




# State of Wisconsin


LEGISLATIVE REFERENCE BUREAU


## **RESEARCH APPENDIX -** **PLEASE DO NOT REMOVE FROM DRAFTING FILE**


Date Transfer Requested: 01/06/2015 (Per: CMH & MPG)


### Compile Draft – Appendix A ... Part V


Appendix A  The 2015 drafting file for LRB–0797


Appendix B  The 2015 drafting file for LRB–0799

Appendix C  The 2015 drafting file for LRB–0800

Appendix D  The 2015 drafting file for LRB–0852

Appendix E  The 2015 drafting file for LRB–0872

Appendix F  The 2015 drafting file for LRB–0906

Appendix G  The 2015 drafting file for LRB–0941

has been copied/added to the drafting file for

**2015 LRB–0807**



State of Wisconsin  
2015 - 2016 LEGISLATURE



LRB-0797/P1  
PJK&TJD:all:jf

**PRELIMINARY DRAFT - NOT READY FOR INTRODUCTION**

1     **AN ACT** ...; **relating to:** elimination of the Office of the Commissioner of  
2           Insurance and transfer of the functions of the office to the Department of  
3           Financial Institutions, Insurance, and Professional Standards.

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*Analysis by the Legislative Reference Bureau*

**HEALTH AND HUMAN SERVICES**

**OTHER HEALTH AND HUMAN SERVICES**

The bill transfers oversight of tattooing, body piercing, and tanning from DHS, which currently regulates those areas, to the new Department of Financial Institutions, Insurance, and Professional Standards (DFIIPS).

**INSURANCE**

OCI, which is headed by the commissioner of insurance, regulates the insurance industry in the state. The bill eliminates OCI and transfers all of the functions; employees; attached bodies; assets and liabilities; property; contracts; rules and orders; and pending matters of OCI to DFIIPS, which is created in the bill and headed by the secretary of DFIIPS.

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

4           **SECTION 1.** 13.50 (1) (d) of the statutes is amended to read:

1           13.50 (1) (d) ~~The commissioner of insurance~~ secretary of financial institutions,  
2 insurance, and professional standards or an experienced actuary in the  
3 ~~commissioner's office~~ department of financial institutions, insurance, and  
4 professional standards designated by the ~~commissioner~~ secretary.

5           **SECTION 2.** 13.94 (1s) (c) 2. of the statutes is amended to read:

6           13.94 (1s) (c) 2. ~~The office of the commissioner of insurance~~ department of  
7 financial institutions, insurance, and professional standards for the cost of the audit  
8 required to be performed under sub. (1) (de).

9           **SECTION 3.** 14.017 (2) of the statutes is amended to read:

10           14.017 (2) STATE COUNCIL ON ALCOHOL AND OTHER DRUG ABUSE. There is created  
11 in the office of the governor a state council on alcohol and other drug abuse consisting  
12 of the governor, the attorney general, the state superintendent of public instruction,  
13 the secretary of health services, ~~the commissioner of insurance~~ secretary of financial  
14 institutions, insurance, and professional standards, the secretary of corrections, the  
15 secretary of transportation and the chairperson of the pharmacy examining board,  
16 or their designees; a representative of the controlled substances board; a  
17 representative of any governor's committee or commission created under subch. I of  
18 ch. 14 to study law enforcement issues; 6 members, one of whom is a consumer  
19 representing the public at large, with demonstrated professional, research or  
20 personal interest in alcohol and other drug abuse problems, appointed for 4-year  
21 terms; a representative of an organization or agency which is a direct provider of  
22 services to alcoholics and other drug abusers; a member of the Wisconsin County  
23 Human Service Association, Inc., who is nominated by that association; and 2  
24 members of each house of the legislature, representing the majority party and the

1 minority party in each house, chosen as are the members of standing committees in  
2 their respective houses. Section 15.09 applies to the council.

3 SECTION 4. 14.82 of the statutes is amended to read:

4 **14.82 Interstate insurance product regulation commission.** There is  
5 created an interstate insurance product regulation commission as specified in s.  
6 601.58 (3). The member of the commission representing this state shall be the  
7 ~~commissioner of insurance~~ secretary of financial institutions, insurance, and  
8 professional standards or his or her designated representative, who must be an  
9 official or employee of the ~~office of the commissioner of insurance~~ department of  
10 financial institutions, insurance, and professional standards. The commission  
11 member shall serve without compensation but shall be reimbursed from the  
12 appropriation under s. ~~20.145 (1)~~ 20.142 (3) (g) for actual and necessary expenses  
13 incurred in the performance of his or her duties. The commission has the powers and  
14 duties granted and imposed under s. 601.58.

15 SECTION 5. 15.06 (1) (b) of the statutes is repealed.

16 SECTION 6. 15.165 (2) of the statutes is amended to read:

17 15.165 (2) GROUP INSURANCE BOARD. There is created in the department of  
18 employee trust funds a group insurance board. The board shall consist of the  
19 governor, the attorney general, the secretary of administration, the director of the  
20 office of state employment relations, and the ~~commissioner~~ secretary of financial  
21 institutions, insurance, and professional standards or their designees, and 6 persons  
22 appointed for 2-year terms, of whom one shall be an insured participant in the  
23 Wisconsin Retirement System who is not a teacher, one shall be an insured  
24 participant in the Wisconsin Retirement System who is a teacher, one shall be an  
25 insured participant in the Wisconsin Retirement System who is a retired employee,

1 one shall be an insured employee of a local unit of government, and one shall be the  
2 chief executive or a member of the governing body of a local unit of government that  
3 is a participating employer in the Wisconsin Retirement System.

