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MEETING NOTICE

THURSDAY, FEBRUARY 1, 2018

9:00 AM

403 BLATT BUILDING

AGENDA

I. ANNOUNCEMENTS

II. SUBCOMMITTEE REPORTS

BUSINESS AND COMMERCE - January 25, 2018

Recommendation: Favorable as amended

H. 4612 -- Reps. Sandifer and Toole: A BILL TO AMEND THE CODE OF LAWS OF SOUTH CAROLINA, 1976, BY ADDING SECTION 40-11-262 SO AS TO PROVIDE APPLICANTS FOR GENERAL AND MECHANICAL LICENSURE SUBJECT TO FINANCIAL STATEMENT REQUIREMENTS MAY INSTEAD PROVIDE CERTAIN SURETY BONDS, AND TO PROVIDE REQUIREMENTS CONCERNING THE SURETY BONDS.

BUSINESS AND COMMERCE - January 25, 2018

Recommendation: Favorable

S. 297 -- Senator Shealy: A BILL TO AMEND SECTION 40-18-80(A)(2) OF THE 1976 CODE, RELATING TO SECURITY OFFICER REGISTRATION CERTIFICATES AND QUALIFICATIONS OF APPLICANTS, TO PROVIDE THAT, PENDING ISSUANCE OF A REGISTRATION CERTIFICATE, A SECURITY OFFICER MAY PERFORM THE DUTIES OF A SECURITY OFFICER FOR UP TO SIXTY DAYS AFTER RECEIPT BY SLED OF HIS APPLICATION FOR REGISTRATION.

BUSINESS AND COMMERCE - January 25, 2018

Recommendation: Favorable as amended

S. 185 -- Senator Shealy: A BILL TO AMEND SECTION 40-19-20(1) OF THE 1976 CODE, RELATING TO THE DEFINITION OF "ADVERTISEMENT" AS USED IN REGARD TO EMBALMERS AND FUNERAL DIRECTORS, BY ADDING THE TERM "INTERNET" TO THE DEFINITION OF ADVERTISEMENT; TO

AMEND SECTION 40-19-20 OF THE 1976 CODE BY ADDING A DEFINITION FOR THE TERM "THIRD PARTY FUNERAL SERVICE PROVIDER"; AND TO AMEND CHAPTER 19, TITLE 40 OF THE 1976 CODE, BY ADDING SECTION 40-19-40, TO PROVIDE THAT THIRD PARTY FUNERAL SERVICE PROVIDERS MUST BE LICENSED BY THE STATE BOARD OF FUNERAL SERVICE, TO PROVIDE NOTICE AND DISCLOSURE REQUIREMENTS FOR THIRD PARTY FUNERAL SERVICE PROVIDER ADVERTISEMENTS, TO PROVIDE FOR LICENSE REVOCATION FOR VIOLATIONS OF THE ADVERTISING REQUIREMENTS, TO PROVIDE THAT THE STATE BOARD OF FUNERAL SERVICE SHALL PRESCRIBE THE FORMAT OF ADVERTISEMENT DISCLOSURE BY REGULATION, AND TO PROVIDE THAT THIRD PARTY FUNERAL SERVICE PROVIDERS MUST DISCLOSE TO CUSTOMERS THE NAME AND CONTACT INFORMATION OF THE FUNERAL ESTABLISHMENT THAT WILL BE IN CHARGE OF HANDLING ALL FUNERAL ARRANGEMENTS.

III. PENDING SUBCOMMITTEE ACTIONS ON JANUARY 31ST, THE FOLLOWING MAY BE TAKEN UP:

ADMINISTRATION AND REGULATIONS - January 31, 2018

H. 4643 -- Reps. Thayer, Magnuson, Jefferson, Gagnon, Allison, West, Clyburn, Erickson, Hill, Pitts, Toole and Henegan: A BILL TO AMEND THE CODE OF LAWS OF SOUTH CAROLINA, 1976, BY ADDING SECTION 38-61-80 SO AS TO ESTABLISH THAT A DIRECT PRIMARY CARE AGREEMENT IS NOT A CONTRACT OF INSURANCE AND NOT SUBJECT TO REGULATION BY THE DEPARTMENT OF INSURANCE, AND TO DEFINE THE TERM DIRECT PRIMARY CARE AGREEMENT.

