ESTIMATES:

None.

EFFECT ON ENVIRONMENT AND PUBLIC HEALTH:

The proposed amendments should result in more enlightened application of pesticides, which should result in a reduction in the total quantity of pesticides applied, and/or a more efficacious application of pesticides.

DETRIMENTAL EFFECTS ON THE ENVIRONMENT AND PUBLIC HEALTH IF THE REGULATIONS ARE NOT IMPLEMENTED:

If these amendments are not adopted, society will lose the benefit of more enlightened application of pesticides.

Statement of Rationale:

These amendments are necessary to enhance the qualifications of pest control operators who apply pesticides in their daily activities.

Text:

The full text of this regulation is available on the South Carolina General Assembly Home Page: **http://www.scstatehouse.gov/regnsrch.htm.** Full text may also be obtained from the promulgating agency.

Document No. 4123
DEPARTMENT OF HEALTH AND ENVIRONMENTAL CONTROL
CHAPTER 61
Statutory Authority: 1976 Code Sections 13-7-10 et seq.

61-63. Radioactive Materials (Title A)

Synopsis:

The Nuclear Regulatory Commission (USNRC) promulgates amendments to 10 CFR 30, 40, 70 and 71 throughout each calendar year. Recent amendments include requirements for the National Source Tracking System (RATS-ID 2006-2 & 2006-3), published in the Federal Register on November 8, 2006 at 71 FR 65585, the Expanded Definition of Byproduct Material (RATS-ID 2007-3), published on October 1, 2007 at 72 FR 55864, and Occupational Dose Records, Labeling Containers, and Total Effective Dose Equivalent (RATS-ID 2008-1), published on December 4, 2007 at 72 FR 68043.

The State is required to adopt certain federal amendments within three years of the effective date of changes in NRC regulations to maintain authorization by the USNRC for the State Radioactive Waste Management Program.

The Department has amended R.61-63, Radioactive Materials (Title A) to maintain conformity with federal requirements and ensure compliance with federal standards as required by Section 274 of the Atomic Energy Act of 1954. In addition, minor corrections and clarifications were made to achieve conformity with prior federal regulations. These amendments will not be more stringent than the federal equivalent, and legislative review will not be required, nor is a preliminary assessment report or fiscal impact statement required.

A Notice of Drafting for the proposed amendments was published in the *State Register* on May 22, 2009.

See Section-by-Section Discussion below and the Statement of Need and Reasonableness herein for more detailed information on these amendments.

Section-by-Section Discussion of Revisions

1.2.6 - Revise definition for “byproduct material”.

1.2.10 - Insert definition for “discrete source” and renumber balance of RHA 1.2.

1.2.20 - Insert definition for “particle accelerator” and renumber balance of RHA 1.2.

1.15.3.1 - Correct 105 to 10^5 in both occurrences.

1.15.3.2 - Correct 1012 to 10^{12} in both occurrences.

1.15.3.4 - Correct 105 to 10^5 in both occurrences.

2.1.1 - Revise the list of prohibitions not allowed except as authorized.

2.4.2.2.1 - 2.4.2.2.3 - Add three new paragraphs on specific licenses issued regarding certain detecting, measuring, gauging, or controlling devices and/or an ionizing atmosphere.

2.4.2.3.11.1 - Revise paragraph to add detailed listing of radium-226 after Cobalt-60.

2.4.8 - 2.4.8.4 - Add new section on a general license for certain items and self-luminous products containing Radium-226.

2.5.7.1 - 2.5.7.2 - Revise requirements for an application for a specific license to use radioactive material in the form of a sealed source.

2.5.7.3 and subparts .1 & .2 - Add new paragraphs on sources containing naturally occurring or accelerator produced radioactive material.

2.5.8 and subparts .1 - .4 - Add paragraphs concerning application to produce Positron Emission Tomography (PET) radioactive drugs.

2.7.4.2.6 - Add details on Cobalt-57 after the word “microcuries”.

2.7.4.3.1 - Modify paragraph to add details to identifying radioactive contents.

2.7.5.1.2.1 - Modify paragraph to clarify scope of drug establishments on application evidence.

2.7.5.1.2.3 - 2.7.5.1.2.4 - Modify these two paragraphs on application evidence to accommodate adding paragraph 2.7.1.2.5.

2.7.5.1.2.5 - Add paragraph on application evidence for Positron Emission Tomography.

2.7.5.2.2.2 - Modify to correct cross reference.

2.7.5.2.4 - 2.7.5.2.4.1-2 - Modify 2.7.5.2.4 as shown and add subparagraphs 2.7.5.2.4.1 and .2 on requirements for the designation of a nuclear pharmacist.

2.7.5.2.5 and subparagraphs 2.7.5.2.5.1 - .6 - Revise paragraphs on requirements for designation of a nuclear pharmacist and how to provide certification.

2.7.8 - Add new Section designating Requirements for specific license.

2.10.8 - Add paragraph on terms and conditions of licenses.

2.10.9.1 - 2.10.9.4 - Add paragraphs on terms and conditions of licenses.

2.11.11.4 - Revise cross reference to reflect changes in regulation.

2.20.2.2.1.8 - Revise paragraph on Radium-226 timepieces.

2.20.2.3 - Revise paragraph on gas and aerosol detectors containing byproduct material to add criteria for determining who is regulated.

2.20.2.5.2 - Revise paragraph on exempt quantities of byproduct material possessed before September 25, 1971.

2.24 Table of Exempt Quantities - Change column headings by replacing the words “Radioactive Material” with “Byproduct Material” and add the heading “Micro Curies” in Column two and four. Add in alphanumeric order: Germanium-68 (Ge-68) (Microcuries: 10); change microcuries for Cesium-129 (Cs-129) from 10 to 100; and add in alphanumeric order: Yttrium-88 (Y-88) (Microcuries: 10).

2.31, Schedule E, QUANTITIES OF RADIOACTIVE MATERIALS REQUIRING CONSIDERATION OF THE NEED FOR AN EMERGENCY PLAN FOR RESPONDING TO A RELEASE. - Add Radium-226 to table in alphanumeric order.

3.2.63 - Add definition for “Nationally tracked source” and renumber balance of 3.2.

3.2.91 - Modify definition for “Total Effective Dose Equivalent” (TEDE), replacing the words “deep dose” with the words “effective dose”.

3.5.3 - Modify paragraph on assigned deep-dose equivalent.

3.31 - Retitle Section, “DISPOSAL OF SPECIFIC WASTES AND CERTAIN BYPRODUCT MATERIAL”.

3.31.3 - 3.31.4 - Revise paragraph 3.31.3 on the disposal of specific wastes and byproduct material and add new paragraph 3.31.4. The deleted material from old paragraph 3.31.3 becomes a new paragraph, 3.31.5.

3.32.5 - Add paragraph on shipping manifest for byproduct material for disposal.

3.34.7 - Modify paragraph on requirements of record management prior to license termination to correct changed reference in regulation.

3.48 REPORTS TO INDIVIDUALS OF EXCEEDING DOSE LIMITS - Revise introductory paragraph following 3.48 heading on reports required to be given to individuals and the Department of any exposure exceeding occupational dose limits.

3.53 Appendix B, List of Elements - Add Nitrogen and Oxygen, alphabetically.

3.53 [Appendix B] Annual Limits on Intake (ALIs) and Derived Air Concentrations (DACs) of Radionuclides for Occupational Exposures; Effluent Concentrations; Concentrations for Release to Sewerage - Add Nitrogen and Oxygen by Atomic Number.

Part III, Appendix G RHA 3.58 - Add appendix for NATIONALLY TRACKED SOURCES – SERIALIZATION AND REPORTS OF TRANSACTIONS.

4.2.10 - Insert definition for “consortium” and renumber balance of Section RHA 4.2.

4.2.26 - Insert definition for “Positron Emission Tomography (PET) radionuclide production facility” and renumber balance of Section RHA 4.2.

4.6.1 - Modify paragraph on medical use license by removing the word “radioactive” before “material” and replace it with the word “byproduct”.

4.27 - Modify the title by removing the word “radioactive” before “material” and replace it with the word “byproduct”.

4.27.2.2.1 - .3 - Revise section to add 4.27.2.2.3 to list of requirements.

4.27.3.3 and subparts 4.27.3.3.1 - .2 - Revise paragraph for determination of doses.

4.35 - Revise title replacing the word “Radioactive” with the word “Byproduct”.

4.35.1 - Revise introductory paragraph and 4.35.1 and add subparagraphs 4.35.1.1 - 4.35.1.2 to list requirements under 4.35.1 on unsealed radioactive material for uptake.

4.35.2 - Revise paragraph unsealed radioactive material for uptake.

4.37 - Revise title to Section, removing the term “Radioactive” and adding “Byproduct”.

4.37.1 - Revise introductory paragraph and section 4.37.1 and add subparts 4.37.1.1 - .2 defining unsealed radioactive material for imaging.

4.37.2 - Revise paragraph on unsealed radioactive material for imaging.

4.38.1 - Revise paragraph on permissible Molybdenum 99 concentration and add subparagraphs 4.38.1.1 - 4.38.1.2 to add details of requirement.

Part 4 Subpart E, RHA 4.40 - Revise title to Section, Section 4.40 and introductory paragraph by removing “Radioactive” and adding “Byproduct” before the word “Material”.

4.40.1 and subparagraphs 4.40.1.1 - .2 and 4.40.2 - Revise paragraph on written directives and add subparagraphs to list requirements under 4.40.1.

4.40.2 - Revise paragraph to list specifics in who is authorized in the production of PET radionuclides.

6.5.2 and subparagraphs 6.5.2.1 - 6.5.2.2 - Revise paragraph and add paragraphs on dose information to workers.

6.5.4 - Revise paragraph on reporting to the Department.

7.2.22 - Revise definition for “Waste”.

Instructions:

The following sections have been added, deleted, or revised. All other sections of R.61-63 will remain.

Text:

1.2.6 - Revise definition for “byproduct material”.

1.2.6 “Byproduct material” means:

(1) Any radioactive material (except special nuclear material) yielded in, or made radioactive by, exposure to the radiation incident to the process of producing or using special nuclear material;

(2) The tailings or wastes produced by the extraction or concentration of uranium or thorium from ore processed primarily for its source material content, including discrete surface wastes resulting from uranium solution extraction processes. Underground ore bodies depleted by these solution extraction operations do not constitute ‘‘byproduct material’’ within this definition;

(3)(i) Any discrete source of radium-226 that is produced, extracted, or converted after extraction, before, on, or after August 8, 2005, for use for a commercial, medical, or research activity; or

(ii) Any material that

(A) Has been made radioactive by use of a particle accelerator; and

(B) Is produced, extracted, or converted after extraction, before, on, or after August 8, 2005, for use for a commercial, medical, or research activity; and

(4) Any discrete source of naturally occurring radioactive material, other than source material, that

(i) The Nuclear Regulatory Commission, (NRC) in consultation with the Administrator of the Environmental Protection Agency, the Secretary of Energy, the Secretary of Homeland Security, and the head of any other appropriate Federal agency, determines would pose a threat similar to the threat posed by a discrete source of radium-226 to the public health and safety or the common defense and security; and

(ii) Before, on, or after August 8, 2005, is extracted or converted after extraction for use in a commercial, medical, or research activity.

1.2.10 - Insert definition for "Discrete source" and renumber balance of RHA 1.2.

1.2.10 "Discrete source" means a radionuclide that has been processed so that its concentration within a material has been purposely increased for use for commercial, medical, or research activities.

1.2.20 - Insert definition for "Particle accelerator" and renumber balance of RHA 1.2.

1.2.20 "Particle accelerator" means any machine capable of accelerating electrons, protons, deuterons, or other charged particles in a vacuum and of discharging the resultant particulate or other radiation into a medium at energies usually in excess of 1 megaelectron volt. For purposes of this definition, ''accelerator'' is an equivalent term.

In 1.15.3.1 correct 105 to 10^5 in both occurrences.

1.15.3.1 Authorizing the possession and use of unsealed byproduct material of half-life greater than 120 days and in quantities exceeding 10^5 times the applicable quantities set forth in Appendix C, RHA 3.54 or when a combination of isotopes is involved if R divided by 10^5 is greater than 1 (unity rule), where R is defined here as the sum of the ratios of the quantity of each isotope to the applicable value in Appendix C, RHA 3.54.

In 1.15.3.2 correct 1012 to 10^{12} in both occurrences.

1.15.3.2 Authorizing the possession and use of sealed sources or plated foils of half-life greater than 120 days and in quantities exceeding 10^{12} times the applicable quantities set forth in Appendix C, RHA 3.54 (or when a combination of isotopes is involved if R, as defined in RHA 1.15.3.1, divided by 10^{12} is greater than 1).

In 1.15.3.4 correct 105 to 10^5 in both occurrences.

1.15.3.4 Authorizing the possession of unsealed special nuclear material in quantities exceeding 10^5 times the applicable quantities set forth in Appendix C, RHA 3.54 or when a combination of isotopes is involved if R divided by 10^5 is greater than 1 (unity rule), where R is the sum of the ratios of the quantity of each isotope to the applicable value in Appendix C, RHA 3.54.

Part II Licensing of Radioactive Material

2.1.1 - Revise the list of prohibitions not allowed except as authorized to read as follows:

2.1.1 No person shall manufacture, produce, transfer, receive, acquire, own, possess, or use byproduct material except as authorized in a specific or general license issued pursuant to these regulations, or as otherwise provided in these regulations.

Add subparagraphs 2.4.2.2.1-2.4.2.2.3 as shown:

2.4.2.2.1 A specific license issued under Part 2 of this Regulation; or

2.4.2.2.2 An equivalent specific license issued by an Agreement State; or

2.4.2.2.3 An equivalent specific license issued by a State with provisions comparable to Part 2 of this Regulation.

At 2.4.2.3.11.1 add detailed listing of radium-226 after Cobalt-60 as shown:

2.4.2.3.11.1 When the device contains at least 10 mCi (370 MBq) of cesium-137, 0.1 mCi (3.7 MBq) of strontium-90, 1 mCi (37 MBq) of cobalt-60, 0.1 mCi (3.7 MBq) of radium-226, or 1 mCi (37 MBq) of americium-241 or any other transuranic (i.e., element with atomic number greater than uranium (92)), based on the activity indicated on the label. Each address for a location of use, as described under paragraph RHA 2.4.2.3.11.3 (iv), represents a separate general licensee and requires a separate registration and fee.

Add new section 2.4.8 - 2.4.8.4 on a general license for certain items and self-luminous products containing Radium-226 as follows:

2.4.8 Self-Luminous Products Containing Ra-226

2.4.8.1 A general license is hereby issued to any person to acquire, receive, possess, use, or transfer, in accordance with the provisions of paragraphs 2.4.8.2, 2.4.8.3, and 2.4.8.4 of this section, Radium-226 contained in the following products manufactured prior to November 30, 2007.

2.4.8.1.1 Antiquities originally intended for use by the general public. For the purposes of this paragraph, antiquities mean products originally intended for use by the general public and distributed in the late 19th and early 20th centuries, such as radium emanator jars, revigators, radium water jars, radon generators, refrigerator cards, radium bath salts, and healing pads.

2.4.8.1.2 Intact timepieces containing greater than 0.037 megabecquerel (1 microcurie), nonintact timepieces, and timepiece hands and dials no longer installed in timepieces.

2.4.8.1.3 Luminous items installed in air, marine, or land vehicles.

2.4.8.1.4 All other luminous products, provided that no more than 100 items are used or stored at the same location at any one time.

