



TOUSSAINT LAW FIRM

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Auto Insurance FAQ's In South Carolina

What are the minimum limits of liability coverage and uninsured motorist Coverage required in South Carolina? Is underinsured motorist coverage required?

\$25,000 bodily injury per person; \$50,000 bodily injury per accident; \$25,000 property damage per accident; Underinsured motorist coverage is not required.

What is the minimum requirement of insurance on a vehicle of any type besides your own personal automobile? For example, a dump truck?

The South Carolina Department of Transportation requires liability and uninsured motorist with limits of 25/50/25 (see above). Also, check with the Public Service Commission.

Is South Carolina a no-fault or at-fault state?

We are a tort liability state, which means the not-at-fault person can pursue a claim against the at-fault party. We are also comparative negligence, which means you can be barred from collecting for the percentage you contributed to the accident.

Can a company refuse to insure me?

Yes, as of 3/1/99, there is no mandate to write automobile insurance. You must shop around to find a company that will insure you. If you cannot find a company to insure you, then you will need to contact the Joint Underwriting Association.

When can my automobile liability insurance be cancelled?

Automobile liability insurance can be canceled if you failed to pay your premiums on time and between the 61-90 day of a new policy for any reason.

When can my automobile comprehensive and collision coverage be canceled?

This coverage can be canceled for any reason during the first 90 days.

Does my liability insurance cover my broken windshield?

No, comprehensive insurance covers broken windshields. The deductible is waived for private passenger vehicles.

Does the insurance company have to notify you when your renewal insurance premium is due?

Yes, the law requires 15 days prior notice. Most companies mail renewal notices 30-45 days before the policy renewal effective date.

Does the automobile policy contain a grace period for paying the renewal premium?

No. There is no required grace period for the payment of a renewal premium. The policy actually expires at the end of the policy period if the premium is not received by that date.

The agent quoted me one premium and the company sent me a bill for \$500 more. Must I pay?

Agent's quotes are not binding on a company. Your policy must be rated in accordance with rules and rates set by your insurance company.

Are there any specific time limits for an insurance company to pay for collision or comprehensive claims?

In general, insurance companies should pay all claims in a prompt and reasonable amount of time. However, what constitutes "prompt and reasonable" may vary from claim to claim. Claims that require a special or extended investigation may take longer to resolve. Inclement weather conditions often cause an increase in the number of claims filed, and that can slow the process down as well.

May I keep my auto if I have a collision, limited collision or comprehensive claim and my insurance company declares it a total loss?

Your insurance company has the option to take title to your auto when it issues payment on your claim. The insurer is entitled to any salvage value your auto may have. You can, of course, retain the salvage by negotiating with your company on the salvaged value of your auto. The Department of Motor Vehicles, in these cases, requires the insurer to attain your title from you and send it to them. The Department of Motor Vehicles will reissue it to you with salvage on the title.

Can the insurance company pay me less than Blue Book for my totaled vehicle?

Yes. The Blue Book is only a guide. The company is required to pay you what your vehicle was actually worth (as a used car) the moment before the crash. The adjuster will find out how much used cars like yours (same make, model, year, and mileage) are going for in your area. It's a good idea for you to independently research the value of your car too.

The adjuster recommended a specific body shop. Can I use a different shop?

You can have it repaired wherever you choose. But no matter what shop you choose, the adjuster will base your claim payment on market price for the repairs and pay the local average rates for parts & labor.

Who pays for the rental car while my car is in the body shop?

When the claim is against the other driver's company, the other driver's company is required by law to reimburse your loss of use for what is reasonable and necessary. However, some insurers will do a direct bill with a rental car company. If the car is totaled, many companies pay for your rental or reimburse you until a settlement has been offered.

The insurance company put the bank's name on the check for fixing my car. Why?

Because your car is collateral for your loan, the bank (or whoever is financing the car) has an interest in making sure the money is used to repair the car and not for something else. In most situations, you have listed your financial institution as lien holder per their requirement.

An uninsured driver demolished my car! Who pays?

See question #1. You are required to carry uninsured motorist property damage coverage. This is the coverage that would pay you with a \$200.00 deductible. If your carrier collects from the uninsured motorist you should be refunded your deductible.

I've been sued by the other driver. Will my policy cover that?

Yes. Your liability insurance covers lawsuits. Your company has a duty to provide a lawyer to represent you in lawsuits accusing you of negligence in driving your car. If you receive a summons or notice of a lawsuit, notify your company right away. Although the company pays for the lawyer, the lawyer's ethical duty is to represent your best interest. There is no policy limit on how much the company must pay the lawyer to represent you. If the case is settled or there is a judgment against you, the company will pay up to the policy limit. But if the court judgment or settlement is more than your policy limits, you will have to pay the difference. The company may refuse to defend you if you are accused of intentionally injuring someone or intentionally damaging property.

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