4 **SECTION 7.** 15.165 (3) (b) 9. of the statutes is amended to read:

5 15.165 (3) (b) 9. The ~~commissioner~~ secretary of financial institutions,  
6 insurance, and professional standards or an experienced actuary in the ~~office of the~~  
7 ~~commissioner~~ department of financial institutions, insurance, and professional  
8 standards designated by the ~~commissioner~~ secretary.

9 **SECTION 8.** 15.73 of the statutes is repealed.

10 **SECTION 9.** 20.142 (intro.) of the statutes is created to read:

11 **20.142 Financial institutions, insurance, and professional standards,**  
12 **department of.** (intro.) There is appropriated to the department of financial  
13 institutions, insurance, and professional standards for the following programs:

\*\*\*\*NOTE: This SECTION involves a change in an appropriation that must be reflected in the revised schedule in s. 20.005, stats.

14 **SECTION 10.** 20.145 (intro.) of the statutes is repealed.

\*\*\*\*NOTE: This SECTION involves a change in an appropriation that must be reflected in the revised schedule in s. 20.005, stats.

15 **SECTION 11.** 20.145 (1) (title) of the statutes is renumbered 20.142 (3) (title) and  
16 amended to read:

17 20.142 (3) (title) SUPERVISION OF ~~THE~~ INSURANCE INDUSTRY SERVICES.

\*\*\*\*NOTE: This SECTION involves a change in an appropriation that must be reflected in the revised schedule in s. 20.005, stats.

18 **SECTION 12.** 20.145 (1) (g) of the statutes is renumbered 20.142 (3) (g), and  
19 20.142 (3) (g) (intro.) and 1., as renumbered, are amended to read:

20 20.142 (3) (g) *General program operations.* (intro.) The amounts in the  
21 schedule for general program operations, including organizational support services

1 and oversight of care management organizations, and for transferring to the  
2 appropriation account under s. 20.435 (4) (kv) the amount allocated by the  
3 ~~commissioner of insurance~~ department. Notwithstanding s. 20.001 (3) (a), at the end  
4 of each fiscal year, the unencumbered balance in this appropriation account that  
5 exceeds 10 percent of that fiscal year's expenditure under this appropriation shall  
6 lapse to the general fund. All of the following shall be credited to this appropriation  
7 account:

\*\*\*\*NOTE: This SECTION involves a change in an appropriation that must be reflected in the revised schedule in s. 20.005, stats.

8 1. All moneys received under ss. 601.31, 601.32, 601.42 (7), 601.45, and 601.47  
9 and by the ~~commissioner~~ department for expenses related to insurance company  
10 restructurings, except for restructurings specified in par. (h).

11 **SECTION 13.** 20.145 (1) (gm) of the statutes is renumbered 20.142 (1) (gm).

\*\*\*\*NOTE: This SECTION involves a change in an appropriation that must be reflected in the revised schedule in s. 20.005, stats.

12 **SECTION 14.** 20.145 (1) (h) of the statutes is renumbered 20.142 (3) (h) and  
13 amended to read:

14 20.142 (3) (h) *Holding company restructuring expenses.* Ninety percent of all  
15 moneys received from converting mutual insurance companies under s. 644.07 (11)  
16 for expenses, including prorated salaries, incurred by the ~~commissioner and office~~  
17 staff department related to restructurings under ch. 644.

\*\*\*\*NOTE: This SECTION involves a change in an appropriation that must be reflected in the revised schedule in s. 20.005, stats.

18 **SECTION 15.** 20.145 (1) (m) of the statutes is renumbered 20.142 (1) (m).

\*\*\*\*NOTE: This SECTION involves a change in an appropriation that must be reflected in the revised schedule in s. 20.005, stats.

19 **SECTION 16.** 20.145 (2) of the statutes is renumbered 20.142 (4), and 20.142 (4)  
20 (v), as renumbered, is amended to read:

1           20.142 (4) (v) *Specified responsibilities, investment board payments, and future*  
2           *medical expenses.* After deducting the amounts appropriated under pars. (q), (u), and  
3           (um), the balance of the moneys paid into the injured patients and families  
4           compensation fund under s. 655.27 (3) to carry out the responsibilities of the  
5           ~~commissioner of insurance~~ department specified under s. 655.27, excluding payment  
6           of expenses related to administering the fund, to make payments to the investment  
7           board under s. 20.536, and to pay future medical expenses under s. 655.015.

          \*\*\*\*NOTE: This SECTION involves a change in an appropriation that must be  
          reflected in the revised schedule in s. 20.005, stats.

8           **SECTION 17.** 20.145 (3) of the statutes is renumbered 20.142 (5).

          \*\*\*\*NOTE: This SECTION involves a change in an appropriation that must be  
          reflected in the revised schedule in s. 20.005, stats.

