

FISCAL IMPACT STATEMENT ON BILL NO. **S.908**

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TO:	The Honorable Robert W. "Wes" Hayes, Jr., Chairperson, Senate Banking and Insurance Committee		
FROM:	State Budget Division, Budget and Control Board		
ANALYSTS:	Stephen Gardner		
DATE:	February 24, 2014	SBD:	2014066
AUTHOR:	Senator Hayes	PRIMARY CODE CITE:	38-9-310
SUBJECT:	Risk-Based Capital		

ESTIMATED FISCAL IMPACT ON GENERAL FUND EXPENDITURES:

\$0 (No additional expenditures or savings are expected)

ESTIMATED FISCAL IMPACT ON FEDERAL & OTHER FUND EXPENDITURES:

\$0 (No additional expenditures or savings are expected)

BILL SUMMARY:

Senate Bill 908 amends Section 38-9-310, Code of Laws of South Carolina, 1976, relating to definitions concerning risk-based capital, so as to revise existing definitions and define additional terms. The Bill also amends Section 38-9-320, relating to preparing and submitting a risk-based capital report, so as to provide for determining a health organization's risk-based capital report. The Bill also amends Section 38-9-330, as amended, relating to company action level events, so as to add an additional event concerning a health organization. The Bill amends Section's 38-9-360 and 38-9-370, relating to the role of the Director of The Department of Insurance when a mandatory control level event occurs, and, hearings available to a licensee to challenge a determination or action by the Director. Furthermore, the Bill amends Section 38-9-380, relating to the confidentiality of risk-based capital reports, so as to provide circumstances in which the Director may share, receive and use certain information that is confidential. Finally, the Bill amends Section 38-9-340, Section 38-9-350, Section 38-9-365, Section 38-9-390, Section 38-9-400, Section 38-9-440, and Section 38-9-460, all relating to capital, surplus, reserves, and other financial matters, so as to make conforming changes.

EXPLANATION OF IMPACT:

The South Carolina Department of Insurance estimates this Bill will have no fiscal impact on the State General Fund or on Federal and/or Other Funds.

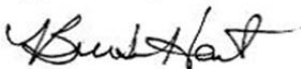
LOCAL GOVERNMENT IMPACT:

None.

SPECIAL NOTES:

None.

Approved by:



Brenda Hart
Assistant Director, State Budget Division