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Commitment Items

Agency Code	Agency Name	Fund Number	Fund Title	Commitment Item	Commitment Item Title	Enabling Statute or Proviso	Purpose of Fund/Commitment Item	Program or Activity Supported by Revenue	Carry Forward Authority (Statute or Proviso)	Detail of How Revenue is Generated. Fees, Fines, Assessments, Charges, etc. amount(s). Identify who pays the fee, fine charge, etc.	Actual Revenue	Estimated Revenue	Projected Revenue
R200	Department Of Insurance	30350000	OPERATING REVENUE	4110010002	INS EXAMINING FEE	§38-13-20 (D)	Recoup the cost of company examinations.	Solvency	Proviso 78.2	Companies examined by DOI staff and/or any contracted actuarial services are billed for services rendered and paid by the company being examined. This varies depending on the number of companies examined and their complexity.	$554,153	$550,000	$550,000
R200	Department Of Insurance	30350000	OPERATING REVENUE	4110010004	INS PROCESSING FEE	§15-9-270	Offsets a portion of the legal cost for service of litigation against insurance companies.	Administration/Legal	Proviso 78.2	Service of Process fee paid by law firms. Cost is $10 of which $5 goes to General Fund and $5 is retained by DOI.	$20,628	$21,000	$21,000
R200	Department Of Insurance	30350000	OPERATING REVENUE	4110020000	MISCELLANEOUS FEE	§38-43-106 (C)(G); Regulation 69-50 (IV)(A)(6),(V)(A)(3), (VI)(A); Bulletin 1992-02(D); Bulletin 2002-01(V)(VI); §38-43-80(C)	Allows the Department to help defray some of the cost for administering the agents continuing education program.	Licensing/Administration	Proviso 78.2	Instructor Approval$25; Course Approval $100; CE Penalty $50; Misc Revenues and Bad Check Charges.	$129,690	$120,000	$120,000
R200	Department Of Insurance	30350000	OPERATING REVENUE	4160010001	INS AGENTS LIC	§38-43-80; §38-97-80	Implementing and administering individual insurance agent license requirements.	Licensing	Proviso 78.3	The Department of Insurance shall be authorized to charge a twenty-five dollar initial producer license fee; a twenty-five dollar biennial producer license renewal fee; and a two hundred-fifty dollar penalty fee for late appointment renewals. Portable electronics insurance licensed fee of one thousand dollars for an initial portable electronics insurance license and five hundred dollars for a renewal.	$2,832,581	$4,000,000	$4,000,000
R200	Department Of Insurance	30350000	OPERATING REVENUE	4420010000	EXAM TRVL REIMB	§38-13-20(D)	Allows the Department to obtain reimbursement for travel incurred during the examination of an insurance company.	Solvency	Proviso 78.2	Actual DOI travel cost incurred by DOI and paid by the company being examined.	$653	$600	$600
R200	Department Of Insurance	30350000	OPERATING REVENUE	4480060000	SL OF LISTING & LBL	Proviso 78.2	Sale of Listings and Labels shall be retained for use by the department. These funds may be carried forward into the current fiscal year.	All	Proviso 78.2	These are monies received from miscellaneous copies of listings, etc. and paid by the individual/company requesting.	$3,039	$3,000	$3,000
R200	Department Of Insurance	30350000	OPERATING REVENUE	4520010025	REF PR YR EXP TRAV	Misc. revenues received related to prior year travel attended by staff.	Misc. revenues received related to prior year travel attended by staff.	Solvency and Captives	N/A	Misc. revenues received related to prior year travel attended by staff.	$1,832	$0	$0
R200	Department Of Insurance	30350000	OPERATING REVENUE	4530030000	MISC REVENUE	Proviso 78.2	Miscellaneous Revenue for Data Processing Services and other Miscellaneous services. Monies shall be retained for use by the department. These funds may be carried forward into the current fiscal year.	All	Proviso 78.2	These are monies received for reimbursement of miscellaneous services and paid by the individual/company requesting. This is normally very low or non-existent.	$35	$0	$0
										Closed out fund			