9           **SECTION 18.** 20.145 (4) of the statutes is renumbered 20.142 (6).

          \*\*\*\*NOTE: This SECTION involves a change in an appropriation that must be  
          reflected in the revised schedule in s. 20.005, stats.

10          **SECTION 19.** 20.145 (5) of the statutes is repealed.

          \*\*\*\*NOTE: This SECTION involves a change in an appropriation that must be  
          reflected in the revised schedule in s. 20.005, stats.

11          **SECTION 20.** 20.432 (1) (kb) of the statutes is amended to read:

12           20.432 (1) (kb) *Insurance and other information, counseling, and assistance.*  
13           The amounts in the schedule for the purpose of providing information and counseling  
14           on medicare supplemental insurance, long-term care insurance, and medical  
15           assistance eligibility requirements, training, educational materials, and technical  
16           assistance under s. 16.009 (2) (j). ~~The office of the commissioner of insurance~~  
17           department of financial institutions, insurance, and professional standards shall  
18           credit to this appropriation account amounts equal to the amounts in the schedule  
19           for the purposes of this paragraph, from the appropriation under s. ~~20.145 (1)~~ 20.142  
20           (3) (g) 1. Notwithstanding s. 20.001 (3) (a), the unencumbered balance on June 30

1 of each fiscal year shall revert to the appropriation account under s. ~~20.145 (1)~~ 20.142  
2 (3) (g).

3 **SECTION 21.** 20.435 (1) (gm) of the statutes is amended to read:

4 20.435 (1) (gm) *Licensing, review and certifying activities; fees; supplies and*  
5 *services.* The amounts in the schedule for the purposes specified in ss. ~~252.23, 252.24,~~  
6 ~~252.245,~~ 253.12, 254.176, 254.178, 254.179, 254.20 (5) and (8), 254.31 to 254.39,  
7 254.41, 254.47, 254.61 to 254.88, ~~255.08 (2),~~ and 256.15 (8), ch. 69, for the purchase  
8 and distribution of medical supplies, and to analyze and provide data under s.  
9 250.04. All moneys received under ss. 250.04 (3m), ~~252.23 (4) (a), 252.24 (4) (a),~~  
10 ~~252.245 (9),~~ 254.176, 254.178, 254.181, 254.20 (5) and (8), 254.31 to 254.39, 254.41,  
11 254.47, 254.61 to 254.88, ~~255.08 (2) (b),~~ and 256.15 (5) (f) and (8) (d) and ch. 69, other  
12 than s. 69.22 (1m), and as reimbursement for medical supplies shall be credited to  
13 this appropriation account.

14 **SECTION 22.** 20.435 (4) (kv) of the statutes is amended to read:

15 20.435 (4) (kv) *Care management organization; oversight.* All moneys  
16 transferred from the appropriation account under s. ~~20.145 (1)~~ 20.142 (3) (g), for  
17 expenses related to financial certification, monitoring, and assessment of care  
18 management organizations that are subject to ch. 648.

19 **SECTION 23.** 25.17 (12) (a) of the statutes is amended to read:

20 25.17 (12) (a) The ~~commissioner of insurance~~ secretary of financial  
21 institutions, insurance, and professional standards in the investment of the state  
22 insurance fund;

23 **SECTION 24.** 25.17 (12) (b) of the statutes is amended to read:



1           25.17 (12) (b) ~~The commissioner of insurance~~ secretary of financial  
2 institutions, insurance, and professional standards, the state treasurer, the  
3 secretary of state and the attorney general in the investment of the life fund;

4           **SECTION 25.** 40.55 (1) of the statutes is amended to read:

5           40.55 (1) Except as provided in sub. (5), the state shall offer, through the group  
6 insurance board, to eligible employees under s. 40.02 (25) (bm) and to state  
7 annuitants long-term care insurance policies which have been filed with the ~~office~~  
8 ~~of the commissioner of insurance~~ department of financial institutions, insurance,  
9 and professional standards and which have been approved for offering under  
10 contracts established by the group insurance board. The state shall also allow an  
11 eligible employee or a state annuitant to purchase those policies for his or her spouse,  
12 domestic partner, or parent.

13           **SECTION 26.** 45.44 (1) (a) 14. of the statutes is amended to read:

14           45.44 (1) (a) 14. A license, certification, certification card, or permit issued  
15 under s. ~~252.23, 252.24,~~ 254.176, 254.178, 254.20, 254.71, and 256.15.

16           **SECTION 27.** 45.44 (1) (b) of the statutes is amended to read:

17           45.44 (1) (b) “Licensing agency” means the department of agriculture, trade  
18 and consumer protection; the department of children and families; ~~the department~~  
19 ~~of financial institutions~~; the department of health services; the department of  
20 natural resources; the department of public instruction; the department of revenue;  
21 the department of ~~safety and professional services~~ financial institutions, insurance,  
22 and professional standards and its examining boards and affiliated credentialing  
23 boards; the department of transportation; the department of workforce development;  
24 the board of commissioners of public lands; or the government accountability board;  
25 ~~or the office of the commissioner of insurance.~~

1           **SECTION 28.** 46.284 (3m) of the statutes is amended to read:

2           46.284 (3m) PERMIT REQUIRED. A care management organization that is  
3 described under s. 600.01 (1) (b) 10. a., to which s. 600.01 (1) (b) 10. b. does not apply  
4 and that is certified under sub. (3) shall apply for a permit with the office of the  
5 ~~commissioner of insurance~~ department of financial institutions, insurance, and  
6 professional standards under ch. 648.

