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House of Representatives P.O. Box 11867 Telephone: (803) 734-3015 Columbia, S.C. 29201

Jaynie Jordan Executive Assistant

## **Meeting Notice**

Thursday, February 14, 2019

9:00 am

**403 Blatt Building** 

AGENDA\_\_\_\_

### I. ANNOUNCEMENTS

## II. SUBCOMMITTEE REPORTS

**REAL ESTATE - FEBRUARY 5, 2019** 

Recommendation: Favorable with amendment

H. 3754 -- Reps. Sandifer, Thayer, Clemmons and Rutherford: A BILL TO AMEND SECTION 27-32-10, CODE OF LAWS OF SOUTH CAROLINA, 1976, RELATING TO DEFINITIONS IN REGARD TO VACATION TIME-SHARING PLANS, SO AS TO DEFINE THE TERM "TIMESHARE INSTRUMENT"; TO AMEND SECTION 27-32-410 RELATING TO TIMESHARE CLOSINGS, PROCEDURES, AND RELATED PROVISIONS, SO AS TO FURTHER PROVIDE FOR WHEN A TIMESHARE CLOSING IS CONSIDERED TO HAVE OCCURRED, AND OTHER REQUIREMENTS IN REGARD TO THE CLOSING; AND BY ADDING ARTICLE 5 TO CHAPTER 32, TITLE 27, SO AS TO ENACT THE "VACATION TIME-SHARING PLAN EXTENSIONS AND TERMINATION ACT", INCLUDING PROVISIONS TO CLARIFY AND SUPPLEMENT THE PROCEDURES AND REQUIREMENTS AS TO HOW OWNERS OF VACATION TIME-SHARING INTERESTS MAY TERMINATE VACATION TIME-SHARING PLANS OR EXTEND THE TERMS OF THESE PLANS, WITH THE PROVISIONS OF ARTICLE 5 TO APPLY BOTH PROSPECTIVELY AND RETROACTIVELY.

# III. PENDING SUBCOMMITTEE ACTIONS ON FEBRUARY 12<sup>TH</sup> AND 13<sup>TH</sup>, THE FOLLOWING MAY BE TAKEN UP:

### **INSURANCE** - FEBRUARY 12, 2019

H. 3760 -- Rep. Sandifer: A BILL TO AMEND THE CODE OF LAWS OF SOUTH CAROLINA, 1976, BY ADDING SECTION 38-79-500 SO AS TO MERGE THE PATIENTS' COMPENSATION FUND WITH THE SOUTH CAROLINA MEDICAL MALPRACTICE JOINT UNDERWRITING ASSOCIATION; BY ADDING SECTION 40-15-390 SO AS TO ESTABLISH A SURCHARGE FEE FOR A DENTIST'S LICENSE TO REDUCE THE OPERATING DEFICIT OF THE SOUTH CAROLINA MEDICAL MALPRACTICE LIABILITY JOINT UNDERWRITING ASSOCIATION; BY ADDING SECTION 40-47-55 SO AS TO ESTABLISH A SURCHARGE FEE FOR A PHYSICIAN'S LICENSE FOR THE PURPOSE OF REDUCING THE OPERATING DEFICIT OF THE SOUTH CAROLINA MEDICAL MALPRACTICE LIABILITY JOINT UNDERWRITING ASSOCIATION; AND TO AMEND ARTICLE 3, CHAPTER 79, TITLE 38, RELATING TO THE SOUTH CAROLINA MEDICAL MALPRACTICE LIABILITY JOINT UNDERWRITING ASSOCIATION, SO AS TO DEFINE THE TERM "DEFICIT", TO ALTER THE MEMBERSHIP OF THE ASSOCIATION, TO ESTABLISH CERTAIN REQUIREMENTS FOR THE INITIAL FILING OF POLICY FORMS, TO PROVIDE CERTAIN ACTIONS THAT MUST BE DONE WHEN THE ASSOCIATION ACCUMULATES OR SUSTAINS A DEFICIT, TO ESTABLISH CERTAIN OBLIGATIONS FOR TERMINATED MEMBERS OF THE ASSOCIATION, TO ALTER THE COMPOSITION OF THE BOARD OF THE ASSOCIATION, TO ESTABLISH CERTAIN CONDITIONS REGARDING THE ASSOCIATION'S ANNUAL FINANCIAL STATEMENT AND THE EXAMINATION OF THE ASSOCIATION BY THE DIRECTOR OF THE DEPARTMENT OF INSURANCE, AND TO PROVIDE FOR THE MERGER OF THE ASSOCIATION WITH THE PATIENTS' COMPENSATION FUND.

