



SOUTH CAROLINA REVENUE AND FISCAL AFFAIRS OFFICE
STATEMENT OF ESTIMATED FISCAL IMPACT
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Bill Number:	S. 0254	Introduced on January 12, 2017
Author:	Cromer	
Subject:	Own Risk and Solvency Assessment Act	
Requestor:	Senate Banking and Insurance	
RFA Analyst(s):	Gable	
Impact Date:	January 27, 2017	

Estimate of Fiscal Impact

	FY 2017-18	FY 2018-19
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 is not expected to have an expenditure impact on the General Fund, Federal Funds, or Other Funds.

Explanation of Fiscal Impact

Introduced on January 12, 2017

State Expenditure

This bill requires all insurers based in the state to complete an Own Risk and Solvency Assessment (ORSA) and provides instructions for filing an ORSA summary report, at least annually, with the director of the Department of Insurance. Based on the response from the Department of Insurance, this bill is needed to maintain the agency's accreditation with the National Association of Insurance Commissioners (NAIC). NAIC accreditation establishes a national standard for effective financial regulatory oversight in the insurance industry. This ensures all insurance agencies are held to the same baseline standards without being subjected to repetitive oversight from multiple jurisdictions, because all national jurisdictions accept an accredited jurisdiction's regulatory standards. Currently, all fifty states, the District of Columbia, and Puerto Rico are accredited with NAIC. This bill does not change the activities of the agency, and therefore, there is no anticipated expenditure impact to the General Fund, Federal Funds, or Other Funds.

State Revenue

N/A

Local Expenditure

N/A

Local Revenue

N/A

A handwritten signature in blue ink, reading "Frank A. Rainwater". The signature is fluid and cursive, with a long horizontal stroke extending from the end.

Frank A. Rainwater, Executive Director