**A** **BILL**

TO AMEND SECTION 38‑77‑122, CODE OF LAWS OF SOUTH CAROLINA, 1976, RELATING TO PROHIBITED FACTORS FOR DETERMINING PREMIUM RATES, SO AS TO PROHIBIT AN INSURER FROM CONSIDERING THE INSURED’S CREDIT RATING OR METHOD OF PAYMENT FOR THE INSURED VEHICLE WHILE DETERMINING PREMIUM RATES.

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

SECTION 1. Section 38‑77‑122 of the 1976 Code is amended to read:

“Section 38‑77‑122. (A)(1) ~~No~~ An insurer or agent ~~shall~~ may not refuse to issue an automobile insurance policy as defined in Section 38‑77‑30 because of any one or more of the following factors: the age, sex, location of residence in this State, race, color, creed, national origin, ancestry, marital status, or income level. ~~No~~ An insurer or agent ~~shall~~ may not refuse to issue an automobile insurance policy as defined in Section 38‑77‑30 solely because of any one of the following factors: the previous refusal of automobile insurance by another insurer, prior purchase of insurance through the Associated Auto Insurers Plan, or lawful occupation, including the military service, of the person seeking the coverage. Nothing in this section prohibits any insurer from limiting the issuance of motor vehicle insurance policies only to persons engaging in or who have engaged in a particular profession or occupation, or who are members of a particular religious sect.

(2) Nothing in this section prohibits any insurer from setting rates in accordance with relevant actuarial data.

(B) In determining the premium rates to be charged for an automobile insurance policy as defined in Section 38‑77‑30, it is unlawful to consider race, color, creed, religion, national origin, ancestry, location of residence in this State, economic status, or income level. Nor may an insurer, agent, or broker refuse to write or renew an automobile insurance policy as defined in Section 38‑77‑30 based upon age, sex, race, color, creed, religion, national origin, ancestry, location of residence in this State, economic status, or income level. An insurer, agent, or broker may not consider the insured’s credit rating or method of payment for the insured vehicle while determining premium rates. However, nothing in this subsection may preclude the use of a territorial plan approved by the director. Any insurer or agent who violates this section ~~shall be~~ is subject to the penalties as provided in Section 38‑2‑10. If the director of the Department of Insurance or his designee finds that an insurer or agent is participating in a pattern of unfair discrimination, the director or his designee may impose a fine of up to two hundred thousand dollars. Provided, however, if the unfair discrimination is required by an insurer, only the insurer is subject to the penalty as long as the agent of the insurer has reported the pattern of unfair discrimination to the department. The director or his designee at any time may examine an insurer or agent to enforce this section. The expense of examination must be paid by the insurer, agent, or broker.”

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

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