#### **PUBLIC UTILITIES - February 13, 2019**

H. 3659 -- Reps. McCoy, Rose, Ballentine, Wooten, W. Newton, Mack, Sottile, Clary, Erickson, Herbkersman, Pendarvis, Stavrinakis, Ott, Gilliard, Bennett, Caskey, Murphy, Bernstein, Mace, Young, Garvin, Cobb-Hunter, Norrell, Thigpen, Hyde, Jefferson, R. Williams and Funderburk: A BILL TO AMEND THE CODE OF LAWS OF SOUTH CAROLINA, 1976, TO ENACT THE "SOUTH CAROLINA ENERGY FREEDOM ACT" BY ADDING SECTION 58-27-845 SO AS TO ENUMERATE SPECIFIC RIGHTS OWED TO EVERY ELECTRICAL UTILITY CUSTOMER IN SOUTH CAROLINA; BY ADDING SECTION 58-27-2350 SO AS TO PROVIDE FOR JUDICIAL REVIEW OF VIOLATIONS OF AN ELECTRICAL UTILITY CUSTOMER'S RIGHTS; BY ADDING CHAPTER 41 TO TITLE 58 SO AS TO DEFINE RELEVANT TERMS, TO REQUIRE PERIODIC HEARINGS TO REVIEW AND APPROVE ELECTRICAL UTILITIES' AVOIDED COST METHODOLOGIES, STANDARD OFFERS, FORM CONTRACTS, AND COMMITMENT TO SELL FORMS, AND TO ESTABLISH POLICIES AND PROCEDURES FOR THESE HEARINGS, TO REQUIRE EACH ELECTRICAL UTILITY TO FILE A VOLUNTARY RENEWABLE ENERGY PROGRAM FOR THE COMMISSION'S REVIEW AND APPROVAL AND TO ENUMERATE PROGRAM REQUIREMENTS, TO REQUIRE EACH ELECTRICAL UTILITY TO ESTABLISH A NEIGHBORHOOD COMMUNITY SOLAR PROGRAM PLAN WITH A GOAL TO EXPAND ACCESS TO SOLAR ENERGY TO LOW-INCOME COMMUNITIES AND CUSTOMERS, AND TO ENUMERATE PROGRAM REQUIREMENTS: TO AMEND SECTION 58-4-10, AS AMENDED, RELATING TO THE OFFICE OF REGULATORY STAFF, SO AS TO REVISE THE DEFINITION OF "PUBLIC INTEREST"; TO AMEND SECTION 58-27-460, RELATING TO THE PROMULGATION OF STANDARDS FOR INTERCONNECTION OF RENEWABLE ENERGY, SO AS TO, AMONG OTHER THINGS, INCREASE THE MAXIMUM GENERATION CAPACITY OF THOSE RENEWABLE ENERGY FACILITIES FOR WHICH THE PUBLIC SERVICE COMMISSION SHALL PROMULGATE INTERCONNECTION STANDARDS; TO AMEND SECTION 58-27-2610, RELATING TO LEASES OF RENEWABLE ELECTRIC GENERATION FACILITIES, SO AS TO, AMONG OTHER

THINGS, REMOVE THE SOLAR LEASING CAP; TO AMEND SECTION 58-33-110, RELATING TO REQUIRED PRECONSTRUCTION CERTIFICATIONS FOR MAJOR UTILITY FACILITIES, SO AS TO PROVIDE THAT A PERSON MAY NOT BEGIN CONSTRUCTION OF A MAJOR UTILITY FACILITY WITHOUT FIRST HAVING MADE A DEMONSTRATION THAT THE FACILITY HAS BEEN SELECTED THROUGH AN INDEPENDENTLY MONITORED, ALL-SOURCE, PROCUREMENT PROCESS OVERSEEN BY AN INDEPENDENT EVALUATOR CHOSEN BY THE OFFICE OF REGULATORY STAFF; TO AMEND SECTION 58-33-140, RELATING TO THE PARTIES TO CERTIFICATION PROCEEDINGS, SO AS TO PROVIDE THAT THE PARTIES SHALL INCLUDE ANY INDEPENDENT POWER PRODUCER THAT IS PROPOSING AN ALTERNATIVE TO THE MAJOR UTILITY FACILITY; TO AMEND SECTION 58-37-40, RELATING TO INTEGRATED RESOURCE PLANS, SO AS TO PROVIDE FOR THE EVALUATION OF THE ADOPTION OF RENEWABLE ENERGY, ENERGY EFFICIENCY, AND DEMAND RESPONSE IN INTEGRATED RESOURCE PLANS AND TO PROVIDE FOR CERTAIN REPORTING REQUIREMENTS; TO AMEND SECTION 58-40-10, RELATING TO DEFINITIONS APPLICABLE TO NET ENERGY METERING, SO AS TO REVISE THE DEFINITION OF "CUSTOMER-GENERATOR"; AND TO AMEND SECTION 58-40-20, RELATING TO NET ENERGY METERING, SO AS TO REQUIRE ELECTRICAL UTILITIES TO MAKE NET ENERGY METERING AVAILABLE TO CUSTOMER-GENERATORS UNTIL THE TOTAL INSTALLED NAMEPLATE GENERATING CAPACITY OF NET ENERGY METERING SYSTEMS EQUALS AT LEAST TWO PERCENT OF THE PREVIOUS FIVE-YEAR AVERAGE OF THE ELECTRICAL UTILITY'S SOUTH CAROLINA RETAIL PEAK DEMAND AND TO PROVIDE FOR A SUCCESSOR NET ENERGY METERING TARIFF.