2.4.8.1.5 Small radium sources containing no more than 0.037 megabecquerel (1 microcurie) of Radium-226. For the purposes of this paragraph, ‘‘small radium sources’’ means discrete survey instrument check sources, sources contained in radiation measuring instruments, sources used in educational demonstrations (such as cloud chambers and spinthariscopes), electron tubes, lightning rods, ionization sources, static eliminators, or as designated by the NRC.

2.4.8.2 Persons who acquire, receive, possess, use, or transfer byproduct material under the general license issued in 2.4.8.1 of this section are exempt from the provisions of Parts 3 and 6 of this Regulation, to the extent that the receipt, possession, use, or transfer of byproduct material is within the terms of the general license; provided, however, that this exemption shall not be deemed to apply to any such person specifically licensed under this chapter.

2.4.8.3 Any person who acquires, receives, possesses, uses, or transfers byproduct material in accordance with the general license in 2.4.8.1 of this section:

2.4.8.3.1 Shall notify the Department should there be any indication of possible damage to the product so that it appears it could result in a loss of the radioactive material. A report containing a brief description of the event, and the remedial action taken, must be furnished to the Director of the Division of Waste Management, South Carolina Department of Health & Environmental Control, 2600 Bull Street, Columbia SC, 29201 within 30 days.

2.4.8.3.2 Shall not abandon products containing Radium-226. The product, and any radioactive material from the product, may only be disposed of according to Part 3 of this Regulation or by transfer to a person authorized by a specific license to receive the Radium- 226 in the product or as otherwise approved by the Department.

2.4.8.3.3 Shall not export products containing Radium-226 except in accordance with this Regulation.

2.4.8.3.4 Shall dispose of products containing Radium-226 at a disposal facility authorized to dispose of radioactive material in accordance with any Federal or State solid or hazardous waste law, including the Solid Waste Disposal Act, as authorized under the Energy Policy Act of 2005, by transfer to a person authorized to receive Radium-226 by a specific license issued under this Regulation, or equivalent regulations of an Agreement State, or as otherwise approved by the Department.

2.4.8.3.5 Shall respond to written requests from the Department to provide information relating to the general license within 30 calendar days of the date of the request, or other time specified in the request. If the general licensee cannot provide the requested information within the allotted time, it shall, within that same time period, request a longer period to supply the information by providing the Director of the Division of Waste Management, South Carolina Department of Health & Environmental Control, 2600 Bull Street, Columbia SC, 29201, a written justification for the request.

2.4.8.4 The general license in paragraph 2.4.8.1 of this section does not authorize the manufacture, assembly, disassembly, repair, or import of products containing Radium-226, except that timepieces may be disassembled and repaired.

2.5.7.1 - .2 - Revise requirements for an application for a specific license to use radioactive material in the form of a sealed source as indicated:

2.5.7.1 Identify the source or device by manufacturer and model number as registered with the Department pursuant to RHA 2.29, the U.S. Nuclear Regulatory Commission, any Agreement State or a Licensing State; or registered with the NRC under the provisions of 10 CFR 32.210, with an Agreement State, or for a source or a device containing Radium-226 or accelerator-produced radioactive material with a State under provisions comparable to the NRC; or

2.5.7.2 Contain the information identified by the NRC in 10 CFR 32.210(c); or

Add new paragraphs 2.5.7.3 and subparts .1 & .2 as follows:

2.5.7.3 For sources or devices containing naturally occurring or accelerator produced radioactive material manufactured prior to November 30, 2007 that are not registered with the NRC under the provisions of 10 CFR 32.310 or with an Agreement State, and for which the applicant is unable to provide all categories of information specified by the NRC, the applicant must provide:

2.5.7.3.1 All available information identified in 10 CFR 32.210(c) concerning the source, and, if applicable, the device; and

2.5.7.3.2 Sufficient additional information to demonstrate that there is reasonable assurance that the radiation safety properties of the source or device are adequate to protect health and minimize danger to life and property. Such information must include a description of the source or device, a description of radiation safety features, the intended use and associated operating experience, and the results of a recent leak test.

Add new paragraphs 2.5.8 and subparts .1 - .4 as follows:

2.5.8 An application from a medical facility, educational institution, or Federal facility to produce Positron Emission Tomography (PET) radioactive drugs for noncommercial transfer to licensees in its consortium authorized for medical use under Part 4 of this Regulation shall include:

2.5.8.1 A request for authorization for the production of PET radionuclides or evidence of an existing license issued under Part 2 of this Regulation for a PET radionuclide production facility within its consortium from which it receives PET radionuclides.

2.5.8.2 Evidence that the applicant is qualified to produce radioactive drugs for medical use by meeting one of the criteria in Part 2 of this Regulation.

2.5.8.3 Identification of individual(s) authorized to prepare the PET radioactive drugs if the applicant is a pharmacy, and documentation that each individual meets the requirements of an authorized nuclear pharmacist as specified in Part 2 of this Regulation.

2.5.8.4 Information identified in Part 2 of this Regulation on the PET drugs to be noncommercially transferred to members of its consortium.

At 2.7.4.2.6 add detail on Cobalt-57 after microcuries as follows:

2.7.4.2.6 Cobalt-57 in units not exceeding 10 microcuries (0.37 MBq) each.

At 2.7.4.3.1 modify paragraph to add details to identifying radioactive contents as follows:

2.7.4.3.1 Identifying the radioactive contents as to chemical form and radionuclide, and indicating that the amount of radioactivity does not exceed 10 microcuries (0.37 MBq) of Iodine-125, Iodine-131, Selenium-75, or Carbon-14; 50 microcuries (1.85 MBq) of Hydrogen-3 (tritium); or 20 microcuries (0.74 MBq) of Iron-59; or Mock Iodine-125 in units not exceeding 0.05 microcurie (1.85 kBq) of Iodine-129 and 0.005 microcurie (0.185 kBq) of Americium-241 each; or Cobalt-57 in units not exceeding 10 microcuries (0.37 MBq); and

Modify 2.7.5.1.2.1 - .4 as shown and add a new paragraph 2.7.5.1.2.5.

2.7.5.1.2.1 Registered with the U.S. Food and Drug Administration (FDA) as the owner or operator of a drug establishment that engages in the manufacture, preparation, propagation, compounding, or processing of a drug under 21 CFR 207.20(a);

2.7.5.1.2.3 Licensed as a pharmacy by a State Board of Pharmacy;

2.7.5.1.2.4 Operating as a nuclear pharmacy within a Federal medical institution; or

2.7.5.1.2.5 A Positron Emission Tomography (PET) drug production facility registered with a State agency.

Modify 2.7.5.2.2.2 to correct cross reference.

2.7.5.2.2.2 This individual meets the requirements specified in Part 4 of this Regulation, and the licensee has received an approved license amendment identifying this individual as an authorized nuclear pharmacist; or

Modify 2.7.5.2.4 as shown and add subparagraphs 2.7.5.2.4.1 and .2 on designation of a pharmacist and providing certification.

2.7.5.2.4 May designate a pharmacist (as defined in RHA 4.2) as an authorized nuclear pharmacist if:

2.7.5.2.4.1 The individual was a nuclear pharmacist preparing only radioactive drugs containing accelerator-produced radioactive material; and

2.7.5.2.4.2 The individual practiced at a pharmacy at a Government agency or Federally recognized Indian Tribe before November 30, 2007 or at all other pharmacies before August 8, 2009, or an earlier date as noticed by the NRC.

Modify 2.7.5.2.5 as shown and add subparagraphs 2.7.2.5.1 - 2.7.2.5.6.

2.7.5.2.5 Shall provide to the Department:

2.7.5.2.5.1 A copy of each individual's certification by a specialty board whose certification process has been recognized by the Nuclear Regulatory Commission or an Agreement State as specified in Part 4 of this Regulation with the written attestation signed by a preceptor as required by Part 4 of this Regulation; or

2.7.5.2.5.2 The Commission or Agreement State license; or

2.7.5.2.5.3 Commission master materials licensee permit; or

2.7.5.2.5.4 The permit issued by a licensee or Commission master materials permittee of broad scope or the authorization from a commercial nuclear pharmacy authorized to list its own authorized nuclear pharmacist; or

2.7.5.2.5.5 Documentation that only accelerator-produced radioactive materials were used in the practice of nuclear pharmacy at a Government agency or Federally recognized Indian Tribe before November 30, 2007 or at all other locations of use before August 8, 2009, or an earlier date as noticed by the NRC; and

2.7.5.2.5.6 A copy of the State pharmacy licensure or registration, no later than 30 days after the date that the licensee allows, under paragraphs RHA 2.7.5.2.2.1 and 2.7.5.2.2.3, the individual to work as an authorized nuclear pharmacist.

2.7.8 Add whole new Section designating Requirements for specific license.

2.7.8 Calibration or reference sources containing Americium-241 or Radium-226: Requirements for license to manufacture or initially transfer.

2.7.8.1 An application for a specific license to manufacture or initially transfer calibration or reference sources containing Americium-241 or Radium-226, for distribution to persons generally licensed under RHA 2.4, will be approved if:

2.7.8.1.1 The applicant satisfies the general requirements of RHA 2.6;

2.7.8.1.2 The applicant submits sufficient information regarding each type of calibration or reference source pertinent to evaluation of the potential radiation exposure, including:

2.7.8.1.2.1 Chemical and physical form and maximum quantity of Americium 241 or Radium-226 in the source;

2.7.8.1.2.2 Details of construction and design;

2.7.8.1.2.3 Details of the method of incorporation and binding of the Americium-241 or Radium-226 in the source;

2.7.8.1.2.4 Procedures for and results of prototype testing of sources, which are designed to contain more than 0.005 microcurie of Americium-241 or Radium-226, to demonstrate that the Americium-241 or Radium-226 contained in each source will not be released or be removed from the source under normal conditions of use;

2.7.8.1.2.5 Details of quality control procedures to be followed in manufacture of the source;

2.7.8.1.2.6 Description of labeling to be affixed to the source or the storage container for the source;

2.7.8.1.2.7 Any additional information, including experimental studies and tests, required by the Department to facilitate a determination of the safety of the source.

2.7.8.1.3 Each source will contain no more than 5 microcuries of Americium-241 or Radium-226.

2.7.8.1.4 The Department determines, with respect to any type of source containing more than 0.005 microcuries of Americium-241 or Radium-226, that:

2.7.8.1.4.1 The method of incorporation and binding of the Americium-241 or Radium-226 in the source is such that the Americium-241 will not be released or be removed from the source under normal conditions of use and handling of the source; and

2.7.8.1.4.2 The source has been subjected to and has satisfactorily passed the prototype tests prescribed by 2.7.8.4 of this Section.

2.7.8.2 Each person licensed under this Section shall affix to each source, or storage container for the source, a label which shall contain sufficient information relative to safe use and storage of the source and shall include the following statement or a substantially similar statement which contains the information called for in the following statement:

The receipt, possession, use, and transfer of this source, Model, Serial No., are subject to a general license and the regulations of the United States Nuclear Regulatory Commission or of a State with which the Commission has entered into an agreement for the exercise of regulatory authority. Do not remove this label.

CAUTION-RADIOACTIVE MATERIAL–THIS SOURCE CONTAINS AMERICIUM-241 (or RADIUM-226). DO NOT TOUCH RADIOACTIVE PORTION OF THIS SOURCE.

Name of manufacturer or initial transferor

2.7.8.3 Each person licensed under this Section shall perform a dry wipe test upon each source containing more than 3.7 kilobecquerels (0.1 microcurie) of Americium-241 or Radium-226 before transferring the source to a general licensee under RHA 2.4. This test shall be performed by wiping the entire radioactive surface of the source with a filter paper with the application of moderate finger pressure. The radioactivity on the paper shall be measured by using radiation detection instrumentation capable of detecting 0.185 kilobecquerel (0.005 microcurie) of Americium-241 or Radium-226. If this test discloses more than 0.185 kilobecquerel (0.005 microcurie) of radioactive material, the source shall be deemed to be leaking or losing Americium-241 or Radium-226 and shall not be transferred to a general licensee under RHA 2.4 or equivalent regulation.

2.7.8.4 An applicant for a license under this Section shall, for any type of source which is designed to contain more than 0.185 kilobecquerel (0.005 microcurie) of Americium-241 or Radium-226, conduct prototype tests, in the order listed, on each of five prototypes of the source, which contains more than 0.185 kilobecquerel (0.005 microcurie) of Americium-241 or Radium-226, as follows:

2.7.8.4.1 *Initial measurement*. The quantity of radioactive material deposited on the source shall be measured by direct counting of the source.

2.7.8.4.2 *Dry wipe test*. The entire radioactive surface of the source shall be wiped with filter paper with the application of moderate finger pressure. Removal of radioactive material from the source shall be determined by measuring the radioactivity on the filter paper or by direct measurement of the radioactivity on the source following the dry wipe.

2.7.8.4.3 *Wet wipe test*. The entire radioactive surface of the source shall be wiped with filter paper, moistened with water, with the application of moderate finger pressure. Removal of radioactive material from the source shall be determined by measuring the radioactivity on the filter paper after it has dried or by direct measurement of the radioactivity on the source following the wet wipe.

2.7.8.4.4 *Water soak test*. The source shall be immersed in water at room temperature for a period of 24 consecutive hours. The source shall then be removed from the water. Removal of radioactive material from the source shall be determined by direct measurement of the radioactivity on the source after it has dried or by measuring the radioactivity in the residue obtained by evaporation of the water in which the source was immersed.

2.7.8.4.5 *Dry wipe test*. On completion of the preceding test in this section, the dry wipe test described in 2.7.8.4.2 shall be repeated.

2.7.8.4.6 *Observations*. Removal of more than 0.005 microcurie of radioactivity in any test prescribed by this section shall be cause for rejection of the source design. Results of prototype tests submitted to the Commission shall be given in terms of radioactivity in microcuries and percent of removal from the total amount of radioactive material deposited on the source.

Insert a new paragraph at 2.10.8 as shown:

2.10.8 Each licensee preparing technetium-99m radiopharmaceuticals from molybdenum-99/technetium-99m generators or rubidium-82 from strontium-82/rubidium-82 generators shall test the generator eluates for molybdenum-99 breakthrough or strontium-82 and strontium-85 contamination, respectively. The licensee shall record the results of each test and retain each record for 3 years after the record is made.

Add new section 2.10.9.1 - 2.10.9.4 re: terms and conditions of licenses as shown:

2.10.9.1 Authorization under Part 2 of this Regulation to produce Positron Emission Tomography (PET) radioactive drugs for noncommercial transfer to medical use licensees in its consortium does not relieve the licensee from complying with applicable FDA, other Federal, and State requirements governing radioactive drugs.

2.10.9.2 Each licensee authorized under Part 2 of this Regulation to produce PET radioactive drugs for noncommercial transfer to medical use licensees in its consortium shall:

2.10.9.2.1 Satisfy the labeling requirements in Part 2 of this Regulation for each PET radioactive drug transport radiation shield and each syringe, vial, or other container used to hold a PET radioactive drug intended for noncommercial distribution to members of its consortium.

2.10.9.2.2 Possess and use instrumentation to measure the radioactivity of the PET radioactive drugs intended for noncommercial distribution to members of its consortium and meet the procedural, radioactivity measurement, instrument test, instrument check, and instrument adjustment requirements in Part 2 of this Regulation.