7           **SECTION 29.** 46.29 (3) (e) of the statutes is amended to read:

8           46.29 (3) (e) The secretary of ~~safety and professional services~~ financial  
9 institutions, insurance, and professional standards.

10          **SECTION 30.** 46.29 (3) (f) of the statutes is repealed.

11          **SECTION 31.** 49.45 (12) (a) of the statutes is repealed.

12          **SECTION 32.** 49.45 (12) (b) and (c) of the statutes are consolidated, renumbered  
13 49.45 (12) and amended to read:

14          49.45 (12) MACHINE-READABLE MEDICAL ASSISTANCE CARDS. ~~If the commissioner~~  
15 ~~of insurance promulgates rules~~ are promulgated under s. 601.57 (2) establishing a  
16 health insurance identification card system and its computerized support system,  
17 the department shall develop a plan to coordinate a system of machine-readable  
18 identification cards for medical assistance recipients with ~~the~~ those systems  
19 ~~established by the commissioner~~ and shall submit the plan to the governor, and to  
20 the legislature under s. 13.172 (2), before issuing a request for proposals ~~under par.~~  
21 ~~(e).~~ ~~(e)~~ The department shall request proposals for a system of machine-readable  
22 identification cards for medical assistance recipients and a computerized support  
23 system for the cards that will accept and respond to electronically conveyed requests  
24 from health care providers for information related to medical assistance recipients,

1 such as eligibility, coverages and authorizations. The request for proposals shall  
2 specify that the systems are to be operating by January 1, 1997.

3 **SECTION 33.** 49.45 (31) (b) 5. of the statutes is amended to read:

4 49.45 (31) (b) 5. The Before July 1, 2015, the commissioner of insurance, or on  
5 or after July 1, 2015, the department of financial institutions, insurance, and  
6 professional standards, certifies to the department of health services that the policy  
7 meets the criteria under subds. 2. to 4.

8 **SECTION 34.** 49.45 (31) (c) 1. of the statutes is amended to read:

9 49.45 (31) (c) 1. The department of health services and the ~~office of the~~  
10 ~~commissioner of insurance~~ department of financial institutions, insurance, and  
11 professional standards shall approve a training program for individuals who sell  
12 long-term care insurance policies in the state to ensure that those individuals  
13 understand the relation of long-term care insurance to the Medical Assistance  
14 program and are able to explain to consumers the protections offered by long-term  
15 care insurance and how this type of insurance relates to private and public financing  
16 of long-term care.

17 **SECTION 35.** 49.475 (4) (c) of the statutes is amended to read:

18 49.475 (4) (c) If an insurer fails to comply with par. (a) or (b), the department  
19 of health services may notify the ~~commissioner of insurance~~ department of financial  
20 institutions, insurance, and professional standards, and the ~~commissioner of~~  
21 ~~insurance~~ department of financial institutions, insurance, and professional  
22 standards may initiate enforcement proceedings against the insurer under s. 601.41  
23 (4) (a).

24 **SECTION 36.** 49.857 (1) (d) 4. of the statutes is amended to read:

1           49.857 (1) (d) 4. A certification, license, training permit, registration, approval  
2 or certificate issued under s. 49.45 (2) (a) 11., ~~252.23 (2), 252.24 (2)~~, 254.176 (1) or (3)  
3 (a), 254.178 (2) (a), 254.20 (2), (3) or (4), 254.47 (1), 254.64 (1) (a) or (b), 254.71 (2),  
4 ~~255.08 (2)~~, or 256.15 (5) (a) or (b), (6g) (a), or (8) (a).

5           **SECTION 37.** 66.1309 (1) (b) (intro.) and 1. of the statutes are consolidated,  
6 renumbered 66.1309 (1) (b) and amended to read:

7           66.1309 (1) (b) “Conservator” means ~~any of the following: 1. The division of~~  
8 banking the department of financial institutions, insurance, and professional  
9 standards as conservator, liquidator, or rehabilitator of any person, partnership, or  
10 corporation, and persons, partnerships, ~~and~~ or corporations organized under or  
11 subject to the provisions of the banking law.

12           **SECTION 38.** 66.1309 (1) (b) 2. of the statutes is repealed.

13           **SECTION 39.** 66.1317 (2) (a) 4. of the statutes is amended to read:

14           66.1317 (2) (a) 4. ~~The division of banking~~ department of financial institutions,  
15 insurance, and professional standards as conservator, liquidator, or rehabilitator of  
16 any person, partnership, or corporation, and persons, partnerships, or corporations  
17 organized under or subject to chs. 600 to 646.

18           **SECTION 40.** 66.1317 (2) (a) 5. of the statutes is repealed.

