

2009 DRAFTING REQUEST

Bill

Received: **09/23/2008**

Received By: **pkahler**

Wanted: **As time permits**

Identical to LRB:

For: **Administration-Budget 7-9546**

By/Representing: **Jablonsky**

This file may be shown to any legislator: **NO**

Drafter: **tdodge**

May Contact:

Addl. Drafters:

Subject: **Insurance - miscellaneous**

Extra Copies:

Submit via email: **NO**

Pre Topic:

DOA:.....Jablonsky, BB0114 -

Topic:

Insurance agent appointment fees

Instructions:

See attached

Drafting History:

<u>Vers.</u>	<u>Drafted</u>	<u>Reviewed</u>	<u>Typed</u>	<u>Proofed</u>	<u>Submitted</u>	<u>Jacketed</u>	<u>Required</u>
/?	tdodge 10/06/2008	wjackson 10/08/2008		_____			State
/1			mduchek 10/08/2008	_____	sbasford 10/08/2008		State
/2	tdodge 10/20/2008	wjackson 10/20/2008	phenry 10/20/2008	_____	sbasford 10/20/2008		

FE Sent For:

<END>

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/?	tdodge 10/06/2008	wjackson 10/08/2008					State
/1		12 Wlj 10/20	mduchek 10/08/2008	<i>[Handwritten initials]</i>	sbasford 10/08/2008		

FE Sent For:

[Handwritten signatures and initials: 12 Wlj 10/20, mduchek, sbasford, and others]

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/?	tdodge						
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MD 10/8
MD/JF 10/8

FE Sent For:

<END>

2009-11 Budget Bill Statutory Language Drafting Request

- Topic: Listing Fees
- Tracking Code: BB0114
- SBO team: Health and Insurance
- SBO analyst: Sue Jablonsky
 - Phone: 7-9546
 - Email: Sue.Jablonsky@Wisconsin.gov
- Agency acronym: OCI
- Agency number: 145
- Priority (Low, Medium, High): Medium

Intent: Allow listing fees for insurance agents to be set in administrative rules rather than in statutes. See attached.



State of Wisconsin
2009 - 2010 LEGISLATURE

LRB-0389?

TJD: /:....

WLY

In: 10/06/08

DOA:.....Jablonsky, BB0114 - Insurance agent listing fees

FOR 2009-11 BUDGET -- NOT READY FOR INTRODUCTION

DW

Do Not Gen

1 AN ACT ...; relating to: the budget.

Analysis by the Legislative Reference Bureau

INSURANCE

Under current law, insurance companies must notify OCI of the appointments, renewals, and terminations of insurance agents selling policies on their behalf. For notification of an appointment, known as a listing, and each renewal of a listing, the insurance company must pay to OCI a fee that is set by the commissioner by rule but which may not be more than \$8 for a resident agent and not more than \$24 for a nonresident agent.

This bill eliminates the maximum fee level, still requires the commissioner to set the listing fees by rule, and requires that the fees be paid at times and under procedures set by the commissioner.

For further information see the *state* fiscal estimate, which will be printed as an appendix to this bill.

The people of the state of Wisconsin, represented in senate and assembly, do enact as follows:

2 SECTION 1. 601.31 (1) (n) of the statutes is amended to read:

3 601.31 (1) (n) For listing, or renewing a listing of, an agent under s. 628.11, a
4 fee to be set by the commissioner by rule but not to exceed \$8 annually for resident

1 ~~agents or \$24 annually for nonresident agents and paid at times and under~~
2 procedures set by the commissioner.

History: 1971 c. 40 s. 93; 1971 c. 125, 260, 307; 1975 c. 223, 371, 373, 374, 421; 1979 c. 102 ss. 63 to 65, 237; 1979 c. 261, 355; 1981 c. 20 ss. 1739 to 1748, 2202 (26) (a); 1981 c. 38, 314; 1983 a. 358; 1985 a. 29; 1987 a. 27, 166; 1989 a. 31; 1991 a. 39; 1993 a. 112; 1995 a. 27, 371, 396; 1999 a. 9, 155; 2003 a. 261, 302; 2007 a. 169.

