

AN ACT

IN THE COUNCIL OF THE DISTRICT OF COLUMBIA

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District of
Columbia
Official Code*

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To amend, on a temporary basis, the Captive Insurance Company Act of 2000 to authorize the formation of nonprofit captive insurance companies in the District of Columbia.

BE IT ENACTED BY THE COUNCIL OF THE DISTRICT OF COLUMBIA, That this act may be cited as the "Captive Insurance Company Temporary Amendment Act of 2004".

Sec. 2. The Captive Insurance Company Act of 2000, effective October 21, 2000 (D.C. Law 13-192; D.C. Official Code § 31-3901 *et seq.*), is amended as follows:

(a) Section 2 (D.C. Official Code § 31-3901) is amended by adding a new paragraph (16A) to read as follows:

Note,
§ 31-3901

"(16A) "Nonprofit captive insurer" means any captive insurer organized under this act that is exempt from federal income taxation."

(b) Section 7 (D.C. Official Code § 31-3906) is amended as follows:

Note,
§ 31-3906

(1) Subsection (a) is amended to read as follows:

"(a) A pure captive insurer, an association captive insurer, agency captive insurer, sponsored captive insurer, or a rental captive insurer may be organized in any form authorized by the Commissioner."

(2) Subsection (b) is repealed.

(3) Subsection (i) is amended by striking the word "incorporators" and inserting the phrase "incorporators or organizers" in its place.

(4) Subsection (l) is amended by and by striking the phrase "general corporation law set forth in the District of Columbia Business Corporation Act" and inserting the phrase "District law applicable to the form of business organization of the captive insurer" in its place.

(5) Subsection (m) is amended by striking phrase "articles of association," and by inserting the phrase "articles of association, articles of organization (or equivalent organizational document)," in its place.

(6) A new paragraph (n) is added to read as follows:

"(n) Any form of captive insurer permitted by this act may be organized as a nonprofit captive insurer under this act. A nonprofit captive insurer shall not be exempt from the premium tax obligation under section 16."

Sec. 3. Fiscal impact statement.

The Council adopts the attached fiscal impact statement as the fiscal impact statement required by section 602(c)(3) of the District of Columbia Home Rule Act, approved December 24, 1973 (87 Stat. 813; D.C. Official Code § 1-206.02(c)(3)).

Sec. 4. Effective date.

(a) This act shall take effect following approval by the Mayor (or in the event of veto by the Mayor, action by the Council to override the veto), a 30-day period of Congressional review as provided in section 602(c)(1) of the District of Columbia Home Rule Act, approved December 24, 1973 (87 Stat. 813; D.C. Official Code § 1-206.02(c)(1)), and publication in the District of Columbia Register.

(b) This act shall expire after 225 days of its having taken effect.

Chairman
Council of the District of Columbia

Mayor
District of Columbia