19           **SECTION 41.** 73.0301 (1) (d) 3. of the statutes is amended to read:

20           73.0301 (1) (d) 3. A license, certificate of approval, provisional license,  
21 conditional license, certification, certification card, registration, permit, training  
22 permit or approval specified in s. 50.35, 50.49 (6) (a) or (10), 51.038, 51.04, 51.42 (7)  
23 (b) 11., 51.421 (3) (a), 51.45 (8), 146.40 (3), (3g), or (3m), ~~252.23 (2), 252.24 (2)~~,  
24 254.176, 254.20 (3), ~~255.08 (2) (a)~~, 256.15 (5) (a) or (b), (6g) (a), (7), or (8) (a) or (f) or  
25 343.305 (6) (a) or a permit for operation of a campground specified in s. 254.47 (1).

1           **SECTION 42.** 73.0301 (1) (e) of the statutes is amended to read:

2           73.0301 (1) (e) “Licensing department” means the department of  
3 administration; the department of agriculture, trade and consumer protection; the  
4 board of commissioners of public lands; the department of children and families; the  
5 government accountability board; the department of financial institutions,  
6 insurance, and professional standards; the department of health services; the  
7 department of natural resources; the department of public instruction; ~~the~~  
8 ~~department of safety and professional services~~; the department of workforce  
9 development; ~~the office of the commissioner of insurance~~; or the department of  
10 transportation.

11           **SECTION 43.** 76.64 of the statutes is amended to read:

12           **76.64 Quarterly installments.** Insurers shall pay installments of the total  
13 estimated payment under ss. 76.60, 76.63, 76.65, and 76.66 on or before April 15,  
14 June 15, September 15, and December 15. Every insurer shall make a return for the  
15 preceding calendar year on or before March 1 setting forth the information that the  
16 ~~commissioner of insurance~~ department of financial institutions, insurance, and  
17 professional standards reasonably requires, on forms prescribed by the  
18 ~~commissioner~~ department of financial institutions, insurance, and professional  
19 standards. On or before March 1, the insurer shall pay any additional amount due  
20 for the preceding calendar year. Overpayment will be credited on the amount due  
21 April 15.

22           **SECTION 44.** 100.203 (1) (b) of the statutes is repealed and recreated to read:

23           100.203 (1) (b) “Department” means the department of financial institutions,  
24 insurance, and professional standards.

25           **SECTION 45.** 100.203 (1) (d) of the statutes is repealed.

1           **SECTION 46.** 100.203 (2) (a) of the statutes is amended to read:

2           100.203 (2) (a) A person shall register with the ~~office~~ department by filing a  
3 form prescribed by the ~~commissioner~~ department before operating as a warrantor or  
4 representing to the public that the person is a warrantor.

5           **SECTION 47.** 100.203 (2) (b) 1. of the statutes is amended to read:

6           100.203 (2) (b) 1. Warrantor registration records shall be filed with the ~~office~~  
7 department annually and shall be updated within 30 days of any change.

8           **SECTION 48.** 100.203 (8) (a) (intro.) of the statutes is amended to read:

9           100.203 (8) (a) (intro.) The ~~commissioner~~ department may take necessary and  
10 appropriate action to enforce this section and the ~~commissioner's~~ department's rules  
11 and orders and to protect warranty holders. If a warrantor violates this section and  
12 the ~~commissioner~~ department reasonably believes the violation threatens to render  
13 the warrantor insolvent or cause irreparable loss or injury to the property or business  
14 of any person located in this state, the ~~commissioner~~ department may issue an order  
15 that does any of the following:

16           **SECTION 49.** 100.205 (6) (intro.) of the statutes is amended to read:

17           100.205 (6) (intro.) Every warrantor shall purchase a policy of insurance  
18 covering the financial integrity of its warranties. The policy of insurance shall be on  
19 a form approved by the ~~commissioner of insurance~~ department of financial  
20 institutions, insurance, and professional standards and shall have the following  
21 minimum provisions:

22           **SECTION 50.** 100.205 (6) (a) of the statutes is amended to read:

23           100.205 (6) (a) The insurer shall be licensed to do business in this state or shall  
24 be an unauthorized foreign insurer, as defined in s. 600.03 (27), accepted by the ~~office~~

1 ~~of the commissioner of insurance department of financial institutions, insurance,~~  
2 ~~and professional standards for surplus lines insurance in this state.~~

3 **SECTION 51.** 101.14 (2) (f) of the statutes is amended to read:

4 101.14 (2) (f) Every inspection required under pars. (b) and (c) is subject to the  
5 supervision and direction of the department, ~~which shall, after audit, certify to the~~  
6 ~~commissioner of insurance after the expiration of each calendar year each city,~~  
7 ~~village or town where the inspections for the year have been made, and where records~~  
8 ~~have been made and kept on file as required under par. (e).~~

9 **SECTION 52.** 101.573 (3) (b) of the statutes is amended to read:

10 101.573 (3) (b) The amount withheld under par. (a) shall be disbursed to correct  
11 errors of the department ~~or the commissioner of insurance~~ or for payments to cities,  
12 villages, or towns which are first determined to be eligible for payments under par.  
13 (a) after May 1. The department shall certify to the secretary of administration, as  
14 near as is practical, the amount which would have been payable to the municipality  
15 if payment had been properly disbursed under par. (a) on or prior to May 1, except  
16 the amount payable to any municipality first eligible after May 1 shall be reduced  
17 by 1.5% for each month or portion of a month which expires after May 1 and prior  
18 to the eligibility determination. The secretary of administration shall pay the  
19 amount certified to the city, village, or town. The balance of the amount withheld in  
20 a calendar year under par. (a) which is not disbursed under this paragraph shall be  
21 included in the total compiled by the department under par. (a) for the next calendar  
22 year. If errors in payments exceed the amount set aside for error payments,  
23 adjustments shall be made in the distribution for the next year.

