

1 interested party may at any time petition the court to reopen the proceedings for good
2 cause, including the discovery of additional assets. If the court is satisfied that there
3 is justification for reopening, it shall so order.

4 **SECTION 1031.** 645.77 of the statutes is amended to read:

5 **645.77 External audit of receiver's books.** The court in which the
6 proceeding is pending may, as it deems desirable, cause audits to be made of the
7 books of the ~~commissioner~~ secretary relating to any receivership established under
8 this chapter, and a report of each audit shall be filed with the ~~commissioner~~ secretary
9 and with the court. The books, records and other documents of the receivership shall
10 be made available to the auditor at any time without notice. The expense of each
11 audit shall be considered a cost of administration of the receivership.

12 **SECTION 1032.** 645.81 (1) (intro.) of the statutes is amended to read:

13 **645.81 (1) GROUNDS FOR PETITION.** (intro.) If a domiciliary liquidator has not
14 been appointed, the ~~commissioner~~ secretary may apply to the circuit court for Dane
15 County by verified petition for an order directing him or her to conserve the property
16 of an alien insurer not domiciled in this state or a foreign insurer on any one or more
17 of the following grounds:

18 **SECTION 1033.** 645.82 (1) (intro.) of the statutes is amended to read:

19 **645.82 (1) GROUNDS FOR PETITION.** (intro.) If no domiciliary receiver has been
20 appointed, the ~~commissioner~~ secretary may apply to the circuit court for Dane
21 County by verified petition for an order directing the ~~commissioner~~ secretary to
22 liquidate the assets found in this state of a foreign insurer or an alien insurer not
23 domiciled in this state, on any of the following grounds:

24 **SECTION 1034.** 645.82 (4) of the statutes is amended to read:

1 645.82 (4) FEDERAL RECEIVERSHIP. On the same grounds as are specified in sub.
2 (1), the ~~commissioner~~ secretary may petition any appropriate federal district court
3 to be appointed receiver to liquidate that portion of the insurer's assets and business
4 over which the court will exercise jurisdiction, or any lesser part thereof that the
5 ~~commissioner~~ secretary deems desirable for the protection of the policyholders and
6 creditors in this state. The ~~commissioner~~ secretary may accept appointment as
7 federal receiver if another person files a petition.

8 **SECTION 1035.** 645.83 (2) of the statutes is amended to read:

9 645.83 (2) PROPERTY RIGHTS AND TITLE: STATE NOT A RECIPROCAL STATE. If a
10 domiciliary liquidator is appointed for an insurer not domiciled in a reciprocal state,
11 the ~~commissioner of this state~~ secretary shall be vested by operation of law with the
12 title to all of the property, contracts and rights of action, and all of the books, accounts
13 and other records of the insurer located in this state, at the same time that the
14 domiciliary liquidator is vested with title in the domicile. The ~~commissioner of this~~
15 ~~state~~ secretary may petition for a conservation or liquidation order under s. 645.81
16 or 645.82, or for an ancillary receivership under s. 645.84, or after approval by the
17 circuit court for Dane County may transfer title to the domiciliary liquidator, as the
18 interests of justice and the equitable distribution of the assets require.

19 **SECTION 1036.** 645.84 (1) (intro.) of the statutes is amended to read:

20 645.84 (1) APPOINTMENT OF ANCILLARY RECEIVER IN THIS STATE. (intro.) If a
21 domiciliary liquidator has been appointed for an insurer not domiciled in this state,
22 the ~~commissioner~~ secretary shall file a petition with the circuit court for Dane
23 County requesting appointment as ancillary receiver in this state in any of the
24 following circumstances:

25 **SECTION 1037.** 645.84 (1) (a) of the statutes is amended to read:

1 645.84 (1) (a) If the ~~commissioner~~ secretary finds that there are sufficient
2 assets of the insurer located in this state to justify the appointment of an ancillary
3 receiver;

4 **SECTION 1038.** 645.84 (1) (b) of the statutes is amended to read:

5 645.84 (1) (b) If 10 or more persons resident in this state having claims against
6 the insurer file a petition with the ~~commissioner~~ secretary requesting appointment
7 of an ancillary receiver; ~~or.~~

8 **SECTION 1039.** 645.85 of the statutes is amended to read:

9 **645.85 Ancillary summary proceedings.** The ~~commissioner~~ secretary in
10 his or her sole discretion may institute proceedings under ss. 645.21 to 645.23 at the
11 request of the ~~commissioner~~ secretary or other appropriate official of the domiciliary
12 state of any nondomestic insurer having property located in this state.

13 **SECTION 1040.** 646.11 (5) of the statutes is amended to read:

14 646.11 (5) IMMUNITY. No cause of action of any nature may arise against and
15 no liability may be imposed upon the fund or its agents, employees, directors,
16 including alternate representatives designated under s. 646.12 (1) (a) 3., or
17 contributor insurers, or the ~~commissioner~~ secretary or the ~~commissioner's~~
18 secretary's agents, employees, or representatives, for any act or omission by any of
19 them in the performance of their powers and duties under this chapter.

20 **SECTION 1041.** 646.12 (1) (a) 1. of the statutes is amended to read:

21 646.12 (1) (a) 1. The fund shall be administered by a board of directors that
22 shall consist of the attorney general, the state treasurer, and the ~~commissioner~~
23 secretary, each of whom shall have full voting rights, and at least 9 but not more than
24 11 insurer representatives of domestic, foreign, and alien insurers subject to this
25 chapter.

1 **SECTION 1042.** 646.12 (1) (a) 2. of the statutes is amended to read:

2 646.12 (1) (a) 2. The ~~commissioner~~ secretary shall appoint the insurer
3 representative members for 3-year terms, after considering recommendations of the
4 other board members currently serving terms. In recommending candidates to fill
5 the positions, the board shall consider whether all insurers subject to this chapter
6 are fairly represented, including property and casualty insurers, life and health
7 insurers, health maintenance organizations and service insurance corporations, and
8 domestic and nondomestic insurers.

9 **SECTION 1043.** 646.12 (2) (e) of the statutes is amended to read:

10 646.12 (2) (e) Advise and make recommendations to the ~~commissioner~~
11 secretary on any matter related to the possible insolvency of an insurer covered by
12 this chapter, and respond to any reasonable questions presented by the
13 ~~commissioner~~ secretary. Information, recommendations and advice under this
14 subsection are privileged and confidential and are not open to public inspection
15 under s. 19.35 (1).

16 **SECTION 1044.** 646.16 (1) of the statutes is amended to read:

17 646.16 (1) The ~~commissioner~~ department shall promptly pay to the fund any
18 deposit held in this state that was paid, as required by law or the ~~commissioner~~
19 department, by the insolvent insurer for the benefit of creditors, including
20 policyholders, and not turned over to the domiciliary liquidator upon the entry of a
21 final order of liquidation of an insurer domiciled in this state or in a reciprocal state,
22 as defined in s. 645.03 (1) (i). Of the amount paid to the fund under this subsection,
23 the fund may retain the percentage determined by dividing the aggregate amount
24 of policyholders' claims that are related to the insolvency and for which the fund has
25 provided benefits under this chapter by the aggregate amount of all policyholders'

1 claims in this state that are related to the insolvency. The fund shall remit the
2 balance to the domiciliary liquidator.

3 **SECTION 1045.** 646.35 (8) (e) of the statutes is amended to read:

4 646.35 (8) (e) This subsection supersedes s. 645.58 (1), any applicable rules of
5 the ~~commissioner~~ department, and the provisions of any affected reinsurance
6 agreement that provide for or require payment of reinsurance proceeds to the
7 liquidator of the insolvent insurer on account of losses or events that occur after the
8 coverage date. The liquidator remains entitled to any amounts payable by the
9 reinsurer under the reinsurance agreement with respect to losses or events that
10 occur before the coverage date, subject to any applicable setoff provisions.

11 **SECTION 1046.** 646.51 (7) (d) of the statutes is amended to read:

12 646.51 (7) (d) Any amount available for credit against future tax liabilities
13 under this subsection may be regarded as an asset of the insurer under rules
14 promulgated by the ~~commissioner~~ department.

15 **SECTION 1047.** 648.01 (2) of the statutes is repealed.

16 **SECTION 1048.** 648.05 (2) (intro.) of the statutes is amended to read:

17 648.05 (2) APPLICATION. (intro.) A care management organization applying for
18 a permit shall submit all of the following information in the format required by the
19 ~~commissioner~~ department of financial institutions, insurance, and professional
20 standards:

21 **SECTION 1049.** 648.05 (2) (a) of the statutes is amended to read:

22 648.05 (2) (a) The names, addresses and occupations of all controlling persons
23 and directors and principal officers of the care management organization currently
24 and for the preceding 10 years, unless the ~~commissioner~~ department of financial
25 institutions, insurance, and professional standards waives this requirement.

1 **SECTION 1050.** 648.05 (2) (c) of the statutes is amended to read:

2 648.05 (2) (c) A business plan approved by the department of health services,
3 including a projection of the anticipated operating results at the end of each of the
4 next 3 years of operation, based on reasonable estimates of income and operating
5 expenses.

6 **SECTION 1051.** 648.05 (2) (d) of the statutes is amended to read:

7 648.05 (2) (d) Any other relevant documents or information that the
8 ~~commissioner~~ department of financial institutions, insurance, and professional
9 standards reasonably requires after consulting with the department of health
10 services.

11 **SECTION 1052.** 648.05 (3) (intro.) of the statutes is amended to read:

12 648.05 (3) STANDARDS FOR ISSUING PERMIT. (intro.) The ~~commissioner~~
13 department of financial institutions, insurance, and professional standards may
14 issue a permit to the care management organization if the ~~commissioner~~ department
15 of financial institutions, insurance, and professional standards finds, after
16 consulting with the department of health services, all of the following:

17 **SECTION 1053.** 648.05 (4) (intro.) of the statutes is amended to read:

18 648.05 (4) SUSPENSION OR REVOCATION. (intro.) The ~~commissioner~~ department
19 of financial institutions, insurance, and professional standards may suspend or
20 revoke a permit issued under this chapter if the ~~commissioner~~ department of
21 financial institutions, insurance, and professional standards finds, after consulting
22 with the department of health services, any of the following:

23 **SECTION 1054.** 648.05 (4) (d) of the statutes is amended to read:

24 648.05 (4) (d) The permittee conceals records from the ~~commissioner~~
25 department of financial institutions, insurance, and professional standards.

