

1997-98 SESSION
COMMITTEE HEARING
RECORDS

Committee Name:

Joint Committee for
Review of
Administrative Rules

(JCR-AR)

Sample:

- Record of Comm. Proceedings
- 97hr_AC-EdR_RCP_pt01a
- 97hr_AC-EdR_RCP_pt01b
- 97hr_AC-EdR_RCP_pt02

➤ Appointments ... Appt

➤

➤ Clearinghouse Rules ... CRule

➤

➤ Committee Hearings ... CH

➤

➤ Committee Reports ... CR

➤

➤ Executive Sessions ... ES

➤

➤ Hearing Records ... HR

➤

➤ Miscellaneous ... Misc

➤ 97hr_JCR-AR_Misc_pt09

➤ Record of Comm. Proceedings ... RCP

➤

IMS, 2.80 - VALUATION - LIFE INSURANCE
POLICIES



State of Wisconsin / OFFICE OF THE COMMISSIONER OF INSURANCE



Tommy G. Thompson
Governor

Randy Blumer
Commissioner (Acting)

December 14, 1998

121 East Wilson Street • P.O. Box 7873
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http://badger.state.wi.us/agencies/oci/oci_home.htm

HONORABLE ROBERT WELCH
SENATE CO-CHAIRPERSON
JOINT COMM FOR REVIEW OF ADM RULES
1 EAST MAIN ST RM 201
MADISON WI 53702

DEC 15 1998

Re: Emergency Rule, Section Ins 2.80, Wis. Adm. Code, relating to valuation of life insurance policies

Dear Senator Welch:

I will be promulgating an emergency rule. Attached is a draft of the rule for your review. The reasons for proceeding with an emergency rule are given in the Finding of Emergency in the rule. It will be published in the official State newspaper in about a week.

If you have any questions, please contact Stephen Mueller at 267-2833 or e-mail at smueller@mail.state.wi.us.

Best regards,

Randy Blumer
Commissioner of Insurance

RB:SM

Attachment: 1 copy draft rule

ORDER OF THE OFFICE OF THE COMMISSIONER OF INSURANCE AMENDING A RULE

To amend Ins 2.80 (2) (intro) and (2) (a) , Wis. Adm. Code, relating to delaying effective date for NAIC valuation of life insurance policies model regulation, ("XXX"), from January 1, 1999 to July 1, 1999.

**FINDING OF EMERGENCY & ANALYSIS PREPARED BY THE OFFICE OF THE COMMISSIONER
OF INSURANCE**

The Commissioner of Insurance finds that an emergency exists and that the attached rule is necessary for the immediate preservation of the public peace, health, safety, or welfare. Facts constituting the emergency are as follows:

On December 16, 1997 the Commissioner created Ins 2.80, Wis. Adm. Code in order to adopt the 1995 National Association of Insurance Commissioners ("NAIC") valuation of life insurance policies model regulation, or "XXX". This new rule concerning requirements for determining the valuation of reserve liabilities for life insurance policies is currently to take effect on January 1, 1999. Recently the NAIC agreed to consider a revised model regulation and the NAIC is expected to formally approve such a model early in 1999. Wisconsin is the only state that has set January 1, 1999 as an effective date for the 1995 model regulation. This emergency order is necessary to allow time to consider implementation of the revised model regulation once it is adopted by the NAIC.

Statutory authority: ss. 601.41(3), 227.24, Stats.

Statutes interpreted: none

SECTION 1. Amend s. Ins 2.80 (2) (intro) to read:

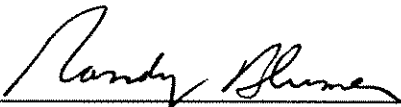
Ins 2.80 (2) SCOPE. This section applies to all life insurance policies, wherever sold, with or without nonforfeiture values, issued on or after ~~January 1, 1999~~ July 1, 1999, subject to the following exceptions and conditions:

SECTION 2 . Amend s. Ins 2.80 (2) (a) to read:

Ins 2.80 (2) (a) This section does not apply to any individual life insurance policy issued on or after ~~January 1, 1999~~ July 1, 1999 if the policy is issued in accordance with and as a result of the exercise of a reentry provision contained in the original life insurance policy of the same or greater face amount that was issued before ~~January 1, 1999~~ July 1, 1999 and that guarantees the premium rates of the new policy. This section also does not apply to subsequent policies issued as a result of the exercise of such a provision, or a derivation of the provision, in the new policy.

SECTION 3 . These changes will take effect on January 1, 1999.

Dated at Madison, Wisconsin, this 14th day of December, 1998.



Randy Blumer

Commissioner of Insurance



State of Wisconsin / OFFICE OF THE COMMISSIONER OF INSURANCE



Tommy G. Thompson
Governor

Randy Blumer
Commissioner (Acting)

December 21, 1998

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HONORABLE ROBERT WELCH
SENATE CO-CHAIRPERSON
JOINT COMM FOR REVIEW OF ADM RULES
1 EAST MAIN ST RM 201
MADISON WI 53702

Re: Emergency Rule, Section Ins 2.80, Wis. Adm. Code, relating to valuation of life insurance policies

Dear Senator Welch:

I am promulgating the attached rule as an emergency rule. It will be published in the official State newspaper on December 23, 1998.

If you have any questions, please contact Stephen Mueller at 267-2833 or e-mail at smueller@mail.state.wi.us.