### IV. MOTION TO RECALL FROM INSURANCE SUBCOMMITTEE

S. 75 -- Senator Cromer: A BILL TO AMEND THE CODE OF LAWS OF SOUTH CAROLINA, 1976, BY ADDING ARTICLE 9 TO CHAPTER 13, TITLE 38 SO AS TO REQUIRE AN INSURER OR AN INSURANCE GROUP TO SUBMIT A CORPORATE GOVERNANCE ANNUAL DISCLOSURE AND ESTABLISH CERTAIN REQUIREMENTS FOR THE DISCLOSURE, TO DEFINE NECESSARY TERMS, TO AUTHORIZE THE DIRECTOR OF THE DEPARTMENT OF INSURANCE TO PROMULGATE REGULATIONS RELATED TO THE DISCLOSURE, TO PROVIDE CERTAIN CONFIDENTIALITY REQUIREMENTS FOR INFORMATION SUBMITTED TO THE DIRECTOR AND TO PROHIBIT THE DIRECTOR OR A PERSON WHO RECEIVES INFORMATION RELATED TO THE ANNUAL DISCLOSURE FROM TESTIFYING IN A PRIVATE CIVIL ACTION CONCERNING THE CONFIDENTIAL INFORMATION, TO AUTHORIZE THE DIRECTOR TO RETAIN THIRD PARTY CONSULTANTS AND PRESCRIBE CERTAIN RULES FOR THE CONSULTANTS, TO PROVIDE A PENALTY FOR AN INSURER WHO FAILS TO FILE THE CORPORATE GOVERNANCE ANNUAL DISCLOSURE, AND TO SET AN EFFECTIVE DATE; BY ADDING SECTION 38-21-295 SO AS TO AUTHORIZE THE DIRECTOR TO ACT AS THE GROUP-WIDE SUPERVISOR FOR AN INTERNATIONALLY ACTIVE INSURANCE GROUP UNDER CERTAIN CIRCUMSTANCES, TO ESTABLISH A PROCEDURE FOR THE DIRECTOR TO DETERMINE WHETHER HE MAY ACT AS THE GROUP-WIDE SUPERVISOR OR ACKNOWLEDGE ANOTHER REGULATORY OFFICIAL TO ACT AS THE GROUP-WIDE SUPERVISOR, TO AUTHORIZE THE DIRECTOR TO ENGAGE IN CERTAIN ACTIVITIES AS GROUP-WIDE SUPERVISOR, AND TO AUTHORIZE THE DIRECTOR TO PROMULGATE REGULATIONS; AND TO AMEND SECTION 38-21-10 SO AS TO DEFINE THE TERMS "DIRECTOR", "GROUP-WIDE SUPERVISOR", AND "INTERNATIONALLY ACTIVE INSURANCE GROUP".

**S. 358** -- Senator Cromer: A BILL TO AMEND SECTION 38-31-30, CODE OF LAWS OF SOUTH CAROLINA, 1976, RELATING TO THE APPLICATION OF THE SOUTH CAROLINA PROPERTY AND CASUALTY INSURANCE GUARANTY ASSOCIATION, SO AS TO APPLY THE PROVISIONS OF

CHAPTER 31, TITLE 38 TO A CLAIM OR LOSS COVERED BY SELF-INSURANCE THAT OCCURRED PRIOR TO THE ACQUISITION OF A BLOCK OF BUSINESS BY A LICENSED INSURER; AND TO AMEND SECTION 42-5-20, RELATING TO INSURANCE REQUIREMENTS FOR WORKERS' COMPENSATION, SO AS TO PROHIBIT A SELF-INSURER FROM PARTICIPATING IN OR OBTAINING BENEFITS FROM THE SOUTH CAROLINA PROPERTY AND CASUALTY INSURANCE GUARANTY ASSOCIATION AND TO REQUIRE THE SOUTH CAROLINA WORKERS' COMPENSATION COMMISSION TO SECURE AN ACTUARIAL OPINION BEFORE APPROVING THE TRANSFER OF A SELF-INSURER TO A LICENSED INSURER.

