~~Indicates Matter Stricken~~

Indicates New Matter

COMMITTEE REPORT

February 23, 2011

**H. 3373**

Introduced by Reps. Sandifer, Bowers, Bales, Anderson and Pinson

S. Printed 2/23/11--S.

Read the first time February 15, 2011.

**THE COMMITTEE ON BANKING AND INSURANCE**

To whom was referred a Bill (H. 3373) to amend Section 38‑77‑112, Code of Laws of South Carolina, 1976, relating to the exemption of an automobile insurer from the requirement to write automobile insurance, etc., respectfully

**REPORT:**

That they have duly and carefully considered the same and recommend that the same do pass:

DAVID L. THOMAS for Committee.

**STATEMENT OF ESTIMATED FISCAL IMPACT**

ESTIMATED FISCAL IMPACT ON GENERAL FUND EXPENDITURES:

Minimal (Some additional costs expected but can be absorbed)

ESTIMATED FISCAL IMPACT ON FEDERAL & OTHER FUND EXPENDITURES:

$0 (No additional expenditures or savings are expected)

**EXPLANATION OF IMPACT:**

Department of Insurance

The department reports that this bill would generate additional telephone inquiries and filings that will need to be reviewed by the department’s Office of Market Services. The additional cost is estimated to be minimal and will be absorbed using the agency’s existing resources.

*Approved By:*

Harry Bell

Office of State Budget

**A** **BILL**

TO AMEND SECTION 38‑77‑112, CODE OF LAWS OF SOUTH CAROLINA, 1976, RELATING TO THE EXEMPTION OF AN AUTOMOBILE INSURER FROM THE REQUIREMENT TO WRITE AUTOMOBILE INSURANCE COVERAGE FOR AN APPLICANT OR EXISTING POLICYHOLDER, SO AS TO REMOVE CERTAIN EXEMPTIONS FROM THE APPLICABILITY OF THIS SECTION.

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

SECTION 1. Section 38‑77‑112 of the 1976 Code is amended to read:

“Section 38‑77‑112. ~~Notwithstanding Section 38‑77‑280, no~~ An automobile insurer is not required to write coverage for automobile insurance as defined in Section 38‑77‑30 for ~~any~~ an applicant or existing policyholder. An insurer or ~~an agent~~ producer shall retain, for ~~a period of~~ at least three years, ~~the driver’s license numbers for all persons who have submitted an application for insurance but who were refused coverage~~ a record of its refusals of coverage including the reason for the refusal and shall furnish ~~such~~ this information upon the request of the Director of the Department of Insurance or his designee. ~~This section does not apply to an individual who is handicapped and who owns a vehicle in this State but who does not have a valid driver’s license. If an automobile is principally garaged and operated in this State, the owner of the vehicle can be offered coverage thereon regardless of whether or not he possesses a valid South Carolina driver’s license if he designates to the insurer who the principal operator of the vehicle will be and this person has a valid South Carolina driver’s license or otherwise meets the requirements of this section. This requirement does not apply to personnel of the Armed Forces of the United States on active duty and officially stationed in this State who possess a valid motor vehicle driver’s license issued by another state or territory of the United States or the District of Columbia. This requirement is waived ninety days for individuals who move into South Carolina with the intent of making South Carolina their place of residence if they possess a valid driver’s license issued by another state or territory of the United States or the District of Columbia.~~”

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

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