



SOUTH CAROLINA REVENUE AND FISCAL AFFAIRS OFFICE
STATEMENT OF ESTIMATED FISCAL IMPACT
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Bill Number: S. 0850 As signed by the Governor on April 21, 2016
Author: Hayes
Subject: Insurance Policies
Requestor: Senate
RFA Analyst(s): Stein
Impact Date: June 7, 2016

Estimate of Fiscal Impact

	FY 2016-17	FY 2017-18
State Expenditure		
General Fund	\$0	\$0
Other and Federal	\$0	\$0
Full-Time Equivalent Position(s)	0.00	0.00
State Revenue		
General Fund	\$0	\$0
Other and Federal	\$0	\$0
Local Expenditure	\$0	\$0
Local Revenue	\$0	\$0

Fiscal Impact Summary

This bill would have no expenditure impact on the General Fund, Federal Funds, or Other Funds.

Explanation of Fiscal Impact

State Expenditure

This bill amends Section 38-9-180 known as the “Standard Valuation Law” by updating definitions, prescribing new requirements concerning the minimum standard of valuation for various types of insurance policies, providing a new formula to compute the statutory interest rate, and by providing additional guidelines regarding insurance contract valuation methods. The bill also amends Sections 38-63-510 and 38-63-600 of the “Standard Nonforfeiture Law for Life Insurance” by defining the terms operative date of the valuation manual and nonforfeiture interest rate. The bill also specifies which version of the Commissioners’ mortality tables is to be used to determine the minimum nonforfeiture standard for policies under various circumstances.

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

State Revenue

N/A

Local Expenditure and Revenue

N/A

Frank A. Rainwater, Executive Director