CHAPTER 604
STATE INSURANCE FUNDS; GENERAL PRINCIPLES

604.01 Scope. This chapter applies to all insurance funds operated by this state under chs. 605 to 607.

604.02 Continuation of funds. The following funds are continued:
(a) The “local government property insurance fund” or “property fund”.
(b) The “state life insurance fund” or “life fund”.

604.03 Composition and integrity of funds. Each fund consists of premium payments, earnings from investments, amounts recovered from reinsurers or under subrogation or contribution claims and any other income, less losses paid and expenses properly charged to the fund. Each fund shall be separately maintained and accounted for.

604.04 Administration. Each fund under chs. 605 to 607 shall be administered by a manager who shall be the commissioner. In chs. 604 to 607, “manager” means the commissioner in his or her capacity as manager.

604.05 Investments. The manager may obtain such inspections and reports on risks insured in the fund as sound insurance practice requires.

604.06 Custody of assets and liability. The secretary of administration has sole custody of all assets of the state, the fund shall be charged, at the end of each calendar year, with interest on the indebtedness at the average rate earned by the state upon its deposits in public depositories during the period of indebtedness and that sum shall be credited to the general fund.

604.07 Bonds. The secretary of administration has sole custody of all assets of the funds under chs. 605 to 607.

607.01  Creation of funds. Each fund is held in trust for the benefit of insureds and other proper claimants. If any fund is indebted to the general fund of the state, the fund shall be charged, at the end of each calendar year, with interest on the indebtedness at the average rate earned by the state upon its deposits in public depositories during the period of indebtedness and that sum shall be credited to the general fund.

607.02  Administration. The manager of a fund may have the fund join or subscribe to rate service organizations or other advisory organizations useful for the efficient operation of the fund.

607.03  Reinsurance. The manager may procure such reinsurance for the fund as he or she considers necessary for its sound operation.

607.04  Inspections. The manager may obtain such inspections and reports on risks insured in the fund as sound insurance practice requires.

607.05  Cross-reference: See definitions in ss. 600.03 and 628.02.

NOTE: Chapter 117, laws of 1973, which created this chapter, contains explanatory notes.