2.10.9.3 A licensee that is a pharmacy authorized under Part 2 of this Regulation to produce PET radioactive drugs for noncommercial transfer to medical use licensees in its consortium shall require that any individual that prepares PET radioactive drugs shall be:

2.10.9.3.1 an authorized nuclear pharmacist that meets the requirements in Part 2 of this Regulation; or

2.10.9.3.2 an individual under the supervision of an authorized nuclear pharmacist as specified in Part 2 of this Regulation.

2.10.9.4 A pharmacy, authorized under Part 2 of this Regulation to produce PET radioactive drugs for noncommercial transfer to medical use licensees in its consortium that allows an individual to work as an authorized nuclear pharmacist, shall meet the requirements of Part 2 of this Regulation.

2.11.11.4 - Revise paragraph to correct reference.

2.11.11.4 Records required by RHA 3.34.5 and 3.34.6 have been received.

2.20.2.2.1.8 - Revise paragraph on Radium-226 timepieces as shown:

2.20.2.2.1.8 1 microcurie (37 kBq) of Radium-226 per timepiece in intact timepieces manufactured prior to November 30, 2007.

Modify 2.20.2.3 as follows:

2.20.2.3 Gas and aerosol detectors containing byproduct material. Except for persons who manufacture, possess, produce, or initially transfer for sale or distribution gas and aerosol detectors containing byproduct material, any person is exempt from the requirements for a license in these regulations to the extent that such person receives, possesses, uses, transfers, owns, or acquires byproduct material in gas and aerosol detectors designed to protect life or property from fires and airborne hazards manufactured, processed, produced, or

initially transferred in accordance with a specific license issued by the U.S. Nuclear Regulatory Commission pursuant to Section 32.26 of 10 CFR Part 32 which license authorizes the initial transfer of the product for use under this section. This exemption also covers gas and aerosol detectors manufactured before November 30, 2007 in accordance with a specific license issued by a Licensing State with comparable provisions to 10 CFR 32.26 authorizing distribution to persons exempt from regulatory requirements.

2.20.2.5.2 - Revise paragraph on exempt quantities of byproduct material possessed before September 25, 1971.

2.20.2.5.2 Any person, who possesses byproduct material received or acquired before September 25, 1971, under the general license formerly provided in Paragraph 2.4.1 is exempt from the requirements for a license set forth in this Part to the extent that this person possesses, uses, transfers, or owns byproduct material.

RHA 2.24 Table of Exempt Quantities - Change column headings as shown and add in alphanumeric order: Germanium-68 (Ge-68) (Microcuries: 10); change microcuries for Cesium-129 (Cs-129) from 10 to 100; and add Yttrium-88 (Y-88) (Microcuries: 10).

PART II
SCHEDULE B

Exempt Quantities

RHA 2.24

Byproduct Material	**Microcuries**	**Byproduct Material**	**Microcuries**
		Germanium-68 (Ge-68)	10
Cesium-129 (Cs-129)	100		
		Yttrium-88 (Y-88)	10

RHA 2.31, Schedule E, QUANTITIES OF RADIOACTIVE MATERIALS REQUIRING CONSIDERATION OF THE NEED FOR AN EMERGENCY PLAN FOR RESPONDING TO A RELEASE.

Add Radium-226 alphabetically to table as shown:

Radium-226 0.001 100

Part III Standards for Protection Against Radiation

3.2.63 - Add definition for "Nationally tracked source" and renumber balance of 3.2.

3.2.63 "Nationally tracked source" means a sealed source containing a quantity equal to or greater than Category 1 or 2 levels of any radioactive material listed in Appendix G to Part 3 of these Regulations. In this context a sealed source is defined as radioactive material that is sealed in a capsule or closely bonded, in a solid form and which is not exempt from regulatory control. It does not mean material encapsulated solely for disposal, or nuclear material contained in any fuel assembly, subassembly, fuel rod, or fuel pellet. Category 1 nationally tracked sources are those containing radioactive material at a quantity equal to or greater than the Category 1 threshold. Category 2 nationally tracked sources are those containing radioactive material at a quantity equal to or greater than the Category 2 threshold but less than the Category 1 threshold.

Modify 3.2.91 as shown:

3.2.91 "Total Effective Dose Equivalent" (TEDE) means the sum of the effective dose equivalent (for external exposures) and the committed effective dose equivalent (for internal exposures).

Modify 3.5.3 as shown:

3.5.3 When the external exposure is determined by measurement with an external personal monitoring device, the deep-dose equivalent must be used in place of the effective dose equivalent, unless the effective dose equivalent is determined by a dosimetry method approved by the Department. The assigned deep-dose equivalent must be for the part of the body receiving the highest exposure. The assigned shallow-dose equivalent must be the dose averaged over the contiguous 10 square centimeters of skin receiving the highest exposure. The deep-dose equivalent, lens dose equivalent and shallow-dose equivalent may be assessed from surveys or other radiation measurements for the purpose of demonstrating compliance with the occupational dose limits, if the individual monitoring device was not in the region of highest potential exposure, or the results of individual monitoring are unavailable.

Revise Section title adding: "AND CERTAIN BYPRODUCT MATERIAL".

RHA 3.31 DISPOSAL OF SPECIFIC WASTES AND CERTAIN BYPRODUCT MATERIAL

3.31.3 - Revise paragraph on disposal of byproduct.

3.31.3 Licensed material as defined in paragraphs (3) and (4) of the definition of byproduct material set forth in RHA 1.2.6 may be disposed of in accordance with Part 3 of this Regulation, even though it is not defined as low-level radioactive waste. Therefore, any licensed byproduct material being disposed of at a facility, or transferred for ultimate disposal at a facility authorized to dispose of such material, must meet the requirements of RHA 3.32.

3.31.4 - 3.31.5 - Add paragraphs on disposal of byproduct.

3.31.4 A licensee may dispose of byproduct material, as defined in paragraphs (3) and (4) of the definition of byproduct material set forth in RHA 1.2.6, at a disposal facility authorized to dispose of such material in accordance with any Federal or State solid or hazardous waste law, including the Solid Waste Disposal Act, as authorized under the Energy Policy Act of 2005.

3.31.5 The licensee shall maintain records in accordance with RHA 3.41.

3.32.5 - Add paragraph on shipping manifest for byproduct material for disposal.

3.32.5 Any licensee shipping byproduct material as defined in paragraphs 3 and 4 of the definition of byproduct material set forth in RHA 1.2.6 intended for ultimate disposal at a land disposal facility licensed under Part 7 of this Regulation must document the information required on the NRC's Uniform Low-Level Radioactive Waste Manifest and transfer this recorded manifest information to the intended consignee in accordance with Appendix D to this part.

3.34.7 - Modify paragraph on requirements of record management prior to license termination to correct changed cross reference in regulation.

3.34.7 Prior to license termination, each licensee shall forward the records required by RHA 1.15.13 to the Department.

Revise paragraph following 3.48 heading on reports required to be given to individuals and the Department of any exposure exceeding occupational dose limits.

RHA 3.48 REPORTS TO INDIVIDUALS OF EXCEEDING DOSE LIMITS

When a licensee is required, pursuant to the provisions of RHA 3.46, 3.47, and 3.49, to report to the Department any exposure of an identified occupationally exposed individual, or an identified member of the public, to radiation or radioactive material, the licensee shall also provide the individual a report on his or her exposure data included in the report to the Department. This report must be transmitted at a time no later than the transmittal to the Department.

3.53 Appendix B, List of Elements - Add Nitrogen and Oxygen, alphabetically.

Name	Symbol	Atomic No.
Nitrogen	N	7
Oxygen	O	8

RHA 3.53 [Appendix B] Annual Limits on Intake (ALIs) and Derived Air Concentrations (DACs) of Radionuclides for Occupational Exposures; Effluent Concentrations; Concentrations for Release to Sewerage

Add Nitrogen and Oxygen by Atomic Number.

			Table 1 Occupational Values			Table 2 Effluent Concentrations		Table 3 Releases to Sewers
			Col. 1	Col. 2	Col. 3	Col. 1	Col. 2	Monthly Average
			Oral Ingestion	Inhalation				
Atomic No	Radionuclide	Class	ALI (uCi)	ALI (uCi)	DAC (uCi/ml)	Air (uCi/ml)	Water (uCi/ml)	Conc. (uCi/ml)
7	Nitrogen-13[2]	Submersion[1]			4E-6	2E-8		
8	Oxygen-15[2]	Submersion[1]			4E-6	2E-8		

Part III, Appendix G RHA 3.58 - Add appendix for NATIONALLY TRACKED SOURCES – SERIALIZATION AND REPORTS OF TRANSACTIONS.

APPENDIX G

RHA 3.58 NATIONALLY TRACKED SOURCES - SERIALIZATION AND REPORTS OF TRANSACTIONS

Each licensee who manufactures, transfers, receives, disassembles, or disposes of a nationally tracked source shall complete and submit a National Source Tracking Transaction Report to the National Source Tracking System as specified in paragraphs 3.58.1 through 3.58.5 of this section for each type of transaction.

3.58.1 Each licensee who manufactures a nationally tracked source shall complete and submit a National Source Tracking Transaction Report. The report must include the following information:

3.58.1.1 The name, address, and license number of the reporting licensee;

3.58.1.2 The name of the individual preparing the report;

3.58.1.3 The manufacturer, model, and serial number of the source;

3.58.1.4 The radioactive material in the source;

3.58.1.5 The initial source strength in becquerels (curies) at the time of manufacture; and

3.58.1.6 The manufacture date of the source.

3.58.2 Each licensee that transfers a nationally tracked source to another person shall complete and submit a National Source Tracking Transaction Report. The report must include the following information:

3.58.2.1 The name, address, and license number of the reporting licensee;

3.58.2.2 The name of the individual preparing the report;

3.58.2.3 The name and license number of the recipient facility and the shipping address;

3.58.2.4 The manufacturer, model, and serial number of the source or, if not available, other information to uniquely identify the source;

3.58.2.5 The radioactive material in the source;

3.58.2.6 The initial or current source strength in becquerels (curies);

3.58.2.7 The date for which the source strength is reported;

3.58.2.8 The shipping date;

3.58.2.9 The estimated arrival date; and

3.58.2.10 For nationally tracked sources transferred as waste under a Uniform Low-Level Radioactive Waste Manifest, the waste manifest number and the container identification of the container with the nationally tracked source.

3.58.3 Each licensee that receives a nationally tracked source shall complete and submit a National Source Tracking Transaction Report. The report must include the following information:

3.58.3.1 The name, address, and license number of the reporting licensee;

3.58.3.2 The name of the individual preparing the report;

3.58.3.3 The name, address, and license number of the person that provided the source;

3.58.3.4 The manufacturer, model, and serial number of the source or, if not available, other information to uniquely identify the source;

3.58.3.5 The radioactive material in the source;

3.58.3.6 The initial or current source strength in becquerels (curies);

3.58.3.7 The date for which the source strength is reported;

3.58.3.8 The date of receipt; and

3.58.3.9 For material received under a Uniform Low-Level Radioactive Waste Manifest, the waste manifest number and the container identification with the nationally tracked source.

3.58.4 Each licensee that disassembles a nationally tracked source shall complete and submit a National Source Tracking Transaction Report. The report must include the following information:

3.58.4.1 The name, address, and license number of the reporting licensee;

3.58.4.2 The name of the individual preparing the report;

3.58.4.3 The manufacturer, model, and serial number of the source or, if not available, other information to uniquely identify the source;

3.58.4.4 The radioactive material in the source;

3.58.4.5 The initial or current source strength in becquerels (curies);

3.58.4.6 The date for which the source strength is reported;

3.58.4.7 The disassemble date of the source.

3.58.5 Each Licensee who disposes of nationally tracked source shall complete and submit a National Source Tracking Transaction Report. The report must include the following information:

3.58.5.1 The name, address, and license number of the reporting licensee;

3.58.5.2 The name of the individual preparing the report;

3.58.5.3 The waste manifest number;

3.58.5.4 The container identification with the nationally tracked source;

3.58.5.5 The date of disposal; and

3.58.5.6 The method of disposal.

3.58.6 The reports discussed in paragraphs 3.58.1 through 3.58.5 of this section must be submitted by the close of the next business day after the transaction. A single report may be submitted for multiple sources and transactions. The reports must be submitted to the National Source Tracking System by using:

3.58.6.1 The on-line National Source Tracking System;

3.58.6.2 Electronically using a computer-readable format;

3.58.6.3 By facsimile;

3.58.6.4 By mail to the address on the National Source Tracking Transaction Report Form (NRC Form 748); or

3.58.6.5 By telephone with follow-up by facsimile or mail.

3.58.7 Each licensee shall correct any error in previously filed reports or file a new report for any missed transaction within 5 business days of the discovery of the error or missed transaction. Such errors may be detected by a variety of methods such as administrative reviews or by physical inventories required by regulation. In addition, each licensee shall reconcile the inventory of nationally tracked sources possessed by the licensee against that licensees data in the National Source Tracking System. The reconciliation must be conducted during the month of January in each year. The reconciliation process must include resolving any discrepancies between the National Source Tracking System and the actual inventory by filing the reports identified by paragraphs 3.58.1 through 3.58.5 of this section. By January 31 of each year, each licensee must submit to the National Source Tracking System confirmation that the data in the National Source Tracking System is correct.

3.58.8 Each licensee that possesses Category 1 nationally tracked sources shall have reported its initial inventory of Category 1 nationally tacked sources to the National Source Tracking System by January 31, 2009. Each licensee that possesses Category 2 nationally tracked sources shall have reported its initial inventory of Category 2 nationally tracked sources to the National Source Tracking System by January 31, 2009. The information may be submitted by using any of the methods identified by paragraph 3.58.6.1 through 3.58.6.4 of this section. The initial inventory report must include the following information:

3.58.8.1 The name, address, and license number of the reporting licensee;

3.58.8.2 The name of the individual preparing the report;

3.58.8.3 The manufacturer, model, and serial number of each nationally tracked source or, if not available, other information to uniquely identify the source;

3.58.8.4 The radioactive material in the sealed source;

3.58.8.5 The initial or current source strength in becquerels (curies); and

3.58.8.6 The date for which the source strength is reported.

Nationally Tracked Source Thresholds

The Terabecquerel (TBq) values are the regulatory standard. The curie (Ci) values specified are obtained by converting from the TBq value. The curie values are provided for practical usefulness only and are rounded after conversion.

Radioactive Material	Category 1 (TBq)	Category 1 (Ci)	Category 2 (TBq)	Category 2 (Ci)
Actinium-227	20	540	0.2	5.4
Americium-241	60	1600	0.6	16
Americium-241/Be	60	1600	0.6	16
Californium-252	20	540	0.2	5.4
Cobalt-60	30	810	0.3	8.1
Curium-244	50	1400	0.5	14
Cesium-137	100	2700	1	27
Gadolinium-153	1000	27000	10	270
Iridium-192	80	2200	0.8	22

Plutonium-238	60	1600	0.6	16
Plutonium-239/Be	60	1600	0.6	16
Polonium-210	60	1600	0.6	16
Promethium-147	40000	1100000	400	11000
Radium-226	40	1100	0.4	11
Selenium-75	200	5400	2	54
Strontium-90	1000	27000	10	270
Thorium-228	20	540	0.2	5.4
Thorium-229	20	540	0.2	5.4
Thulium-170	20000	540000	200	5400
Ytterbium-169	300	8100	3	81

4.2.10 - Add the definition for "Consortium"; renumber remaining definitions in RHA 4.2 Definitions.

