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To: Soura, Christian <ChristianSoura@gov.sc.gov>
Date: 6/2/2014 6:11:00 PM
Subject: FW: S. 909--Captive Insurance Legislation

Looping you in.
KV

From: Raymond Farmer [mailto:RFarmer@doi.sc.gov]
Sent: Monday, June 02, 2014 4:09 PM
To: Pitts, Ted; Baker, Josh; Veldran, Katherine
Subject: S. 909--Captive Insurance Legislation

Ted:

This is just an FYI.

Last week the legislature passed S. 909 which updates and improves our captive insurance statutes. S. 909 originally dealt with some accreditation uniformity issues but was amended in the House to include H. 3797, a more comprehensive reform measure that has been held up for the last year due to concerns by Sen. Malloy.

The Senator's concerns were addressed and last week Sen. Malloy was extremely helpful in moving the bill through the final legislative steps.

The captive insurance industry has had a strong interest in the legislation over the last several years and I would expect the Governor would be requested to have a signing ceremony for the bill.

S. 909 is a great step forward for our captive industry and is being well received throughout this state and the country. I expect the legislation to add to the momentum we have recently established and will further assist us in growing the captive industry.

Briefly, the bill:

- Aligns the captive statutes with corporate law;
- Allows cells within a sponsored captive to be incorporated or unincorporated. Currently, incorporation of cells is not permitted;
- Eliminates the out-dated requirement for captives to obtain a Certificate of General Good from the DOI; and
- Permits the DOI to declare captives inactive if they have no outstanding liabilities and have agreed to cease writing new business.

Please let me know if you have any additional questions or if you are in need of any other information.

Ray