**A** **BILL**

TO AMEND SECTION 38‑73‑920, CODE OF LAWS OF SOUTH CAROLINA, 1976, RELATING TO ISSUING INSURANCE, SO AS TO INCLUDE RELEVANT CITATIONS WHICH ARE NOT SUBJECT TO THE ENUMERATED RATE-FILING LIMITATIONS.

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

SECTION 1. Section 38‑73‑920 of the 1976 Code is amended to read:

“Section 38‑73‑920. An insurer may not make or issue a contract or policy except in accordance with the filings which are in effect for the insurer as provided in this chapter or in accordance with Section 38‑73‑1060. Notwithstanding Section 38‑73‑10, Section 38‑73‑330(2), and Section 38‑73‑430(4), filings for property and casualty rate increases, except for those made pursuant to Sections 38‑73‑220, 38‑73‑260, or 38‑73‑910, may not be approved for any insurer or rating organization for any line, subline, or otherwise identifiable property and casualty insurance coverage for which a rate increase has previously been granted within the immediately preceding twelve months. However, if satisfactory evidence is presented to the director or his designee by an insurer or rating organization that the continued use of the previously approved rates for the line, subline, or otherwise identifiable property and casualty insurance coverage may result in the insolvency of an insurer, more frequent rate increases may be approved. Rate changes proposed where the sole factor for the change is the impact of a revised assessment does not constitute a rate increase for purposes of this section. No rate increase based upon an assessment may become effective unless the assessment has been paid. This section does not apply to contracts or policies for inland marine risks as to which filings are not required.

However, a private insurer licensed to underwrite essential property insurance as defined by Section 38‑75‑310(1), notwithstanding any limitations included within this title, may file and use, pursuant to the provisions of Section 38‑73‑1095, any rates which result in insurance premium rates of ninety percent, or less, of the insurance premium rates then approved for the South Carolina Wind and Hail Underwriting Association which result in an insurance premium increase for any policyholder situated within a coastal area of South Carolina as defined by Section 38‑75‑310(5) not more than once in any six‑month period.”

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

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