4.2.10 "Consortium" means an association of medical use licensees and a PET radionuclide production facility in the same geographical area that jointly own or share in the operation and maintenance cost of the PET radionuclide production facility that produces PET radionuclides for use in producing radioactive drugs within the consortium for noncommercial distributions among its associated members for medical use. The PET radionuclide production facility within the consortium must be located at an educational institution or a Federal facility or a medical facility.

4.2.26 - Add the definition for "Positron Emission Tomography (PET) radionuclide production facility"; renumber remaining definitions in RHA 4.2 Definitions.

4.2.26 "Positron Emission Tomography (PET) radionuclide production facility" means a facility operating a cyclotron or accelerator for the purpose of producing PET radionuclides.

4.6.1 - Modify paragraph on medical use license by removing the word "radioactive" before "material" and replace it with the word "byproduct".

4.6.1 A person may manufacture, produce, acquire, receive, possess, prepare, use, or transfer byproduct material for medical use only in accordance with a specific license issued by the NRC or an Agreement State, or as allowed in RHA 4.6.2.1 or 4.6.2.2 of this section.

4.27 - Modify the title by removing the word "radioactive" before "material" and replace it with the word "byproduct".

RHA 4.27 DETERMINATION OF DOSAGES OF UNSEALED BYPRODUCT MATERIAL FOR MEDICAL USE

4.27.2.2.1-.3 - Revise section to add 4.27.2.2.3 to list of requirements.

4.27.2.2.1 A manufacturer or preparer licensed under RHA 2.7.5 or equivalent NRC requirements;

4.27.2.2.2 An NRC or Agreement State licensee for use in research in accordance with a Radioactive Drug Research Committee-approved protocol or an Investigational New Drug (IND) protocol accepted by FDA; or

4.27.2.2.3 A PET radioactive drug producer licensed under Part 2 of this Regulation or equivalent Agreement State requirements.

4.27.3.3 and subparts 4.27.3.3.1 - .2 - Revise paragraph for determination of doses and add new subparts 4.27.3.3.1 - .2.

4.27.3.3 Combination of volumetric measurements and mathematical calculations, based on the measurement made by:

4.27.3.3.1 A manufacturer or preparer licensed under Part 2 of this Regulation or equivalent Agreement State requirements; or

4.27.3.3.2 A PET radioactive drug producer licensed under Part 2 of this Regulation or equivalent Agreement State requirements.

RHA 4.35 - Revise title to Section as shown:

RHA 4.35 USE OF UNSEALED BYPRODUCT MATERIAL FOR UPTAKE, DILUTION, AND EXCRETION STUDIES FOR WHICH A WRITTEN DIRECTIVE IS NOT REQUIRED

4.35.1 - Revise introductory paragraph and 4.35.1 and add subparagraphs 4.35.1.1 - 4.35.1.2 to list requirements under 4.35.1 on unsealed radioactive material for uptake.

Except for quantities that require a written directive under RHA 4.17.2, a licensee may use any unsealed byproduct material prepared for medical use for uptake, dilution, or excretion studies that is--

4.35.1 Obtained from:

4.35.1.1 A manufacturer or preparer licensed under RHA 2.7.5 or equivalent Agreement State requirements; or

4.35.1.2 A PET radioactive drug producer licensed under Part 2 of this Regulation or equivalent Agreement State requirements; or

4.35.2 - Revise paragraph as shown:

4.35.2 Excluding production of PET radionuclides, prepared by: an authorized nuclear pharmacist, a physician who is an authorized user and who meets the requirements specified in RHA 4.39 or 4.43 and 4.39.3.2.7, or an individual under the supervision of either as specified in RHA 4.15; or

4.37 - Revise title to Section, removing the term "Radioactive" and adding "Byproduct" as shown:

RHA 4.37 USE OF UNSEALED BYPRODUCT MATERIAL FOR IMAGING AND LOCALIZATION STUDIES FOR WHICH A WRITTEN DIRECTIVE IS NOT REQUIRED

4.37.1 - Revise introductory paragraph and section 4.37.1 and add subparts defining unsealed radioactive material for imaging.

Except for quantities that require a written directive under RHA 4.17.2, a licensee may use any unsealed byproduct material prepared for medical use for imaging and localization studies that is--

4.37.1 Obtained from:

4.37.1.1 A manufacturer or preparer licensed under RHA 2.7.5 or equivalent Agreement State requirements; or

4.37.1.2 A PET radioactive drug producer licensed under Part 2 of this Regulation or equivalent Agreement State requirements; or

4.37.2 - Revise paragraph on unsealed radioactive material for imaging.

4.37.2 Excluding production of PET radionuclides, prepared by: an authorized nuclear pharmacist, a physician who is an authorized user and who meets the requirements specified in RHA 4.39 or 4.43 and 4.39.3.2.7, or an individual under the supervision of either as specified in RHA 4.15;

4.38.1 - Revise paragraph on permissible Molybdenum 99 concentration and add subparagraphs 4.38.1.1 - 4.38.1.2 to add details of requirement.

4.38.1 A licensee may not administer to humans a radiopharmaceutical that contains:

4.38.1.1 More than 0.15 kilobecquerel of molybdenum-99 per megabecquerel of technetium-99m (0.15 microcurie of molybdenum-99 per millicurie of technetium-99m); or

4.38.1.2 More than 0.02 kilobecquerel of strontium-82 per megabecquerel of rubidium-82 chloride injection (0.02 microcurie of strontium-82 per millicurie of rubidium-82 chloride); or more than 0.2 kilobecquerel of strontium-85 per megabecquerel of rubidium-82 chloride injection (0.2 microcurie of strontium-85 per millicurie of rubidium-82).

Part 4 Subpart E, RHA 4.40 - Revise title to Section, Section 4.40 and introductory paragraph by removing "radioactive" and adding "byproduct" before the word "material".

PART 4 - SUBPART E--UNSEALED BYPRODUCT MATERIAL--WRITTEN DIRECTIVE REQUIRED

RHA 4.40 USE OF UNSEALED BYPRODUCT MATERIAL FOR WHICH A WRITTEN DIRECTIVE IS REQUIRED

A licensee may use any unsealed byproduct material prepared for medical use and for which a written directive is required that is--

4.40.1 and subparagraphs 4.40.1.1 & .2 and 4.40.2 - Revise paragraph on written directives and add subparagraphs to list requirements under 4.40.1. Revise 4.40.2.

4.40.1 Obtained from:

4.40.1.1 A manufacturer or preparer licensed under RHA 2.7.5 or equivalent Agreement State requirements; or

4.40.1.2 A PET radioactive drug producer licensed under Part 2 of this Regulation or equivalent Agreement State requirements; or

4.40.2 Excluding production of PET radionuclides, prepared by: an authorized nuclear pharmacist, a physician who is an authorized user and who meets the requirements specified in RHA 4.39 or 4.43; or an individual under the supervision of either as specified in RHA 4.15; or

6.5.2 and subparagraphs 6.5.2.1 – 6.5.2.2 - Revise paragraph and add paragraphs on dose information to workers.

6.5.2 Each licensee shall make dose information available to workers as shown in records maintained by the licensee pursuant to paragraphs 3.36.2 and 3.39. The licensee shall provide an annual report to each individual monitored pursuant to RHA 3.17 of the dose received in that monitoring year if:

6.5.2.1 The individual's occupational dose exceeds 100 mrem TEDE or 100 mrem to any individual organ or tissue; or

6.5.2.2 The individual requests his or her annual dose report.

6.5.4 - Revise paragraph on reporting to the Department.

6.5.4 When a licensee is required pursuant to RHA 3.45, 3.46, 3.47, and 3.49 to report to the Department any exposure of an individual to radiation or radioactive material, or an identified member of the public, to radiation or radioactive material, the licensee shall also provide the individual a report on his or her exposure data included in the report to the Department. This report shall be transmitted no later than the transmittal to the Department.

7.2.22 - Revise definition for "Waste".

7.2.22 "Waste" means those low-level radioactive wastes containing source, special nuclear, or byproduct material that are acceptable for disposal in a land disposal facility. For the purposes of this definition, low-level radioactive waste means radioactive waste not classified as high-level radioactive waste, transuranic waste, spent nuclear fuel, or byproduct material as defined in Section 1.2.6, paragraphs 2, 3, and 4 of this Regulation.

Statement of Need and Reasonableness:

This Statement of Need and Reasonableness complies with SC Code Ann. Section 1-23-115(C)(1)-(3) and (9)-(11).

DESCRIPTION OF REGULATION: Proposed amendment of R.61-63, Radioactive Materials (Title A).

Purpose: The Department has amended R.61-63, Radioactive Materials (Title A) to maintain conformity with federal requirements and ensure compliance with federal standards as required by Section 274 of the Atomic Energy Act of 1954. In addition, minor corrections and clarifications have been made to achieve conformity with prior federal regulations. These amendments will not be more stringent than the federal equivalent, and legislative review will not be required, nor is a preliminary assessment report or fiscal impact statement required.

Legal Authority: S.C. Ann. Code Sections 13-7-10 et seq. and required by Section 274 of the Atomic Energy Act of 1954.

Plan for Implementation: Upon final approval by the Board of Health and Environmental Control and publication in the *State Register* as a final regulation, amended regulations will be provided to the regulated community at cost through the Department's Freedom of Information Office.

DETERMINATION OF NEED AND REASONABLENESS OF THE REGULATION BASED ON ALL FACTORS HEREIN AND EXPECTED BENEFITS:

Adoption of the amendments of R.61-63 will enable compliance with recent federal amendments. See purpose above.

The Department has amended R.61-63, Radioactive Materials (Title A) to maintain conformity with federal requirements and to ensure compliance with federal standards as required by Section 274 of the Atomic Energy Act of 1954. In addition, minor corrections and clarifications have been made to achieve conformity with prior federal regulations.

The regulation has been amended to implement a National Source Tracking System for certain sealed sources. The amendments will require licensees to report certain transactions involving these sealed sources to the National Source Tracking System. These transactions include manufacture, transfer, receipt, disassembly, or disposal of nationally tracked sources. The amendments will also require each licensee to provide initial inventory of nationally tracked sources to the National Source Tracking System and annually reconcile the information in the system with the licensee's actual inventory. The manufacturers will be required to assign a unique serial number to each nationally tracked source.

The regulation has been amended to establish an expanded definition of Byproduct Material to include jurisdiction over discrete sources of radium-226, accelerator-produced radioactive materials and discrete sources of naturally occurring radioactive material, as required by the Energy Policy Act of 2005 (EPAct).

The regulation is amended with respect to the Occupational Dose Records, Labeling Containers and the Total Effective Does Equivalent. The changes limit the routine reporting of annual doses to those workers whose annual dose exceeds a specific dose threshold or who request a report. The changes modify the labeling requirements for certain containers holding licensed material within posted areas in nuclear power facilities. The rule removes the requirement that licensees attempt to obtain cumulative exposure records for workers unless these individuals are being authorized to receive a planned special exposure. The revisions reduce the administrative and information collection burdens on NRC and Agreement State licensees without affecting the level of protection for the health and safety of workers and the public or the environment.

DETERMINATION OF COSTS AND BENEFITS:

This regulatory amendment is exempt from the requirements of a Fiscal Impact Statement or an Assessment Report because the proposed changes are necessary to maintain compliance with federal regulations. There are no known additional costs to the state and its political subdivisions.

UNCERTAINTIES OF ESTIMATES:

There are no known uncertainties.

EFFECT ON ENVIRONMENT AND PUBLIC HEALTH:

This amendment will provide updates to the National Source Tracking System (NSTS), the expanded definition of byproduct material, and the requirements for occupational dose records, labeling containers, and total effective dose equivalent. The adoption of these regulations will ensure an effective regulatory program for radioactive material users under state jurisdiction and protection of the public and workers from unnecessary exposure to ionizing radiation.

DETRIMENTAL EFFECT ON THE ENVIRONMENT AND PUBLIC HEALTH IF THE REGULATION IS NOT IMPLEMENTED:

The State's authority to implement federal requirements, which are believed to be beneficial to the public health and environment, would be compromised if these amendments were not adopted in South Carolina.

Document No. 4058
DEPARTMENT OF INSURANCE
CHAPTER 69
Statutory Authority: 1976 Code Sections 1-23-10 et seq., 38-3-110(2), and 38-21-300

69-14. Insurance Holding Company Systems

Synopsis:

The Insurance Holding Company Systems Regulation currently requires three complete copies of each statement including exhibits and all other papers and documents shall be filed with the Department. In order to increase efficiency in the review of these documents and utilize current technology, the proposed amendments to the regulation will require one hard copy and an electronic filing of all statements and reports required by S. C. Code Sections 38-21-60, 38-21-70, 38-21-140, 38-21-150 and 38-21-250. The proposed amendments also substitute the word “Director” for “Commissioner.”

Notice of Drafting for the proposed regulation was published in the *State Register* on November 28, 2008.

Instructions: Amend Regulation 69-14 as provided below.

Text:

69-14. Insurance Holding Company Systems.

Section I. Forms--General Requirements.

A. Forms A, B, C, and D are intended to be guides in the preparation of the statements required by S. C. Code Sections 38-21-60, 38-21-70, 38-21-140, 38-21-150 and 38-21-250. They are not intended to be blank forms which are to be filled in. These statements filed shall contain the number and captions of all items, but the text of the items may be omitted provided the answers thereto are prepared in such a manner as to indicate clearly the scope and coverage of the items. All instructions, whether appearing under the items of the form or elsewhere therein, are to be omitted. Unless expressly provided otherwise, if any item is inapplicable or the answer thereto is in the negative, an appropriate statement to that effect shall be made.

B. One hard copy and an electronic filing for each statement (Forms A, B, C, D) including exhibits and all other papers and documents filed as a part thereof, shall be filed with the Director. A copy of Form C shall be filed in each state in which an insurer is authorized to do business, if the Director of that state has notified the insurer of its request in writing, in which case the insurer has ten days from receipt of the notice to file such form. At least one of the copies shall be manually signed in the manner prescribed on the form. Unsigned copies shall be conformed. If the signature of any person is affixed pursuant to a power of attorney or other similar authority, a copy of such power of attorney or other authority shall also be filed with the statement.

C. Statements should be prepared on paper 8 1/2 "' × 11"' (or 8 1/2 "' × 14"') in size and preferably bound at the top or the top left-hand corner. Exhibits and financial statements, unless specifically prepared for the filing, may be submitted in their original size. All copies of any statement, financial statements, or exhibits shall be clear, easily readable and suitable for photocopying. Debits in credit categories and credits in debit categories

shall be designated so as to be clearly distinguishable as such on photocopies. Statements shall be in the English language and monetary values shall be stated in United States currency. If any exhibit or other paper or document filed with the statement is in a foreign language, it shall be accompanied by a translation into the English language and any monetary value normally shown in foreign currency shall be converted into United States currency.

Section II. Forms--Incorporation by Reference, Summaries and Omissions.

A. Information required by any item of Form A, Form B or Form D may be incorporated by reference in answer or partial answer to any other item. Information contained in any financial statement, annual report, proxy statement, statement filed with a governmental authority, or any other document may be incorporated by reference in answer or partial answer to any item of Form A, Form B or Form D, provided such document or paper is filed as an exhibit to the statement. Excerpts of documents may be filed as exhibits if the documents are extensive. Documents currently on file with the Director which were filed within three years need not be attached as exhibits to information contained in exhibits or in documents already on file shall clearly identify the material and shall specifically indicate that such material is to be incorporated by reference in answer to the item. Matter shall not be incorporated by reference in any case where such incorporation would render the statement incomplete, unclear or confusing.

