

WISCONSIN LEGISLATIVE COUNCIL STAFF



RULES CLEARINGHOUSE

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CLEARINGHOUSE REPORT TO AGENCY

[THIS REPORT HAS BEEN PREPARED PURSUANT TO S. 227.15, STATS. THIS IS A REPORT ON A RULE AS ORIGINALLY PROPOSED BY THE AGENCY; THE REPORT MAY NOT REFLECT THE FINAL CONTENT OF THE RULE IN FINAL DRAFT FORM AS IT WILL BE SUBMITTED TO THE LEGISLATURE. THIS REPORT CONSTITUTES A REVIEW OF, BUT NOT APPROVAL OR DISAPPROVAL OF, THE SUBSTANTIVE CONTENT AND TECHNICAL ACCURACY OF THE RULE.]

CLEARINGHOUSE RULE 00-120

AN ORDER to repeal Ins 23.30 (1) (b) and (2) (d), 23.35 and 23.40; to renumber Ins 23.30 (1) (c) to (h); and to amend Ins 23.30 (2), relating to standards for insurance marketed to fund prearranged funeral plans.

Submitted by **OFFICE OF THE COMMISSIONER OF INSURANCE**

08-14-00 RECEIVED BY LEGISLATIVE COUNCIL.
09-08-00 REPORT SENT TO AGENCY.

RNS:GAA:jal;rv

LEGISLATIVE COUNCIL RULES CLEARINGHOUSE REPORT

This rule has been reviewed by the Rules Clearinghouse. Based on that review, comments are reported as noted below:

1. STATUTORY AUTHORITY [s. 227.15 (2) (a)]

Comment Attached YES NO

2. FORM, STYLE AND PLACEMENT IN ADMINISTRATIVE CODE [s. 227.15 (2) (c)]

Comment Attached YES NO

3. CONFLICT WITH OR DUPLICATION OF EXISTING RULES [s. 227.15 (2) (d)]

Comment Attached YES NO

4. ADEQUACY OF REFERENCES TO RELATED STATUTES, RULES AND FORMS [s. 227.15 (2) (e)]

Comment Attached YES NO

5. CLARITY, GRAMMAR, PUNCTUATION AND USE OF PLAIN LANGUAGE [s. 227.15 (2) (f)]

Comment Attached YES NO

6. POTENTIAL CONFLICTS WITH, AND COMPARABILITY TO, RELATED FEDERAL REGULATIONS [s. 227.15 (2) (g)]

Comment Attached YES NO

7. COMPLIANCE WITH PERMIT ACTION DEADLINE REQUIREMENTS [s. 227.15 (2) (h)]

Comment Attached YES NO

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CLEARINGHOUSE RULE 00-120

Comments

[NOTE: All citations to "Manual" in the comments below are to the Administrative Rules Procedures Manual, prepared by the Revisor of Statutes Bureau and the Legislative Council Staff, dated September 1998.]

2. Form, Style and Placement in Administrative Code

- a. In the introductory clause to the rule, "Ins" should replace "INS."
- b. SECTION 1 of the rule should be divided into two SECTIONS. The repeal of s. 23.30 (1) (b) should be separate from the renumbering of s. 23.30 (1) (c) to (h).
- c. In the renumbered SECTION 2, "to" should replace "through."

4. Adequacy of References to Related Statutes, Rules and Forms

The analysis to the rule refers to 1999 Wisconsin Act 91. The reference should be to 1999 Wisconsin Act 191.

**PROPOSED ORDER OF THE OFFICE OF THE COMMISSIONER OF INSURANCE REPEALING,
RENUMBERING AND AMENDING A RULE**

To repeal ~~INS~~ 23.30 (1) (b); renumber ~~INS~~ 23.30 (1) (c) through (h); to amend INS 23.30 (2); to repeal INS 23.35, INS 23.30 (2) (d) and INS 23.40 Wis. Adm. Code, relating to standards for insurance marketed to fund prearranged funeral plans.

