**A** **BILL**

TO AMEND SECTION 38‑73‑910, CODE OF LAWS OF SOUTH CAROLINA, 1976, RELATING TO NOTICE OF A HEARING AS A PREREQUISITE TO GRANTING OF AN INSURANCE RATE INCREASE, SO AS TO PROVIDE THAT A HEARING MUST BE HELD AS A PREREQUISITE TO GRANTING ANY INSURANCE RATE CHANGE, WHETHER AN INCREASE OR A DECREASE.

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

SECTION 1. Section 38‑73‑910(A) of the 1976 Code is amended to read:

“(A) ~~An increase~~ A change in the premium rates may not be granted for workers’ compensation insurance, nor for any other line or type of insurance with respect to which the director or his designee has, by order, made a finding that (a) legal or other compulsion upon the part of the insured to purchase the insurance interferes with competition, or (b) under prevailing circumstances there does not exist substantial competition, unless notice is given in all newspapers of general, statewide circulation at least thirty days in advance of the insurer’s proposed effective date of the ~~increase~~ change in premium rates. The notice must state the amount of ~~increase~~ the change, the type and line of coverage, and the proposed effective date and must allow any insured or affected party to request within fifteen days a public hearing upon the propriety of the rate ~~increase~~ change request before the Administrative Law Judge Division. A copy of the notice must be sent to the Consumer Advocate.

However, the requirements of public notices and public hearings in this section do not apply to applications for rate ~~increases~~ changes when the applicant insurer had earned premiums in this State in the previous calendar year of less than two million dollars for the line or type of insurance for which the rate ~~increase~~ change is sought or, if the rate ~~increase~~ change is sought by a modeling organization, the earned premiums in this State for all members and subscribers of the organization for whom ~~an increase~~ a change is sought were less than two million dollars for the previous calendar year for the line or type of insurance for which the rate ~~increase~~ change is sought. The two million dollars must be increased by a factor equal to the increase in the consumer price index, all items, every three years.”

SECTION 2. This act takes effect upon approval by the Governor.

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