INSURANCE - January 31, 2018

H. 4654 -- Reps. Sandifer and Spires: A BILL TO AMEND SECTION 38-43-100, AS AMENDED, CODE OF LAWS OF SOUTH CAROLINA, 1976, RELATING TO LICENSING REQUIREMENTS FOR INDIVIDUAL AND AGENCY INSURANCE PRODUCERS, SO AS TO REQUIRE AN APPLICANT TO PROVIDE A COMPLETE SET OF FINGERPRINTS WITH THE APPLICATION, TO PROVIDE THAT FAILURE TO PROVIDE A COMPLETE SET OF FINGERPRINTS CONSTITUTES GROUNDS FOR DENIAL OF AN APPLICATION, AND TO PROVIDE EXCEPTIONS TO THE FINGERPRINTING REQUIREMENT UNDER CERTAIN CIRCUMSTANCES.

INSURANCE - January 31, 2018

H. 4656 -- Reps. Sandifer and Spires: A BILL TO AMEND SECTION 38-9-200, CODE OF LAWS OF SOUTH CAROLINA, 1976, RELATING TO REINSURANCE CREDITS, SO AS TO AUTHORIZE THE DIRECTOR OF THE DEPARTMENT OF INSURANCE TO ADOPT ADDITIONAL REQUIREMENTS FOR REINSURANCE CREDITS, TO REQUIRE A REINSURER TO DEMONSTRATE IT HAS ADEQUATE FINANCIAL CAPACITY TO MEET ITS REINSURANCE OBLIGATIONS TO QUALIFY FOR A CREDIT, TO ALLOW FOR THE REDUCTION OF A TRUSTEED SURPLUS FOR AN ASSUMING INSURER WHO HAS PERMANENTLY DISCONTINUED UNDERWRITING NEW BUSINESS, TO ALLOW FOR CREDIT WHEN REINSURANCE IS CEDED AND ENUMERATE CERTAIN ELIGIBILITY REQUIREMENTS, TO ALLOW FOR AN ASSUMING INSURER WHO IS NOT LICENSED, CERTIFIED, OR ACCREDITED IN THIS STATE TO BECOME ELIGIBLE FOR A CREDIT UNDER CERTAIN CIRCUMSTANCES, TO ALLOW THE DIRECTOR TO SUSPEND OR REVOKE THE ACCREDITATION OR CERTIFICATION, TO REQUIRE AN INSURER TO MANAGE ITS REINSURANCE RECOVERABLES PROPORTIONATE TO ITS BOOK OF BUSINESS, AND TO AUTHORIZE THE DIRECTOR TO ADOPT RULES AND REGULATIONS; AND TO AMEND SECTION 38-9-210, RELATING TO LIABILITY REDUCTIONS FOR REINSURANCE, SO AS TO AUTHORIZE THE DIRECTOR TO ADOPT ADDITIONAL REQUIREMENTS

FOR AN ASSET OR REDUCTION FROM LIABILITY FOR REINSURANCE CEDED BY A DOMESTIC INSURER AND TO EXPAND THE ACCEPTABLE FORM OF SECURITY FOR A LIABILITY REDUCTION.

INSURANCE - January 31, 2018

H. 4655 -- Reps. Sandifer and Spires: A BILL TO AMEND THE CODE OF LAWS OF SOUTH CAROLINA, 1976, TO ENACT THE "SOUTH CAROLINA INSURANCE DATA SECURITY ACT" BY ADDING CHAPTER 99 TO TITLE 38 SO AS TO DEFINE NECESSARY TERMS; TO REQUIRE A LICENSEE TO DEVELOP, IMPLEMENT, AND MAINTAIN A COMPREHENSIVE INFORMATION SECURITY PROGRAM BASED ON THE LICENSEE'S RISK ASSESSMENT AND TO ESTABLISH CERTAIN REQUIREMENTS FOR THE SECURITY PROGRAM, TO PROVIDE MINIMUM REQUIREMENTS FOR A LICENSEE'S BOARD OF DIRECTORS, IF APPLICABLE, TO REQUIRE A LICENSEE TO MONITOR THE SECURITY PROGRAM AND MAKE ADJUSTMENTS IF NECESSARY, TO PROVIDE THAT THE LICENSEE MUST ESTABLISH AN INCIDENT RESPONSE PLAN AND TO ESTABLISH CERTAIN REQUIREMENTS FOR THE INCIDENT RESPONSE PLAN, TO REQUIRE A LICENSEE TO SUBMIT A STATEMENT TO THE DIRECTOR OF THE DEPARTMENT OF INSURANCE ANNUALLY; TO ESTABLISH CERTAIN REQUIREMENTS FOR A LICENSEE IN THE EVENT OF A CYBERSECURITY EVENT; TO REQUIRE A LICENSEE TO NOTIFY THE DIRECTOR OF CERTAIN INFORMATION IN THE EVENT OF A CYBERSECURITY EVENT; TO GRANT THE DIRECTOR THE POWER AND AUTHORITY TO EXAMINE AND INVESTIGATE A LICENSEE; TO PROVIDE THAT DOCUMENTS, MATERIALS, OR OTHER INFORMATION IN THE CONTROL OR POSSESSION OF THE DEPARTMENT MUST BE TREATED AS CONFIDENTIAL AND TO AUTHORIZE THE DIRECTOR TO SHARE OR RECEIVE CONFIDENTIAL DOCUMENTS UNDER CERTAIN CIRCUMSTANCES; TO PROVIDE EXEMPTIONS FROM THE PROVISIONS OF THIS CHAPTER; TO PROVIDE PENALTIES FOR VIOLATIONS; AND TO AUTHORIZE THE DIRECTOR TO PROMULGATE REGULATIONS.