1 **SECTION 1055.** 648.05 (4) (f) of the statutes is amended to read:

2 648.05 (4) (f) The permittee ceases to be certified by or maintain a contract with
3 the department of health services.

4 **SECTION 1056.** 648.10 (intro.) and (1) of the statutes are amended to read:

5 **648.10 Powers and duties of the ~~commissioner~~ department.** (intro.) The
6 ~~commissioner~~ department of financial institutions, insurance, and professional
7 standards may do any of the following:

8 (1) Promulgate rules that are necessary to carry out the intent of this chapter,
9 including, after consulting with the department of health services, standards for the
10 financial condition of care management organizations.

11 **SECTION 1057.** 648.15 (1) (intro.) of the statutes is amended to read:

12 648.15 (1) **REPORTS.** (intro.) The ~~commissioner~~ department of financial
13 institutions, insurance, and professional standards may require from any care
14 management organization any of the following:

15 **SECTION 1058.** 648.15 (1) (a) of the statutes is amended to read:

16 648.15 (1) (a) Statements, reports, answers to questionnaires, and other
17 information in whatever reasonable form the ~~commissioner~~ department of financial
18 institutions, insurance, and professional standards designates and at such
19 reasonable intervals as the ~~commissioner~~ department of financial institutions,
20 insurance, and professional standards chooses, or from time to time.

21 **SECTION 1059.** 648.15 (2) of the statutes is amended to read:

22 648.15 (2) **FORMS.** The ~~commissioner~~ department of financial institutions,
23 insurance, and professional standards, after consulting with the department of health
24 services, may prescribe forms for the reports under sub. (1) and specify who
25 shall execute or certify such reports.

1 **SECTION 1060.** 648.15 (3) of the statutes is amended to read:

2 648.15 (3) ACCOUNTING METHODS. The commissioner department of financial
3 institutions, insurance, and professional standards, after consulting with the
4 department of health services, may prescribe reasonable minimum standards and
5 techniques of accounting and data handling to ensure that timely and reliable
6 information will exist and will be available to the commissioner department of
7 financial institutions, insurance, and professional standards.

8 **SECTION 1061.** 648.15 (4) of the statutes is amended to read:

9 648.15 (4) REPLIES. Any officer or manager of a care management organization,
10 any person controlling or having a contract under which the person has a right to
11 control a care management organization, whether exclusively or otherwise, or any
12 person with executive authority over or in charge of any segment of such a care
13 management organization's affairs, shall reply promptly in writing or in another
14 designated form, to any written inquiry from the commissioner department of
15 financial institutions, insurance, and professional standards requesting a reply.

16 **SECTION 1062.** 648.15 (5) of the statutes is amended to read:

17 648.15 (5) VERIFICATION. The commissioner department of financial
18 institutions, insurance, and professional standards may require that any
19 communication made to the commissioner department of financial institutions,
20 insurance, and professional standards under this section be verified.

21 **SECTION 1063.** 648.15 (6) of the statutes is amended to read:

22 648.15 (6) IMMUNITY. In the absence of actual malice, no person shall be subject
23 to damages in an action for defamation based on a communication to the
24 commissioner department of financial institutions, insurance, and professional

1 standards required by law under this chapter or by the ~~commissioner~~ department of
2 financial institutions, insurance, and professional standards under this chapter.

3 **SECTION 1064.** 648.15 (7) of the statutes is amended to read:

4 648.15 (7) EXPERTS. The ~~commissioner~~ department of financial institutions,
5 insurance, and professional standards may employ experts to assist the
6 ~~commissioner~~ department of financial institutions, insurance, and professional
7 standards in an examination or in the review of any transaction subject to approval
8 under this chapter. The care management organization that is the subject of the
9 examination, or that is a party to a transaction under review, including the person
10 acquiring, controlling, or attempting to acquire the care management organization,
11 shall pay the reasonable costs incurred by the ~~commissioner~~ department of financial
12 institutions, insurance, and professional standards for the expert and related
13 expenses.

14 **SECTION 1065.** 648.20 (1) (a) of the statutes is amended to read:

15 648.20 (1) (a) To inform himself or herself about a matter related to the
16 enforcement of this chapter, the ~~commissioner~~ department of financial institutions,
17 insurance, and professional standards may examine the affairs and condition of any
18 permittee.

19 **SECTION 1066.** 648.20 (1) (b) (intro.) of the statutes is amended to read:

20 648.20 (1) (b) (intro.) So far as reasonably necessary for an examination under
21 par. (a), the ~~commissioner~~ department of financial institutions, insurance, and
22 professional standards may examine the accounts, records, or documents so far as
23 they relate to the permittee, of any of the following:

24 **SECTION 1067.** 648.20 (1) (c) of the statutes is amended to read:

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1 648.20 (1) (c) On demand, every permittee shall make available to the
2 ~~commissioner~~ department of financial institutions, insurance, and professional
3 standards for examination any of its own accounts, records, documents, or evidences
4 of transactions.

5 **SECTION 1068.** 648.20 (1) (d) of the statutes is amended to read:

6 648.20 (1) (d) On order of the ~~commissioner~~ department of financial
7 institutions, insurance, and professional standards any examinee under this chapter
8 shall bring to the ~~office~~ department of financial institutions, insurance, and
9 professional standards for examination such records as the order reasonably
10 requires.

11 **SECTION 1069.** 648.20 (2) of the statutes is amended to read:

12 648.20 (2) AUDITS OR ACTUARIAL OR OTHER EVALUATIONS. In lieu of all or part of
13 an examination under sub. (1), or in addition to it, the ~~commissioner~~ department of
14 financial institutions, insurance, and professional standards may order an
15 independent audit by certified public accountants or an actuarial or other evaluation
16 by actuaries or other experts approved by the ~~commissioner~~ department of financial
17 institutions, insurance, and professional standards of any permittee. Any
18 accountant, actuary, or other expert selected is subject to rules respecting conflicts
19 of interest promulgated by the ~~commissioner~~ department of financial institutions,
20 insurance, and professional standards. Any audit or evaluation under this section
21 is subject to s. 648.25, so far as applicable.

22 **SECTION 1070.** 648.20 (3) of the statutes is amended to read:

23 648.20 (3) ALTERNATIVES TO EXAMINATION. In lieu of all or part of an examination
24 under this section, the ~~commissioner~~ department of financial institutions,
25 insurance, and professional standards may accept the report of an audit already

1 made by certified public accountants or of an actuarial or other evaluation already
2 made by actuaries or other experts approved by the ~~commissioner~~ department of
3 financial institutions, insurance, and professional standards, or the report of an
4 examination made by another government agency in this state, the federal
5 government, or another state.

6 **SECTION 1071.** 648.20 (4) of the statutes is amended to read:

7 648.20 (4) PURPOSE AND SCOPE OF EXAMINATION. An examination may but need
8 not cover comprehensively all aspects of the permittee's affairs and condition. The
9 ~~commissioner~~ department of financial institutions, insurance, and professional
10 standards shall determine the exact nature and scope of each examination, and in
11 doing so shall take into account all relevant factors, including the length of time the
12 permittee has been doing business, the length of time the permittee has been
13 certified by the department of health services, the nature of the business being
14 examined, the nature of the accounting records available, and the nature of
15 examinations performed elsewhere.

16 **SECTION 1072.** 648.25 (1) of the statutes is amended to read:

17 648.25 (1) ORDER OF EXAMINATION. For each examination under s. 648.20, the
18 ~~commissioner~~ department of financial institutions, insurance, and professional
19 standards shall issue an order stating the scope of the examination and designating
20 the examiner in charge. Upon demand, a copy of the order shall be provided to the
21 examinee.

22 **SECTION 1073.** 648.25 (2) of the statutes is amended to read:

23 648.25 (2) ACCESS TO EXAMINEE. Any examiner authorized by the ~~commissioner~~
24 department of financial institutions, insurance, and professional standards shall, for

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1 the purposes of the examination, have access at all reasonable hours to the premises
2 and to any property of the examinee.

3 **SECTION 1074.** 648.25 (4) of the statutes is amended to read:

4 648.25 (4) CORRECTION OF BOOKS. If the ~~commissioner~~ department of financial
5 institutions, insurance, and professional standards finds the accounts or records to
6 be inadequate for proper examination of the condition and affairs of the permittee
7 or improperly kept or posted, the ~~commissioner~~ department of financial institutions,
8 insurance, and professional standards may employ experts to rewrite, post, or
9 balance them at the expense of the permittee.

10 **SECTION 1075.** 648.25 (5) of the statutes is amended to read:

11 648.25 (5) REPORT ON EXAMINATION. The examiner in charge of an examination
12 shall make a proposed report of the examination, including information and analysis
13 ordered in sub. (1), together with the examiner's recommendations. Preparation of
14 the proposed report may include conferences with the examinee or the examinee's
15 representatives at the option of the examiner in charge. The ~~commissioner~~
16 department of financial institutions, insurance, and professional standards shall
17 serve the final examination report on the examinee.

18 **SECTION 1076.** 648.27 (1) of the statutes is amended to read:

19 648.27 (1) COSTS TO BE PAID BY CARE MANAGEMENT ORGANIZATIONS. Permittees
20 shall pay the reasonable estimate of costs of examinations under s. 648.20, of review
21 of applications under s. 648.05, and of analysis and financial monitoring of care
22 management organizations by the ~~commissioner~~ department of financial
23 institutions, insurance, and professional standards and the department of health
24 services, including overhead and fixed costs, by a system of regular annual billings.

25 **SECTION 1077.** 648.27 (2) of the statutes is amended to read:

1 648.27 (2) DETERMINATION OF COSTS. Annually, the ~~commissioner~~ department
2 of financial institutions, insurance, and professional standards shall determine the
3 estimated costs under sub. (1) for the ~~commissioner~~ department of financial
4 institutions, insurance, and professional standards and the department of health
5 services. The ~~commissioner~~ department of financial institutions, insurance, and
6 professional standards shall serve a request for payment on each permittee
7 allocating the cost to each permittee in an amount that the ~~commissioner~~
8 department of financial institutions, insurance, and professional standards
9 determines reflects the permittee's proportionate share of projected enrollment in
10 the department's annual contracting period for the department of health services.