24 **SECTION 53.** 101.573 (4) of the statutes is amended to read:

1           101.573 (4) The department shall transmit to the treasurer of each city, village,  
2 and town entitled to fire department dues, a statement of the amount of dues payable  
3 to it, and ~~the commissioner of insurance~~ shall furnish to the secretary of  
4 administration, upon request, a list of the insurers paying dues under s. 601.93 and  
5 the amount paid by each.

6           **SECTION 54.** 108.227 (1) (e) 3. of the statutes is amended to read:

7           108.227 (1) (e) 3. A license, certificate of approval, provisional license,  
8 conditional license, certification, certification card, registration, permit, training  
9 permit or approval specified in s. 50.35, 50.49 (6) (a) or (10), 51.038, 51.04, 51.42 (7)  
10 (b) 11., 51.421 (3) (a), 51.45 (8), 146.40 (3), (3g), or (3m), ~~252.23 (2), 252.24 (2),~~  
11 254.176, 254.20 (3), ~~255.08 (2) (a),~~ 256.15 (5) (a) or (b), (6g) (a), (7), or (8) (a) or (f) or  
12 343.305 (6) (a) or a permit for operation of a campground specified in s. 254.47 (1).

13           **SECTION 55.** 108.227 (1) (f) of the statutes is amended to read:

14           108.227 (1) (f) “Licensing department” means the department of  
15 administration; the department of agriculture, trade and consumer protection; the  
16 board of commissioners of public lands; the department of children and families; the  
17 government accountability board; the department of financial institutions,  
18 insurance, and professional standards; the department of health services; the  
19 department of natural resources; the department of public instruction; the  
20 department of revenue; ~~the department of safety and professional services; the office~~  
21 ~~of the commissioner of insurance~~; or the department of transportation.

22           **SECTION 56.** 109.07 (1m) (b) of the statutes is amended to read:

23           109.07 (1m) (b) The department of workforce development shall promptly  
24 provide a copy of the notice required under par. (a) to the ~~office of the commissioner~~  
25 ~~of insurance~~ department of financial institutions, insurance, and professional



1 ~~standards~~ and shall cooperate with the ~~office of the commissioner of insurance~~  
2 ~~department of financial institutions, insurance, and professional standards~~ in the  
3 performance of its responsibilities under s. 601.41 (7).

4 **SECTION 57.** 120.13 (2) (d) of the statutes is amended to read:

5 120.13 (2) (d) The ~~commissioner of insurance~~ department of financial  
6 institutions, insurance, and professional standards may prescribe detailed  
7 requirements for reinsurance under par. (c) by rule or by order. The ~~commissioner~~  
8 ~~of insurance~~ department of financial institutions, insurance, and professional  
9 standards may promulgate rules governing self-insurance plans under pars. (b) to  
10 (g) to ensure that they comply with all applicable provisions of chs. 600 to 647.

11 **SECTION 58.** 120.14 (1) of the statutes is amended to read:

12 120.14 (1) At the close of each fiscal year, the school board of each school district  
13 shall employ a licensed accountant to audit the school district accounts and certify  
14 the audit. The audit shall include information concerning the school district's  
15 self-insurance plan under s. 120.13 (2) (b), as specified by the ~~commissioner of~~  
16 ~~insurance~~ department of financial institutions, insurance, and professional  
17 standards, and information about expenditures for community programs and  
18 services under s. 120.13 (19). If required by the state superintendent under s. 115.28  
19 (18), the audit shall include an audit of the number of pupils reported for  
20 membership purposes under s. 121.004 (5). The cost of the audit shall be paid from  
21 school district funds. Annually by September 15, the school district clerk shall file  
22 a financial audit statement with the state superintendent.

23 **SECTION 59.** 138.055 (4) (c) of the statutes is repealed.

24 **SECTION 60.** 138.055 (4) (d) of the statutes is amended to read:

1           138.055 (4) (d) ~~The division of banking~~ department of financial institutions,  
2 insurance, and professional standards for all other lenders.

3           **SECTION 61.** 138.056 (1) (a) 4. c. of the statutes is repealed.

4           **SECTION 62.** 138.056 (1) (a) 4. d. of the statutes is amended to read:

5           138.056 (1) (a) 4. d. ~~The division of banking~~ department of financial  
6 institutions, insurance, and professional standards for all other lenders.

