**A** **BILL**

TO AMEND SECTION 38‑47‑10, CODE OF LAWS OF SOUTH CAROLINA, 1976, RELATING TO LICENSES REQUIRED FOR ADJUSTERS, SO AS TO ADD EXEMPTIONS FROM LICENSURE; AND TO AMEND SECTION 38‑47‑20, RELATING TO RECIPROCAL AGREEMENTS FOR LICENSING NONRESIDENT ADJUSTERS, SO AS TO PROVIDE WHERE A NONRECIPROCAL AGREEMENT EXISTS BETWEEN THIS STATE AND ANOTHER STATE, AN APPLICANT FOR A NONRESIDENT ADJUSTER’S LICENSE WHO HOLDS A LICENSE IN ANOTHER STATE MAY RESIDE IN THE UNITED STATES OR CANADA WITHOUT LOSING THE BENEFITS OF THE RECIPROCAL AGREEMENT IF HE COMPLIES WITH OTHER APPLICABLE LICENSURE REQUIREMENTS.

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

SECTION 1. Section 38‑47‑10 of the 1976 Code is amended to read:

“Section 38‑47‑10. (A) ~~Every~~ An individual commonly called an adjuster, adjusting losses for an insurer licensed to do business in this State, must be licensed by the director or his designee. These individuals shall apply for a license on a form prescribed by the director or his designee. The director or his designee shall satisfy himself that each applicant for an adjuster’s license is an individual of good moral character, has sufficient knowledge of the insurance business and his duties as an adjuster, has not violated the insurance laws of the state, and is a fit and proper individual for the position. No license may be issued to a nonresident adjuster ~~who resides in a state refusing to license South Carolina adjusters~~ whose resident or designated home state refuses to license South Carolina adjusters.

(B) The following individuals are exempt from licensure as an adjuster:

(1) ~~Agents~~ An agent licensed under Chapter 43 ~~are~~ is not required to comply with this section.

(2) An individual who collects claim information from, or furnishes claim information to, insureds or claimants and who conducts data entry, including entering data into an automated claims adjudication system, provided that the individual is an employee of a licensed independent adjuster or its affiliate where no more than twenty‑five such persons are under the supervision of one licensed independent adjuster or licensed producer who is exempt from licensure pursuant to subitem (1).

(C) For purposes of this section, ‘automated claims resolutions system’ means a preprogrammed computer system designed for the collection, data entry, calculation, and final resolution of portable electronics insurance claims that:

(1) only may be used by a licensed adjuster, licensed producer, or supervised individuals operating pursuant to this paragraph;

(2) must comply with all claims payment requirements of the insurance code; and

(3) must be certified as compliant with this section by a licensed independent adjuster who is an officer of the entity or an affiliate of the entity that employs an individual operating pursuant to this section.”

SECTION 2. Section 38‑47‑20 of the 1976 Code is amended to read:

“Section 38‑47‑20. The director or his designee may enter into reciprocal agreements with the insurance commissioners of other states in regard to licensing of nonresident adjusters if in his judgment such arrangements or agreements are in the best interest of the state and if the applicant for an adjuster’s license meets the minimum statutory requirements of this State for the issuance of a license. However, the director or his designee may not enter into or continue any reciprocal agreement unless the other state is just as liberal as this State in licensing nonresident adjusters. Where a reciprocal agreement exists between this State and another state, an applicant for a nonresident adjuster’s license who holds a license in another state may reside in the United States or Canada without losing the benefits of the reciprocal agreement if the nonresident adjuster complies with other applicable requirements for licensure.”

SECTION 3. This act takes effect upon approval by the Governor.

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