11 **SECTION 1078.** 648.27 (3) of the statutes is amended to read:

12 648.27 (3) PAYMENT DEADLINE. The permittee shall pay the amount determined
13 by the ~~commissioner~~ department of financial institutions, insurance, and
14 professional standards within 30 days of service of the request for payment under
15 sub. (2).

16 **SECTION 1079.** 648.30 (1) (intro.) of the statutes is amended to read:

17 648.30 (1) TYPES OF INFORMATION. (intro.) The ~~office~~ department of financial
18 institutions, insurance, and professional standards may refuse to disclose and may
19 prevent any other person from disclosing any of the following:

20 **SECTION 1080.** 648.30 (1) (c) (intro.) of the statutes is amended to read:

21 648.30 (1) (c) (intro.) Testimony, reports, records, communications, and
22 information that are obtained by the ~~office~~ department of financial institutions,
23 insurance, and professional standards from, or provided by the office to, any of the
24 following, under a pledge of confidentiality or for the purpose of assisting or

1 participating in monitoring activities or in the conduct of any inquiry, investigation,
2 or examination:

3 **SECTION 1081.** 648.30 (1) (c) 5. of the statutes is amended to read:

4 648.30 (1) (c) 5. An international, federal, state, or local regulatory or law
5 enforcement agency, including the department of health services.

6 **SECTION 1082.** 648.35 (1) of the statutes is amended to read:

7 648.35 (1) INJUNCTIONS AND RESTRAINING ORDERS. The ~~commissioner~~
8 department of financial institutions, insurance, and professional standards may
9 commence an action in circuit court in the name of the state to restrain by temporary
10 or permanent injunction or by temporary restraining order any violation of this
11 chapter, any rule promulgated under this chapter, or any order issued under s.
12 648.10 (2). The ~~commissioner~~ department of financial institutions, insurance, and
13 professional standards need not show irreparable harm or lack of an adequate
14 remedy at law in an action commenced under this subsection.

15 **SECTION 1083.** 648.35 (2) of the statutes is amended to read:

16 648.35 (2) ORDERS. The ~~commissioner~~ department of financial institutions,
17 insurance, and professional standards shall issue any orders under the procedures
18 described in s. 601.63 and shall hold any hearings under the procedures described
19 in s. 601.62.

20 **SECTION 1084.** 648.35 (3) of the statutes is amended to read:

21 648.35 (3) COMPULSIVE FORFEITURES. If a person does not comply with an order
22 issued under s. 648.10 (2) within 2 weeks after the ~~commissioner~~ department of
23 financial institutions, insurance, and professional standards has given the care
24 management organization notice of the ~~commissioner's~~ department's intention to
25 proceed under this subsection, the ~~commissioner~~ department of financial

1 institutions, insurance, and professional standards may commence an action for a
2 forfeiture in such sum as the court considers just, but not exceeding \$5,000 for each
3 day that the violation continues after the commencement of the action until
4 judgment is rendered. No forfeiture may be imposed under this subsection if at the
5 time the action was commenced the care management organization was in
6 compliance with the order, nor for any violation of an order occurring while any
7 proceeding for judicial review of the order was pending, unless the court in which the
8 proceeding was pending certifies that the claim of invalidity or nonapplicability of
9 the order was frivolous or a sham. If after judgment is rendered the care
10 management organization does not comply with the order, the commissioner
11 department of financial institutions, insurance, and professional standards may
12 commence a new action for a forfeiture and may continue commencing actions until
13 the person complies. The proceeds of all actions under this subsection, after
14 deduction of the expenses of collection, shall be paid into the common school fund of
15 the state.

16 **SECTION 1085.** 648.35 (4) (c) of the statutes is amended to read:

17 648.35 (4) (c) *Forfeiture for violation of statute or rule.* Whoever violates,
18 intentionally aids in violating, or knowingly permits a person over whom he or she
19 has authority to violate a section of this chapter or a rule promulgated under this
20 chapter shall forfeit to the state not more than \$1,000 for each violation. If the section
21 or rule violated imposes a duty to make a report to the ~~commissioner~~ department of
22 financial institutions, insurance, and professional standards, each week of delay in
23 complying with the duty is a new violation.

24 **SECTION 1086.** 648.35 (4) (d) of the statutes is amended to read:

1 648.35 (4) (d) *Procedure.* The ~~commissioner~~ department of financial
2 institutions, insurance, and professional standards may order any person to pay a
3 forfeiture imposed under this subsection, which shall be paid into the common school
4 fund. If the order is issued without a hearing, the affected person may demand a
5 hearing through procedures described under s. 601.62 (3) (a). If the person fails to
6 request a hearing, the order is conclusive as to the person's liability. The scope of
7 review for forfeitures ordered is that specified under s. 227.57. The ~~commissioner~~
8 department of financial institutions, insurance, and professional standards may
9 cause an action to be commenced to recover the forfeiture. Before an action is
10 commenced, the ~~commissioner~~ department of financial institutions, insurance, and
11 professional standards may compromise the forfeiture.

12 **SECTION 1087.** 648.45 (1) of the statutes is amended to read:

13 648.45 (1) INFORMATION. A permittee and a person attempting to acquire or
14 having control of a permittee, shall report to the ~~commissioner~~ department of
15 financial institutions, insurance, and professional standards the information
16 concerning the permittee, its affiliates, and the person attempting to acquire control
17 of the permittee that the ~~commissioner~~ department of financial institutions,
18 insurance, and professional standards requires by rule. The ~~commissioner~~
19 department of financial institutions, insurance, and professional standards may
20 promulgate rules prescribing the timing of reports under this subsection, including
21 requiring periodic reporting and the form and procedure for filing reports.

22 **SECTION 1088.** 648.45 (3) of the statutes is amended to read:

23 648.45 (3) CONSENT TO JURISDICTION. Every permittee shall promptly submit
24 to the ~~commissioner~~ department of financial institutions, insurance, and
25 professional standards a statement from each of its affiliates that the affiliate agrees

1 to be subject to the jurisdiction of the ~~commissioner~~ department of financial
2 institutions, insurance, and professional standards and the courts of this state for
3 the purposes of this chapter. A governmental unit is not subject to this requirement.
4 The ~~commissioner~~ department of financial institutions, insurance, and professional
5 standards may exempt other affiliates from this subsection.

6 **SECTION 1089.** 648.45 (4) of the statutes is amended to read:

7 648.45 (4) INFORMATION ORDER. The ~~commissioner~~ department of financial
8 institutions, insurance, and professional standards may, by order, require any
9 permittee or any person attempting to acquire or having control of the permittee, to
10 report information under sub. (1) or other information to the ~~commissioner~~
11 department of financial institutions, insurance, and professional standards.

12 **SECTION 1090.** 648.45 (5) (d) of the statutes is amended to read:

13 648.45 (5) (d) The transaction complies with any other standard that the
14 ~~commissioner~~ department of financial institutions, insurance, and professional
15 standards, after consulting with the department of health services, prescribes by
16 rule.

17 **SECTION 1091.** 648.45 (6) (a) 1. (intro.) of the statutes is amended to read:

18 648.45 (6) (a) 1. (intro.) The ~~commissioner~~ department of financial institutions,
19 insurance, and professional standards, after consulting with the department of
20 health services, may promulgate rules requiring a permittee, a person attempting
21 to acquire or having control of a permittee, and affiliates of a permittee to report a
22 transaction or a group or series of transactions, if all of the following are satisfied:

23 **SECTION 1092.** 648.45 (6) (a) 2. of the statutes is amended to read:

24 648.45 (6) (a) 2. Transactions that are material to a permittee for the purposes
25 of subd. 1. include management contracts, service contracts, and cost-sharing

1 arrangements. The ~~commissioner~~ department of financial institutions, insurance,
2 and professional standards, after consulting with the department of health services,
3 may prescribe by rule standards for determining whether a transaction is material
4 under this subsection.

5 **SECTION 1093.** 648.45 (6) (a) 3. of the statutes is amended to read:

6 648.45 (6) (a) 3. No permittee, person attempting to acquire or having control
7 of a permittee, or affiliate of the permittee may enter into a transaction required to
8 be reported to the ~~commissioner~~ department of financial institutions, insurance, and
9 professional standards under this subsection unless the permittee, person, and
10 affiliate report the transaction to the ~~commissioner~~ department of financial
11 institutions, insurance, and professional standards in the form and by the date
12 before the effective date of the transaction that are prescribed by the ~~commissioner~~
13 department of financial institutions, insurance, and professional standards by rule,
14 after consulting with the department of health services. The ~~commissioner~~
15 department of financial institutions, insurance, and professional standards may not
16 require the transaction to be reported earlier than 30 days before the effective date
17 of the transaction.

18 **SECTION 1094.** 648.45 (6) (b) of the statutes is amended to read:

19 648.45 (6) (b) *Disapproval.* The ~~commissioner~~ department of financial
20 institutions, insurance, and professional standards may, within the period
21 prescribed in par. (a) 3., disapprove any transaction reported under par. (a) if the
22 ~~commissioner~~ department of financial institutions, insurance, and professional
23 standards finds, after consulting with the department, that it would violate the law
24 or would be contrary to the interests of enrollees of the permittee, the department
25 of health services, or the public.

1 **SECTION 1095.** 648.45 (6) (c) of the statutes is amended to read:

2 648.45 (6) (c) *Transactions prohibited.* No permittee, person attempting to
3 acquire or having control of the permittee, or affiliate of the permittee may enter into
4 a transaction that is not reported as required under par. (a) or that is disapproved
5 by the ~~commissioner~~ department of financial institutions, insurance, and
6 professional standards under par. (b).

7 **SECTION 1096.** 648.45 (6) (d) of the statutes is amended to read:

8 648.45 (6) (d) *Voidable transactions.* If a permittee, person attempting to
9 acquire or having control of the permittee, or affiliate enters into a transaction in
10 violation of this section, the permittee may void the transaction, obtain an
11 injunction, and recover from the person or affiliate the amount necessary to restore
12 the permittee to its condition had the transaction not occurred. The ~~commissioner~~
13 department of financial institutions, insurance, and professional standards may
14 order a permittee to void the transaction, to commence an action against the person
15 or affiliate, or to take other action.