7           **SECTION 63.** 146.91 (2) (intro.) of the statutes is amended to read:

8           146.91 (2) (intro.) The department, with the advice of the council on long-term  
9 care insurance, ~~the office of the commissioner of insurance~~ department of financial  
10 institutions, insurance, and professional standards, the board on aging and  
11 long-term care, and the department of employee trust funds, shall design a program  
12 that includes the following:

13           **SECTION 64.** 146.96 of the statutes is amended to read:

14           **146.96 Uniform claim processing form.** Beginning no later than July 1,  
15 2004, every health care provider, as defined in s. 146.81 (1) (a) to (p), shall use the  
16 uniform claim processing form developed ~~by the commissioner of insurance~~ under s.  
17 601.41 (9) (b) when submitting a claim to an insurer.

18           **SECTION 65.** 165.40 (1) (am) of the statutes is repealed.

19           **SECTION 66.** 165.40 (1) (dm) of the statutes is repealed.

20           **SECTION 67.** 165.40 (2) (a) (intro.) of the statutes is amended to read:

21           165.40 (2) (a) (intro.) Except as provided in sub. (5), no person may engage in  
22 the acquisition of a hospital or a system of hospitals owned by any of the following  
23 unless the person has first received review and approval of an application concerning  
24 the acquisition under this section from the attorney general, the ~~office~~ department

1 of financial institutions, insurance, and professional standards, and the department  
2 of health services:

3 **SECTION 68.** 165.40 (2) (b) of the statutes is amended to read:

4 165.40 (2) (b) If the proposed acquisition under this subsection is for a system  
5 of hospitals, the person who proposes to engage in the acquisition shall provide notice  
6 of the impending acquisition to the attorney general, to the ~~office~~ department of  
7 financial institutions, insurance, and professional standards, and to the department  
8 of health services at least 30 days before the offer to purchase or lease is made. The  
9 attorney general shall, within 5 days after receipt of the notice, determine and notify  
10 the person as to whether a single application for the system or an application for each  
11 hospital within the system shall be submitted for review. If the attorney general  
12 determines that an application for each hospital within the system shall be  
13 submitted, no submitted application is complete until all complete applications for  
14 the hospitals within the system are submitted to the attorney general, to the ~~office~~  
15 department of financial institutions, insurance, and professional standards, and to  
16 the department of health services.

17 **SECTION 69.** 165.40 (3) (title) of the statutes is amended to read:

18 165.40 (3) (title) ~~APPLICATION REVIEW BY THE ATTORNEY GENERAL, THE OFFICE AND~~  
19 ~~THE DEPARTMENT, PROCEDURES.~~

20 **SECTION 70.** 165.40 (3) (a) (intro.) of the statutes is amended to read:

21 165.40 (3) (a) (intro.) An application for review by the attorney general, the  
22 ~~office~~ department of financial institutions, insurance, and professional standards,  
23 and the department of health services that is required under sub. (2) shall, at the  
24 time the offer to purchase or lease is made, be submitted to the attorney general, to  
25 the ~~office~~ department of financial institutions, insurance, and professional

1 standards, and to the department of health services on a form that is provided by the  
2 attorney general. The application shall include all of the following:

3 **SECTION 71.** 165.40 (3) (e) of the statutes is amended to read:

4 165.40 (3) (e) The attorney general shall establish and maintain a summary  
5 of written and oral comments made for or at the public meeting, including all  
6 questions posed, and shall require answers of the appropriate parties. The attorney  
7 general shall in an expeditious manner provide the ~~office~~ department of financial  
8 institutions, insurance, and professional standards and the department of health  
9 services with a copy of the summary and answers. The summary and answers shall  
10 be filed in the office of the attorney general and in the public library of the public  
11 library system for the community served by the hospital and a copy shall be available  
12 upon request to the attorney general.

13 **SECTION 72.** 165.40 (3) (f) of the statutes is amended to read:

14 165.40 (3) (f) The attorney general may subpoena additional information or  
15 witnesses, require and administer oaths, require sworn statements, take depositions  
16 and use related discovery procedures for purposes of the meeting under par. (d) and  
17 otherwise during performance of a review under this subsection. The attorney  
18 general shall in an expeditious manner provide the ~~office~~ department of financial  
19 institutions, insurance, and professional standards and the department of health  
20 services with copies of any information obtained by the attorney general under this  
21 paragraph.

22 **SECTION 73.** 165.40 (3) (g) of the statutes is amended to read:

23 165.40 (3) (g) The attorney general shall provide the ~~office~~ department of  
24 financial institutions, insurance, and professional standards and the department of of  
25 health services with any information about the application that is in addition to that

1 which the attorney general has previously provided the ~~office~~ department of  
2 financial institutions, insurance, and professional standards and the department of  
3 health services. Within 60 days after receipt of a completed application under sub.  
4 (2) (a) or as soon as practicable but not more than 150 days after receipt of a  
5 completed application under sub. (2) (b), the attorney general, the ~~office~~ department  
6 of financial institutions, insurance, and professional standards, and the department  
7 of health services shall each independently review the application in accordance with  
8 the standards specified in sub. (4) and shall approve or disapprove the application.  
9 The attorney general, the ~~office~~ department of financial institutions, insurance, and  
10 professional standards, and the department of health services may not make a  
11 decision under this paragraph based on any condition that is not directly related to  
12 the standards under sub. (4). The attorney general, the ~~office~~ department of financial  
13 institutions, insurance, and professional standards, and the department of health  
14 services shall jointly agree on a single release date for the decisions each has made  
15 under this paragraph and shall release their decisions on that date.

