

## REPORTING REQUIREMENTS FOR CAPTIVE INSURERS

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**Senate Bill 898 as passed by the Senate**

**Sponsor: Sen. Joe Hune**

**House Committee: Insurance**

**Senate Committee: Insurance**

**Complete to 9-5-18**

Analysis available at  
<http://www.legislature.mi.gov>

### SUMMARY:

Senate Bill 898 would amend the Insurance Code to modify reporting requirements for captive insurance companies.

Currently, a Michigan domestic captive insurer must make an annual report to the director of the Department of Insurance and Financial Services (DIFS) regarding its financial condition. In making this report, the captive insurer may use generally accepted accounting principles (GAAP) or, with the approval of the director of DIFS, statutory accounting principles (SAP).

The bill would further allow a Michigan domestic captive insurer to use international financial reporting standards (IFRS) in making its annual report, but only if the director of DIFS approved the use of those standards.

Currently, the annual report must be made on or before March 1 of each year. The bill would instead require the report to be made no later than 60 days after the end of the captive insurer's fiscal year.

MCL 500.4621

### FISCAL IMPACT:

Senate Bill 898 would not have a fiscal impact on any unit of state or local government.

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