

License Verification Requirement of S.C. Code Section 38-77-112

1. Is it legal to offer insurance to an individual who holds an international license or foreign driver's license?

An International driver's permit does not satisfy the statutory requirements found in S.C. Code § 38-77-112. When the owner or designated driver of the vehicle does not possess a valid SC driver's license, the statute is specific in requiring a "valid driver's license issued by another state or territory of the US or District of Columbia." An "international driver's permit" ("IDP") allows an individual to drive a vehicle in another nation when accompanied by a valid license from their home country. While it is sometimes referred to as an international driver's license, it is not a license to operate a motor vehicle on its own. An IDP is not a substitute for a government-issued driver's license; rather it is simply a booklet that translates that government-issued driver's license into a number of different languages. Therefore, IDPs merely serve as a translation document for a government-issued driver's license, and they have no value independent of such government-issued licenses. Any specific questions regarding IDPs should be directed to the South Carolina Department of Motor Vehicles.

2. The bulletin makes reference to having a "valid" SC driver's license. Can "valid" be defined? For example, if an individual obtained a SC drivers license, but it is currently suspended, does that individual have a "valid" SC driver's license?

According to the South Carolina Department of Motor Vehicles, a driver's license that has been suspended is not valid. Any specific questions regarding driver's licenses should be directed to the South Carolina Department of Motor Vehicles.

3. Can an insurer place insurance for a person who is a "snowbird" and has just moved to South Carolina from another state?

The statute specifies that the requirements of Section 38-77-112 are waived for ninety (90) days for individuals who move into South Carolina with the intent of making South Carolina their place of residence if they possess a valid driver's license issued by another state or territory of the United States or the District of Columbia.

4. Can an insurer place insurance for a person who is a foreign student or professor and such individual wishes to purchase a South Carolina automobile insurance policy?

When the owner of the vehicle does not possess a valid South Carolina driver's license, the statute is specific in requiring that the designated principal operator must have a "valid South Carolina driver's license or otherwise meets the requirements of the section." The statute provides an exception to personnel of the Armed Forces of the United States on

active duty and officially stationed in this State who possess a valid motor vehicle driver's license issued by another state or territory of the US or District of Columbia. The statute also specifies that this requirement is waived for ninety days for individuals who move into South Carolina with the intent of making South Carolina their place of residence if they possess a valid driver's license issued by another state or territory of the United States or the District of Columbia.

5. Does Section 38-77-112 of the SC Code pertain to producing agencies or companies?

This section pertains to both insurers and producers.

6. Can a SC policy be written for an individual with an out of state license if said individual lives in SC and plans to get a SC license?

The statute specifies that the requirements of Section 38-77-112 are waived for ninety days for individuals who move into South Carolina with the intent of making South Carolina their place of residence if they possess a valid driver's license issued by another state or territory of the United States or the District of Columbia.

7. Can a SC policy be written for an individual with an out of state license who owns a second home in South Carolina where he garages a vehicle for use 3 months out of the year? He is licensed in his home state but the vehicle garaged in South Carolina is registered in South Carolina.

When the owner of the vehicle does not possess a valid SC driver's license, the statute is specific in requiring that the designated principal operator must have a "valid South Carolina driver's license or otherwise meets the requirements of the section." The statute provides an exception to personnel of the Armed Forces of the United States on active duty and officially stationed in this State who possess a valid motor vehicle driver's license issued by another state or territory of the US or District of Columbia. The statute also specifies that this requirement is waived for ninety days for individuals who move into South Carolina with the intent of making South Carolina their place of residence if they possess a valid driver's license issued by another state or territory of the United States or the District of Columbia. Otherwise, the individual must either possess a valid South Carolina driver's license or designate the principal operator of the vehicle who possesses a valid South Carolina driver's license.

8. Would an insurer that runs a MVR (i.e. motor vehicle record) report on an applicant for insurance be considered in compliance with Section 38-77-112 and the corresponding DOI bulletin?

Yes, so long as the MVR contains the licensure status of the individual applying for insurance (or his designee as the principal operator of the vehicle if the owner does not

possess a valid South Carolina driver's license) and that individual or designee possesses a valid South Carolina driver's license or "otherwise meets the requirements of S.C. Code Section 38-77-112."

9. My company confirms the status of an individual's driver's license at the time the policy is written or a driver is added by ordering an MVR. Do we need to verify that our agents are asking for a copy of the license at the time they complete an application in order to identify the license number actually belongs to the person taking out the policy?

The statute requires verification of the individual's driver's license status. So long as the MVR contains the licensure status of the individual applying for insurance (or his designee as the principal operator of the vehicle if the owner does not possess a valid South Carolina driver's license) and that individual or designee possesses a valid South Carolina driver's license, the requirement would be met.

10. May an auto insurer renew an insured where its records show that the insured or the designee does not have a valid South Carolina driver's license?

No, an insurer may not renew a policy of automobile insurance if an insurer's records show that the insured or the designee does not have a valid South Carolina driver's license.

11. Are international licenses valid in SC?

An International driver's permit does not satisfy the statutory requirements found in S.C. Code § 38-77-112. An "international driver's permit" ("IDP") allows an individual to drive a vehicle in another nation when accompanied by a valid license from their home country. While it is sometimes referred to as an international driver's license, it is not a license to operate a motor vehicle on its own. An IDP is not a substitute for a government-issued driver's license; rather it is simply a booklet that translates that government-issued driver's license into a number of different languages. Therefore, an IDP merely serves as a translation document for a government-issued driver's license and has no value independent of such government-issued licenses.

The South Carolina Department of Insurance consulted with the South Carolina Department of Motor Vehicles with regard to some of the questions relating to S.C. Code § 38-77-112. The Department will continue to consult with the Department of Motor Vehicles as additional questions are received. Any specific questions regarding driver's licenses should be directed to the South Carolina Department of Motor Vehicles.