**A** **BILL**

TO AMEND SECTION 38‑77‑120, AS AMENDED, CODE OF LAWS OF SOUTH CAROLINA, 1976, RELATING TO NECESSARY NOTICE REQUIREMENTS FOR THE CANCELLATION OF OR REFUSAL TO RENEW AN AUTOMOBILE INSURANCE POLICY, SO AS TO DESIGNATE A SEPARATE NOTICE REQUIREMENT FOR COMMERCIAL AUTOMOBILE INSURANCE POLICIES.

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

SECTION 1. Section 38‑77‑120(a) of the 1976 Code is amended to read:

“(a) No cancellation or refusal to renew by an insurer of a policy of automobile insurance is effective unless the insurer delivers or mails to the named insured at the address shown in the policy a written notice of the cancellation or refusal to renew. This notice:

(1) must be approved as to form by the director or his designee before use;

(2) must state the date not less than fifteen days after the date of the mailing or delivering on which the cancellation or refusal to renew becomes effective for individual automobile insurance policies. For purposes of commercial automobile insurance policies, the notice must state the date not less than sixty days after the date of the mailing or delivering on which the cancellation or refusal to renew becomes effective;

(3) must state the specific reason of the insurer for cancellation or refusal to renew and provide for the notification required by subsection (B) of Section 38‑77‑390. However, those notification requirements must not apply when the policy is being canceled or not renewed for the reason set forth in Section 38‑77‑123(B),

(4) must inform the insured of his right to request in writing within fifteen days of the receipt of notice that the director review the action of the insurer. The notice of cancellation or refusal to renew must contain the following statement to inform the insured of such right:

‘IMPORTANT NOTICE

Within fifteen days of receiving this notice, you or your attorney may request in writing that the director review this action to determine whether the insurer has complied with South Carolina laws in canceling or nonrenewing your policy. If this insurer has failed to comply with the cancellation or nonrenewal laws, the director may require that your policy be reinstated. However, the director is prohibited from making underwriting judgments. If this insurer has complied with the cancellation or nonrenewal laws, the director does not have the authority to overturn this action.’;

(5) must inform the insured of the possible availability of other insurance which may be obtained through his agent, through another insurer, or through the Associated Auto Insurers Plan. It must also state that the Department of Insurance has available an automobile insurance buyer’s guide regarding automobile insurance shopping and availability, and provide applicable mailing addresses and telephone numbers, including a toll‑free number, if available, for contacting the Department of Insurance.

Nothing in this subsection prohibits any insurer or agent from including in the notice of cancellation or refusal to renew, any additional disclosure statements required by state or federal laws, or any additional information relating to the availability of other insurance. The insurer must disclose in writing whether the insured is ceded to the facility.”

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

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