

ADMINISTRATIVE RULES – FISCAL ESTIMATE

1. Fiscal Estimate Version

Original Updated Corrected

2. Administrative Rule Chapter Title and Number

INS 25.13

3. Subject

Exception to the annual privacy notice requirements and affecting small business

4. State Fiscal Effect:

<input checked="" type="checkbox"/> No Fiscal Effect	<input type="checkbox"/> Increase Existing Revenues	<input type="checkbox"/> Increase Costs
<input type="checkbox"/> Indeterminate	<input type="checkbox"/> Decrease Existing Revenues	<input type="checkbox"/> Yes <input type="checkbox"/> No May be possible to absorb within agency's budget.
		<input type="checkbox"/> Decrease Costs

5. Fund Sources Affected:

GPR FED PRO PRS SEG SEG-S

6. Affected Ch. 20, Stats. Appropriations:

NA

7. Local Government Fiscal Effect:

<input checked="" type="checkbox"/> No Fiscal Effect	<input type="checkbox"/> Increase Revenues	<input type="checkbox"/> Increase Costs
<input type="checkbox"/> Indeterminate	<input type="checkbox"/> Decrease Revenues	<input type="checkbox"/> Decrease Costs

8. Local Government Units Affected: NA

Towns Villages Cities Counties School Districts WTCS Districts Others: None

9. Private Sector Fiscal Effect (small businesses only):

<input checked="" type="checkbox"/> No Fiscal Effect	<input type="checkbox"/> Increase Revenues	<input type="checkbox"/> Increase Costs
<input type="checkbox"/> Indeterminate	<input type="checkbox"/> Decrease Revenues	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No May have significant economic impact on a substantial number of small businesses
	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No May have significant economic impact on a substantial number of small businesses	<input checked="" type="checkbox"/> Decrease Costs

10. Types of Small Businesses Affected:

This proposed rule change will affect all licensees, regardless of size, domiciled or doing business in the State of Wisconsin because it will provide for an exception to a requirement for sending annual privacy notices so long as the originally disclosed privacy and associated business practices have not changed from the most recent annual notice.

11. Fiscal Analysis Summary

According to informal comments the OCI staff received, removing the annual notice requirement will save insurers, regardless of size, significant compliance costs. For example, American Family Insurance stated it will save approximately \$70,000 in annual notice mailing and printing fees each year, provided that their privacy policies do not change. This figure was based on 2016's compliance costs.

12. Long-Range Fiscal Implications

The long term fiscal implications of the proposed rule change are decreased costs to insurers eligible for the exemption and provide consistent regulatory requirements.

13. Name - Prepared by Richard B. Wicka	Telephone Number (608) 261-6018	Date
14. Name – Analyst Reviewer	Telephone Number	Date
Signature—Secretary or Designee	Telephone Number	Date