16 **SECTION 1097.** 648.45 (6) (e) of the statutes is amended to read:

17 648.45 (6) (e) *Required financial conditions.* The ~~commissioner~~ department of
18 financial institutions, insurance, and professional standards, after consulting with
19 the department of health services, may promulgate rules for determining adequacy
20 of financial condition under this section.

21 **SECTION 1098.** 648.45 (6) (f) of the statutes is amended to read:

22 648.45 (6) (f) *Exemption if permittee reports.* Paragraph (a) does not apply to
23 a person attempting to acquire or having control of, or an affiliate of, a permittee, if
24 the permittee reports on behalf of the person or on behalf of the affiliate, and the

1 transaction is not disapproved by the ~~commissioner~~ department of financial
2 institutions, insurance, and professional standards under par. (b).

3 **SECTION 1099.** 648.45 (7) (a) of the statutes is amended to read:

4 648.45 (7) (a) A permittee may not pay a dividend or distribution, and an
5 affiliate of a permittee may not accept a dividend or distribution, unless the
6 permittee reports the dividend or distribution to the ~~commissioner~~ department of
7 financial institutions, insurance, and professional standards at least 30 days before
8 payment and the ~~commissioner~~ department of financial institutions, insurance, and
9 professional standards does not disapprove the dividend or distribution within that
10 period.

11 **SECTION 1100.** 648.45 (7) (b) (intro.) of the statutes is amended to read:

12 648.45 (7) (b) (intro.) The ~~commissioner~~ department of financial institutions,
13 insurance, and professional standards, after consulting with the department of
14 health services, may promulgate rules under this section that do any of the following:

15 **SECTION 1101.** 648.45 (7) (b) 2. of the statutes is amended to read:

16 648.45 (7) (b) 2. Exempt dividends or distributions from the reporting
17 requirement under par. (a) under conditions that the ~~commissioner~~ department of
18 financial institutions, insurance, and professional standards determines will not
19 jeopardize the financial condition of the permittee.

20 **SECTION 1102.** 648.45 (7) (c) of the statutes is amended to read:

21 648.45 (7) (c) A permittee may declare a dividend or distribution that is
22 conditioned upon the permittee's compliance with this subsection. A declaration of
23 a dividend or distribution under this subsection does not confer rights to the
24 proposed recipient of the dividend or distribution unless this subsection is complied
25 with and is void if the dividend or distribution is disapproved by the ~~commissioner~~

1 department of financial institutions, insurance, and professional standards under
2 par. (a).

3 **SECTION 1103.** 648.45 (8) (b) of the statutes is amended to read:

4 648.45 (8) (b) An officer or director of a permittee or of an affiliate of a permittee
5 who knows, or reasonably should know, that the permittee or affiliate has entered
6 into a transaction or paid a dividend or distribution that violates this chapter shall
7 report the transaction, dividend, or distribution to the commissioner in writing
8 within 30 days after attaining that knowledge. Section 648.15 (6) applies to a report
9 under this section, and the report is confidential unless the commissioner
10 department of financial institutions, insurance, and professional standards finds it
11 necessary to disclose the report for the purpose of enforcing this chapter.

12 **SECTION 1104.** 648.50 (1) of the statutes is amended to read:

13 648.50 (1) APPROVAL REQUIRED. No proposed plan of merger or other plan for
14 acquisition of control of a permittee may be executed unless the commissioner
15 department of financial institutions, insurance, and professional standards, after
16 consulting with the department of health services, approves the plan.

17 **SECTION 1105.** 648.50 (2) of the statutes is amended to read:

18 648.50 (2) GROUNDS FOR APPROVAL. The commissioner department of financial
19 institutions, insurance, and professional standards shall approve the plan under
20 this section if the commissioner department of financial institutions, insurance, and
21 professional standards finds, after a hearing, that it would not violate the law or be
22 contrary to the interests of the public, the department of health services, or the
23 enrollees.

24 **SECTION 1106.** 648.50 (3) of the statutes is amended to read:

1 648.50 (3) INFORMATION REQUIRED. A permittee shall report to the ~~commissioner~~
2 department of financial institutions, insurance, and professional standards any
3 changes in directors or principal officers after a permit is issued, together with
4 biographical data on the new director or officer that the ~~commissioner~~ department
5 of financial institutions, insurance, and professional standards requires by rule.

6 SECTION 1107. 648.55 (title) of the statutes is amended to read:

7 648.55 (title) **Commissioner's Department's summary orders.**

8 SECTION 1108. 648.55 (1) (intro.) of the statutes is amended to read:

9 648.55 (1) (intro.) The ~~commissioner~~ department of financial institutions,
10 insurance, and professional standards, after consulting with the department of of
11 health services, may make and serve an order on a permittee, requiring it to stop
12 providing services under the department contract, or to take corrective measures,
13 without notice and before hearing, if it appears to the ~~commissioner~~ department of
14 financial institutions, insurance, and professional standards that irreparable harm
15 to the property or business of the permittee or to the interests of its enrollees or the
16 public, will occur unless the ~~commissioner~~ department of financial institutions,
17 insurance, and professional standards acts with immediate effect and one of the
18 following applies:

19 SECTION 1109. 648.55 (3) of the statutes is amended to read:

20 648.55 (3) The permittee has the rights provided under s. 601.62. The
21 ~~commissioner~~ department of financial institutions, insurance, and professional
22 standards may serve upon the permittee notice of hearing under the procedures
23 under s. 601.62 simultaneously with service of the order under sub. (1).

24 SECTION 1110. 648.55 (4) of the statutes is amended to read:

1 648.55 (4) The ~~commissioner~~ department of financial institutions, insurance,
2 and professional standards may keep proceedings under this section confidential.

3 **SECTION 1111.** 648.65 (1) of the statutes is amended to read:

4 648.65 (1) IMMUNITY. An enrollee of a care management organization is not
5 liable for health care, service, equipment, or supply charges that are covered under
6 the care management organization's contract with the department of health
7 services.

8 **SECTION 1112.** 648.75 (1) of the statutes is amended to read:

9 648.75 (1) DEPOSIT REQUIRED. A permittee shall deposit an amount established
10 by the contract with the department of health services, and not less than \$250,000,
11 using the procedures under s. 601.13.

12 **SECTION 1113.** 648.75 (2) (intro.) of the statutes is amended to read:

13 648.75 (2) RELEASE OF DEPOSIT. (intro.) A deposit under this section may be
14 released only with the approval of the ~~commissioner~~ department of financial
15 institutions, insurance, and professional standards, after consulting with the
16 department of health services, by the procedures under s. 601.13 (10) and only in one
17 of the following circumstances:

18 **SECTION 1114.** 648.75 (2) (b) of the statutes is amended to read:

19 648.75 (2) (b) To pay creditors of the permittee according to the priority
20 determined by the department of health services if the permittee is insolvent,
21 dissolves, or is subject to an insolvency proceeding, including a bankruptcy
22 proceeding.

23 **SECTION 1115.** 648.75 (3) of the statutes is amended to read:

24 648.75 (3) ASSESSMENT. The department of health services may assess an
25 amount from each permittee's deposit for the purpose of funding arrangements for,

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1 or to pay expenses related to, services for enrollees of an insolvent or financially
2 hazardous permittee. The department's assessment by the department of health
3 services shall be allocated to each permittee's deposit in an amount that reflects the
4 permittee's proportionate share of projected enrollment in the department's annual
5 contracting period for the department of health services. The commissioner
6 department of financial institutions, insurance, and professional standards may
7 authorize release, and the department of administration shall pay to the department
8 of health services the assessed amount for the purposes of this subsection.

9 **SECTION 1116.** 648.75 (4) of the statutes is amended to read:

10 648.75 (4) RESTORATION. A permittee shall restore its deposit that is subject to
11 an assessment under sub. (3) within 30 days after the assessment, unless the office
12 department of financial institutions, insurance, and professional standards, after
13 consulting with the department of health services, authorizes a longer period, which
14 shall not exceed 2 years.

15 **SECTION 1117.** 648.75 (5) of the statutes is amended to read:

16 648.75 (5) RECOVERY. The department of health services may recover, and may
17 file a claim or bring civil action to recover, from the insolvent or financially hazardous
18 permittee any amount that the department of health services assesses and pays
19 under sub. (3). Any amount recovered shall be restored to each permittee's deposit
20 in the same proportion as the assessment.

21 ~~**SECTION 1118.** 655.001 (4) of the statutes is repealed.~~

22 **SECTION 1119.** 655.001 (14) of the statutes is amended to read:

23 655.001 (14) "Self-insurance plan" means a plan approved by the
24 commissioner department of financial institutions, insurance, and professional
25 standards to self-insure health care providers against medical malpractice claims

1 in accordance with this chapter. A “self-insurance plan” may provide coverage to a
2 single health care provider or affiliated health care providers.

3 **SECTION 1120.** 655.002 (2) (intro.) of the statutes is amended to read:

4 655.002 (2) OPTIONAL PARTICIPATION. (intro.) All of the following may elect, in
5 the manner designated by the ~~commissioner~~ department of financial institutions,
6 insurance, and professional standards by rule under s. 655.004, to be subject to this
7 chapter:

8 **SECTION 1121.** 655.003 (3) of the statutes is amended to read:

9 655.003 (3) Except for a physician or nurse anesthetist who meets the criteria
10 under s. 146.89 (5) (a), a physician or a nurse anesthetist who provides professional
11 services under the conditions described in s. 146.89, with respect to those
12 professional services provided by the physician or nurse anesthetist for which he or
13 she is covered by s. 165.25 and considered an agent of the department of health
14 services, as provided in s. 165.25 (6) (b).

15 **SECTION 1122.** 655.004 of the statutes is amended to read:

16 **655.004 Rule-making authority.** The director of state courts, department
17 of health services and commissioner department of financial institutions, insurance,
18 and professional standards may promulgate such rules under ch. 227 as are
19 necessary to enable them to perform their responsibilities under this chapter.

