

Session 118 - (2009-2010)

H 4608 General Bill, By Sandifer and Bedingfield

Summary: Captive insurance company

A BILL TO AMEND THE CODE OF LAWS OF SOUTH CAROLINA, 1976, BY ADDING SECTION 38-90-85 SO AS TO ESTABLISH CERTAIN CONDITIONS UNDER WHICH A PROTECTED CELL MAY BE CREATED AND MAINTAINED; BY ADDING SECTION 38-90-213 SO AS TO AUTHORIZE A CAPTIVE INSURANCE COMPANY TO MAINTAIN ITS RECORDS IN A CERTAIN MANNER; BY ADDING SECTION 38-90-215 SO AS TO AUTHORIZE A PROTECTED CELL TO BE FORMED AS A SEPARATE CORPORATION OR LIMITED LIABILITY COMPANY AND TO PROVIDE CONDITIONS FOR THIS ACTION; BY ADDING SECTION 38-90-455 SO AS TO AUTHORIZE A SPECIAL PURPOSE FINANCIAL CAPTIVE TO MAINTAIN ITS RECORDS IN A CERTAIN MANNER; BY ADDING SECTION 38-90-457 SO AS TO AUTHORIZE A PROTECTED CELL OF A SPECIAL PURPOSE FINANCIAL CAPTIVE TO BE FORMED AS A SEPARATE CORPORATION OR LIMITED LIABILITY COMPANY; TO AMEND SECTION 33-9-100, RELATING TO ARTICLES OF DOMESTICATION, SO AS TO CHANGE REFERENCES OF "STATE" TO "JURISDICTION"; TO AMEND SECTION 38-90-10, AS AMENDED, RELATING TO DEFINITIONS USED IN CHAPTER 90, TITLE 38 PERTAINING TO CAPTIVE INSURANCE COMPANIES, SO AS TO CHANGE THE DEFINITION OF "SPECIAL PURPOSE CAPTIVE INSURANCE COMPANY"; TO AMEND SECTION 38-90-60, AS AMENDED, RELATING TO INCORPORATION OPTIONS AND REQUIREMENTS, SO AS TO CHANGE THE MANNER IN WHICH VARIOUS TYPES OF CAPTIVE INSURANCE COMPANIES MAY BE INCORPORATED OR ORGANIZED; TO AMEND SECTION 38-90-160, AS AMENDED, RELATING TO APPLICATION OF PROVISIONS, DIRECTOR DISCRETION, AND EXEMPTION OF SPECIAL PURPOSE CAPTIVE INSURANCE COMPANIES, SO AS TO PROVIDE THAT EXEMPTIONS MAY BE EXTENDED ON A CASE BY CASE BASIS AND MAKE A SPECIAL PURPOSE CAPTIVE INSURANCE COMPANY SUBJECT TO PROVISIONS OF CHAPTER 90, TITLE 38 NOT OTHERWISE APPLICABLE TO IT; TO AMEND SECTION 38-90-180, AS AMENDED, RELATING TO APPLICABILITY OF PROVISIONS RELATING TO INSURANCE REORGANIZATIONS, RECEIVERSHIPS, AND INJUNCTIONS, AND SPONSORED CAPTIVE INSURANCE COMPANY ASSETS AND CAPITAL PROVISIONS, SO AS TO PROVIDE THAT THE TERMS AND CONDITIONS OF CHAPTERS 26 AND 27, TITLE 38 APPLY TO EACH OF THE SPONSORED CAPTIVE INSURANCE COMPANY'S PROTECTED CELL, INDEPENDENTLY, OR BOTH, WITHOUT CAUSING OR EFFECTING CERTAIN ACTIONS; TO AMEND SECTION 38-90-210, RELATING TO FORMATION OF A SPONSORED CAPTIVE INSURANCE COMPANY AND ESTABLISHING PROTECTED CELLS, SO AS TO ADD CONDITIONS UNDER WHICH A SPONSORED CAPTIVE INSURANCE COMPANY FORMED OR LICENSED PROVIDED BY CHAPTER 90, TITLE 38 MAY ESTABLISH AND MAINTAIN ONE OR MORE PROTECTED CELLS TO INSURE RISKS OF ONE OR MORE OF ITS PARTICIPANTS; TO AMEND SECTION 38-90-220, AS AMENDED, RELATING TO REQUIREMENTS APPLICABLE TO SPONSORS, SO AS TO PROVIDE THAT THE DIRECTOR MAY APPROVE AN ADDITIONAL ENTITY UNDER CERTAIN CONDITIONS; TO AMEND SECTION 38-90-230, AS AMENDED, RELATING TO PARTICIPANTS IN SPONSORED CAPTIVE INSURANCE COMPANIES, SO AS TO PROVIDE CONDITIONS UNDER WHICH A PARTICIPANT WHOSE RISKS ARE INSURED THROUGH A PROTECTED CELL ENTITY FORMED PURSUANT TO THE PROVISIONS OF SECTION 38-90-215; TO AMEND SECTION 38-90-235, RELATING TO TERMS, CONDITIONS, AND EXCEPTIONS FOR PROTECTED CELL INSURANCE COMPANIES APPLY TO SPONSORED CAPTIVE INSURANCE COMPANIES, SO AS TO PROVIDE FOR THE APPLICABILITY OF LAW WHEN A CONFLICT OCCURS; TO AMEND SECTION 38-90-485, RELATING TO THE EFFECT OF CREATION, NAMING, AND MANAGEMENT OF ASSETS OF A PROTECTED CELL, SO AS TO PROVIDE FOR AN EXCEPTION TO PROTECT CELLS FORMED PURSUANT TO THE PROVISIONS OF SECTION 38-90-457; AND TO AMEND SECTION 38-90-830, RELATING TO EXEMPTIONS, POWERS, AND DUTIES OF A SOUTH CAROLINA COASTAL CAPTIVE INSURANCE COMPANY, SO AS TO DELETE THE AUTHORITY OF A SOUTH CAROLINA COASTAL CAPTIVE INSURANCE COMPANY FORMED AS A SPONSORED CAPTIVE INSURANCE COMPANY TO CREATE A PROTECTED CELL AS A LEGAL PERSON SEPARATE FROM THE PROTECTED CELL COMPANY AND DELETE THE AUTHORITY TO ORGANIZE A PROTECTED CELL UNDER AVAILABLE INCORPORATION OR ORGANIZATION OPTIONS.

02/24/10 House Introduced and read first time HJ-10

02/24/10 House Referred to Committee on Labor, Commerce and Industry HJ-12

04/15/10 House Member(s) request name added as sponsor: Bedingfield

04/15/10 House Committee report: Favorable with amendment Labor, Commerce and Industry HJ-20

04/22/10 House Requests for debate-Rep(s). Kennedy, Gunn, Cobb-Hunter, Jefferson, JH Neal, Erickson, Sandifer, Loftis, Bales, Clemons, Bedingfield, and JR Smith HJ-58

04/27/10 House Amended HJ-129

04/27/10 House Read second time HJ-129

04/27/10 House Roll call Yeas-104 Nays-0 HJ-141
04/28/10 House Read third time and sent to Senate HJ-62
04/29/10 Senate Introduced and read first time SJ-16
04/29/10 Senate Referred to Committee on Banking and Insurance SJ-16