ANALYSIS PREPARED BY THE OFFICE OF THE COMMISSIONER OF INSURANCE

Statutory authority: Section 632.415 (5) (1999 Stats.) and s. 601.41 (3) Stats.

Statutes interpreted: Section 632.415 (5) (1999 Stats.) and s. 601.41 (3) Stats.

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The purpose of this rule is to repeal Ins 23.35 & 23.40 Wis. Adm. Code and further amend Ins 23 as necessary to conform to recent legislation contained in 1999 Wisconsin Act 91 (s. 632.415 Stats.) Among other things 1999 Wisconsin Act 91, effective July 1, 2000, removed from the commissioner the authority to set minimum standards for benefits and compensation arrangements for funeral policies. The current rule Ins 23 contains standards for these and other aspects of funeral policies. The proposed rule change will repeal those standards that conflict with the legislation and make other changes as required to bring the rule into compliance with the legislative mandate. Pursuant to s. 227.16 (2) (b) Stats. no public hearing is required.

SECTION 1. Section Ins 23.30 (1) (b) is repealed, ^{2 SEC 2} and Ins 23.30 (1) (c) ^{to} through (h) are renumbered (b) through (g).

SECTION 2. Section Ins 23.30 (2) (b) is amended to read:

Ins 23.30 (2) (b) A consideration plan and, within 30 days of any revisions to the consideration plan, the revised consideration plan including all of the following:

SECTION 3. Sections Ins 23.30 (2) (d), 23.35 and 23.40 are repealed.

SECTION 4. These changes will take effect on the first day of the month after publication, as provided in s. 227.22(2)(intro.), Stats.

Dated at Madison, Wisconsin, this 11 day of August, 2000.

Connie L. O'Connell

Connie L. O'Connell
Commissioner of Insurance



SEP 26 2000

State of Wisconsin / OFFICE OF THE COMMISSIONER OF INSURANCE

Tommy G. Thompson
Governor

Connie L. O'Connell
Commissioner

September 15, 2000

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HONORABLE JUDITH ROBSON
SENATE CO-CHAIRPERSON
JOINT COMM FOR REVIEW OF ADM RULES
15 SOUTH STATE CAPITOL
MADISON WI 53702

Re: Section Ins 23, Wis. Adm. Code, relating to standards for insurance marketed
to fund prearranged funeral plans

Clearinghouse Rule No. 00-120

Dear Senator Robson:

I am enclosing a copy of this proposed rule which has been submitted to the presiding officers of the legislative houses under s. 227.19 (2), Wis. Stat. A copy of the report required under s. 227.19 (3), Wis. Stat., is also enclosed.

Sincerely,

Connie L. O'Connell
Commissioner

CLO:SM

Attachment: 1 copy rule & legislative report

**PROPOSED ORDER OF THE OFFICE OF THE COMMISSIONER OF INSURANCE REPEALING,
RENUMBERING AND AMENDING A RULE**

To repeal Ins 23.30 (1) (b); renumber Ins 23.30 (1) (c) through (h); to amend Ins 23.30 (2); to repeal Ins 23.35, Ins 23.30 (2) (d) and Ins 23.40 Wis. Adm. Code, relating to standards for insurance marketed to fund prearranged funeral plans.

ANALYSIS PREPARED BY THE OFFICE OF THE COMMISSIONER OF INSURANCE

Statutory authority: Section 632.415 (5) (1999 Stats.) and s. 601.41 (3) Stats.

Statutes interpreted: Section 632.415 (5) (1999 Stats.) and s. 601.41 (3) Stats.

