

Session 115 - (2003-2004)

S 1081 General Bill, By Thomas, Alexander, Richardson, Ford and Hayes

Summary: Captive insurance companies

A BILL TO AMEND THE CODE OF LAWS OF SOUTH CAROLINA, 1976, BY ADDING SECTION 38-90-35 SO AS TO PROVIDE FOR CONFIDENTIALITY OF INFORMATION SUBMITTED BY A CAPTIVE INSURANCE COMPANY PURSUANT TO THE PROVISIONS OF CHAPTER 90, TITLE 38 AND TO PROVIDE EXCEPTIONS; TO AMEND SECTION 38-87-30, RELATING TO CHARTERING RISK RETENTION GROUPS, SO AS TO REQUIRE A CAPTIVE INSURANCE COMPANY TO COMPLY WITH THESE PROVISIONS; TO AMEND SECTION 38-90-10, AS AMENDED, RELATING TO DEFINITIONS USED IN CONNECTION WITH A CAPTIVE INSURANCE COMPANY, SO AS TO CHANGE THE DEFINITIONS OF "INDUSTRIAL INSURED GROUP" AND "PARENT"; TO AMEND SECTION 38-90-20, AS AMENDED, RELATING TO LICENSING A CAPTIVE INSURANCE COMPANY BY THE DIRECTOR OF INSURANCE, SO AS TO AUTHORIZE A NONPROFIT CORPORATION TO BE LICENSED AND PROVIDE CONSISTENCY WITH THE PROVISIONS OF SECTION 38-90-35 REGARDING CONFIDENTIAL MATERIALS, AND PROVIDE A PROCEDURE BY WHICH A FOREIGN OR ALIEN CAPTIVE INSURANCE COMPANY MAY BECOME A DOMESTIC CAPTIVE INSURANCE COMPANY; TO AMEND SECTION 38-90-25, RELATING TO THE AUTHORITY OF A CAPTIVE INSURANCE COMPANY TO WRITE REINSURANCE COVERING PROPERTY AND CASUALTY INSURANCE OR REINSURANCE CONTRACTS, SO AS TO PROVIDE CONSISTENCY WITH THE PROVISIONS OF SECTION 38-90-35 REGARDING CONFIDENTIAL MATERIALS; TO AMEND SECTION 38-90-40, AS AMENDED, RELATING TO THE LICENSING OF A CAPTIVE INSURANCE COMPANY BY THE DIRECTOR OF INSURANCE BASED ON THE CAPITALIZATION OF THE COMPANY, SO AS TO PROVIDE CAPITALIZATION REQUIREMENTS FOR LICENSING A NONPROFIT CORPORATION AS A CAPTIVE INSURANCE COMPANY; TO AMEND SECTION 38-90-50, AS AMENDED, RELATING TO LICENSING A CAPTIVE INSURANCE COMPANY BASED ON CERTAIN MINIMUM AMOUNTS OF FREE SURPLUS, SO AS TO CHANGE THE REQUIREMENTS FOR A SPONSORED CAPTIVE INSURANCE COMPANY; TO AMEND SECTION 38-90-60, AS AMENDED, RELATING TO INCORPORATION OPTIONS AND REQUIREMENTS OF CERTAIN CAPTIVE INSURANCE COMPANIES, SO AS TO ADD AN ADDITIONAL OPTION FOR A NONPROFIT COMPANY; TO AMEND SECTION 38-90-70, AS AMENDED, RELATING TO FILING REPORTS BY A CAPTIVE INSURANCE COMPANY, SO AS TO MAKE CERTAIN INFORMATION SUBMITTED IN A REPORT CONFIDENTIAL; TO AMEND SECTION 38-90-80, RELATING TO THE INSPECTION AND EXAMINATION OF A CAPTIVE INSURANCE COMPANY BY THE DIRECTOR OF INSURANCE, SO AS TO PROVIDE THAT CERTAIN CONFIDENTIALITY PROVISIONS DO NOT APPLY TO THE DIRECTOR IN MAKING FINAL REPORTS; TO AMEND SECTION 38-90-140, AS AMENDED, RELATING TO THE TAXATION OF A CAPTIVE INSURANCE COMPANY, SO AS TO CHANGE THE DEFINITION OF "COMMON OWNERSHIP AND CONTROL" TO INCLUDE NONPROFIT CORPORATIONS; TO AMEND SECTION 38-90-180, AS AMENDED, RELATING TO THE APPLICABILITY OF THE PROVISIONS OF CHAPTERS 26 AND 27, TITLE 38, TO INSURANCE REORGANIZATIONS, RECEIVERSHIPS, AND INJUNCTIONS TO CAPTIVE INSURANCE COMPANIES, SO AS TO MAKE THE TERMS AND CONDITIONS APPLY TO TITLE 38 INSTEAD OF CHAPTERS 26 AND 27, TITLE 38; AND TO REPEAL SECTION 38-90-170 RELATING TO APPLICABILITY OF THE TERMS AND CONDITIONS OF TITLE 38 TO INSURANCE REORGANIZATIONS, RECEIVERSHIPS, AND INJUNCTIONS TO CAPTIVE INSURANCE COMPANIES FORMED UNDER CHAPTER 90, TITLE 38.

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