

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

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Would it be possible in this draft to clear up the confusion (that I have at least) with the treatment of rustproofing warranty insurance? The following provisions create the confusion:

Section 618.41 (6m) says that the policy for this type of insurance must be on a form approved by the commissioner *under s. 631.20*. I assume that this provision relates to surplus lines insurance, because of the placement in s. 618.41, but the language gives no indication of that. Could that be clarified?

Section 631.01 (4m) says that the policy for this type of insurance must be on a form approved by the commissioner ("*under s. 631.20*" was removed in 2007 Act 168). Does this difference mean that surplus lines must be approved by the commissioner under s. 631.20 but other types must be approved but not under s. 631.20?

As I mention in a note in the draft, ss. 631.20 (1) (a) and (1m) (a) both indicate that there are exemptions to the requirements for filing and approval of forms under s. 631.01 (2) to (5), which includes sub. (4m), but sub. (4m) seems more like an affirmation of the requirement than an exemption from it.

Then, s. 631.20 (1) (c) provides that certain forms are exempt from the filing and approval requirements under par. (a) except for a number of forms, including a form subject to s. 618.41 (6m). Does this mean that rustproofing warranty insurance that is surplus lines insurance is subject to sub. (1) (a) but rustproofing warranty insurance that is not surplus lines insurance is subject to sub. (1m) or some other type of approval?

This may not be a very important issue, but can it be clarified?

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