R200	Department Of Insurance	30350000	OPERATING REVENUE	4660010000	INVEST ERN	§38-77-151	Closed out fund 43260000 ENVIRN MITG-VW SETTL. This was investment earnings received related to cash transfers performed to support expenditures related to the Volkswaggen Settlement accounted for in fund 43260000.	N/A-Governor Appointed SCDOI to handle this project.	N/A-Governor Appointed SCDOI to handle this project.	43260000 ENVIRN MITG-VW SETTL. This was investment earnings received related to cash transfers performed to support expenditures related to the Volkswaggen Settlement accounted for in fund 43260000.	$7	$0	$0
R200	Department Of Insurance	30980000	DONATIONS	4310030000	GEN OPER CONT/DON-RE	Donations that are restricted by the contributor for use in a particular function.	To designate operating contributions and donations that are restricted by the contributor for use in the Hurricane Mitigation program. This contribution/donation is to be used for personnel and other related costs for operating the program.	Hurricane Mitigation/SC Safe Homes	Proviso 78.2. Donations that are restricted by the contributor for use in a particular function.	Donation received annually from SC Wind and Hail Association. The annual donation is $77k.	$154,000	$0	$0
R200	Department Of Insurance	34570000	HURR DAMA MIT PROG	4310030000	GEN OPER CONT/DON-RE	Donations that are restricted by the contributor for use in a particular function.	To designate operating contributions and donations that are restricted by the contributor for use in the Hurricane Mitigation program. This contribution/donation is to be used for personnel and other related costs for operating the program.	Hurricane Mitigation/SC Safe Homes	Proviso 78.2. Donations that are restricted by the contributor for use in a particular function.	Donation received annually from SC Wind and Hail Association. This donation was for "Roofs for First Responders" as a result of Covid-19 pandemic.	$7,000	$0	$0
R200	Department Of Insurance	34570000	HURR DAMA MIT PROG	4890040000	MISC TRNSF-OTHR FD	2007-2008 Bill 3820: Omnibus Coastal Property Insurance Reform Act of 2007 (SECTION 11. Article 8, Chapter 75, Title 38 of the 1976 Code); §38-75-485	Provide funding for the Hurricane Mitigation program created in June, 2007.	Hurricane Mitigation/SC Safe Homes	§38-75-485	One percent of the total premium taxes collected by the Department of Insurance plus 100% of the premium taxes paid by the SC Wind & Hail Underwriting Association. Funds are transferred into the Hurricane Mitigation fund at the end of each fiscal year.	$2,142,216	$2,100,000	$2,100,000
R200	Department Of Insurance	36B50000	CAPTIVE INS REG	4080010000	ANNUAL INSURANCE TAX	§38-90-175	Supports the cost of regulating captive insurance companies.	Captives	§38-90-175	Regular Captives: $200 Application fee; $300 initial license fee; $500 annual renewal paid by captives companies. SPFC: $200 Application Fee; $300 initial license fee; $500 annual renewal paid by the SPFC.	$166,800	$165,000	$165,000
R200	Department Of Insurance	36B50000	CAPTIVE INS REG	4080080000	INSURANCE PREM TAX	§38-90-175; §38-90-140-145; §38-90-580	Supports the cost of regulating captive insurance companies.	Captives	§38-90-175	Annual tax depends on premiums written. See §38-90-140 for captives and §38-90-580 (A)(B) for SPFC.	$656,010	$650,000	$650,000
R200	Department Of Insurance	36B50000	CAPTIVE INS REG	4110010002	INS EXAMINING FEE	§38-13-20 (D)	Recoup the cost of company examinations.	Captives	Proviso 78.2	Companies examined by DOI staff and/or any contracted actuarial services are billed for services rendered.	$430,711	$400,000	$400,000
R200	Department Of Insurance	36B50000	CAPTIVE INS REG	4520010025	REF PR YR EXP TRAV	Misc. revenues received related to prior year travel attended by staff.	Misc. revenues received related to prior year travel attended by staff.	Solvency and Captives	N/A	Misc. revenues received related to prior year travel attended by staff.	$1,510	$0	$0
R200	Department Of Insurance	43270000	UNINSUR MOTOR-ADM	4660010000	INVEST ERN	§38-77-151	Investment earnings received from State Treasurer's Office for Restriced Un-Insured Motorist monies invested.	Uninsured Motorists	§38-77-151	Investment earnings received from State Treasurer's Office for Restriced Un-Insured Motorist monies invested. Funds expended for the administration of this chapter and to enforce the provisions of Title 38.	$4,514	$4,500	$4,500
R200	Department Of Insurance	43270000	UNINSUR MOTOR-ADM	4890040000	MISC TRNSF-OTHR FD	§56-10-510; §56-10-550; §56-10-552; §38-77-151; §38-77-154	See §38-77-151. Enforce provisions of Title 38 and perform certain consumer services with regards to auto insurance.	Uninsured Motorists	§38-77-151	Funds are transferred to DOI from DMV on a monthly basis. Paid by DMV customers. Funds expended for the administration of this chapter and to enforce the provisions of Title 38.	$222,717	$220,000	$220,000
										Investment earnings received from State Treasurer's Office for Restriced Un-			