20 **SECTION 1123.** 655.015 of the statutes is amended to read:

21 **655.015 Future medical expenses.** If a settlement or judgment under this
22 chapter resulting from an act or omission that occurred on or after May 25, 1995,
23 provides for future medical expense payments in excess of \$100,000, that portion of
24 future medical expense payments in excess of an amount equal to \$100,000 plus an
25 amount sufficient to pay the costs of collection attributable to the future medical

1 expense payments, including attorney fees reduced to present value, shall be paid
2 into the fund. The ~~commissioner~~ department of financial institutions, insurance,
3 and professional standards shall develop by rule a system for managing and
4 disbursing those moneys through payments for these expenses, which shall include
5 a provision for the creation of a separate accounting for each claimant's payments
6 and for crediting each claimant's account with a proportionate share of any interest
7 earned by the fund, based on that account's proportionate share of the fund. The
8 ~~commissioner~~ department of financial institutions, insurance, and professional
9 standards shall promulgate a rule specifying the criteria that shall be used to
10 determine the medical expenses related to the settlement or judgment, taking into
11 consideration developments in the provision of health care. The payments shall be
12 made under the system until either the account is exhausted or the patient dies.

13 **SECTION 1124.** 655.019 of the statutes is amended to read:

14 **655.019 Information needed to set fees.** The department of health services
15 shall provide the director of state courts, the ~~commissioner~~ department of financial
16 institutions, insurance, and professional standards and the board of governors with
17 information on hospital bed capacity and occupancy rates as needed to set fees under
18 s. 655.27 (3) or 655.61.

19 **SECTION 1125.** 655.23 (3) (a) of the statutes is amended to read:

20 **655.23 (3) (a)** Except as provided in par. (d), every health care provider either
21 shall insure and keep insured the health care provider's liability by a policy of health
22 care liability insurance issued by an insurer authorized to do business in this state
23 or shall qualify as a self-insurer. Qualification as a self-insurer is subject to
24 conditions established by the ~~commissioner~~ department of financial institutions,
25 insurance, and professional standards and is valid only when approved by the

1 ~~commissioner~~ department of financial institutions, insurance, and professional
2 standards. The ~~commissioner~~ department of financial institutions, insurance, and
3 professional standards may establish conditions that permit a self-insurer to
4 self-insure for claims that are against employees who are health care practitioners
5 and that are not covered by the fund. An approved self-insurance plan may provide
6 coverage for all affiliated health care providers under a controlling legal entity.

7 **SECTION 1126.** 655.23 (3) (b) of the statutes is amended to read:

8 655.23 (3) (b) Each insurance company issuing health care liability insurance
9 that meets the requirements of sub. (4) to any health care provider shall, at the times
10 prescribed by the ~~commissioner~~ department of financial institutions, insurance, and
11 professional standards, file with the ~~commissioner~~ department of financial
12 institutions, insurance, and professional standards in a form prescribed by the
13 ~~commissioner~~ department of financial institutions, insurance, and professional
14 standards a certificate of insurance on behalf of the health care provider upon
15 original issuance and each renewal.

16 **SECTION 1127.** 655.23 (3) (c) of the statutes is amended to read:

17 655.23 (3) (c) Each self-insured health care provider furnishing coverage that
18 meets the requirements of sub. (4) shall, at the times and in the form prescribed by
19 the ~~commissioner~~ department of financial institutions, insurance, and professional
20 standards, file with the ~~commissioner~~ department of financial institutions,
21 insurance, and professional standards a certificate of self-insurance and a separate
22 certificate of insurance for each additional health care provider covered by the
23 self-insured plan.

24 **SECTION 1128.** 655.23 (3) (d) of the statutes is amended to read:

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1 655.23 (3) (d) If a cash or surety bond furnished by a health care provider for
2 the purpose of insuring and keeping insured the health care provider's liability was
3 approved by the commissioner before April 25, 1990, par. (a) does not apply to the
4 health care provider while the cash or surety bond remains in effect. A cash or surety
5 bond remains in effect unless the ~~commissioner~~ department of financial institutions,
6 insurance, and professional standards, at the request of the health care provider or
7 the surety, approves its cancellation.

8 **SECTION 1129.** 655.23 (4) (d) of the statutes is amended to read:

9 655.23 (4) (d) The ~~commissioner~~ department of financial institutions,
10 insurance, and professional standards may promulgate such rules as the
11 ~~commissioner~~ department of financial institutions, insurance, and professional
12 standards considers necessary for the application of the liability limits under par. (b)
13 to reporting years following termination of claims-made coverage, including rules
14 that provide for the use of actuarial equivalents.

15 **SECTION 1130.** 655.23 (7) of the statutes is amended to read:

16 655.23 (7) Each health care provider shall comply with this section and with
17 s. 655.27 (3) (a) before exercising any rights or privileges conferred by his or her
18 health care provider's license. The ~~commissioner~~ department of financial
19 institutions, insurance, and professional standards shall notify the board that issued
20 the license of a health care provider that has not complied with this section or with
21 s. 655.27 (3) (a). The board that issued the license may suspend, or refuse to issue
22 or to renew the license of any health care provider violating this section or s. 655.27
23 (3) (a).

24 **SECTION 1131.** 655.23 (8) of the statutes is amended to read:

1 655.23 (8) No health care provider who retires or ceases operation after July
2 24, 1975, shall be eligible for the protection provided under this chapter unless proof
3 of financial responsibility for all claims arising out of acts of malpractice occurring
4 after July 24, 1975, is provided to the ~~commissioner~~ department of financial
5 institutions, insurance, and professional standards in the form prescribed by the
6 ~~commissioner~~ department of financial institutions, insurance, and professional
7 standards.

8 **SECTION 1132.** 655.24 (1) of the statutes is amended to read:

9 655.24 (1) No insurer may enter into or issue any policy of health care liability
10 insurance until its policy form has been submitted to and approved by the
11 ~~commissioner~~ department of financial institutions, insurance, and professional
12 standards under s. 631.20 (1) (a). The filing of a policy form by any insurer with the
13 ~~commissioner~~ department of financial institutions, insurance, and professional
14 standards for approval shall constitute, on the part of the insurer, a conclusive and
15 unqualified acceptance of all provisions of this chapter, and an agreement by it to be
16 bound hereby as to any policy issued by it to any health care provider.

17 **SECTION 1133.** 655.24 (3) of the statutes is amended to read:

18 655.24 (3) A notice of cancellation or nonrenewal that is required under sub.
19 (2) (b) issued to a health care provider who is a natural person must inform the health
20 care provider that his or her license to practice medicine or nursing may be
21 suspended or not renewed if the health care provider has no insurance or insufficient
22 insurance. The insurer shall retain a copy of each notice issued under sub. (2) (b) for
23 not less than 10 years from the date of mailing or delivery of the notice and shall
24 furnish a copy to the ~~commissioner~~ department of financial institutions, insurance,
25 and professional standards upon request.

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1 **SECTION 1134.** 655.24 (4) of the statutes is amended to read:

2 655.24 (4) The insurer shall, upon termination of a policy of health care liability
3 insurance issued under this chapter by cancellation or nonrenewal, notify the
4 ~~commissioner~~ department of financial institutions, insurance, and professional
5 standards of the termination.

6 **SECTION 1135.** 655.26 (1) (intro.) of the statutes is amended to read:

7 655.26 (1) (intro.) In addition to any information required by the ~~commissioner~~
8 department of financial institutions, insurance, and professional standards under s.
9 601.42, by the 15th day of each month, each insurer that writes health care liability
10 insurance in this state and each self-insurer approved under s. 655.23 (3) (a) shall
11 report the following information to the medical examining board and the board of
12 governors on each claim paid during the previous month for damages arising out of
13 the rendering of health care services:

14 **SECTION 1136.** 655.26 (2) of the statutes is amended to read:

15 655.26 (2) By the 15th day of each month, the board of governors shall report
16 the information specified in sub. (1) to the medical examining board for each claim
17 paid by the fund or from the appropriation under s. ~~20.145 (2)~~ 20.142 (4) (a) during
18 the previous month for damages arising out of the rendering of health care services
19 by a health care provider or an employee of a health care provider.

20 **SECTION 1137.** 655.27 (2) of the statutes is amended to read:

21 655.27 (2) **FUND ADMINISTRATION AND OPERATION.** Management of the fund shall
22 be vested with the board of governors. The ~~commissioner~~ department of financial
23 institutions, insurance, and professional standards shall either provide staff
24 services necessary for the operation of the fund or, with the approval of the board of
25 governors, contract for all or part of these services. Such a contract is subject to ss.

1 16.753 and 16.765, but is otherwise exempt from subch. IV of ch. 16. The
2 ~~commissioner~~ department of financial institutions, insurance, and professional
3 standards shall adopt rules governing the procedures for creating and implementing
4 these contracts before entering into the contracts. At least annually, the contractor
5 shall report to the ~~commissioner~~ department of financial institutions, insurance, and
6 professional standards and to the board of governors regarding all expenses incurred
7 and subcontracting arrangements. If the board of governors approves, the contractor
8 may hire legal counsel as needed to provide staff services. The cost of contracting for
9 staff services shall be funded from the appropriation under s. ~~20.145 (2)~~ 20.142 (4)
10 (u). The fund shall pay to the ~~commissioner~~ department of financial institutions,
11 insurance, and professional standards amounts charged for organizational support
12 services, which shall be credited to the appropriation account under s. ~~20.145 (1)~~
13 20.142 (3) (g) 2.

14 **SECTION 1138.** 655.27 (3) (a) 5. of the statutes is amended to read:

15 655.27 (3) (a) 5. The supplemental appropriation under s. ~~20.145 (2)~~ 20.142 (4)
16 (a) for payment of claims.

