

Fiscal Estimate - 2017 Session

Original Updated Corrected Supplemental

LRB Number 17-0671/1		Introduction Number SB-077	
Description surplus lines insurance policies issued by domestic insurers			
Fiscal Effect			
State:			
<input checked="" type="checkbox"/> No State Fiscal Effect			
<input type="checkbox"/> Indeterminate			
<input type="checkbox"/> Increase Existing Appropriations		<input type="checkbox"/> Increase Existing Revenues	
<input type="checkbox"/> Decrease Existing Appropriations		<input type="checkbox"/> Decrease Existing Revenues	
<input type="checkbox"/> Create New Appropriations		<input type="checkbox"/> Increase Costs - May be possible to absorb within agency's budget <input type="checkbox"/> Yes <input type="checkbox"/> No	
		<input type="checkbox"/> Decrease Costs	
Local:			
<input type="checkbox"/> No Local Government Costs			
<input type="checkbox"/> Indeterminate			
1. <input type="checkbox"/> Increase Costs		3. <input type="checkbox"/> Increase Revenue	
<input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory		<input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory	
2. <input type="checkbox"/> Decrease Costs		4. <input type="checkbox"/> Decrease Revenue	
<input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory		<input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory	
5. Types of Local Government Units Affected			
<input type="checkbox"/> Towns		<input type="checkbox"/> Village	
<input type="checkbox"/> Counties		<input type="checkbox"/> Others	
<input type="checkbox"/> School Districts		<input type="checkbox"/> WTCS Districts	
<input type="checkbox"/> Cities			
Fund Sources Affected		Affected Ch. 20 Appropriations	
<input type="checkbox"/> GPR <input type="checkbox"/> FED <input type="checkbox"/> PRO <input type="checkbox"/> PRS <input type="checkbox"/> SEG <input type="checkbox"/> SEGS			
Agency/Prepared By		Authorized Signature	Date
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Fiscal Estimate Narratives

OCI 2/28/2017

LRB Number	17-0671/1	Introduction Number	SB-077	Estimate Type	Original
Description surplus lines insurance policies issued by domestic insurers					

Assumptions Used in Arriving at Fiscal Estimate

This bill allows an insurer that is domiciled in Wisconsin to provide surplus lines insurance in this state if the insurer meets certain requirements. Under this bill, an insurer domiciled in this state may apply to the Wisconsin Commissioner of Insurance for a certificate allowing the insurer to provide surplus lines insurance in this state as a domestic surplus lines insurer. In order to receive the certificate, the insurer must have a resolution to become a domestic surplus lines insurer adopted by its board of directors; have at least \$15,000,000 in capital and surplus; and be eligible to provide surplus lines insurance in at least one other state. The bill specifies that an insurance policy issued by a domestic surplus lines insurer is not protected by the Wisconsin insurance security fund and is subject to the same taxation under current law as a surplus lines insurance policy. The bill also specifies that a domestic surplus lines insurer may only offer surplus lines insurance.

Insurers seeking to sell surplus lines insurance in Wisconsin under this bill are already licensed and subject to OCI regulation. As a result, there will be no state fiscal effect.

Long-Range Fiscal Implications

None