R200	Department Of Insurance	45530000	UNINSURED MOTOR	4660010000	INVEST ERN	§38-77-151	Investment earnings received from State Treasurer's Office for Restriced Un-Insured Motorist monies invested.	Uninsured Motorists	§38-77-151	Insured Motorist monies invested. Companies receive their "annual" Un-Insured Motorists Distribution based on their Market Share of premiums written for Private Passenger & Commercial Auto Liability (tax lines 19.10-19.40).	$40,720	$40,000	$40,000
R200	Department Of Insurance	45530000	UNINSURED MOTOR	4890040000	MISC TRNSF-OTHR FD	§56-10-510; §56-10-550; §56-10-552; §38-77-151; §38-77-154; §38-77-155.	Reduce the cost of uninsured motorists premiums for SC drivers.	Uninsured Motorists	§38-77-151	Funds are transferred to DOI from DMV on a monthly basis. Paid by DMV customers. Companies receive their "annual" Un-Insured Motorists Distribution based on their Market Share of premiums written for Private Passenger & Commercial Auto Liability (tax lines 19.10-19.40).	$2,227,169	$2,220,000	$2,220,000

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Agency Funds

Cash Balances and Expenditures

Agency Code	Agency Name	Fund Number	Fund Title	Year End Cash Balance	Total Expenditures From Fund	Cash Balance as a % of Expenditures	Describe in detail why the agency needs to carry forward a balance greater than one-sixth (16.5% = 60 days) of the funds identified as total expenditures for the prior fiscal year
R200	Department Of Insurance	30350000	OPERATING REVENUE	$8,361,311	$3,542,829	236.01%	This revenue stream supports various programs: The average percentage of Exp's for FY20 supported Administration 27%; Solvency 27%; Licensing 19%; Taxation 5%; Consumer Services 9% and Policy Forms and Rates 13%). The Solvency program is 100% self-supported by billings of actual cost previously incurred. Therefore, sufficient cash is needed to support these expenditures until such time revenue is received from these examinations. Appointment renewals are biennial (collected only in odd fiscal years). Appointment penalty renewals represents ~ 25% of the average yearly revenues, but is only received every other year. Our authority (FY20) is $6,017,439 in case we have large expenditures incurred as a result of examinations. Therefore, it is imperative that we maintain a healthy cash balance at the start of each fiscal year. Extra cash is needed to be on-hand in case we have a company go insolvent and have to incur expenses not planned for attorneys, actuaries, etc.
R200	Department Of Insurance	30980000	DONATIONS	$155,276	$87,388	177.69%	Donation by the SC Wind and Hail Association. Donation used to help support the Hurricane Mitigation Program. These monies are "restricted" for sole use within the Safe Home program. The yearly donation is $77k and our authority is $87,388. Therefore, cash is needed to support the efforts. A healthy cash balance is needed at the start of the year because the donation could be received anytime throughout the fiscal year.
R200	Department Of Insurance	34570000	HURR DAMA MIT PROG	$3,265,869	$2,300,423	141.97%	Program was created by H3820 at the end of FY 07. Program did not begin awarding grants until December of 07. All revenues are transferred into this subfund at the end of the fiscal year so there will always be a large year end cash balance. Revenues are used to support the Mitigation Grants unit and provide grants to South Carolina homeowners. The average yearly transfer is approximately $2,100,000. A higher authority was granted several years ago to allow us to spend down some of the cash that had built up when the program was just getting started. This was subsequently reduced with the FY17 budget.
R200	Department Of Insurance	36B50000	CAPTIVE INS REG	$392,051	$1,200,746	32.65%	Funds are used to operate the Captives Insurance unit. A large (front-loaded or prior year-end) cash balance is needed to carry the business unit until February/March when all captives license fees and taxes are received.
R200	Department Of Insurance	43270000	UNINSUR MOTOR-ADM	$228,444	$196,740	116.11%	Funds provided by DMV for Administrative purposes in accordance with §38-77-151. Statute requires these funds be used to enforce the provisions of Title 38, as well as publish a consumers automobile insurance buyer's guide, a brochure comparing automobile insurance premiums and to provide for a public awareness campaign. Some extra cash is desired and needed to be on-hand in case we have a company go insolvent and have to incur expenses not planned for attorneys, actuaries, etc.
R200	Department Of Insurance	45530000	UNINSURED MOTOR	$2,408,189	$1,998,400	120.51%	Funds are distributed annually (December) to auto insurers operating in SC in accordance with §38-77-155 based on the cash balance at that time. Funding provided by DMV. The fund grows for the remaining six (6) months of the fiscal year, resulting in a large cash balance at year end.