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## **Vermont's Latest Captive Bill Signed Into Law**

**By Becky Butcher**

**Burlington, Vermont** - The Vermont General Assembly is going through the final stages of passing the state's latest captive bill, according to the Vermont Captive Insurance Association.

The captive bill, H-538, will allow sponsored and association captives to file reports on a fiscal year-end. Currently, many sponsored captives are only open to affiliated, while association captives are limited to members of the association. In these cases, it is appropriate to allow the captive's year to match the owner/insured's.

The bill will also allow sponsored and industrial insured captives to enter dormant status, allowing them to waive premium taxes but stay in Vermont, ready to be reactivated.

Protected cells, meanwhile, will be allowed free movement if the bill passes, meaning they will be able to move to a different sponsored captive or be converted into an incorporate cell or separate captive.

Finally, some minor adjustments will be made to risk retention group governance standards, which passed in the last bill, to clarify the rules for easier implementation.