

### Fiscal Estimate - 2017 Session

Original     
  Updated     
  Corrected     
  Supplemental

<b>LRB Number</b> 17-2221/1	<b>Introduction Number</b> AB-0110
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**Description**  
 Surplus lines insurance policies issued by domestic insurers

**Fiscal Effect**

**State:**

No State Fiscal Effect  
 Indeterminate  
 Increase Existing Appropriations     
  Increase Existing Revenues     
  Increase Costs - May be possible to absorb within agency's budget  
 Decrease Existing Appropriations     
  Decrease Existing Revenues     
   
  Yes       No  
 Create New Appropriations     
   
  Decrease Costs

**Local:**

No Local Government Costs  
 Indeterminate

1. <input type="checkbox"/> Increase Costs <input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory	3. <input type="checkbox"/> Increase Revenue <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"/> Cities <input type="checkbox"/> Counties <input type="checkbox"/> Others <input type="checkbox"/> School Districts <input type="checkbox"/> WTCS Districts
2. <input type="checkbox"/> Decrease Costs <input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory	4. <input type="checkbox"/> Decrease Revenue <input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory	

<b>Fund Sources Affected</b>	<b>Affected Ch. 20 Appropriations</b>
<input type="checkbox"/> GPR <input type="checkbox"/> FED <input type="checkbox"/> PRO <input type="checkbox"/> PRS <input type="checkbox"/> SEG <input type="checkbox"/> SEGS	

<b>Agency/Prepared By</b>	<b>Authorized Signature</b>	<b>Date</b>
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## Fiscal Estimate Narratives

OCI 3/10/2017

LRB Number	17-2221/1	Introduction Number	AB-0110	Estimate Type	Original
<b>Description</b> 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