B. Where an item requires a summary or outline of the provisions of any document, only a brief statement shall be made as to the pertinent provisions of the document. In addition to such statement, the summary or outline may incorporate by reference particular parts of any exhibit or document currently on file with the Director which was filed within three years and may be qualified in its entirety by such reference. In any case where two or more documents required to be filed as exhibits are substantially identical in all material respects except as to the parties thereto, the dates of execution, or other details, a copy of only one of such documents need be filed with a schedule identifying the omitted documents and setting forth the material details in which such documents differ from the documents a copy of which is filed.

Section III. Forms--Information Unknown or Unavailable and Extension of Time to Furnish.

A. Information required need be given only insofar as it is known or reasonably available to the person filing the statement. If any required information is unknown and not reasonably available to the person filing, either because the obtaining thereof would involve unreasonable effort or expense, or because it rests peculiarly within the knowledge of another person not affiliated with the person filing, the information may be omitted, subject to the following conditions:

1. The person filing shall give such information on the subject as it possesses or can acquire without unreasonable effort or expense, together with the sources thereof; and

2. The person filing shall include a statement either showing that unreasonable effort or expense would be involved or indicating the absence of any affiliation with the person within whose knowledge the information rests and stating the result of a request made to such person for the information.

B. If it is impractical to furnish any required information, document or report at the time it is required to be filed, there may be filed with the Director a separate document:

1. identifying the information, document or report in question;

2. stating why the filing thereof at the time required is impractical; and

3. requesting an extension of time for filing the information, document or report to a specified date. The request for extension shall be deemed granted unless the Director within sixty days after receipt thereof enters an order denying the request.

Section IV. Forms--Additional Information and Exhibits.

In addition to the information expressly required to be included in Form A, Form B, Form C and Form D, there shall be added such further material information, if any, as may be necessary to make the information contained therein not misleading. The person filing may also file such exhibits as it may desire in addition to those expressly required by the statement. Such exhibits shall be so marked as to indicate clearly the subject matter to which they refer. Changes to Forms A, B, C or D shall include on the top of the cover page the phrase: "Change No. (insert number) to" and shall indicate the date of the change and not the date of the original filing.

Section V. Definitions.

A. "Executive officer" means chief executive officer, chief operating officer, chief financial officer, treasurer, secretary, controller, and any other individual performing functions corresponding to those performed by the foregoing officers under whatever title.

B. "Foreign insurer" shall include an alien insurer except where clearly noted otherwise.

C. "Ultimate controlling person" means that person which is not controlled by any other person.

D. Unless the context otherwise requires, other terms found in these regulations and in South Carolina Code Section 38-21-10 are used as defined in Section 38-21-10. Other nomenclature or terminology is defined according to Title 38 of the South Carolina Code, or industry usage if not defined by Title 38 of the South Carolina Code.

Section VI. Subsidiaries of Domestic Insurers.

The authority to invest in subsidiaries under South Carolina Code Section 38-21-30 is in addition to any authority to invest in subsidiaries which may be contained in any other provision of Title 38 of the Code.

Section VII. Acquisition of Control--Statement Filing.

A person required to file a statement pursuant to South Carolina Code Sections 38-21-60 and 38-21-70 shall furnish the required information on Form A, hereby made a part of this regulation.

Section VIII. Amendments to Form A.

The applicant shall promptly advise the Director of any changes in the information so furnished on Form A arising subsequent to the date upon which such information was furnished but prior to the Director's disposition of the application.

Section IX. Acquisition of Section 38-21-60 Insurers.

A. If the person being acquired is deemed to be a "domestic insurer" solely because of the provisions of South Carolina Code Section 38-21-60, the name of the domestic insurer on the cover page should be indicated as follows: "ABC Insurance Company, a subsidiary of XYZ Holding Company".

B. Where a Section 38-21-60 insurer is being acquired, references to "the insurer" contained in Form A shall refer to both the domestic subsidiary insurer and the person being acquired.

Section X. Annual Registration of Insurers--Statement Filing.

An insurer required to file an annual registration statement pursuant to South Carolina Code Sections 38-21-130 and 38-21-140 shall furnish the required information on Form B, hereby made a part of these regulations.

Section XI. Summary of Registration--Statement Filing.

An insurer required to file an annual registration statement pursuant to Sections 38-21-130 and 38-21-140 is also required, under Section 38-21-150, to furnish information specified on Form C, hereby made a part of these regulations. An insurer shall file a copy of Form C in each state in which the insurer is authorized to do business, if requested by the regulatory authorities of that state.

Section XII. Alternative and Consolidated Registrations.

A. Any authorized insurer may file a registration statement on behalf of any affiliated insurer or insurers which are required to register under Section 38-21-130. A registration statement may include information not required by law regarding any insurer in the insurance holding company system even if such insurer is not authorized to do business in this State. In lieu of filing a registration statement on Form B, the authorized insurer may file a copy of the registration statement or similar report which it is required to file in its state of domicile, provided:

1. the statement or report contains substantially similar information required to be furnished on Form B; and

2. the filing insurer is the principal insurance company in the insurance holding company system.

B. The question of whether the filing insurer is the principal insurance company in the insurance holding company system is a question of fact and an insurer filing a registration statement or report in lieu of Form B on behalf of an affiliated insurer, shall set forth a brief statement of facts which will substantiate the filing insurer's claim that it, in fact, is the principal insurer in the insurance holding company system.

C. Any authorized insurer may utilize the provisions of Sections 38-21-200 and 38-21-210 without obtaining prior approval of the Director. The Director, however, reserves the right to require individual filings if he deems such filings necessary in the interest of clarity, ease of administration or the public good.

Section XIII. Disclaimers of Affiliation and Termination of Registration.

A. A disclaimer of affiliation or a request for termination of registration claiming that a person does not, or will not upon the taking of some proposed action, control another person (hereinafter referred to as the "subject") shall contain the following information:

1. the number of authorized, issued and outstanding voting securities of the subject;

2. with respect to the person whose control is denied and all affiliates of such person, the number and percentage of shares of the subject's voting securities which are held of record or known to be beneficially owned, and the number of such shares concerning which there is a right to acquire, directly or indirectly;

3. all material relationships and bases for affiliation between the subject and the person whose control is denied and all affiliates of such person;

4. a statement explaining why such person should not be considered to control the subject.

B. A request for termination of registration shall be deemed to have been granted unless the Director, within thirty days after he receives the request, notifies the registrant otherwise.

Section XIV. Transactions Subject to Prior Notice--Notice Filing.

An insurer required to give notice of a proposed transaction pursuant to South Carolina Code Section 38-21-250 shall furnish the required information on Form D, hereby made a part of these regulations.

Section XV. Extraordinary Dividends and Other Distributions.

A. Requests for approval of extraordinary dividends or any other extraordinary distribution to shareholders shall include the following:

1. The amount of the proposed dividend;

2. The date established for payment of the dividend;

3. A statement as to whether the dividend is to be in cash or other property and, if in property, a description thereof, its cost, and its fair market value together with an explanation of the basis for valuation;

4. A copy of the calculations determining that the proposed dividend is extraordinary. The work paper shall include the following information:

(a) The amounts, dates and form of payment of all dividends or distributions (including regular dividends but excluding distributions of the insurer's own securities) paid within the period of twelve consecutive months ending on the date fixed for payment of the proposed dividend for which approval is sought and commencing on the day after the same day of the same month in the last preceding year;

(b) Surplus as regards policyholders (total capital and surplus) as shown in the insurer's most recent annual statement;

(c) If the insurer is a life insurer, the net gain from operations as shown in the insurer's most recent annual statement;

(d) If the insurer is not a life insurer, the net income less net realized capital gains or losses as shown in the insurer's most recent annual statement; and

(e) The dividends paid to stockholders excluding distributions of the insurer's own securities.

5. A balance sheet and statement of income for the period intervening from the last annual statement filed with the Director and the end of the month preceding the month in which the request for dividend approval is submitted; and

6. A brief statement as to the effect of the proposed dividend upon the insurer's surplus and the reasonableness of surplus in relation to the insurer's outstanding liabilities and the adequacy of surplus relative to the insurer's financial needs.

B. Subject to South Carolina Code Section 38-21-270, each registered insurer shall report to the Director all dividends and other distributions to shareholders within five business days following the declaration thereof, and at least ten days prior to the payment thereof, including the same information required by South Carolina Code Section 38-21-260 and Subsections (A)(4) (a)-(e) of this Section.

Section XVI. Adequacy of Surplus.

The factors set forth in South Carolina Code Section 38-21-260 are not intended to be an exhaustive list. In determining the adequacy and reasonableness of an insurer's surplus no single factor is necessarily controlling. The Director, instead, will consider the net effect of all of these factors plus other factors bearing on the financial condition of the insurer. In comparing the surplus maintained by other insurers, the Director will consider the extent to which each of these factors varies from company to company and in determining the quality and liquidity of investments in subsidiaries, the Director will consider the individual subsidiary and may discount or disallow its valuation to the extent that the individual investments so warrant.

Section XVII. Severability.

If any provision of this regulation or the application thereof to any person or circumstance is for any reason held to be invalid, the remainder of the regulation and the application of such provision to other persons or circumstances shall not be affected thereby.

Section XVIII. Effective Date.

This regulation shall become effective ninety days after final publication in the State Register.

FORM A
STATEMENT REGARDING THE ACQUISITION OF CONTROL OF OR MERGER WITH A DOMESTIC INSURER

_____
Name of Domestic Insurer

By

_____
Name of Acquiring Person (Applicant)

Filed with the Insurance Department of _____
(State of domicile of insurer being acquired)

Dated:_____, 20_____

Name, Title, Address and Telephone Number of Individual to Whom Notices and Correspondence Concerning This Statement Should be Addressed:

_____

_____

ITEM 1. INSURER AND METHOD OF ACQUISITION.

State the name and address of the domestic insurer to which this application relates and a brief description of how control is to be acquired.

ITEM 2. IDENTITY AND BACKGROUND OF THE APPLICANT.

(a) State the name and address of the applicant seeking to acquire control over the insurer.

(b) If the applicant is not an individual, state the nature of its business operations for the past five years or for such lesser period as such person and any predecessors thereof shall have been in existence. Briefly describe the business intended to be done by the applicant and the applicant's subsidiaries.

(c) Furnish a chart or listing clearly presenting the identities of the inter-relationships among the applicant and all affiliates of the applicant. No affiliates need be identified if its total assets are equal to less than 1/2 of 1% of the total assets of the ultimate controlling person affiliated with the applicant. Indicate in such chart or listing the percentage of voting securities of each such person which is owned or controlled by the applicant or by any other such person. If control of any person is maintained other than by the ownership or control of voting securities, indicate the basis of such control. As to each person specified in such chart or listing indicate the type of organization (e.g. corporation, trust, partnership) and the state or other jurisdiction of domicile. If court proceedings involving a reorganization or liquidation are pending with respect to any such person, indicate which person, and set forth the title of the court, nature of proceedings and the date when commenced.

ITEM 3. IDENTITY AND BACKGROUND OF INDIVIDUALS ASSOCIATED WITH THE APPLICANT.

State the following with respect to (1) the applicant if (s)he is an individual or (2) all persons who are directors, executive officers or owners of 10% or more of the voting securities of the applicant if the applicant is not an individual.

(a) Name and business address;

(b) Present principal business activity, occupation or employment including position and office held and the name, principal business and address of any corporation or other organization in which such employment is carried on;

(c) Material occupations, positions, offices or employment during the last five years, giving the starting and ending dates of each and the name, principal business and address of any business corporation or other organization in which each such occupation, position, office or employment was carried on; if any such occupation, position, office or employment required licensing by or registration with any federal, state or municipal governmental agency, indicate such fact, the current status of such licensing or registration, and an explanation of any surrender, revocation, suspension or disciplinary proceedings in connection therewith;

(d) Whether or not such person has ever been convicted in a criminal proceeding (excluding minor traffic violations) during the last ten years and, if so, give the date, nature of conviction, name and location of court, and penalty imposed or other disposition of the case.

ITEM 4. NATURE, SOURCE AND AMOUNT OF CONSIDERATION.

(a) Describe the nature, source and amount of funds or other considerations used or to be used in effecting the merger or other acquisition of control. If any part of the same is represented or is to be represented by funds or other consideration borrowed or otherwise obtained for the purpose of acquiring, holding or trading securities, furnish a description of the transaction, the names of the parties thereto, the relationship, if any, between the borrower and the lender, the amounts borrowed or to be borrowed, and copies of all agreements, promissory notes and security arrangements relating thereto.

(b) Explain the criteria used in determining the nature and amount of such consideration.

(c) If the source of the consideration is a loan made in the lender's ordinary course of business and if the applicant wishes the identity of the lender to remain confidential, he must specifically request that the identity be kept confidential.

ITEM 5. FUTURE PLANS OF INSURER.

Describe any plans or proposals which the applicant may have to declare an extraordinary dividend, to liquidate such insurer, to sell its assets to or merge it with any person or persons or to make any other material change in its business operations or corporate structure or management.

ITEM 6. VOTING SECURITIES TO BE ACQUIRED.

State the number of shares of the insurer's voting securities which the applicant, its affiliates and any person listed in Item 3 plan to acquire, and the terms of the offer, request, invitation, agreement or acquisition, and a statement as to the method by which the fairness of the proposal was arrived at.

ITEM 7. OWNERSHIP OF VOTING SECURITIES.

State the amount of each class of any voting security of the insurer which is beneficially owned or concerning which there is a right to acquire beneficial ownership by the applicant, its affiliates or any person listed in Item 3.

ITEM 8. CONTRACTS, ARRANGEMENTS, OR UNDERSTANDING WITH RESPECT TO VOTING SECURITIES OF THE INSURER.

Give a full description of any contracts, arrangements or understandings with respect to any voting security of the insurer in which the applicant, its affiliates or any person listed in Item 3 is involved, including but not limited to transfer of any of the securities, joint ventures, loan or option arrangements, puts or calls, guarantees of loans, guarantees against loss or guarantees of profits, division of losses or profits, or the giving or withholding of proxies. Such description shall identify the person with whom such contracts, arrangements or understandings have been entered into.

ITEM 9. RECENT PURCHASES OF VOTING SECURITIES.

Describe any purchases of any voting securities of the insurer by the applicant, its affiliates or any person listed in Item 3 during the twelve calendar months preceding the filing of this statement. Include in such description the dates of purchase, the names of the purchasers, and the consideration paid or agreed to be paid therefor. State whether any such shares so purchased are hypothecated.

ITEM 10. RECENT RECOMMENDATIONS TO PURCHASE.

Describe any recommendations to purchase any voting security of the insurer made by the applicant, its affiliates or any person listed in Item 3, or by anyone based upon interviews or at the suggestion of the applicant, its affiliates or any person listed in Item 3 during the twelve calendar months preceding the filing of this statement.

ITEM 11. AGREEMENTS WITH BROKER-DEALERS.

Describe the terms of any agreement, contract or understanding made with any broker-dealer as to solicitation of voting securities of the insurer for tender and the amount of any fees, commissions or other compensation to be paid to broker-dealers with regard thereto.

ITEM 12. FINANCIAL STATEMENTS AND EXHIBITS.

(a) Financial statements and exhibits shall be attached to this statement as an appendix, but list under this item the financial statements and exhibits so attached.

(b) The financial statements shall include the annual financial statements of the persons identified in Item 2(c) for the preceding five fiscal years (or for such lesser period as such applicant and its affiliates and any predecessors thereof shall have been in existence), and similar information covering the period from the end of such person's last fiscal year, if such information is available. Such statements may be prepared on either an individual basis, or, unless the Director otherwise requires, on a consolidated basis if such consolidated statements are prepared in the usual course of business.