The purpose of this rule is to repeal Ins 23.35 & 23.40 Wis. Adm. Code and further amend Ins 23 as necessary to conform to recent legislation contained in 1999 Wisconsin Act 191 (s. 632.415 Stats.) Among other things 1999 Wisconsin Act 191, effective July 1, 2000, removed from the commissioner the authority to set minimum standards for benefits and compensation arrangements for funeral policies. The current rule Ins 23 contains standards for these and other aspects of funeral policies. The proposed rule change will repeal those standards that conflict with the legislation and make other changes as required to bring the rule into compliance with the legislative mandate. Pursuant to s. 227.16 (2) (b) Stats. no public hearing is required.

SECTION 1. Section Ins 23.30 (1) (b) is repealed.

SECTION 2. Ins 23.30 (1) (c) through (h) are renumbered (b) to (g).

SECTION 3. Section Ins 23.30 (2) (b) is amended to read:

Ins 23.30 (2) (b) A consideration plan and, within 30 days of any revisions to the consideration plan, the revised consideration plan including all of the following:

SECTION 4. Sections Ins 23.30 (2) (d), 23.35 and 23.40 are repealed.

SECTION 5. These changes will take effect on the first day of the month after publication, as provided in s. 227.22(2)(intro.), Stats.

Dated at Madison, Wisconsin, this _____ day of _____, 2000.

Connie L. O'Connell
Commissioner of Insurance

FISCAL ESTIMATE WORKSHEET

1999 Session

Detailed Estimate of Annual Fiscal Effect
DOA-2047 (R06/99)

LRB Number	Amendment No. if Applicable
Bill Number	Administrative Rule Number INS 23

- ORIGINAL UPDATED
 CORRECTED SUPPLEMENTAL

Subject
standards for insurance marketed to fund prearranged funeral plans

I. One-time Costs or Revenue Impacts for State and/or Local Government (do not include in annualized fiscal effect):
None

II. Annualized Costs:	Annualized Fiscal impact on State funds from:	
	Increased Costs	Decreased Costs
A. State Costs by Category		
State Operations - Salaries and Fringes	\$ 0	\$ -0
(FTE Position Changes)	(0 FTE)	(-0 FTE)
State Operations - Other Costs	0	-0
Local Assistance	0	-0
Aids to Individuals or Organizations	0	-0
TOTAL State Costs by Category	\$ 0	\$ -0
B. State Costs by Source of Funds	Increased Costs	Decreased Costs
GPR	\$ 0	\$ -0
FED	0	-0
PRO/PRS	0	-0
SEG/SEG-S	0	-0
C. State Revenues	Increased Rev.	Decreased Rev.
Complete this only when proposal will increase or decrease state revenues (e.g., tax increase, decrease in license fee, etc.)		
GPR Taxes	\$ 0	\$ -0
GPR Earned	0	-0
FED	0	-0
PRO/PRS	0	-0
SEG/SEG-S	0	-0
TOTAL State Revenues	\$ 0 None	\$ -0 None

NET ANNUALIZED FISCAL IMPACT

STATE

LOCAL

NET CHANGE IN COSTS \$ None 0 \$ None 0

NET CHANGE IN REVENUES \$ None 0 \$ None 0

Prepared by: Stephen Mueller	Telephone No. 267-2833	Agency Insurance
Authorized Signature:	Telephone No.	Date



State of Wisconsin / OFFICE OF THE COMMISSIONER OF INSURANCE

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REPORT ON Section Ins 23, Wis. Adm. Code, relating to
standards for insurance marketed to fund prearranged
funeral plans

Clearinghouse Rule No 00-120
Submitted Under s. 227.19 (3), Stats.
The proposed rule-making order is attached.

(a) Statement of need for the proposed rule

see analysis in rule

(b) Modifications made in proposed rule based on testimony at public hearing:

no public hearing was held

(c) Letters received:

none

(d) Response to Legislative Council staff recommendations

All comments were complied with and corrected .

(e) Regulatory flexibility analysis

The proposed rule does will not have a significant economic impact on a
substantial number of small businesses.

(f) Fiscal Effect

See fiscal estimate attached to proposed rule.

Attachment: Legislative Council Staff Recommendations
September 15, 2000