17 **SECTION 1139.** 655.27 (3) (am) of the statutes is amended to read:

18 655.27 (3) (am) *Assessments for peer review council.* The fund, a mandatory
19 health care liability risk-sharing plan established under s. 619.04, and a private
20 health care liability insurer shall be assessed, as appropriate, fees sufficient to cover
21 the costs of the injured patients and families compensation fund peer review council,
22 including costs of administration, for reviewing claims paid by the fund or from the
23 appropriation under s. ~~20.145 (2)~~ 20.142 (4) (a), by the plan, and by the insurer,
24 respectively, under s. 655.275 (5). The fees shall be set by the ~~commissioner~~
25 department of financial institutions, insurance, and professional standards by rule,

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1 after approval by the board of governors, and shall be collected by the ~~commissioner~~
2 department of financial institutions, insurance, and professional standards for
3 deposit in the fund. The costs of the injured patients and families compensation fund
4 peer review council shall be funded from the appropriation under s. ~~20.145 (2)~~ 20.142
5 (4) (um).

6 **SECTION 1140.** 655.27 (3) (b) 1. of the statutes is amended to read:

7 655.27 (3) (b) 1. The ~~commissioner~~ department of financial institutions,
8 insurance, and professional standards, after approval by the board of governors,
9 shall by rule set the fees under par. (a). The rule shall provide that fees may be paid
10 annually or in semiannual or quarterly installments. In addition to the prorated
11 portion of the annual fee, semiannual and quarterly installments shall include an
12 amount sufficient to cover interest not earned and administrative costs incurred
13 because the fees were not paid on an annual basis. This paragraph does not impose
14 liability on the board of governors for payment of any part of a fund deficit.

15 **SECTION 1141.** 655.27 (3) (b) 2m. of the statutes is amended to read:

16 655.27 (3) (b) 2m. In addition to the fees and payment classifications described
17 under subds. 1. and 2., the ~~commissioner~~ department of financial institutions,
18 insurance, and professional standards, after approval by the board of governors, may
19 by rule establish a separate payment classification for physicians satisfying s.
20 655.002 (1) (b) and a separate fee for nurse anesthetists satisfying s. 655.002 (1) (b)
21 which take into account the loss experience of health care providers for whom
22 Michigan is a principal place of practice.

23 **SECTION 1142.** 655.27 (3) (br) 2. of the statutes is amended to read:

24 655.27 (3) (br) 2. The fees assessed for the fiscal year preceding that particular
25 fiscal year, adjusted by the ~~commissioner of~~ department of financial institutions,

1 insurance, and professional standards to reflect changes in the consumer price index
2 for all urban consumers, U.S. city average, for the medical care group, as determined
3 by the U.S. department of labor.

4 **SECTION 1143.** 655.27 (3) (c) of the statutes is amended to read:

5 655.27 (3) (c) *Collection and deposit of fees.* Fees under pars. (a) and (b) and
6 future medical expense payments specified for the fund under s. 655.015 shall be
7 collected by the ~~commissioner~~ department of financial institutions, insurance, and
8 professional standards for deposit into the fund in a manner prescribed by the
9 ~~commissioner~~ department of financial institutions, insurance, and professional
10 standards by rule.

11 **SECTION 1144.** 655.27 (3) (d) of the statutes is amended to read:

12 655.27 (3) (d) *Rule not effective; fees.* If the rule establishing fees under par.
13 (b) does not take effect prior to June 2 of any fiscal year, the ~~commissioner~~
14 department of financial institutions, insurance, and professional standards may
15 elect to collect fees as established for the previous fiscal year. If the ~~commissioner~~
16 department of financial institutions, insurance, and professional standards so elects
17 and the rule subsequently takes effect, the balance for the fiscal year shall be
18 collected or refunded or the remaining semiannual or quarterly installment
19 payments shall be adjusted except the ~~commissioner~~ department of financial
20 institutions, insurance, and professional standards may elect not to collect, refund
21 or adjust for minimal amounts.

22 **SECTION 1145.** 655.27 (3) (e) of the statutes is amended to read:

23 655.27 (3) (e) *Podiatrist fees.* The ~~commissioner~~ department of financial
24 institutions, insurance, and professional standards, after approval by the board of
25 governors, may by rule assess fees against podiatrists for the purpose of paying the

1 fund's portion of medical malpractice claims and expenses resulting from claims
2 against podiatrists based on occurrences before July 1, 1986.

3 **SECTION 1146.** 655.27 (4) (a) of the statutes is amended to read:

4 655.27 (4) (a) Moneys shall be withdrawn from the fund, or paid from the
5 appropriation under s. ~~20.145 (2)~~ 20.142 (4) (a), by the ~~commissioner~~ department of
6 financial institutions, insurance, and professional standards only upon vouchers
7 approved and authorized by the board of governors.

8 **SECTION 1147.** 655.27 (4) (d) of the statutes is amended to read:

9 655.27 (4) (d) Annually after the close of a fiscal year, the board of governors
10 shall furnish a financial report to the ~~commissioner~~ department of financial
11 institutions, insurance, and professional standards. The report shall be prepared in
12 accordance with accepted accounting procedures and shall include the present value
13 of all claims reserves, including those for incurred but not reported claims as
14 determined by accepted actuarial principles, and such other information as may be
15 required by the ~~commissioner~~ department of financial institutions, insurance, and
16 professional standards. The board of governors shall furnish an appropriate
17 summary of this report to all fund participants.

18 **SECTION 1148.** 655.27 (4) (g) of the statutes is amended to read:

19 655.27 (4) (g) The board of governors may cede reinsurance to an insurer
20 authorized to do business in this state under ch. 611, 613, 614 or 618 or pursue other
21 loss funding management to preserve the solvency and integrity of the fund, subject
22 to approval by the ~~commissioner~~ department of financial institutions, insurance, and
23 professional standards. The ~~commissioner~~ department of financial institutions,
24 insurance, and professional standards may prescribe controls over or other

1 conditions on such use of reinsurance or other loss-funding management
2 mechanisms.

3 **SECTION 1149.** 655.27 (5) (e) of the statutes is amended to read:

4 655.27 (5) (e) Claims filed against the fund shall be paid in the order received
5 within 90 days after filing unless appealed by the fund. If the amounts in the fund
6 are not sufficient to pay all of the claims, claims received after the funds are
7 exhausted shall be paid from the appropriation under s. ~~20.145 (2)~~ 20.142 (4) (a).

8 **SECTION 1150.** 655.275 (5) (a) (intro.) of the statutes is amended to read:

9 655.275 (5) (a) (intro.) The council shall review, within one year of the date of
10 first payment on the claim, each claim that is paid by the fund or from the
11 appropriation under s. ~~20.145 (2)~~ 20.142 (4) (a), by a mandatory health care liability
12 risk-sharing plan established under s. 619.04, by a private health care liability
13 insurer, or by a self-insurer for damages arising out of the rendering of medical care
14 by a health care provider or an employee of the health care provider and shall make
15 recommendations to all of the following:

16 **SECTION 1151.** 655.275 (5) (a) 1. of the statutes is amended to read:

17 655.275 (5) (a) 1. The ~~commissioner~~ department of financial institutions,
18 insurance, and professional standards and the board of governors regarding any
19 adjustments to be made, under s. 655.27 (3) (a) 2m., to fund fees assessed against the
20 health care provider, based on the paid claim.

21 **SECTION 1152.** 655.275 (5) (a) 2. of the statutes is amended to read:

22 655.275 (5) (a) 2. The ~~commissioner~~ department of financial institutions,
23 insurance, and professionals standards and the board of governors regarding any
24 adjustments to be made, under s. 619.04 (5) (b), to premiums assessed against a

1 physician under a mandatory health care liability risk-sharing plan established
2 under s. 619.04, based on the paid claim.

3 **SECTION 1153.** 655.275 (7) of the statutes is amended to read:

4 655.275 (7) NOTICE OF RECOMMENDATION. The council shall notify the affected
5 health care provider, in writing, of its recommendations to the ~~commissioner~~
6 department of financial institutions, insurance, and professional standards, the
7 board of governors or a private insurer made under sub. (5). The notice shall inform
8 the health care provider that the health care provider may submit written comments
9 on the council's recommendations to the ~~commissioner~~ department of financial
10 institutions, insurance, and professional standards, the board of governors or the
11 private insurer within a reasonable period of time specified in the notice.

12 **SECTION 1154.** 655.275 (8) of the statutes is amended to read:

13 655.275 (8) PATIENT RECORDS. The council may obtain any information relating
14 to any claim it reviews under this section that is in the possession of the
15 ~~commissioner~~ department of financial institutions, insurance, and professional
16 standards or the board of governors. The council shall keep patient health care
17 records confidential as required by s. 146.82.

18 **SECTION 1155.** 655.275 (10) of the statutes is amended to read:

19 655.275 (10) MEMBERS' AND CONSULTANTS' EXPENSES. Notwithstanding s. 15.09
20 (6), any person serving on the council and any person consulting with the council
21 under sub. (5) (b) shall be paid at a rate established by the ~~commissioner~~ department
22 of financial institutions, insurance, and professional standards by rule.

23 **SECTION 1156.** 655.45 (1) of the statutes is amended to read:

24 655.45 (1) For the quarter beginning on July 1, 1986, and for each quarter
25 thereafter, the director of state courts shall file reports complying with sub. (2) with

1 the medical examining board, the physical therapy examining board, the podiatry
2 affiliated credentialing board, the board of nursing and the department of health
3 services, respectively, regarding health care providers licensed by the respective
4 bodies.

5 **SECTION 1157.** 655.465 (2) (c) 2. of the statutes is amended to read:

6 655.465 (2) (c) 2. Except as provided in subds. 4. and 5., if none of the
7 respondents named in the request for mediation is a physician, a health care
8 provider who is licensed to practice in this state in the same health care field as the
9 respondent and who is selected from a list prepared by the department of health
10 services, the department of financial institutions, insurance, and professional
11 standards, or the examining board or affiliated credentialing board that regulates
12 health care providers in that health care field.

13 **SECTION 1158.** 655.61 (2) of the statutes is amended to read:

14 655.61 (2) The annual fees under sub. (1) shall be collected in a manner
15 prescribed by rule of the ~~commissioner~~ department of financial institutions,
16 insurance, and professional standards. The ~~commissioner~~ department of financial
17 institutions, insurance, and professional standards shall pay all money collected
18 under sub. (1) into the mediation fund created under s. 655.68.

19 **SECTION 1159.** 766.565 (7) of the statutes is amended to read:

20 766.565 (7) With respect to consumer credit transactions, the division of
21 banking department of financial institutions, insurance, and professional standards
22 may promulgate rules to interpret this chapter and chs. 421 to 427, consistent with
23 the purposes and policies of this chapter and chs. 421 to 427.

