INTRODUCED

April 17, 2018

**H. 5247**

Introduced by Regulations and Administrative Procedures Committee

S. Printed 4/17/18--H.

Read the first time April 17, 2018.

**A** **JOINT RESOLUTION**

TO APPROVE REGULATIONS OF THE DEPARTMENT OF INSURANCE, RELATING TO CREDIT FOR REINSURANCE, DESIGNATED AS REGULATION DOCUMENT NUMBER 4792, PURSUANT TO THE PROVISIONS OF ARTICLE 1, CHAPTER 23, TITLE 1 OF THE 1976 CODE.

Be it enacted by the General Assembly of the State of South Carolina:

SECTION 1. The regulations of the Department of Insurance, relating to Credit for Reinsurance, designated as Regulation Document Number 4792, and submitted to the General Assembly pursuant to the provisions of Article 1, Chapter 23, Title 1 of the 1976 Code, are approved.

SECTION 2. This joint resolution takes effect upon approval by the Governor.

‑‑‑‑XXX‑‑‑‑

SUMMARY AS SUBMITTED

BY PROMULGATING AGENCY.

The South Carolina Department of Insurance proposes amendments based upon a recently approved NAIC model law and regulation. The amendments are part of a larger effort to modernize reinsurance regulation in the United States. The reinsurance framework is based on federal legislation. The proposed changes would allow the director or his designee to adopt additional requirements relating to 1) the valuation of assets or reserve credits; 2) the amount and forms of security supporting reinsurance arrangements; and 3) the circumstances under which reinsurance credit can be reduced or eliminated. Conforming to the NAIC’s credit for reinsurance models is necessary for a state to maintain NAIC accreditation.

Notice of Drafting was published in the *State Register* on August 25, 2017.

‑‑‑‑XX‑‑‑‑