



**SOUTH CAROLINA REVENUE AND FISCAL AFFAIRS OFFICE**  
**STATEMENT OF ESTIMATED FISCAL IMPACT**  
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**Bill Number:** S. 0254 Introduced on January 12, 2017  
**Author:** Cromer  
**Subject:** Own Risk and Solvency Assessment Act  
**Requestor:** Senate Banking and Insurance  
**RFA Analyst(s):** Gable  
**Impact Date:** January 27, 2017

**Estimate of Fiscal Impact**

	<b>FY 2017-18</b>	<b>FY 2018-19</b>
<b>State Expenditure</b>		
General Fund	\$0	\$0
Other and Federal	\$0	\$0
Full-Time Equivalent Position(s)	0.00	0.00
<b>State Revenue</b>		
General Fund	\$0	\$0
Other and Federal	\$0	\$0
<b>Local Expenditure</b>	\$0	\$0
<b>Local Revenue</b>	\$0	\$0

**Fiscal Impact Summary**

This bill is not expected to have an expenditure impact on the General Fund, Federal Funds, or Other Funds.

**Explanation of Fiscal Impact**

**Introduced on January 12, 2017**

**State Expenditure**

This bill requires all insurers based in the state to complete an Own Risk and Solvency Assessment (ORSA) and provides instructions for filing an ORSA summary report, at least annually, with the director of the Department of Insurance. Based on the response from the Department of Insurance, this bill is needed to maintain the agency's accreditation with the National Association of Insurance Commissioners (NAIC). NAIC accreditation establishes a national standard for effective financial regulatory oversight in the insurance industry. This ensures all insurance agencies are held to the same baseline standards without being subjected to repetitive oversight from multiple jurisdictions, because all national jurisdictions accept an accredited jurisdiction's regulatory standards. Currently, all fifty states, the District of Columbia, and Puerto Rico are accredited with NAIC. This bill does not change the activities of the agency, and therefore, there is no anticipated expenditure impact to the General Fund, Federal Funds, or Other Funds.

**State Revenue**

N/A

**Local Expenditure**

N/A

**Local Revenue**

N/A



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Frank A. Rainwater, Executive Director