Session 117 - (2007-2008)

S 0711 General Bill, By Campsen, McConnell, McGill, Rankin, Grooms, Elliott, Ford, Ryberg, Scott and Pinckney
Similar (H 3820)

Summary: Omnibus Coastal Property Insurance Reform Act of 2007

A BILL TO AMEND THE CODE OF LAWS OF SOUTH CAROLINA, 1976, BY ENACTING THE "OMNIBUS COASTAL PROPERTY INSURANCE REFORM ACT OF 2007"; BY ADDING ARTICLE 11 TO CHAPTER 6, TITLE 12 SO AS TO ALLOW AN INSURANCE POLICYHOLDER TO ESTABLISH A CATASTROPHE SAVINGS ACCOUNT, TO DEFINE QUALIFIED CATASTROPHE SAVINGS EXPENSES AND QUALIFIED DEDUCTIBLE, AND TO ALLOW A TAXPAYER TO CLAIM A CREDIT AGAINST THE STATE INCOME TAX FOR DEPOSITS MADE INTO A CATASTROPHE SAVINGS ACCOUNT; BY ADDING SECTION 12-6-3660 SO AS TO ALLOW A TAXPAYER TO CLAIM A CREDIT AGAINST THE STATE INCOME TAX FOR COSTS INCURRED TO RETROFIT A LEGAL RESIDENCE TO MAKE IT MORE RESISTANT TO LOSS DUE TO HURRICANE, RISING WATER, OR OTHER CATASTROPHIC WIND EVENT; BY ADDING SECTION 12-6-3665 SO AS TO ALLOW A TAXPAYER TO CLAIM A CREDIT AGAINST THE STATE INCOME TAX FOR STATE SALES AND USE TAXES PAID ON PURCHASES OF TANGIBLE PERSONAL PROPERTY USED ON HOMES TO MITIGATE DAMAGE FROM WIND; BY ADDING SECTION 12-6-3670 SO AS TO ALLOW A TAXPAYER TO CLAIM A CREDIT AGAINST THE STATE INCOME TAX EQUAL TO THE INSURANCE PREMIUM COSTS INCURRED BY THE TAXPAYER; TO DESIGNATE SECTIONS 38-3-10 THROUGH 38-3-240 AS ARTICLE 1, CHAPTER 3, TITLE 38 AND ENTITLED "GENERAL PROVISIONS"; BY ADDING ARTICLE 3 TO CHAPTER 3, TITLE 38 SO AS TO PROVIDE THAT THE DIRECTOR OF THE DEPARTMENT OF INSURANCE HAS AUTHORITY TO ISSUE GENERAL ORDERS APPLICABLE TO ALL INSURANCE COMPANIES AFTER THE GOVERNOR DECLARES A STATE OF EMERGENCY; TO PROVIDE THAT THE DEPARTMENT BY ORDER, MAY ADOPT ANY RULE THAT FACILITATES RECOVERY FROM THE EMERGENCY; TO PROVIDE THAT THE DEPARTMENT SHALL ADOPT RULES STANDARDIZING REQUIREMENTS THAT MAY BE APPLIED TO INSURERS AFTER A HURRICANE, ADDRESSING CLAIMS REPORTING REQUIREMENTS, GRACE PERIODS FOR PAYMENT OF PREMIUMS, TEMPORARY POSTPONEMENT OF CANCELLATIONS AND NONRENEWAL, AND ANY OTHER RULE THE DIRECTOR CONSIDERS NECESSARY; BY ADDING SECTION 38-7-200 SO AS TO ALLOW TAX CREDIT INCENTIVES TO INSURANCE COMPANIES THAT PROVIDE FULL INSURANCE COVERAGE TO PROPERTY OWNERS ALONG THE COAST OF SOUTH CAROLINA, SPECIFYING THE AMOUNT OF THE CREDIT, AND ALLOWING UNUSED CREDITS TO BE APPLIED IN SUCCEEDING TAXABLE YEARS UNDER CERTAIN CIRCUMSTANCES; BY ADDING SECTION 38-75-755 SO AS TO REQUIRE INSURERS TO DISCLOSE ALL AVAILABLE DISCOUNTS TO THE INSURED; TO AMEND SECTION 38-73-260, AS AMENDED, SO AS TO CLARIFY THAT RATES FALLING WITHIN THE SEVEN PERCENT FLEX-BAND LIMITATION REMAIN SUBJECT TO THE PROHIBITION AGAINST RATES NOT BEING EXCESSIVE, INADEQUATE, OR UNFAIRLY DISCRIMINATORY AND THAT THE DEPARTMENT MAY CONSIDER THE RATE IMPACT ON INDIVIDUALS AND TERRITORIES WHEN DETERMINING WHETHER A RATE IS EXCESSIVE, INADEQUATE, OR UNFAIRLY DISCRIMINATORY; TO AMEND SECTION 38-73-1095, RELATING TO ESSENTIAL PROPERTY INSURANCE AND RATING PLAN FACTORS, SO AS TO PROVIDE DISCOUNTS FOR RETROFITTING PROPERTY; TO AMEND ARTICLE 5, CHAPTER 75, TITLE 38, RELATING TO WINDSTORM AND HAIL INSURANCE, SO AS TO CLARIFY THE DEFINITIONS OF INSURABLE PROPERTY AND COASTAL AREA RELATING TO ELIGIBILITY FOR COVERAGE BY THE SOUTH CAROLINA WIND AND HAIL UNDERWRITING ASSOCIATION; TO CLARIFY THE PURPOSE OF ARTICLE 5; TO CLARIFY THAT THE SOUTH CAROLINA WIND AND HAIL UNDERWRITING ASSOCIATION SHALL PROVIDE WIND AND HAIL INSURANCE FOR RESIDENTIAL AND COMMERCIAL PROPERTY TO APPLICANTS UNABLE TO PROCURE IT IN THE COASTAL AREAS OF THIS STATE; TO PROVIDE INFORMATION THAT MUST BE ADDRESSED IN THE PLAN OF OPERATION; TO MAKE TECHNICAL CHANGES; TO PROVIDE FOR ADDITIONAL GENERAL CORPORATE POWERS AND DUTIES FOR THE SOUTH CAROLINA WIND AND HAIL UNDERWRITING ASSOCIATION; TO PROVIDE THAT RATES CHARGED BY THE SOUTH CAROLINA WIND AND HAIL UNDERWRITING ASSOCIATION BE ESTABLISHED AT A SELF-SUSTAINING LEVEL; TO PROVIDE OBJECTIVE STANDARDS FOR EXPANDING THE TERRITORY COVERED BY THE SOUTH CAROLINA WIND AND HAIL UNDERWRITING ASSOCIATION; TO AMEND ARTICLE 8, CHAPTER 75, TITLE 38, RELATING TO THE ADVISORY COMMITTEE TO THE DIRECTOR AND THE SOUTH CAROLINA BUILDING CODES COUNCIL AND LOSS MITIGATION GRANT PROGRAM, SO AS TO MODIFY THE MEMBERSHIP OF THE ADVISORY COMMITTEE AND TO CLARIFY THAT THE CONTINUED EXISTENCE OF THE PROGRAM IS SUBJECT TO ANNUAL LEGISLATIVE APPROPRIATIONS; TO CLARIFY THAT THE PURPOSE IS TO PROVIDE FOR ONGOING TRAINING FOR INSPECTORS AND FOR OTHER PURPOSES CONSISTENT WITH THE ARTICLE; TO ESTABLISH THE "SOUTH CAROLINA HURRICANE GRANT DAMAGE MITIGATION PROGRAM" WHICH PROVIDES FOR A GRANT PROGRAM FOR THE MITIGATION OF DAMAGE TO OR THE ENHANCEMENT OF MANUFACTURED HOMES; TO PROVIDE FOR