Best regards,

Randy Blumer
Commissioner of Insurance

RB:SM

Attachment: 1 copy rule



State of Wisconsin / OFFICE OF THE COMMISSIONER OF INSURANCE



Tommy G. Thompson
Governor
Randy Blumer
Commissioner (Acting)

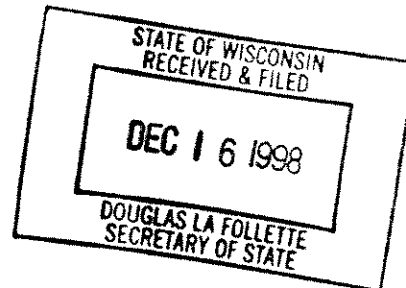
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STATE OF WISCONSIN

OFFICE OF THE COMMISSIONER OF INSURANCE

SS



I, Randy Blumer, Commissioner of Insurance and custodian of the official records, certify that the annexed emergency rule affecting Section Ins 2.80, Wis. Adm. Code, relating to valuation of life insurance policies, is duly approved and adopted by this Office on December 16, 1998.

I further certify that I have compared this copy with the original on file in this Office and that it is a true copy of the original, and the whole of the original.

IN TESTIMONY WHEREOF, I have hereunto set my hand at 121 East Wilson Street, Madison, Wisconsin, on December 16, 1998.

Randy Blumer
Commissioner of Insurance

ORDER OF THE OFFICE OF THE COMMISSIONER OF INSURANCE AMENDING A RULE

To amend Ins 2.80 (2) (intro) and (2) (a) , Wis. Adm. Code, relating to delaying effective date for NAIC valuation of life insurance policies model regulation, ("XXX"), from January 1, 1999 to July 1, 1999.

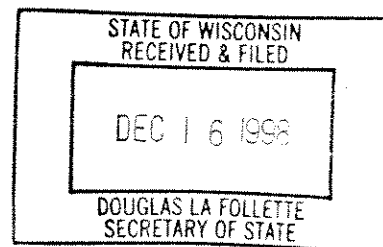
FINDING OF EMERGENCY & ANALYSIS PREPARED BY THE OFFICE OF THE COMMISSIONER OF INSURANCE

The Commissioner of Insurance finds that an emergency exists and that the attached rule is necessary for the immediate preservation of the public peace, health, safety, or welfare. Facts constituting the emergency are as follows:

On December 16, 1997 the Commissioner created Ins 2.80, Wis. Adm. Code in order to adopt the 1995 National Association of Insurance Commissioners ("NAIC") valuation of life insurance policies model regulation, or "XXX". This new rule concerning requirements for determining the valuation of reserve liabilities for life insurance policies is currently to take effect on January 1, 1999. Recently the NAIC agreed to consider a revised model regulation and the NAIC is expected to formally approve such a model early in 1999. Wisconsin is the only state that has set January 1, 1999 as an effective date for the 1995 model regulation. This emergency order is necessary to allow time to consider implementation of the revised model regulation once it is adopted by the NAIC.

Statutory authority: ss. 601.41(3), 227.24, Stats.

Statutes interpreted: none



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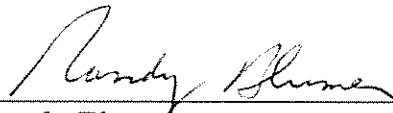
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SECTION 2 . Amend s. Ins 2.80 (2) (a) to read:

Ins 2.80 (2) (a) This section does not apply to any individual life insurance policy issued on or after ~~January 1, 1999~~ July 1, 1999 if the policy is issued in accordance with and as a result of the exercise of a reentry provision contained in the original life insurance policy of the same or greater face amount that was issued before ~~January 1, 1999~~ July 1, 1999 and that guarantees the premium rates of the new policy. This section also does not apply to subsequent policies issued as a result of the exercise of such a provision, or a derivation of the provision, in the new policy.

SECTION 3 . These changes will take effect on January 1, 1999.

Dated at Madison, Wisconsin, this 14th day of December, 1998.



Randy Blumer

Commissioner of Insurance



State of Wisconsin / OFFICE OF THE COMMISSIONER OF INSURANCE



Tommy G. Thompson
Governor

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December 21, 1998

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Members of the Legislature

Re: Emergency Rule, Section Ins 2.80, Wis. Adm. Code, relating to valuation of life insurance policies

Dear Senator or Representative to the Assembly:

I have promulgated the attached rule as an emergency rule. The rule will be published in the official State newspaper on December 23, 1998.

The attached copy of the rule includes the Finding of Emergency which required promulgation of the rule.

If you have any questions, please contact Stephen Mueller at 267-2833 or e-mail at smueller@mail.state.wi.us.

DEC 21 1998

Best regards,

Randy Blumer
Commissioner of Insurance

RB:SM
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State of Wisconsin / OFFICE OF THE COMMISSIONER OF INSURANCE



Tommy G. Thompson
Governor

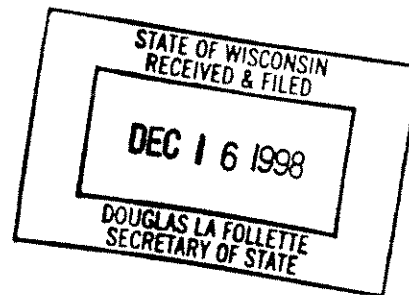
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STATE OF WISCONSIN
OFFICE OF THE COMMISSIONER OF INSURANCE


SS



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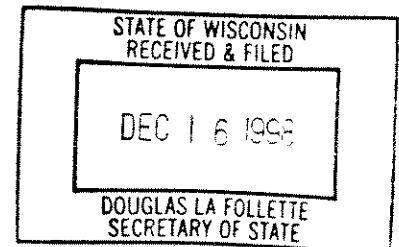
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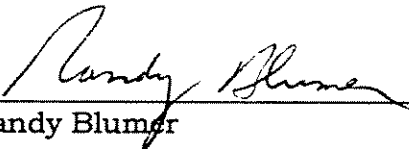
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