INSURANCE - January 31, 2018

H. 4657 -- Reps. Sandifer and Spires: A BILL TO AMEND SECTION 38-2-10, CODE OF LAWS OF SOUTH CAROLINA, 1976, RELATING TO ADMINISTRATIVE PENALTIES FOR THE VIOLATION OF THE INSURANCE LAWS OF SOUTH CAROLINA, SO AS TO ALLOW THE DEPARTMENT OF INSURANCE TO ENFORCE THESE PENALTIES FOR VIOLATIONS OF FEDERAL INSURANCE LAWS SUBJECT TO ENFORCEMENT BY THE DEPARTMENT; TO AMEND SECTION 38-3-150, RELATING TO THE AUTHORITY OF THE DIRECTOR OF THE DEPARTMENT OF INSURANCE TO CONDUCT EXAMINATIONS AND INVESTIGATIONS, SO AS TO REQUIRE THAT INFORMATION RELATED TO AN EXAMINATION OR INVESTIGATION TO BE TREATED AS PRIVILEGED AND CONFIDENTIAL; TO AMEND SECTION 38-13-70, RELATING TO INVESTIGATIONS CONDUCTED BY THE DEPARTMENT OF INSURANCE, SO AS TO AUTHORIZE THE DEPARTMENT TO RESPOND TO MOTIONS AND COMPLAINTS AGAINST HEALTH MAINTENANCE ORGANIZATIONS AND PERSONS LICENSED TO TRANSACT THE BUSINESS OF INSURANCE IN THIS STATE AND TO ESTABLISH A DEADLINE FOR RESPONSES TO THE DEPARTMENT'S INQUIRIES; TO AMEND SECTION 38-21-290, AS AMENDED, RELATING TO CONFIDENTIAL INFORMATION, SO AS TO PROVIDE DOCUMENTS, MATERIALS, OR OTHER INFORMATION SUBMITTED IN SUPPORT OF AN APPLICATION MUST BE TREATED AS CONFIDENTIAL; TO AMEND SECTION 38-33-170, RELATING TO THE EXAMINATIONS OF THE AFFAIRS OF A HEALTH MAINTENANCE ORGANIZATION, SO AS TO REQUIRE AN EXAMINATION NO LESS THAN EVERY FIVE YEARS; TO AMEND SECTION 38-33-230, RELATING TO LEVY OF ADMINISTRATIVE PENALTY IN LIEU OF OTHER PENALTIES, SO AS TO ALLOW THE LEVY OF AN ADMINISTRATIVE PENALTY FOR VIOLATIONS OF STATE AND FEDERAL INSURANCE LAWS SUBJECT TO ENFORCEMENT BY THE

DEPARTMENT OF INSURANCE; TO AMEND SECTION 38-61-20, RELATING TO THE APPROVAL OF INSURANCE POLICIES, CONTRACTS, OR POLICIES BY THE DEPARTMENT OF INSURANCE, SO AS TO REQUIRE THAT ALL FORMS FILED WITH THE DEPARTMENT SATISFY ALL APPLICABLE STATE AND FEDERAL LAWS AND TO AUTHORIZE THE DIRECTOR TO IMPOSE A PENALTY IN CERTAIN CIRCUMSTANCES; AND TO AMEND SECTION 38-71-90, RELATING TO THE PENALTIES FOR ISSUING OR DELIVERING A POLICY THAT VIOLATES CHAPTER 71, SO AS TO EXTEND THE PENALTIES TO ANY INSURER OR HEALTH MAINTENANCE ORGANIZATION WHO VIOLATES APPLICABLE STATE OR FEDERAL LAWS GOVERNING THE TRANSACTION OF THE BUSINESS OF INSURANCE SUBJECT TO ENFORCEMENT BY THE DEPARTMENT OF INSURANCE.

A handwritten signature in black ink, appearing to read "Bill Sandifer", with a long horizontal flourish extending to the right.

BILL SANDIFER, CHAIRMAN
cc: STANDARD DISTRIBUTION