24 **SECTION 1160.** 813.05 (2) of the statutes is amended to read:

1 813.05 (2) In an action against an insurance company or fraternal benefit
2 society for an injunction or a receiver the ~~commissioner of insurance~~ department of
3 financial institutions, insurance, and professional standards shall be notified.
4 Mailing a copy of such notice addressed to the ~~commissioner of insurance~~ secretary,
5 or department, of financial institutions, insurance, and professional standards at
6 Madison, Wisconsin, shall be sufficient service.

7 **SECTION 1161.** 813.16 (7) of the statutes is amended to read:

8 813.16 (7) If the person seeking the appointment of a receiver under sub. (1)
9 is a savings and loan association or savings bank supervised by the ~~division of~~
10 banking department of financial institutions, insurance, and professional standards
11 or a corporation supervised by the home loan bank board, federal office of thrift
12 supervision, federal deposit insurance corporation, or resolution trust corporation,
13 the court, unless the opposing party objects, shall appoint an officer of such
14 corporation as receiver to act without compensation and to give such bond as the
15 court requires.

16 **SECTION 1162.** 895.486 (2) (a) of the statutes is amended to read:

17 895.486 (2) (a) The ~~office of the commissioner of insurance~~ department of
18 financial institutions, insurance, and professional standards.

19 **SECTION 1163.** 895.514 (3) (b) of the statutes is amended to read:

20 895.514 (3) (b) All of the expenses incurred by the authority, or the
21 commissioner, or any agent, employee, or representative of the commissioner, in
22 exercising its duties and powers under ch. 149, 2011 stats., under 2013 Wisconsin Act
23 20, section 9122 (1L), or under 2013 Wisconsin Act 116, section 32 (1) (b), shall be
24 payable only from funds of the authority or from the appropriation under s. 20.145

(5) (g), 2013 stats., or s. 20.145 (5) (k), 2013 stats., or from any combination of those payment sources.

SECTION 1164. 940.207 (title) of the statutes is amended to read:

940.207 (title) ~~Battery or threat to department of safety and professional services~~ financial institutions, insurance, and professional standards or department of workforce development employee.

SECTION 1165. 940.207 (2) (intro.) of the statutes is amended to read:

940.207 (2) (intro.) Whoever intentionally causes bodily harm or threatens to cause bodily harm to the person or family member of any department of ~~safety and professional services~~ financial institutions, insurance, and professional standards or department of workforce development official, employee, or agent under all of the following circumstances is guilty of a Class H felony:

****NOTE: Please note that the change to the department name in this subsection broadens the conduct that may be subject to the specified criminal penalty. Under current law, that conduct is limited to causing or threatening bodily harm to DSPS and DWD personnel; OCI and DFI are not included. Please let me know if you would like to include language limiting the conduct to DFIPS personnel whose employment is primarily related to the professional licensing and buildings and safety functions of DFIPS. MPG

SECTION 1166. 940.207 (2) (a) of the statutes is amended to read:

940.207 (2) (a) At the time of the act or threat, the actor knows or should have known that the victim is a department of ~~safety and professional services~~ financial institutions, insurance, and professional standards or department of workforce development official, employee, or agent or a member of his or her family.

SECTION 9101. Nonstatutory provisions; Administration.

(1) TRANSFER OF OFFICE OF BUSINESS DEVELOPMENT AND SMALL BUSINESS REGULATORY REVIEW BOARD.

(a) *Positions and employees.* On the effective date of this paragraph, the director and deputy director of the office of business development and the incumbent

official, employee, or agent whose responsibilities are primarily related to the buildings and safety or professional regulation functions of

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Insert AG 339-18B

any

1 employees holding those positions and all positions and all incumbent employees in
2 the classified service of the state civil service holding those positions in the
3 department of administration performing duties primarily related to the office of
4 business development and small business regulatory review board, as determined
5 by the secretary of administration, are transferred to the department of financial
6 institutions, insurance, and professional standards.

7 (b) *Employee status.* Classified employees transferred under paragraph (a)
8 have all the rights and the same status under subchapter V of chapter 111 and
9 chapter 230 of the statutes in the department of financial institutions, insurance,
10 and professional standards that they enjoyed in the department of administration
11 immediately before the transfer. Notwithstanding section 230.28 (4) of the statutes,
12 no employee so transferred who has attained permanent status in class is required
13 to serve a probationary period.

14 A.N. ~~(B)~~ TRANSFER OF BUSINESS CERTIFICATION PROGRAMS.

15 (a) *Assets and liabilities.* On the effective date of this paragraph, the assets and
16 liabilities of the department of administration primarily related to disabled
17 veteran-owned business certifications, woman-owned business certifications, and
18 minority business certifications, as determined by the secretary of administration,
19 become the assets and liabilities of the department of financial institutions,
20 insurance, and professional standards.

21 (b) *Positions and employees.* On the effective date of this paragraph, all
22 positions and all incumbent employees in the classified service of the state civil
23 service holding those positions in the department of administration performing
24 duties primarily related to disabled veteran-owned business certifications,
25 woman-owned business certifications, and minority business certifications, as

1 determined by the secretary of administration, are transferred to the department of
2 financial institutions, insurance, and professional standards.

3 (c) *Employee status.* Employees transferred under paragraph (b) have all the
4 rights and the same status under subchapter V of chapter 111 and chapter 230 of the
5 statutes in the department of financial institutions, insurance, and professional
6 standards that they enjoyed in the department of administration immediately before
7 the transfer. Notwithstanding section 230.28 (4) of the statutes, no employee so
8 transferred who has attained permanent status in class is required to serve a
9 probationary period.

10 (d) *Tangible personal property.* On the effective date of this paragraph, all
11 tangible personal property, including records, of the department of administration
12 primarily related to disabled veteran-owned business certifications, woman-owned
13 business certifications, and minority business certifications, as determined by the
14 secretary of administration, is transferred to the department of financial
15 institutions, insurance, and professional standards.

16 (e) *Pending matters.* Any matter pending with the department of
17 administration on the effective date of this paragraph that is primarily related to
18 disabled veteran-owned business certifications, woman-owned business
19 certifications, and minority business certifications, as determined by the secretary
20 of administration, is transferred to the department of financial institutions,
21 insurance, and professional standards. All materials submitted to or actions taken
22 by the department of administration with respect to the pending matter are
23 considered as having been submitted to or taken by the department of financial
24 institutions, insurance, and professional standards.

1 (f) *Contracts*. All contracts entered into by the department of administration
2 in effect on the effective date of this paragraph that are primarily related to disabled
3 veteran-owned business certifications, woman-owned business certifications, and
4 minority business certifications, as determined by the secretary of administration,
5 remain in effect and are transferred to the department of financial institutions,
6 insurance, and professional standards. The department of financial institutions
7 insurance, and professional standards shall carry out any obligations under those
8 contracts unless modified or rescinded by that department to the extent allowed
9 under the contract.

10 (g) *Rules and orders*. All rules promulgated by the department of
11 administration primarily related to disabled veteran-owned business certifications,
12 woman-owned business certifications, and minority business certifications, as
13 determined by the secretary of administration, that are in effect on the effective date
14 of this paragraph remain in effect until their specified expiration dates or until
15 amended or repealed by the department of financial institutions, insurance, and
16 professional standards. All orders issued by the department of administration
17 primarily related to disabled veteran-owned business certifications, woman-owned
18 business certifications, and minority business certifications, as determined by the
19 secretary of administration, that are in effect on the effective date of this paragraph
20 remain in effect until their specified expiration dates or until modified or rescinded
21 by the department of financial institutions, insurance, and professional standards.

22 **SECTION 9114. Nonstatutory provisions; Financial Institutions.**

23 (1) MERGER WITH OTHER AGENCIES; NAME CHANGES. 9

24 (a) *Agency name change*. 1. Wherever the term “department of financial
25 institutions” appears in the statutes, as affected by the acts of 2015, the term

1 “department of financial institutions, insurance, and professional standards” is
2 substituted.

3 2. Wherever the term “secretary of financial institutions” appears in the
4 statutes, as affected by the acts of 2015, the term “secretary of financial institutions,
5 insurance, and professional standards” is substituted. 9 1.

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6 (b) *Elimination of division of securities.* 1. Wherever the term “division of
7 securities” or “division” appears in chapters 551, 552, and 553 of the statutes, as
8 affected by the acts of 2015, the term “department” is substituted, except in sections
9 551.202 (26) (h) and (i) and 552.03 (1) (e) of the statutes. 11

10 (c) *Elimination of division of banking.* 1. Wherever the term “division of
11 banking” appears in chapters 34, 138, and 227, subchapter I of chapter 218, and
12 sections 214.592 and 215.141 of the statutes, as affected by the acts of 2015, the term
13 “department of financial institutions, insurance, and professional standards” is
14 substituted.

15 2. Wherever the term “division” appears in chapters 214, 215, and 217,
16 subchapters II, III, and IV of chapter 218, and sections 138.09, 138.12, 138.14, and
17 138.16 of the statutes, as affected by the acts of 2015, the term “department” is
18 substituted.

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19 3. Wherever the term “division” or “division of banking” appears in chapters
20 220, 221, 222, 223, and 224 of the statutes, as affected by the acts of 2015, the term
21 “department” is substituted, except in section 224.77 (1m) (b) of the statutes.

22 (2) ELIMINATION OF THE DEPARTMENT OF FINANCIAL INSTITUTIONS.

23 (a) *Assets and liabilities.* On the effective date of this paragraph, the assets and
24 liabilities of the department of financial institutions become the assets and liabilities
25 of the department of financial institutions, insurance, and professional standards.

1 (b) *Positions and employees.* On the effective date of this paragraph, all
2 positions and all incumbent employees in the classified service of the state civil
3 service holding those positions in the department of financial institutions, other than
4 employees performing information technology functions, as determined by the
5 secretary of administration, are transferred to the department of financial
6 institutions, insurance, and professional standards. Employees performing
7 information technology functions are transferred to the department of
8 administration.

