

Agency Name: Department of Insurance

Statutory Authority: 1-23-10 et seq., 38-3-10 et seq., 38-3-110, 38-3-410 et seq., and

Executive Order 2016-26

Document Number: 4725

Final in State Register Volume and Issue: 40/11

Status: Emergency, effective for 90 days

Subject: Moratorium on Cancellation Due to Nonpayment of Premiums and Certain Nonrenewals and Extension of Insurance-Related Provisions Affecting Insureds in South Carolina Impacted by Hurricane Matthew

History: 4725

By	Date	Action Description	Jt. Res. No.	Expiration Date
-	11/25/2016	Emergency Reg Published in SR		
-	10/21/2016	Effective Date unless otherwise provided for in the Regulation		

Filed: October 21, 2016 3:22pm

Document No. 4725
DEPARTMENT OF INSURANCE
CHAPTER 69

Statutory Authority: 1976 Code Sections 1-23-10 et seq., 38-3-10 et seq., 38-3-110, 38-3-410 et seq., and Executive Order 2016-26

69-78. Moratorium on Cancellation Due to Nonpayment of Premiums and Certain Nonrenewals and Extension of Insurance-Related Provisions Affecting Insureds in South Carolina Impacted by Hurricane Matthew.

Emergency Situation:

Hurricane Matthew has impacted the public health, safety, and welfare of South Carolina consumers necessitating the immediate promulgation of an emergency regulation. Emergency Regulation 69-78 was promulgated to provide protections to insurance consumers in the coastal counties where evacuation orders had been in effect. Unfortunately, damage from Hurricane Matthew was not limited to the coastal counties listed in the emergency regulation. Torrential rains and hurricane force winds caused dam breaches resulting in flooding, power outages, other significant damage and displacement of residents in other South Carolina counties. The Federal Emergency Management Agency (FEMA) issued a disaster declaration (FEMA-4286-DR) for South Carolina based upon the damage in the counties impacted by Hurricane Matthew on October 11, 2016. That regulation has been amended by FEMA to add additional counties to the disaster declaration. Each of the added counties has been designated for Individual Assistance by the FEMA during the week of October 17, 2016. FEMA's designation is made after review of preliminary damage assessments by state and local agencies following Hurricane Matthew.

To help provide safeguards for consumers and to ensure that South Carolina insureds affected by this disaster do not suffer any additional unnecessary hardship, all individuals, entities, and persons licensed or authorized to transact insurance business in this State are hereby required to implement the safeguards listed below for all lines of business. These safeguards address problems consumers may face due to circumstances that make it difficult for them to take normal action required by policy language or otherwise required by insurer policies or procedures. These measures are intended to provide some peace of mind during the recovery process and help ensure that disaster victims do not lose important insurance coverage during the time they need it most.

Emergency Regulation 69-78 contained in Document No. 4672 is being amended to include other South Carolina counties designated for individual assistance by the Federal Emergency Management Agency.

Text:

Amendment No. 1

Section 2. Definitions

Subsection (5) is hereby amended to read as follows:

(5) "Impacted area" includes the counties of Allendale, Bamberg, Barnwell, Beaufort, Berkeley, Calhoun, Charleston, Clarendon, Colleton, Darlington, Dillon, Dorchester, Florence, Georgetown, Hampton, Horry, Jasper, Lee, Marion, Marlboro, Orangeburg, Sumter, and Williamsburg as well as any

other counties designated for individual assistance by the Federal Emergency Management Agency by amendment to the major disaster declaration for the State of South Carolina (FEMA-4286-DR) after the effective date of this amendment to Emergency Regulation 69-78.

Section 3. Scope and Applicability

Section 3 is hereby amended to add a second paragraph that reads as follows:

The consumer protections set forth in Emergency Regulation 69-78 apply to the counties set forth in this amendment as of the effective dates specified in Document No. 4672. Nothing in this amendment should be construed or interpreted as altering any of the effective dates in Emergency Regulation 69-78 as reflected in Document No. 4672.

Statement of Need and Reasonableness:

This amendment to the emergency regulation is needed to protect the interests of South Carolina insurance consumers and to expedite and facilitate the state's recovery from Hurricane Matthew.

Fiscal Impact Statement:

There will be no increased costs to the state or its political subdivisions as a result of this amendment.