3 **SECTION 9326. Initial applicability; Insurance.**

4 (1) AGENT LISTING FEES. The treatment of section 601.31 (1) (n) of the statutes
5 first applies to fees for listings and renewals of listings paid after December 31, 2009.

6 (END)

**DRAFTER'S NOTE
FROM THE
LEGISLATIVE REFERENCE BUREAU**

LRB-03897dn

TJD.....
wy

Date

To Sue Jablonsky:

The administrative ^{rules} regulations pertaining to the collection of agent listing fees indicate the insurers do not pay the fee at the same time ^{that} they submit the appointments to OCI. I have added an initial applicability provision to this draft to clarify that the change in agent listing fees applies to payments made, and not appointments submitted, to OCI after December 31, 2009. I selected this date because the budget will not be passed before mid-year 2009, and the commissioner will need some time for rulemaking after the effective date of the budget bill. If OCI would like a different initial applicability provision or would like to eliminate the provision I have included, please contact me.

Tamara J. Dodge
Legislative Attorney
Phone: (608) 267-7380
E-mail: tamara.dodge@legis.wisconsin.gov

DRAFTER'S NOTE
FROM THE
LEGISLATIVE REFERENCE BUREAU

LRB-0389/1dn
TJD:wlj:md

October 8, 2008

To Sue Jablonsky:

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Tamara J. Dodge
Legislative Attorney
Phone: (608) 267-7380
E-mail: tamara.dodge@legis.wisconsin.gov

Dodge, Tamara

From: Jablonsky, Sue - DOA [sue.jablonsky@wisconsin.gov]
Sent: Thursday, October 16, 2008 4:40 PM
To: Dodge, Tamara
Subject: FW: Biennial Budget
Attachments: 601.31 Appointment Change.pdf

This is what we talked about earlier.

From: Mero, Tim R - OCI
Sent: Wednesday, October 15, 2008 8:54 AM
To: Jablonsky, Sue - DOA
Cc: Nepple, Fred - OCI; Luck, Robert R - OCI; Montgomery, John C - OCI
Subject: FW: Biennial Budget

Sue:

OCI has a technical correction to one of the statutory language changes that it submitted in its 2009-2011 Biennial Budget. I used the old terminology of "listing", when it should actually be called "appointment". There was a statutory change that was made a while back that changed the name. The rest of the requested change is correct. Please see Mr. Luck's e-mail below for further detail.

If you have any questions, please let me know.

Thanks!

Timothy R. Mero
 Budget Officer, Project Manager, and Continuity of Operations Manager
 Office of the Commissioner of Insurance
 (☎) phone: (608) 264-8114
 (☎) fax: (608) 266-9935
 (✉) e-mail: tim.mero@wisconsin.gov

 **THINK GREEN** - Please consider the environment before printing this e-mail

From: Luck, Robert R - OCI
Sent: Thursday, October 09, 2008 1:11 PM
To: Montgomery, John C - OCI
Cc: Nepple, Fred - OCI; Mero, Tim R - OCI
Subject: Biennial Budget

John,

I reviewed the Biennial Budget & there is one statutory change listed that should be corrected. A while back, OCI changed the language in 628.11 from "listing" to "appointment."

10/16/2008

On the bottom of the attached summary page, s. 601.31(n) still uses the old term "listing" but it should be changed to "appointment" to mirror the change to 628.11. It should read:

"For appointing or renewing an appointment of, an agent under s. 628.11, ..."

If you have other questions, please contact me.

Robert Luck, Attorney

Robert.Luck@Wisconsin.Gov

Phone: (608) 266-0082 FAX: (608) 264-6228

WI Office of the Commissioner of Ins oci.wi.gov

PO Box 7873 Madison WI 53707-7873

125 S Webster St (2nd Fl) Madison WI 53703-3474

In: 10/20/08

stays

RMR

DOA:.....Jablonsky, BB0114 - Insurance agent ^{appointment} ~~listing~~ fees

FOR 2009-11 BUDGET -- NOT READY FOR INTRODUCTION

LPS: Please fix request sheet

Do Not Gen

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score

strike

appointing

score

an appointment

strike x sp

strike

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of appointments

of appointments



DOA:.....Jablonsky, BB0114 - Insurance agent appointment fees
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