9 (c) *Employee status.* Employees transferred under paragraph (b) have all the
10 rights and the same status under subchapter V of chapter 111 and chapter 230 of the
11 statutes in the department of financial institutions, insurance, and professional
12 standards or department of administration, whichever is appropriate, that they
13 enjoyed in the department of financial institutions immediately before the transfer.
14 Notwithstanding section 230.28 (4) of the statutes, no employee so transferred who
15 has attained permanent status in class is required to serve a probationary period.

16 (d) *Tangible personal property.* On the effective date of this paragraph, all
17 tangible personal property, including records, of the department of financial
18 institutions, other than property related to information technology functions, as
19 determined by the secretary of administration, is transferred to the department of
20 financial institutions, insurance, and professional standards. Property related to
21 information technology functions is transferred to the department of administration.

22 (e) *Pending matters.* Any matter pending with the department of financial
23 institutions on the effective date of this paragraph is transferred to the department
24 of financial institutions, insurance, and professional standards. All materials
25 submitted to or actions taken by the department of financial institutions are

1 considered as having been submitted to or taken by the department of financial
2 institutions, insurance, and professional standards.

3 (f) *Contracts.* All contracts entered into by the department of financial
4 institutions in effect on the effective date of this paragraph remain in effect and are
5 transferred to the department of financial institutions, insurance, and professional
6 standards. The department of financial institutions, insurance, and professional
7 standards shall carry out any obligations under those contracts unless modified or
8 rescinded by that department to the extent allowed under the contract.

9 (g) *Rules and orders.* All rules promulgated by the department of financial
10 institutions in effect on the effective date of this paragraph remain in effect until
11 their specified expiration dates or until amended or repealed by the department of
12 financial institutions, insurance, and professional standards. All orders issued by
13 the department of financial institutions in effect on the effective date of this
14 paragraph remain in effect until their specified expiration dates or until modified or
15 rescinded by the department of financial institutions, insurance, and professional
16 standards.

17 **SECTION 9118. Nonstatutory provisions; Health Services.**

18 (1) TRANSFER OF BODY ART AND TANNING FACILITY REGULATION FUNCTIONS TO THE
19 DEPARTMENT OF FINANCIAL INSTITUTIONS, INSURANCE, AND PROFESSIONAL STANDARDS.

20 (a) *Assets and liabilities.* On the effective date of this paragraph, the assets and
21 liabilities of the department of health services that are primarily related to the
22 regulation of tattooing, body piercing, and tanning under section 255.08, 2013 stats.,
23 and sections 252.23 to 252.25 of the statutes become the assets and liabilities of the
24 department of financial institutions, insurance, and professional standards.

1 (b) *Positions and employees.* On the effective date of this paragraph, all
2 positions and all incumbent employees in the classified service of the state civil
3 service holding those positions in the department of health services that are
4 primarily related to the regulation of tattooing, body piercing, and tanning under
5 section 255.08, 2013 stats., and sections 252.23 to 252.25 of the statutes as
6 determined by the secretary of administration, are transferred to the department of
7 financial institutions, insurance, and professional standards.

8 (c) *Employee status.* Employees transferred under paragraph (b) have all the
9 rights and the same status under subchapter V of chapter 111 and chapter 230 of the
10 statutes in the department of financial institutions, insurance, and professional
11 standards that they enjoyed in the department of health services immediately before
12 the transfer. Notwithstanding section 230.28 (4) of the statutes, no employee so
13 transferred who has attained permanent status in class is required to serve a
14 probationary period.

15 (d) *Tangible personal property.* On the effective date of this paragraph, all
16 tangible personal property, including records, of the department of health services
17 that are primarily related to the regulation of tattooing, body piercing, and tanning
18 under section 255.08, 2013 stats., and sections 252.23 to 252.25 of the statutes, as
19 determined by the secretary of administration, is transferred to the department of
20 financial institutions, insurance, and professional standards.

21 (e) *Pending matters.* Any matter pending with the department of health
22 services that is primarily related to the regulation of tattooing, body piercing, and
23 tanning under section 255.08, 2013 stats., and sections 252.23 to 252.25 of the
24 statutes, on the effective date of this paragraph is transferred to the department of
25 financial institutions, insurance, and professional standards. All materials

1 submitted to or actions taken by the department of health services that are primarily
2 related to the regulation of tattooing, body piercing, and tanning under section
3 255.08, 2013 stats., and sections 252.23 to 252.25 of the statutes are considered as
4 having been submitted to or taken by the department of financial institutions,
5 insurance, and professional standards.

6 (f) *Contracts.* All contracts entered into by the department of health services
7 that are primarily related to the regulation of tattooing, body piercing, and tanning
8 under section 255.08, 2013 stats., and sections 252.23 to 252.25 of the statutes in
9 effect on the effective date of this paragraph remain in effect and are transferred to
10 the department of financial institutions, insurance, and professional standards. The
11 department of financial institutions, insurance, and professional standards shall
12 carry out any obligations under those contracts unless modified or rescinded by that
13 department to the extent allowed under the contract.

14 (g) *Rules and orders.* All rules in chapters DHS 161 and DHS 173, Wisconsin
15 Administrative Code, and any other rules promulgated by the department of health
16 services that are primarily related to the regulation of tattooing, body piercing, and
17 tanning under section 255.08, 2013 stats., and sections 252.23 to 252.25 of the
18 statutes in effect on the effective date of this paragraph remain in effect until their
19 specified expiration dates or until amended or repealed by the department of
20 financial institutions, insurance, and professional standards. All orders issued by
21 the department of health services that are primarily related to the regulation of
22 tattooing, body piercing, and tanning under section 255.08, 2013 stats., and sections
23 252.23 to 252.25 of the statutes in effect on the effective date of this paragraph
24 remain in effect until their specified expiration dates or until modified or rescinded
25 by the department of financial institutions, insurance, and professional standards.

SECTION 9122. Nonstatutory provisions; Insurance.

(1) DESIGNATION CHANGES.

(a) On the effective date of this paragraph, all of the following apply:

1. Wherever the term "commissioner" appears in section 100.203 of the statutes or chapter 424, 600, 601 (excluding sections 601.415 (12), 601.42 (6), 601.57, and 601.58 of the statutes), 605, 607, 609, 611, 612, 613, 614, 616 (excluding section 616.09 (1) (c) 2. of the statutes), 617, 618, 619, 620, 623, 625, 626, 627, 628, 631, 632, 633, 635, or 644 of the statutes, as affected by the acts of 2015, the term "department" is substituted.

2. Wherever the term "commissioner's" appears in chapter 611, 625, 626, 627, 628, 631, or 644 of the statutes, as affected by the acts of 2015, the term "department's" is substituted.

3. Wherever the term "commissioner of insurance" appears in chapter 71, 76, or 424 of the statutes, as affected by the acts of 2015, the term "department of financial institutions, insurance, and professional standards" is substituted.

4. Wherever the term "office" appears in chapter 609 or 628 of the statutes, as affected by the acts of 2015, the term "department" is substituted.

5. Wherever the term "office of the commissioner of insurance" appears in chapter 71 or 76 of the statutes, as affected by the acts of 2015, the term "department of financial institutions, insurance, and professional standards" is substituted.

(b) If any statutory provision that is affected by paragraph (a) is also treated by another section of this act, that other treatment of the statutory provision takes place before the change under paragraph (a).

(2) ELIMINATION OF THE OFFICE OF THE COMMISSIONER OF INSURANCE.

1 (a) *Assets and liabilities.* On the effective date of this paragraph, the assets and
2 liabilities of the office of the commissioner of insurance become the assets and
3 liabilities of the department of financial institutions, insurance, and professional
4 standards.

5 (b) *Positions and employees.* On the effective date of this paragraph, all
6 positions and all incumbent employees in the classified service of the state civil
7 service holding those positions in the office of the commissioner of insurance, other
8 than employees performing information technology and adjudicatory functions, as
9 determined by the secretary of administration, are transferred to the department of
10 financial institutions, insurance, and professional standards. Employees
11 performing information technology functions are transferred to the department of
12 administration, and employees performing adjudicatory functions are transferred to
13 the division of hearings and appeals in the department of administration.

14 (c) *Employee status.* Employees transferred under paragraph (b) have all the
15 rights and the same status under subchapter V of chapter 111 and chapter 230 of the
16 statutes in the department of financial institutions, insurance, and professional
17 standards or department of administration, whichever is appropriate, that they
18 enjoyed in the office of the commissioner of insurance immediately before the
19 transfer. Notwithstanding section 230.28 (4) of the statutes, no employee so
20 transferred who has attained permanent status in class is required to serve a
21 probationary period.

22 (d) *Tangible personal property.* On the effective date of this paragraph, all
23 tangible personal property, including records, of the office of the commissioner of
24 insurance, other than property related to information technology and adjudicatory
25 functions, as determined by the secretary of administration, is transferred to the

1 department of financial institutions, insurance, and professional standards.
2 Property related to information technology functions is transferred to the
3 department of administration, and property relating to adjudicatory functions is
4 transferred to the division of hearings and appeals in the department of
5 administration.

6 (e) *Pending matters.* Any matter pending with the office of the commissioner
7 of insurance on the effective date of this paragraph is transferred to the department
8 of financial institutions, insurance, and professional standards. All materials
9 submitted to or actions taken by the office of the commissioner of insurance are
10 considered as having been submitted to or taken by the department of financial
11 institutions, insurance, and professional standards.

12 (f) *Contracts.* All contracts entered into by the office of the commissioner of
13 insurance in effect on the effective date of this paragraph remain in effect and are
14 transferred to the department of financial institutions, insurance, and professional
15 standards. The department of financial institutions, insurance, and professional
16 standards shall carry out any obligations under those contracts unless modified or
17 rescinded by that department to the extent allowed under the contract.

18 (g) *Rules and orders.* All rules promulgated by the office of the commissioner
19 of insurance in effect on the effective date of this paragraph remain in effect until
20 their specified expiration dates or until amended or repealed by the department of
21 financial institutions, insurance, and professional standards. All orders issued by
22 the office of the commissioner of insurance in effect on the effective date of this
23 paragraph remain in effect until their specified expiration dates or until modified or
24 rescinded by the department of financial institutions, insurance, and professional
25 standards.