The annual financial statements of the applicant shall be accompanied by the certificate of an independent public accountant to the effect that such statements present fairly the financial position of the applicant and the results of its operations for the year then ended, in conformity with generally accepted accounting principles or with requirements of insurance or other accounting principles prescribed or permitted under law. If the applicant is an insurer which is actively engaged in the business of insurance, the financial statements need not be certified, provided they are based on the Annual Statement of such person filed with the insurance department of the person's domiciliary state and are in accordance with the requirements of insurance or other accounting principles prescribed or permitted under the law and regulations of such state.

(c) File as exhibits copies of all tender offers for, requests or invitations for, tenders of, exchange offers for, and agreements to acquire or exchange any voting securities of the insurer and (if distributed) of additional soliciting material relating thereto, any proposed employment, consultation, advisory or management contracts concerning the insurer, annual reports to the stockholders of the insurer and the applicant for the last two fiscal years, and any additional documents or papers required by Form A or Regulation 69-14.

ITEM 13. SIGNATURE AND CERTIFICATION.

Signature and certification required as follows:

SIGNATURE

Pursuant to the requirements of South Carolina Code Sections 38-21-60 and 38-21-70, _____ has caused this application to be duly signed on its behalf in the City of _____ and State of _____ on the ____ day of _____, 20_____.

(SEAL) _____
Name of Applicant

BY _____
(Name) (Title)

Attest:

_____
(Signature of Officer)

_____
(Title)

CERTIFICATION

The undersigned deposes and says that (s)he has duly executed the attached application dated _____, 20____, for and on behalf of _____ (Name of Applicant); that (s)he is the _____ (Title of Officer) of such company and that (s)he is authorized to execute and file such instrument.

Deponent further says that (s)he is familiar with such instrument and the contents thereof, and that the facts therein set forth are true to the best of his/her knowledge, information and belief.

(Signature)_____

(Type or print name beneath) _____

FORM B
INSURANCE HOLDING COMPANY SYSTEM ANNUAL
REGISTRATION STATEMENT

Filed with the Insurance Department of the

State of _____

By

_____
Name of Registrant

On Behalf of Following Insurance Companies

Name Address

_____

_____

Date: _____, 20____

Name, Title, Address and telephone number of Individual to Whom Notices and Correspondence Concerning This Statement Should Be Addressed:

_____

_____

ITEM 1. IDENTITY AND CONTROL OF REGISTRANT.

Furnish the exact name of each insurer registering or being registered (hereinafter called "the Registrant"), the home office address and principal executive offices of each; the date on which each Registrant became part of the insurance holding company system; and the method(s) by which control of each Registrant was acquired and is maintained.

ITEM 2. ORGANIZATIONAL CHART.

Furnish a chart or listing clearly presenting the identities of and interrelationships among all affiliated persons within the insurance holding company system. No affiliate need be shown if its total assets are equal to less than 1/2 of 1% of the total assets of the ultimate controlling person within the insurance holding company system unless it has assets valued at or exceeding (insert amount). The chart or listing should show the percentage of each class of voting securities of each affiliate which is owned, directly or indirectly, by

another affiliate. If control of any person within the system is maintained other than by the ownership or control of voting securities, indicate the basis of such control. As to each person specified in such chart or listing indicate the type of organization (e.g., corporation, trust, partnership) and the state or other jurisdiction of domicile.

ITEM 3. THE ULTIMATE CONTROLLING PERSON.

As to the ultimate controlling person in the insurance holding company system furnish the following information:

(a) Name.

(b) Home office address.

(c) Principal executive office address.

(d) The organizational structure of the person, i.e., corporation, partnership, individual, trust, etc.

(e) The principal business of the person.

(f) The name and address of any person who holds or owns 10% or more of any class of voting security, the class of such security, the number of shares held of record or known to be beneficially owned, and the percentage of class so held or owned.

(g) If court proceedings involving a reorganization or liquidation are pending, indicate the title and location of the court, the nature of proceedings and the date when commenced.

ITEM 4. BIOGRAPHICAL INFORMATION.

Furnish the following information for the directors and executive officers of the ultimate controlling person: the individual's name and address, his or her principal occupation and all offices and positions held during the past five years, and any conviction of crimes other than minor traffic violations during the past ten years.

ITEM 5. TRANSACTIONS AND AGREEMENTS.

Briefly describe the following agreements in force, and transactions currently outstanding or which have occurred during the last calendar year between the Registrant and its affiliates:

(1) loans, other investments, or purchases, sales or exchanges of securities of the affiliates by the Registrant or of the Registrant by its affiliates;

(2) purchases, sales or exchanges of assets;

(3) transactions not in the ordinary course of business;

(4) guarantees or undertakings for the benefit of an affiliate which result in an actual contingent exposure of the Registrant's assets to liability, other than insurance contracts entered into in the ordinary course of the Registrant's business;

(5) all management agreements, service contracts and all cost-sharing arrangements;

(6) leases;

(7) reinsurance agreements;

(8) dividends and other distributions to shareholders;

(9) consolidated tax allocation agreements;

(10) any pledge of the Registrant's stock and/or of the stock of any subsidiary or controlling affiliate, for a loan made to any member of the insurance holding company system; and

(11) contributions by the Registrant to the surplus of an affiliate.

No information need be disclosed if such information is not material for purposes of South Carolina Code Section 38-21-160.

Sales, purchases, exchanges, loans or extensions of credit, investments or guarantees involving one-half of 1% or less of the Registrant's admitted assets as of the previous 31st day of December shall not be deemed material, unless the Director by order or regulation provides otherwise.

The description shall be in a manner as to permit the proper evaluation thereof by the Director, and shall include at least the following: the nature and purpose of the transaction, the nature and amounts of any payments or transfers of assets between the parties, the identity of all parties to such transaction, and relationship of the affiliated parties to the Registrant.

ITEM 6. LITIGATION OR ADMINISTRATIVE PROCEEDINGS.

A brief description of any litigation or administrative proceedings of the following types, either then pending or concluded within the preceding fiscal year, to which the ultimate controlling person or any of its directors or executive officers was a party or of which the property of any such person is or was the subject; give the names of the parties and the court or agency in which such litigation or proceeding is or was pending:

(a) Criminal prosecutions or administrative proceedings by any government agency or authority; and

(b) Proceedings which may have a material effect upon the solvency or capital structure of the ultimate holding company including, but not necessarily limited to, bankruptcy, receivership or other corporate reorganizations.

ITEM 7. STATEMENT REGARDING PLAN OR SERIES OF TRANSACTIONS.

The insurer shall furnish a statement that transactions entered into since the filing of the prior year's annual registration statement are not part of a plan or series of like transactions, the purpose of which is to avoid statutory threshold amounts and the review that might otherwise occur.

ITEM 8. FINANCIAL STATEMENTS AND EXHIBITS.

(a) Financial statements and exhibits should be attached to this statement as an appendix, but list under this item the financial statements and exhibits so attached.

(b) The financial statements shall include the annual financial statements of the ultimate controlling person in the insurance holding company system as of the end of the person's latest fiscal year.

If at the time of the initial registration, the annual financial statements for the latest fiscal year are not available, annual statements for the previous fiscal year may be filed and similar financial information shall be filed for any subsequent period to the extent such information is available. Such financial statements may be prepared on either an individual basis, or unless the Director otherwise requires, on a consolidated basis if such consolidated statements are prepared in the usual course of business.

Unless the Director otherwise permits, the annual financial statements shall be accompanied by the certificate of an independent public accountant to the effect that such statements present fairly the financial position of the ultimate controlling person and the results of its operations for the year then ended, in conformity with generally accepted accounting principles or with requirements of insurance or other accounting principles prescribed or permitted under law. If the ultimate controlling person is an insurer which is actively engaged in the business of insurance, the annual financial statements need not be certified, provided they are based on the Annual Statement of such insurer filed with the insurance department of the insurer's domiciliary state and in accordance with requirements of insurance or other accounting principles prescribed or permitted under the law and regulations of such state.

(c) Exhibits shall include copies of the latest annual reports to shareholders of the ultimate controlling person and proxy material used by the ultimate controlling person and any additional documents or papers required by Form B or Regulation 69-14.

ITEM 9. FORM C REQUIRED.

A Form C, Summary of Registration Statement, must be prepared and filed with this Form B.

ITEM 10. SIGNATURE AND CERTIFICATION.

Signature and certification required as follows:

SIGNATURE

Pursuant to the requirements of South Carolina Code Sections 38-21-130 and 38-21-140, the Registrant has caused this annual registration statement to be duly signed on its behalf in the City of _____ and State of _____ on the ____ day of _____, 20____.

(SEAL) _____
Name of Registrant

BY _____
(Name) (Title)

Attest:

_____
(Signature of Officer)

_____
(Title)

CERTIFICATION

The undersigned deposes and says that (s)he has duly executed the attached annual registration statement dated _____, 20____, for and on behalf of _____ (Name of Company); that (s)he is the _____ (Title of Officer) of such company and that (s)he is authorized to execute and file such instrument. Deponent further says that (s)he is familiar with such instrument and the contents thereof, and that the facts therein set forth are true to the best of his/her knowledge, information and belief.

(Signature) _____

(Type or print name beneath) _____

FORM C
SUMMARY OF REGISTRATION STATEMENT

Filed with the Insurance Department of the
State of _____

By

_____
Name of Registrant

On Behalf of Following Insurance Companies

Name Address

_____

_____

Date: _____, 20____

Name, Title, Address and Telephone number of Individual to Whom Notices and Correspondence Concerning This Statement Should Be Addressed:

_____

_____

Furnish a brief description of all items in the current annual registration statement which represent changes from the prior year's annual registration statement. The description shall be in a manner as to permit the proper evaluation thereof by the Director, and shall include specific references to Item numbers in the annual registration statement and to the terms contained therein.

Changes occurring under Item 2 of Form B insofar as changes in the percentage of each class of voting securities held by each affiliate is concerned, need only be included where such changes are ones which result in ownership or holdings of 10 percent or more of voting securities, loss or transfer of control, or acquisition or loss of partnership interest.

Changes occurring under Item 4 of Form B need only be included where: an individual is, for the first time, made a director or executive officer of the ultimate controlling person; a director or executive officer terminates his or her responsibilities with the ultimate controlling person; or in the event an individual is named president of the ultimate controlling person.

If a transaction disclosed on the prior year's annual registration statement has been changed, the nature of such change shall be included. If a transaction disclosed on the prior year's annual registration statement has been effectuated, furnish the mode of completion and any flow of funds between affiliates resulting from the transaction.

The insurer shall furnish a statement that transactions entered into since the filing of the prior year's annual registration statement are not part of a plan or series of like transactions whose purpose it is to avoid statutory threshold amounts and the review that might otherwise occur.

SIGNATURE AND CERTIFICATION

Signature and certification required as follows:

SIGNATURE

Pursuant to the requirements of South Carolina Code Section 38-21-150, the Registrant has caused this summary of registration statement to be duly signed on its behalf in the City of _____ and State of _____ on the ____ day of _____, 20____.

(SEAL) _____
Name of Registrant

BY _____
(Name) (Title)

Attest:

_____
(Signature of Officer)

_____
(Title)

CERTIFICATION

The undersigned deposes and says that (s)he has fully executed the attached summary of registration statement dated _____, 20____, for and on behalf of _____ (Name of Company); that (s)he is the _____ (Title of Officer) of such company and that (s)he is authorized to execute and file such instrument. Deponent further says that (s)he is familiar with such instrument and the contents thereof, and that the facts therein set forth are true to the best of his/her knowledge, information and belief.

(Signature) _____

(Type or print name beneath) _____

FORM D
PRIOR NOTICE OF A TRANSACTION

Filed with the Insurance Department of the State of _____

By

_____
Name of Registrant

On Behalf of Following Insurance Companies

Name Address

_____

_____

Date: _____, 20____.

Name, Title, Address and Telephone Number of Individual to Whom Notices and Correspondence Concerning This Statement Should Be Addressed:

_____

_____

ITEM 1. IDENTITY OF PARTIES TO TRANSACTION.

Furnish the following information for each of the parties to the transaction:

(a) Name.

(b) Home office address.

(c) Principal executive office address.

(d) The organizational structure, i.e., corporation, partnership, individual, trust, etc.

(e) A description of the nature of the parties' business operations.

(f) Relationship, if any, of other parties to the transaction to the insurer filing the notice, including any ownership or debtor/creditor interest by any other parties to the transaction in the insurer seeking approval, or by the insurer filing the notice in the affiliated parties.

(g) Where the transaction is with a non-affiliate, the name(s) of the affiliate(s) which will receive, in whole or in substantial part, the proceeds of the transaction.

ITEM 2. DESCRIPTION OF THE TRANSACTION.

Furnish the following information for each transaction for which notice is being given:

(a) A statement as to whether notice is being given under South Carolina Code Sections 38-21-250(2)(i), (ii), (iii), (iv) or (v).

(b) A statement of the nature of the transaction.

(c) The proposed effective date of the transaction.

ITEM 3. SALES, PURCHASES, EXCHANGES, LOANS, EXTENSIONS OF CREDIT, GUARANTEES OR INVESTMENTS.

Furnish a brief description of the amount and source of funds, securities, property or other consideration for the sale, purchase, exchange, loan, extension of credit, guarantee, or investment, whether any provision exists for purchase by the insurer filing notice, by any party to the transaction, or by any affiliate of the insurer filing notice, a description of the terms of any securities being received, if any, and a description of any other agreements relating to the transaction such as contracts or agreements for services, consulting agreements and the like. If the transaction involves other than cash, furnish a description of the consideration, its cost and its fair market value, together with an explanation of the basis for evaluation.

If the transaction involves a loan, extension of credit or a guarantee, furnish a description of the maximum amount which the insurer will be obligated to make available under such loan, extension of credit or guarantee, the date on which the credit or guarantee will terminate, and any provisions for the accrual of or deferral of interest.

If the transaction involves an investment, guarantee or other arrangement, state the time period during which the investment, guarantee or other arrangement will remain in effect, together with any provisions for extensions or renewals of such investments, guarantees or arrangements. Furnish a brief statement as to the effect of the transaction upon the insurer's surplus.

No notice need be given if the maximum amount which can at any time be outstanding or for which the insurer can be legally obligated under the loan, extension of credit or guarantee is less than, (a) in the case of non-life insurers, the lesser of 3% of the insurer's admitted assets or 25% of surplus as regards policyholders or, (b) in the case of life insurers, 3% of the insurer's admitted assets, each as of the 31st day of December next preceding.

ITEM 4. LOANS OR EXTENSIONS OF CREDIT TO A NON-AFFILIATE.

If the transaction involves a loan or extension of credit to any person who is not an affiliate, furnish a brief description of the agreement or understanding whereby the proceeds of the proposed transaction, in whole or in substantial part, are to be used to make loans or extensions of credit to, to purchase the assets of, or to make investments in, any affiliate of the insurer making such loans or extensions of credit, and specify in what manner the proceeds are to be used to loan to, extend credit to, purchase assets of or make investments in any affiliate. Describe the amount and source of funds, securities, property or other consideration for the loan or extension of credit and, if the transaction is one involving consideration other than cash, a description of its cost and its fair market value together with an explanation of the basis for evaluation. Furnish a brief statement as to the effect of the transaction upon the insurer's surplus.

No notice need be given if the loan or extension of credit is one which equals less than, in the case of non-life insurers, the lesser of 3% of the insurer's admitted assets or 25% of surplus as regards policyholders or, with respect to life insurers, 3% of the insurer's admitted assets, each as of the 31st day of December next preceding.

