**A** **BILL**

TO AMEND SECTION 38-75-750 OF THE 1976 CODE, RELATING TO REQUIREMENTS FOR THE RENEWAL OF POLICIES OF INSURANCE, TO PROVIDE THAT AN INSURED MUST HAVE NOTICE OF AND GIVE WRITTEN CONSENT TO ANY INCREASE IN THE AMOUNT OF A DEDUCTIBLE PRIOR TO RENEWAL.

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

SECTION 1. Section 38-75-750 of the 1976 Code is amended to read:

“Section 38-75-750. ~~(a)~~(A) If an insurer intends to renew a policy, the insurer shall furnish renewal terms, ~~and~~ a statement of the amount of premium or estimated premium due, and the notice required by subsection (E), if applicable, for the renewal policy period and, if applicable, must receive the insured’s written consent to any increase in the amount of the deductible in the manner required by this section.

~~(b)~~(B) If the policy being renewed (hereinafter ‘original policy’) is written for a term of one year or less, the renewal terms and statement of premium or estimated premium due must be furnished to the insured not less than thirty days prior to the expiration date of the original policy.

~~(c)~~(C) If the original policy is written for a term of more than one year or for an indefinite term, the renewal terms and statement of premium or estimated premium due must be furnished to the insured not less than thirty days prior to the anniversary date of the original policy.

~~(d)~~(D) The insurer may satisfy its obligation to furnish renewal terms and statement of premium or estimated premium due by either of the following methods:

(1) mailing or delivering renewal terms and statement to the insured at his address shown in the policy or, if not reflected therein, at his last known address, not less than thirty days prior to expiration or anniversary; or

(2) mailing or delivering renewal terms and statement to the agent of record, if any, not less than forty‑five days prior to expiration or anniversary, along with instructions that the agent furnish the renewal terms and statement to the insured not less than thirty days prior to expiration or anniversary.

~~(e)~~(E) If an insurer intends to change the amount of an insured’s deductible in the original policy, then the insurer shall, as soon as practicable, notify the insured in writing prior to the implementation of the change. Before any increased deductible is required to be paid by the insured, the increase must be expressly consented to in writing by the insured, provided that such consent is voluntary and is only given following receipt by the insured of written notice of all terms and conditions of the new contract of insurance.

(F) If the insurer fails to furnish the renewal terms, ~~and~~ statement of premium or estimated premium due, or the notice required by subsection (E), if applicable, in the manner required by this section or fails to receive consent pursuant to subsection (E), then the insured may elect to cancel the renewal policy within the thirty‑day period following receipt of the renewal terms and statement of premium or estimated premium due. Earned premium for any period of coverage must be calculated pro rata based upon the premium applicable to the original policy and not the premium applicable to the renewal policy.”

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

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