

Session 114 - (2001-2002)

S*0537 (Rat #0057, Act #0058 of 2001) General Bill, By Senate Banking and Insurance

Summary: Captive reinsurance company, Captive and protected cell insurance companies; Insurance, Businesses and Corporations

A BILL TO AMEND TITLE 38, CODE OF LAWS OF SOUTH CAROLINA, 1976, RELATING TO INSURANCE, BY ADDING SECTION 38-90-25 SO AS TO PROVIDE FOR A CAPTIVE REINSURANCE COMPANY TO BE LICENSED TO WRITE REINSURANCE CONTRACTS IN SOUTH CAROLINA; BY ADDING SECTION 38-90-45 SO AS TO PROVIDE FOR MINIMUM CAPITALIZATION OR RESERVES FOR LICENSING OF A CAPTIVE REINSURANCE COMPANY; BY ADDING SECTION 38-90-55 SO AS TO REQUIRE THE INCORPORATION OF A CAPTIVE REINSURANCE COMPANY AS A STOCK INSURER; BY ADDING SECTION 38-90-75 SO AS TO PROVIDE FOR A SPONSORED CAPTIVE INSURANCE COMPANY AND A CAPTIVE REINSURANCE COMPANY TO DISCOUNT ITS LOSS AND LOSS ADJUSTMENT EXPENSE RESERVES; BY ADDING SECTION 38-90-145 SO AS TO PROVIDE FOR AN ANNUAL CAPTIVE REINSURANCE TAX OF FIVE THOUSAND DOLLARS; BY ADDING SECTION 38-90-185 SO AS TO PROVIDE FOR IN-STATE MANAGEMENT OF THE ASSETS OF A CAPTIVE REINSURANCE COMPANY; BY ADDING SECTION 38-90-235 SO AS TO MAKE THE TERMS AND CONDITIONS RELATING TO A PROTECTED CELL INSURANCE COMPANY APPLY TO A SPONSORED CAPTIVE INSURANCE COMPANY; TO AMEND SECTION 38-90-10, RELATING TO DEFINITIONS FOR PURPOSES OF REGULATION OF CAPTIVE INSURANCE COMPANIES, SO AS TO PROVIDE DEFINITIONS FOR "CAPTIVE REINSURANCE COMPANY" AND CERTAIN ACCOUNTING TERMS; TO AMEND SECTION 38-90-70, RELATING TO FINANCIAL REPORTING TO THE DIRECTOR OF THE SOUTH CAROLINA DEPARTMENT OF INSURANCE, SO AS TO REQUIRE AN ANNUAL REPORT FROM A CAPTIVE REINSURANCE COMPANY; TO AMEND SECTION 38-90-100, RELATING TO INVESTMENT REQUIREMENTS, SO AS TO DELETE A SPONSORED CAPTIVE INSURANCE COMPANY FROM INVESTMENT REQUIREMENTS, TO AMEND SECTION 38-90-150, RELATING TO PROMULGATION OF REGULATIONS, SO AS TO PROVIDE FOR THE ADOPTION OF RULES AND ISSUANCE OF ORDERS BY THE DIRECTOR; TO AMEND SECTION 38-90-180, RELATING TO CAPITAL AND SURPLUS OF A SPONSORED CAPTIVE INSURANCE COMPANY, SO AS TO PROHIBIT THE USE BY A SPONSORED CAPTIVE INSURANCE COMPANY OF ITS CAPITAL AND SURPLUS TO PAY EXPENSES OR CLAIMS OF A PROTECTED CELL; TO AMEND SECTION 38-90-220, RELATING TO SPONSORS OF CAPTIVE INSURANCE COMPANIES, SO AS TO ALLOW THE SPONSOR TO BE AN INSURANCE HOLDING COMPANY CONTROLLING AN INSURER LICENSED IN ANY STATE AND REGISTERED IN ITS STATE OF DOMICILE, AND TO REQUIRE STATE LICENSING OR AUTHORIZATION OR, IN THE ALTERNATIVE, A TRUST FUND SECURING LOSSES; TO AMEND SECTION 38-90-230, RELATING TO PARTICIPANTS IN A SPONSORED CAPTIVE INSURANCE COMPANY, SO AS TO ALLOW THE DIRECTOR TO APPROVE WAIVERS OF LIMITATIONS ON INSURANCE OF RISKS; TO AMEND SECTION 38-10-10, RELATING TO THE PURPOSES OF ESTABLISHING PROTECTED CELLS OF A DOMESTIC INSURER, SO AS TO INCLUDE A CAPTIVE INSURER; TO AMEND SECTION 38-10-20, RELATING TO DEFINITIONS FOR PURPOSES OF PROTECTED CELL INSURANCE COMPANIES, SO AS TO INCLUDE A CAPTIVE INSURER; AND TO AMEND SECTION 38-9-200, AS AMENDED, RELATING TO CREDIT ALLOWANCE FOR INSURANCE COMPANIES, SO AS TO PROHIBIT CREDIT FOR REINSURANCE BASED ON THE STATUS OF A CAPTIVE REINSURANCE COMPANY.-AMENDED TITLE

04/03/01	Senate	Introduced, read first time, placed on calendar without reference SJ-13
04/04/01	Senate	Read second time SJ-24
04/04/01	Senate	Ordered to third reading with notice of amendments SJ-24
04/10/01	Senate	Read third time and sent to House SJ-14
04/11/01	House	Introduced and read first time HJ-9
04/11/01	House	Referred to Committee on Labor, Commerce and Industry HJ-10
05/02/01	House	Committee report: Favorable with amendment Labor, Commerce and Industry HJ-2
05/08/01	House	Amended HJ-73
05/08/01	House	Read second time HJ-83
05/09/01	House	Read third time and returned to Senate with amendments HJ-16
05/09/01	Senate	Concurred in House amendment and enrolled SJ-84
05/23/01		Ratified R 57
05/29/01		Signed By Governor
06/19/01		Effective date 05/29/01
06/19/01		Copies available
07/03/01		Act No. 58