ITEM 5. REINSURANCE.

If the transaction is a reinsurance agreement or modification thereto, as described by South Carolina Code Section 38-21-250(2)(iii), furnish a description of the known and/or estimated amount of liability to be ceded and/or assumed in each calendar year, the period of time during which the agreement will be in effect, and a statement whether an agreement or understanding exists between the insurer and non-affiliate to the effect that any portion of the assets constituting the consideration for the agreement will be transferred to one or more of the insurer's affiliates. Furnish a brief description of the consideration involved in the transaction, and a brief statement as to the effect of the transaction upon the insurer's surplus.

No notice need be given for reinsurance agreements or modifications thereto if the reinsurance premium or a change in the insurer's liabilities in connection with the reinsurance agreement or modification thereto is less than 5% of the insurer's surplus as regards policyholders, as of the 31st day of December next preceding.

ITEM 6. MANAGEMENT AGREEMENTS, SERVICE AGREEMENTS AND COST-SHARING ARRANGEMENTS.

For management and service agreements, furnish:

(a) a brief description of the managerial responsibilities, or services to be performed.

(b) a brief description of the agreement, including a statement of its duration, together with brief descriptions of the basis for compensation and the terms under which payment or compensation is to be made.

For cost-sharing arrangements, furnish:

(a) a brief description of the purpose of the agreement.

(b) a description of the period of time during which the agreement is to be in effect.

(c) a brief description of each party's expenses or costs covered by the agreement.

(d) a brief description of the accounting basis to be used in calculating each party's costs under the agreement.

ITEM 7. ALL OTHER TRANSACTIONS DETERMINED BY THE DIRECTOR TO BE MATERIAL, INCLUDING, BUT NOT LIMITED TO, REAL OR PERSONAL PROPERTY LEASES.

For leases, furnish:

(a) a brief description of the purpose of the lease.

(b) a description of the period of time during which the lease agreement is to be in effect.

(c) the aggregate payments to be made during the term of the lease.

(d) copy of the lease agreement.

ITEM 8. SIGNATURE AND CERTIFICATION.

Signature and certification required as follows:

SIGNATURE

Pursuant to the requirements of South Carolina Code Section 38-21-250, _____ has caused this notice to be duly signed on its behalf in the City of _____ and State of _____ on the ____ day of _____, 20____.

(SEAL) _____
Name of Applicant

BY _____
(Name) (Title)

Attest:

_____
(Signature of Officer)

_____
(Title)

CERTIFICATION

The undersigned deposes and says that (s)he has fully executed the attached notice dated _____, 20____, for and on behalf of _____ (Name of Applicant); and (s)he is the _____ (Title of Officer) of such company and that (s)he is authorized to execute and file such instrument. Deponent further says that (s)he is familiar with such instrument and the contents thereof, and that the facts therein set forth are true to the best of his/her knowledge, information and belief.

(Signature) _____

(Type or print name beneath) _____

Fiscal Impact Statement:

There will be no increased costs to the state or its political subdivisions.

Statement of Rationale:

The current regulation requires three paper copies of all required statements and exhibits. The proposed regulation is needed to increase efficiency in review of required statements and exhibits submitted to the Department. These submissions are generally quite voluminous. The proposed regulation provides for one hard copy and an electronic filing of statements and exhibits required by S. C. Code Sections 38-21-60, 38-21-70, 38-21-140, 38-21-150 and 38-21-250. An electronic filing will save the Department time in processing and examining these various filings and will save insurers who are required to make these filings the costs of printing the extra paper copies and postage in transmitting them to the Department.

Document No. 4060
DEPARTMENT OF INSURANCE
CHAPTER 69
Statutory Authority: 1976 Code Sections 1-23-110 et seq., 38-3-110, 38-3-60, 38-57-10 et seq., 38-63-10, 38-65-10 and 38-69-10

69-30. Life Insurance Disclosure Regulation

Synopsis:

The amendments to the Life Insurance Disclosure Regulation will update and clarify for insurers and producers the requirements for disclosure in the sales and solicitation of life insurance products. Specific disclosure requirements are being added for preneed funeral contracts. The disclosures provide that certain information is to be furnished to prospective purchasers of life insurance in order to prevent misrepresentation of policies and to enable the insurance purchaser to accurately determine his or her insurance needs and make comparisons of various insurance policies.

Notice of Drafting for the proposed regulation was published in the *State Register* on September 26, 2008.

Instructions: Amend Regulation 69-30 as provided below.

Text:

69-30. Life Insurance Disclosure Regulation.

This regulation requires that all persons selling or soliciting the sale of life insurance furnish to prospective purchasers certain basic information to enable these purchasers to accurately determine their insurance needs and to make comparisons of available policies.

A. Authority. This regulation is adopted and promulgated by the Director of the South Carolina Department of Insurance pursuant to Sections 38-3-60, 38-63-10, 38-65-10, 38-69-10, and Chapter 57 of the 1976 Code of Laws of South Carolina, as amended.

B. Purpose.

(1) The purpose of this regulation is to require insurers to deliver to purchasers of life insurance information that will improve the buyer's ability to select the most appropriate plan of life insurance for the buyer's needs and improve the buyer's understanding of the basic features of the policy that has been purchased or is under consideration.

(2) This regulation does not prohibit the use of additional material that is not a violation of this regulation or any other South Carolina statute or regulation.

C. Scope.

(1) Except for the exemptions specified in Section C(2), this regulation shall apply to any solicitation, negotiation or procurement of life insurance occurring within this state. Section E(2) shall apply only to an existing nonexempt policy held by a policyowner residing in this state. This regulation shall apply to any issuer of life insurance contracts including fraternal benefit societies.

(2) This regulation shall not apply to:

(a) Individual and group annuity contracts;

(b) Credit life insurance;

(c) Group life insurance (except for disclosures relating to preneed funeral contracts or prearrangements; these disclosure requirements shall extend to the issuance or delivery of certificates as well as to the master policy);

(d) Life insurance policies issued in connection with pension and welfare plans as defined by and which are subject to the federal Employee Retirement Income Security Act of 1974 (ERISA) 29 U.S.C. Section 1001 et seq. as amended; or

(e) Variable life insurance under which the amount or duration of the life insurance varies according to the investment experience of a separate account.

D. Definitions. For the purposes of this regulation, the following definitions shall apply:

(1) "Buyer's Guide" means the current Life Insurance Buyer's Guide adopted by the National Association of Insurance Commissioners (NAIC) or language approved by the Director of the Department of Insurance.

(2) "Current scale of nonguaranteed elements" means a formula or other mechanism that produces values for an illustration as if there is no change in the basis of those values after the time of illustration.

(3) "Generic Name" means a short title that is descriptive of the premium and benefit patterns of a policy or a rider.

(4) "Nonguaranteed elements" means the premiums, credited interest rates (including any bonus), benefits, values, non-interest based credits, charges or elements of formulas used to determine any of these, that are subject to company discretion and are not guaranteed at issue. An element is considered nonguaranteed if any of the underlying nonguaranteed elements are used in its calculation.

(5) "Policy data" means a display or schedule of numerical values, both guaranteed and nonguaranteed for each policy year or a series of designated policy years of the following information: illustrated annual, other periodic, and terminal dividends; premiums; death benefits; cash surrender values and endowment benefits.

(6) "Policy Summary" means a written statement describing the elements of the policy including but not limited to:

(a) A prominently placed title as follows: STATEMENT OF POLICY COST AND BENEFIT INFORMATION;

(b) The name and address of the insurance producer, or, if no producer is involved, a statement of the procedure to be followed in order to receive responses to inquiries regarding the Policy Summary;

(c) The full name and home office or administrative office address of the company in which the life insurance policy is to be or has been written;

(d) The Generic Name of the basic policy and each rider;

(e) The following amounts, where applicable, for the first five (5) policy years and representative policy years thereafter sufficient to clearly illustrate the premium and benefit patterns, including at least one age from sixty (60) through sixty-five (65) and policy maturity:

1. The annual premium for the basic policy;

2. The annual premium for each optional rider;

3. The amount payable upon death, at the beginning of the policy year regardless of the cause of death other than suicide, or other specifically enumerated exclusions, that is provided by the basic policy and each optional rider, with benefits provided under the basic policy and each rider shown separately;

4. The total guaranteed cash surrender values at the end of the year with values shown separately for the basic policy and each rider; and

5. Any endowment amounts payable under the policy which are not included under guaranteed cash surrender values above;

(f) The effective policy loan annual percentage interest rate, if the policy contains this provision, specifying whether this rate is applied in advance or in arrears. If the policy loan interest rate is adjustable, the Policy Summary shall also indicate that the annual percentage rate will be determined by the company in accordance with the provisions of the policy and the applicable law; and

(g) The date on which the Policy Summary is prepared.

(7) "Preneed funeral contract" means a contract, which has for its purpose the furnishing or performance of funeral services, or the furnishing or delivery of personal property, merchandise, services of any nature in connection with the final disposition of a dead human body, to be furnished or delivered at a time determinable by the death of the person whose body is to be disposed of, but does not mean the furnishing of a cemetery lot, crypt, niche, mausoleum, grave marker or monument.

E. Duties of Insurers.

(1) Requirements Applicable Generally

(a) The insurer shall provide a Buyer's Guide prior to accepting the applicant's initial premium or premium deposit. However, if the policy for which application is made contains an unconditional refund provision of at least ten (10) days the Buyer's Guide may be delivered with the policy or prior to the delivery of the policy.

(b) The insurer shall provide a Policy Summary to prospective purchasers where the insurer has identified the policy form as one that will not be marketed with an illustration. The Policy Summary shall show guarantees only. It shall consist of a separate document with all required information set out in a manner that does not minimize or render any portion of the summary obscure. Any amounts of the policy that remain level for two (2) or more years may be represented by a single number if it is clearly indicated what amounts are applicable for each policy year. Amounts in Section D(6)(e) shall be listed in total, not on a per thousand or per unit basis. If more than one insured is covered under one policy or rider, death benefits shall be displayed separately for each insured or for each class of insureds if death benefits do not differ within the class. Zero amounts shall be displayed as a blank space. Delivery of the Policy Summary shall be consistent with the time for delivery of the Buyer's Guide as specified in Paragraph (a).

(c) Upon request, the insurer shall provide to any prospective purchaser a Buyer's Guide within a reasonable time, but no more than thirty (30) days from the request.

(2) Requirements Applicable to Existing Policies

(a) Upon request by the policyowner, the insurer shall furnish either policy data or an in force illustration as follows:

1. For policies issued prior to January 1, 2010, the insurer shall furnish policy data, or, at its option, an in force illustration meeting the requirements of Regulation 69-40 then in effect.

2. For policies issued after January 1, 2010, that were declared not to be used with an illustration, the insurer shall furnish policy data, limited to guaranteed values, if it has chosen not to furnish an in force illustration meeting the requirements of Regulation 69-40.

3. If the policy was issued after January 1, 2010 and declared to be used with an illustration, an in force illustration shall be provided.

4. Unless otherwise requested, the policy data shall be provided for twenty (20) consecutive years beginning with the previous policy anniversary. The statement of policy data shall include nonguaranteed elements according to the current scale, the amount of outstanding policy loans, and the current policy loan interest rate. Policy values shown shall be based on the current application of nonguaranteed elements in effect at the time of the request. The insurer may charge a reasonable fee that must be disclosed to the policyowner at the time the request is made.

(b) If a life insurance company changes its method of determining scales of non-guaranteed elements on existing policies, it shall, no later than when the first payment is made on the new basis, advise each affected policy owner residing in this state of this change and of its implication on affected policies. This requirement shall not apply to policies for which the amount payable upon death under the basic policy as of the date when advice would otherwise be required does not exceed $5,000.

(c) If the insurer makes a material revision in the terms and conditions under which it will limit its right to change any nonguaranteed factor, it shall, no later than the first policy anniversary following the revision, advise each affected policy owner residing in this state.

F. Preneed Funeral Contracts or Prearrangements.

(1) The following information shall be adequately disclosed at the time an application is made, prior to accepting the applicant's initial premium or deposit for a preneed funeral contract or prearrangement that is funded or to be funded by a life insurance policy:

(a) The fact that a life insurance policy is involved or being used to fund a prearrangement;

(b) The nature of the relationship among the soliciting agent or agents, the provider of the funeral or cemetery merchandise or services, the administrator and any other person;

(c) The relationship of the life insurance policy to the funding of the prearrangement and the nature and existence of any guarantees relating to the prearrangement;

(d) The impact on the prearrangement:

1. Of any changes in the life insurance policy including but not limited to, changes in the assignment, beneficiary designation or use of the proceeds;

2. Of any penalties to be incurred by the policyholder as a result of failure to make premium payments;

3. Of any penalties to be incurred or monies to be received as a result of cancellation or surrender of the life insurance policy;

(e) A list of the merchandise and services which are applied or contracted for in the prearrangement and all relevant information concerning the price of the funeral services, including an indication that the purchase price is either guaranteed at the time of purchase or to be determined at the time of need;

(f) All relevant information concerning what occurs and whether any entitlements or obligations arise if there is a difference between the proceeds of the life insurance policy and the amount actually needed to fund the prearrangement; and

(g) Any penalties or restrictions, including but not limited to geographic restrictions or the inability of the provider to perform, on the delivery of merchandise, services or the prearrangement guarantee.

G. General Rules.

(1) Each insurer shall maintain at its home office or principal office, a complete file containing one copy of each document authorized by the insurer for use pursuant to this regulation. The file shall contain one copy of each authorized form for a period of three (3) years following the date of its last authorized use unless otherwise provided by this regulation.

(2) An insurance producer shall inform the prospective purchaser, prior to commencing a life insurance sales presentation, that he or she is acting as a life insurance agent and inform the prospective purchaser of the full name of the insurance company which he is representing to the buyer. In sales situations in which a producer is not involved, the insurer shall identify its full name.

(3) Terms such as financial planner, investment advisor, financial consultant, or financial counseling shall not be used in such a way as to imply that the insurance producer is generally engaged in an advisory business in which compensation is unrelated to sales unless such is actually the case. This provision is not intended to preclude persons who hold some form of formal recognized financial planning or consultant designation from using this designation even when they are only selling insurance. This provision also is not intended to preclude persons who are members of a recognized trade or professional association having such terms as part of its name from citing membership, providing that a person citing membership, if authorized only to sell insurance products, shall disclose that fact. This provision does not permit persons to charge an additional fee for services that are customarily associated with the solicitation, negotiation or servicing of policies.

(4) Any reference to nonguaranteed elements shall include a statement that the item is not guaranteed and is based on the company's current scale of nonguaranteed elements (use appropriate special term such as "current dividend" or "current rate" scale.) If a nonguaranteed element would be reduced by the existence of a policy loan, a statement to that effect shall be included in any reference to nonguaranteed elements. A presentation or depiction of a policy issued after January 1, 2010 that includes nonguaranteed elements over a period of years shall be governed by Regulation 69-40.

H. Failure to Comply.

Failure of an insurer to provide or deliver a Buyer's Guide, an in-force illustration, a Policy Summary or policy data as provided in Section E. shall constitute an omission which misrepresents the benefits, advantages, conditions or terms of an insurance policy in violation of South Carolina Code Ann. §38-57-10 et seq.

I. Effective Date.

This rule shall become effective January 1, 2010.

Fiscal Impact Statement:

There will be no increased costs to the state or its political subdivisions.

