



**SOUTH CAROLINA REVENUE AND FISCAL AFFAIRS OFFICE**  
**STATEMENT OF ESTIMATED FISCAL IMPACT**  
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**Bill Number:** H. 4660 As signed by the Governor on March 2, 2016  
**Author:** Sandifer  
**Subject:** Property and Casualty Insurance License Exemptions  
**Requestor:** House of Representatives  
**RFA Analyst(s):** Stein  
**Impact Date:** June 3, 2016

**Estimate of Fiscal Impact**

	<b>FY 2016-17</b>	<b>FY 2017-18</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	(\$126,600)
Other and Federal	\$0	\$0
<b>Local Expenditure</b>	\$0	\$0
<b>Local Revenue</b>	\$0	\$0

**Fiscal Impact Summary**

This bill would have no expenditure impact on the General Fund, Federal Funds, or Other Funds. This bill is expected to reduce General Fund revenues by \$126,600 every other year beginning in FY 2017-18.

**Explanation of Fiscal Impact**

**State Expenditure**

This bill amends Section 38-43-50 dealing with property and casualty insurance licensees. The bill authorizes licensed property and casualty insurance producers to place surplus lines insurance through a licensed insurance broker without being appointed by the surplus lines insurer. The bill also amends Section 38-1-10 and Section 38-1-20 relating to definitions so as to make conforming changes to related terms.

The Department of Insurance reports that this bill would have no expenditure impact on the General Fund, Federal Funds, or Other Funds.

**State Revenue**

Due to the license exemptions created by the bill, the Department of Insurance estimates that approximately 633 property and casualty insurance producers who also maintain a surplus lines license will no longer need to have a surplus lines (broker) license. This licensing change will reduce General Fund insurance premium tax revenue by \$126,600 every other year beginning in FY 2017-18.

**Local Expenditure**

N/A

**Local Revenue**

N/A

A handwritten signature in blue ink, reading "Frank A. Rainwater". The signature is written in a cursive style with a long, sweeping underline that extends to the right.

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Frank A. Rainwater, Executive Director