MATCHING GRANTS TO ENCOURAGE SINGLE-FAMILY SITE-BUILT HOMES TO RETROFIT TO REDUCE THE STRUCTURE'S VULNERABILITY TO A HURRICANE; TO PROVIDE MATCHING GRANT FUNDS TO LOCAL GOVERNMENTS FOR PROJECTS THAT REDUCE HURRICANE DAMAGE TO SINGLE-FAMILY SITE-BUILT RESIDENTIAL PROPERTY; TO PROVIDE THAT IN ADDITION TO STATE APPROPRIATIONS AND OTHER POTENTIAL GRANT FUNDS, THE PREMIUM TAXES PAID BY THE SOUTH CAROLINA WIND AND HAIL UNDERWRITING ASSOCIATION AND ONE PERCENT OF THE COMMISSIONS PAID TO PRODUCERS MUST BE USED TO FUND THIS PROGRAM ANNUALLY; TO AMEND SECTION 38-75-1140, RELATING TO THE EVALUATION OF NATURAL HAZARD CATASTROPHE MODELS AND REQUIREMENTS FOR MODELING ORGANIZATIONS, SO AS TO REQUIRE MODELERS TO PROVIDE THE DEPARTMENT WITH A LIST OF VARIABLES THAT ARE SUBJECT TO INSURER INPUT WITH THEIR FILING AND TO PROVIDE THAT THE DEPARTMENT MAY IMPOSE A FEE ON MODELERS AND INSURERS TO RECOVER THE COSTS OF EVALUATING HURRICANE MODELS; AND TO AMEND SECTION 38-75-1160, RELATING TO NOTICE REQUIREMENTS AND EXCEPTIONS BEFORE CANCELLATION OR REFUSAL TO RENEW A POLICY OF INSURANCE, SO AS TO INCREASE THE TIME PERIOD FOR NOTIFYING AN INSURED OF THE CANCELLATION OR REFUSAL TO RENEW A POLICY OF INSURANCE.

04/25/07	**Senate**	**Introduced and read first time SJ-6**
04/25/07	**Senate**	**Referred to Committee on Banking and Insurance SJ-6**