Statement of Rationale:

The proposed regulation provides for disclosures by producers and insurers selling or soliciting the sale of life insurance policies. The disclosures provide that certain information is to be furnished to prospective purchasers of life insurance in order to prevent misrepresentation of policies and to enable the insurance purchaser to accurately determine his or her insurance needs and make comparisons of various insurance policies. The regulation increases disclosures to prospective purchasers of life insurance policies thereby enabling these consumers interested in purchasing life insurance or preneed contracts to better evaluate and compare life insurance policies.

Document No. 4059
DEPARTMENT OF INSURANCE
CHAPTER 69
Statutory Authority: 1976 Code Sections 1-23-10 et seq., 38-3-110(2) and 38-77-530

69-63. South Carolina Reinsurance Facility Recoupment

Synopsis:

The operation of the South Carolina Reinsurance Facility (Facility) is scheduled to terminate effective January 1, 2010 pursuant to the provisions of 2005 Act No. 43, §4. The Board of Governors of the Facility informed the Director that the ultimate facility debt would be satisfied if the collection of recoupment surcharges was ceased on new and renewal policies with effective dates of December 15, 2008 and after. By order of the Director companies were directed to cease the collection of recoupment surcharges on new and renewal policies with effective dates of December 15, 2008 and after. That order further directed that any resulting surplus recoupment collected in excess of the ultimate Facility debt that is determined upon the final Facility settlement with member companies be deposited into the General Fund of the State until otherwise directed by enactment of the South Carolina General Assembly. The South Carolina Department of Insurance proposes to amend Regulation 69-63, South Carolina Reinsurance Facility Recoupment, to provide a definition of the term “ultimate facility debt” and to provide that any excess recoupment collected is to be forwarded to the South Carolina Department of Motor Vehicles for the enforcement of the uninsured motorist laws of South Carolina.

Notice of Drafting for the proposed regulation was published in the *State Register* on November 28, 2008.

Instructions: Amend Section C of Regulation 69-63 as provided below. All other items and sections remain unchanged.

Text:

69-63. South Carolina Reinsurance Facility Recoupment.

A. Purpose

The purpose of this regulation is provided by South Carolina Code of Laws Section 38-77-530 that states in part:

"Beginning on March 1, 2002 and continuing thereafter, every insured or policyholder who does not have any insurance merit rating points pursuant to the Uniform Merit Rating Plan in effect upon the effective date of this act must not be surcharged for the recoupment of any facility assessments or losses; therefore, a clean or nonpointed risk shall no longer pay any form of recoupment seeking to recoup facility losses. Any surcharge as provided above during the period of March 1, 1999 through February 28, 2002 must be displayed as a part of the applicable premium charge for liability insurance coverage. However, beginning on March 1, 2002

every insured or policyholder who does have insurance merit rating points pursuant to the Uniform Merit Rating Plan in effect upon the effective date of this act shall be surcharged for the recoupment of any facility assessments or losses; therefore, these pointed risks shall be the only persons in the State of South Carolina who shall pay any recoupment fee for facility losses or assessments remaining in the facility on March 1, 2002 or any losses accruing in the facility after March 1, 2002. Furthermore, the director of the Department of Insurance shall promulgate a plan by regulation to recoup any losses remaining in the facility on March 1, 2002 or any losses accruing after March 1, 2002 only from those insureds or policyholders having insurance merit rating points as provided above. This plan shall include, but is not limited to, a schedule of recoupment and method of surcharge method whether a fixed fee, a percentage basis, or otherwise consider appropriate by the director."

B. Basis of Recoupment

Beginning on March 1, 2002 and continuing thereafter, a premium surcharge of 10% of liability premium shall be made on all drivers having points on March 1, 1999 on the basis of the merit rating plan in effect on March 1, 1999, as determined by convictions contained in the motor vehicle records.

C. Schedule of Recoupment

(1) Beginning on March 1, 2003 and each year thereafter, the director shall evaluate the funds collected by this surcharge and compare this amount with the projected runoff. The director may reduce the percentage surcharge from 10% to a lower amount or eliminate the surcharge completely by issuing a notice 120 days in advance to insurers that the director is considering reducing the percentage surcharge. The notice must include a 30 day period to allow comments from insurers. After the 30 day period has expired, the director may lower the surcharge by order.

(2) The director shall not lower the percentage surcharge unless the amount of recoupment projected to be recovered in the next fiscal year of the Reinsurance Facility is greater than the projected total remaining runoff of the South Carolina Reinsurance Facility. The collection of recoupment under this regulation must continue until the runoff obligations of the South Carolina Reinsurance Facility have been funded completely.

(3) In the event any recoupment fees are collected in excess of the ultimate Facility debt as determined upon a final Facility settlement and accounting, such excess funds must be forwarded to the South Carolina Department of Motor Vehicles for the enforcement of the uninsured motorist laws of South Carolina.

(4) The term “Ultimate Facility Debt” means the balance of all income and expense items for all open South Carolina Reinsurance Facility policy years and includes expenses incurred after the termination of the Facility, a final independent audit of the Facility, final disposition of all records and data as directed by the Board of Governors, and any other administrative and legal expenses that may be necessary to finalize the affairs of the Facility as determined by the Board of Governors or the South Carolina Department of Insurance.

Fiscal Impact Statement:

There will be no increased costs to the state or its political subdivisions.

Statement of Rationale:

The operation of the South Carolina Reinsurance Facility (Facility) is scheduled to terminate effective January 1, 2010. The projections developed by the Facility's Board of Governors indicate that if all companies cease the collection of recoupment surcharges on new and renewal policies with effective dates of December 15, 2008 and after, the ultimate debt of the Facility should be satisfied. Accordingly, the Director of the Department of Insurance issued Order 2008-004 directing companies to cease collection of the facility recoupment surcharge on all applicable new and renewal automobile insurance policies with an effective date

of December 15, 2008 or after. That order further directed that any resulting surplus recoupment collected in excess of the ultimate Facility debt that is determined upon the final Facility settlement with member companies be deposited into the General Fund of the State until otherwise directed by enactment of the South Carolina General Assembly. The amendment to the regulation provides a definition of the term "ultimate facility debt" and provides that any excess recoupment is to be forwarded to the South Carolina Department of Motor Vehicles for the enforcement of the uninsured motorist laws of South Carolina. This use is consistent with the purpose of the Reinsurance Facility which was to reduce the number of uninsured motorists in South Carolina.

Document No. 4061
DEPARTMENT OF INSURANCE
CHAPTER 69
Statutory Authority: 1976 Code Sections 1-23-110 et seq., 38-3-110 et seq., and 38-13-300

69-35. Valuation of Investments

Synopsis:

The Department proposes to repeal in its entirety Regulation 69-35, Valuation of Investments. Regulation 69-35 was promulgated to implement the requirements of Section 38-11-10 et seq. Chapter 11 of Title 38 was repealed by 2002 Act No. 319, Section 3, eff June 3, 2002. Consequently, Regulation 69-35, which implements this statutory provision, is no longer necessary. Section 38-13-80 is now the standard for valuing and admitting assets.

A Notice of Drafting for the repeal of Regulation 69-35 was published on November 28, 2008 in Volume 32, Issue No. 11, of the *State Register*.

Instructions: Repeal Regulation 69-35 Valuation of Investments in its entirety.

Text:

69-35. Valuation of Investments. Repealed

Fiscal Impact Statement:

There will be no increased costs to the state or its political subdivisions.

Statement of Rationale:

The regulation is no longer effective as Chapter 11 of Title 38 of the S.C. Code upon which it was based has been repealed. Section 38-13-80 is now the standard for valuing and admitting assets. Regulation 69-35 was promulgated to implement Chapter 11 of Title 38 of the South Carolina Code. Chapter 11 was repealed in 2002.

Document No. 4055
DEPARTMENT OF LABOR, LICENSING AND REGULATION
CHAPTER 71
Statutory Authority: 1976 Code Sections 41-3-40 and 41-8-120

71-7001. through 71-7003. Illegal Aliens and Private Employment

Synopsis:

The Department of Labor, Licensing and Regulation is adding Regulations 71-7001 through 71-7003 to implement the Illegal Aliens and Private Employment Act, 2008 Act No. 280.

The Notice of Drafting was published in the *State Register* on August 22, 2008.

Instructions: Insert Subarticle 2 of Article 7 as printed below.

Text:

SUBARTICLE 2
ILLEGAL ALIENS AND PRIVATE EMPLOYMENT

71-7001. Administrative Review of Any Revocation, Civil Penalty, or Other Disciplinary Action Against the Employment License of a Private Employer.

A. Request for Informal Conference. Upon receipt of a notice of revocation, civil penalty, or other disciplinary action, a private employer may request an informal conference for the purpose of discussing any issues raised by an inspection, citation, on notice of proposed sanction. The settlement of any issue at such conference shall be subject to this procedure. Any party may be represented by legal counsel. No such conference or request for conference shall operate as a stay of the thirty (30) day period for filing a request for a contested case hearing with the Administrative Law Court, and no such conference or request for conference will be held or accepted subsequent to receipt of a request for a contested case hearing as defined in the regulations of the Administrative Law Court.

B. Conduct of Informal Conference. The Director of the Department of Labor, Licensing and Regulation (LLR) shall designate an informal conference officer to review all issues raised by an inspection, audit, citation, or notice of proposed sanction.

C. Location. Informal conferences may be conducted at the offices of the Department of Labor, Licensing and Regulation or by telephone or video conference.

D. Time. Informal conferences will be conducted as soon as possible after such request is made.

E. Decision. To the extent possible a decision of the informal conference officer will be made at the close of the informal conference and communicated promptly to the private employer.

F. Any employer to whom a notice of revocation, civil penalty, or other disciplinary action has been issued may serve a request for a contested case hearing concerning such revocation, civil penalty, or other disciplinary action, or any combination thereof in accordance with the rules of procedure of the Administrative Law Court.

G. Where the private employer fails to file a request for a contested case hearing within thirty (30) days of receipt of the notice of revocation, civil penalty, or other disciplinary action, the notice shall be deemed a final order of the Department not subject to administrative review unless good cause is shown for such failure. Where the request for a contested case hearing is made later than the period specified, the Department may nevertheless waive any objection to the late protest, if there was good cause for such delay and the delay was not excessive.

71-7002. Audit Program.

A. The Department will select employers for audit using a neutral selection process.

B. The Department will use existing data sets (either state or federal as available) to identify industries or individual workplaces with high levels of immigrant employment and shall concentrate audits in these industries and workplaces.

C. Each year, the Department will establish a list of workplaces suitable for audit and will notify all workplaces on that list that they have been identified as suitable for audit during that year.

D. The Department will make individual audit assignments taking into consideration staffing and travel constraints.

E. At the time of an inspection, the employer must provide access to:

1. original or photocopied records of employment verification; or

2. access to electronic storage of records of employment verification, including associated audit trails that show who has accessed a computer system and the actions performed within or on the computer system during a given period of time.

71-7003. Records Retention.

Employers must retain records of verification of immigration status for all employees for three (3) years after the date they hire an employee. These records forms can be retained in paper, microfilm, microfiche, or electronically.

Fiscal Impact Statement:

There will be no increased costs to the State or its political subdivisions.

Statement of Rationale:

Regulations 71-7001 through 71-7003 are added in conformance with current statutory amendments and in order to regulate appropriate documentation and record retention of employee authorization verification.

Document No. 4054
DEPARTMENT OF LABOR, LICENSING AND REGULATION
CHAPTER 71
Statutory Authority: 1976 Code Section 40-83-30(L)

71-7000. through 71-7000.6. Registration of Immigration Assistance Services

Synopsis:

The Department of Labor, Licensing and Regulation is adding Regulations 71-7000 through 71-7000.6 to implement the Registration of Immigration Assistance Services provided for in Section 13 of Act No. 280 of 2008.

The Notice of Drafting was published in the *State Register* on August 22, 2008.

Instructions: Insert Article 7 as printed below.

Text:

ARTICLE 7

REGISTRATION OF IMMIGRATION ASSISTANCE SERVICES
AND
ILLEGAL ALIENS AND PRIVATE EMPLOYMENT

SUBARTICLE 1
REGISTRATION OF IMMIGRATION ASSISTANCE SERVICES

71-7000. Purpose.
The purpose of this subarticle is to carry out the Department's responsibility to promulgate regulations for the implementation, administration, and enforcement of the Registration of Immigration Assistance Services Act, as required by Section 40-83-30 of the 1976 Code.

71-7000.1. Change of Address.
Licensees shall notify the Department in writing of each change of address or change of business trade name within ten days of such change. The change of address notification must include a change of address fee.

71-7000.2. Display of License.
All licensees shall prominently display their licenses at their business address.

71-7000.3. Advertising.
Misleading and untruthful advertising by licensees is prohibited. All advertisements shall contain the legal name and license number of the Immigration Assistance Service. Every advertisement shall clearly indicate that it is the advertisement of a licensed Immigration Assistance Service.

71-7000.4. False or Misleading Information.

A. An applicant who provides false or misleading answers on any document submitted to the Department will be denied a license.

B. A licensee who falsifies any document or assists in the falsification of an application or document of another in the course of providing immigration assistance services will be subject to disciplinary action, suspension, or revocation.

71-7000.5. Licensure.

A. No action will be taken on any application for licensure until all forms are complete and the fee of $100.00 has been paid.

B. Applications for renewal of licenses shall be filed with the Department biennially and accompanied by a fee of $100.00.

C. Any license that has not been renewed in a timely fashion shall be lapsed. Any licensee in lapsed status must make application for a new license.

71-7000.6. Administrative Review of Any Revocation, Civil Penalty, or Other Disciplinary Action Against a License.

A. Request for Informal Conference. Within five (5) days of receipt of a notice of revocation, civil penalty, or other disciplinary action, a licensee may request an informal conference for the purpose of discussing any issues raised by an inspection, citation, notice of proposed penalty, or notification of failure to correct violation. The settlement of any issue at such conference shall be subject to these rules and regulations of procedure. Any party may be represented by legal counsel. No such conference or request for conference shall operate as a stay of the thirty (30) day period for filing a request for a contested case hearing with the Administrative Law Court, and no such conference or request for conference will be held or accepted

subsequent to receipt of a request for a contested case hearing as defined in the regulations of the Administrative Law Court.

B. Conduct of Informal Conference. The Program Administrator or his designee will conduct the informal conference.

C. Location. Informal conferences may be conducted by the Program Administrator or his designee at the offices of the Department of Labor, Licensing and Regulation or by telephone.

D. Time. Informal conferences will be conducted as soon as possible after such request is made.

E. Decision. To the extent possible, a decision of the Program Administrator or his designee will be made at the close of the informal conference and communicated promptly to the licensee.

F. Any licensee to whom a notice of revocation, civil penalty, or other disciplinary action has been issued may serve a request for a contested case hearing concerning such revocation, civil penalty, or other disciplinary action, or any combination thereof in accordance with the rules of procedure of the Administrative Law Court.

G. Where the licensee fails to file a request for a contested case hearing within thirty (30) days of receipt of the notice of revocation, civil penalty, or other disciplinary action, the notice shall be deemed a final order of the Department not subject to administrative review unless good cause is shown for such failure. Where the request for a contested case hearing is made later than the period specified, the Department may nevertheless waive any objection to the late protest, if there was good cause for such delay and that the delay was not excessive.

Fiscal Impact Statement:

There will be no increased costs to the State or its political subdivisions.

Statement of Rationale:

Regulations 71-7000 through 71-7000.6 are added in conformance with current statutory amendments and in order to define and regulate immigration assistance.