S. 360 -- Senator Cromer: A BILL TO AMEND THE CODE OF LAWS OF SOUTH CAROLINA, 1976, BY ADDING SECTION 38-47-55 SO AS TO CLARIFY THAT CERTAIN INDIVIDUALS ARE AUTHORIZED TO ADJUST FOOD SPOILAGE CLAIMS WITHOUT AN ADJUSTER'S LICENSE; BY ADDING SECTION 38-72-75 SO AS TO REQUIRE A LONG-TERM CARE INSURANCE PROVIDER TO SUBMIT ALL PREMIUM RATE SCHEDULES TO THE DEPARTMENT OF INSURANCE AND TO ESTABLISH CERTAIN PROCEDURES CONCERNING THE PREMIUM APPROVAL PROCESS; TO AMEND SECTION 38-3-110, RELATING TO THE DUTIES OF THE DIRECTOR OF THE DEPARTMENT OF INSURANCE, SO AS TO ALTER PUBLIC HEARING REQUIREMENTS; TO AMEND SECTION 38-7-20, RELATING TO INSURANCE PREMIUM TAXES, SO AS TO EXCLUDE CERTAIN FACTORS FROM THE TOTAL PREMIUM COMPUTATION: TO AMEND SECTION 38-7-60, RELATING TO THE SUBMISSION OF A RETURN OF PREMIUMS, SO AS TO REQUIRE THE SUBMISSION OF A RETURN OF PREMIUMS COLLECTED; TO AMEND SECTION 38-43-247, RELATING TO THE REPORTING OF CRIMINAL PROSECUTIONS, SO AS TO ONLY REQUIRE THE REPORTING OF CRIMINAL CONVICTIONS; TO AMEND SECTION 38-44-50, RELATING TO THE REVIEW OF A MANAGING GENERAL AGENT, SO AS TO ALTER THE SUBMISSION DATE FROM MARCH FIRST TO JUNE FIRST; TO AMEND SECTIONS 38-46-60 AND 38-46-90, BOTH RELATING TO A PARTY ENGAGED AS A REINSURANCE INTERMEDIARY-BROKER, SO AS TO ALTER THE SUBMISSION DATE OF CERTAIN DOCUMENTS FROM MARCH FIRST TO JUNE FIRST; TO AMEND SECTIONS 38-57-130, 38-57-140, AND 38-57-150, ALL RELATING TO PROHIBITED TRADE PRACTICES, SO AS TO CLARIFY THAT CERTAIN PRACTICES ARE PROHIBITED; TO AMEND SECTIONS 38-75-730 AND 38-75-1200, BOTH RELATING TO CANCELLATIONS OF PROPERTY, CASUALTY, AND TITLE INSURANCE POLICIES, SO AS TO EXTEND WHEN AN INSURER CAN CANCEL A POLICY WITHOUT CAUSE TO ONE HUNDRED TWENTY DAYS AND TO PROHIBIT AN INSURER FROM CANCELLING A POLICY OUTSIDE OF THE ONE HUNDRED TWENTY-DAY PERIOD IF THEY HAD NOTICE OF A CHANGE IN RISK PRIOR TO THE EXPIRATION OF THE ONE HUNDRED TWENTY-DAY PERIOD: TO AMEND SECTION 38-90-160, AS AMENDED, RELATING TO THE APPLICATION OF CERTAIN PROVISIONS TO CAPTIVE INSURANCE COMPANIES, SO AS TO APPLY THE SOUTH CAROLINA INSURANCE DATA SECURITY ACT TO CAPTIVE INSURANCE COMPANIES; AND TO AMEND SECTION 38-99-70, RELATING TO LICENSEES EXEMPTED FROM CERTAIN DATA SECURITY REQUIREMENTS, SO AS TO ONLY EXEMPT THE LICENSEES FROM THE PROVISIONS OF SECTION 38-99-20.

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BILL SANDIFER, CHAIRMAN cc: STANDARD DISTRIBUTION