16 **SECTION 74.** 165.40 (3) (h) (intro.) of the statutes is amended to read:

17 165.40 (3) (h) (intro.) If the attorney general, the ~~office~~ department of financial  
18 institutions, insurance, and professional standards, or the department of health  
19 services disapproves an application under par. (g), any of the following may bring an  
20 action in circuit court for a declaratory judgment under s. 806.04 as to whether the  
21 proposed acquisition meets the standards under sub. (4):

22 **SECTION 75.** 165.40 (4) (intro.) of the statutes is amended to read:

23 165.40 (4) ~~APPLICATION REVIEW BY THE ATTORNEY GENERAL, THE OFFICE AND THE~~  
24 ~~DEPARTMENT; STANDARDS.~~ (intro.) The attorney general shall approve an application  
25 if he or she finds and the ~~office~~ department of financial institutions, insurance, and

1 professional standards and the department of health services shall approve an  
2 application if the ~~office~~ department of financial institutions, insurance, and  
3 professional standards or the department of health services finds that the following  
4 standards are met:

5 **SECTION 76.** 165.40 (6) (a) 1. of the statutes is amended to read:

6 165.40 (6) (a) 1. Acquisition of a hospital that is subject to sub. (2) is made  
7 without approval by the attorney general, the ~~office~~ department of financial  
8 institutions, insurance, and professional standards, or the department of health  
9 services.

10 **SECTION 77.** 165.40 (6) (a) 2. of the statutes is amended to read:

11 165.40 (6) (a) 2. Acquisition of a hospital that is subject to sub. (2) is made after  
12 the attorney general, the ~~office~~ department of financial institutions, insurance, and  
13 professional standards, or the department of health services has disapproved an  
14 application for the acquisition under sub. (4) and, if an action under s. 806.04 is  
15 brought, after a judicial determination is made under s. 806.04 that the proposed  
16 acquisition does not meet the standards specified in sub. (4) (a) to (h).

17 **SECTION 78.** 165.40 (6) (b) of the statutes is amended to read:

18 165.40 (6) (b) If the attorney general or the ~~office~~ department of financial  
19 institutions, insurance, and professional standards is aware that a violation of par.  
20 (a) 1. or 2. has occurred, the attorney general or the ~~office~~ department of financial  
21 institutions, insurance, and professional standards shall notify the department of  
22 health services for appropriate action under s. 50.35.

23 **SECTION 79.** 185.983 (1) (a) of the statutes is amended to read:

24 185.983 (1) (a) File with the ~~commissioner of insurance~~ department of financial  
25 institutions, insurance, and professional standards a declaration defining the

1 organization and operation of the plan, all printed literature, and specimen copies  
2 of all proposed contracts of insurance with persons covered and with participating  
3 physicians, hospitals, and other providers, including all amendments thereto. The  
4 form of all such contracts and amendments shall be subject to approval by the  
5 ~~commissioner of insurance~~ department of financial institutions, insurance, and  
6 professional standards but the ~~commissioner~~ department may not withhold  
7 approval if the form of the contracts or changes in the contracts comply with the  
8 provisions of ss. 185.981 to 185.985.

9 **SECTION 80.** 185.983 (1) (d) of the statutes is amended to read:

10 185.983 (1) (d) File with the ~~commissioner of insurance~~ department of financial  
11 institutions, insurance, and professional standards, on such forms as may be  
12 prescribed by the ~~commissioner~~ department, an annual report of its financial  
13 condition as of December 31 each year, on or before the last day of February following.

14 **SECTION 81.** 185.983 (1m) of the statutes is amended to read:

15 185.983 (1m) In addition to ss. 601.04, 601.31, 632.79, and 632.895 (5), the  
16 ~~commissioner of insurance~~ department of financial institutions, insurance, and  
17 professional standards may by rule subject a medicare supplement policy, as defined  
18 in s. 600.03 (28r), a medicare replacement policy, as defined in s. 600.03 (28p), or a  
19 long-term care insurance policy, as defined in s. 600.03 (28g), that is sold by a  
20 cooperative health care association organized under s. 185.981 to other provisions  
21 of chs. 600 to 646, except that the ~~commissioner~~ department may not subject a  
22 medicare supplement policy, a medicare replacement policy, or a long-term care  
23 insurance policy to s. 632.895 (8).

24 **SECTION 82.** 185.99 (1) (a) of the statutes is repealed and recreated to read:

1           185.99 (1) (a) “Department” means the department of financial institutions,  
2 insurance, and professional standards.

3           **SECTION 83.** 185.99 (3) (d) of the statutes is amended to read:

4           185.99 (3) (d) Each health benefit purchasing cooperative shall file its  
5 membership criteria, as well as any amendments to the criteria, with the  
6 ~~commissioner~~ department.

7           **SECTION 84.** 185.99 (5) (intro.) of the statutes is amended to read:

8           185.99 (5) REQUIRED REPORTS. (intro.) Each health benefit purchasing  
9 cooperative shall submit to the legislature under s. 13.172 (2) and to the  
10 ~~commissioner~~ department all of the following:

11           **SECTION 85.** 185.99 (6) of the statutes is amended to read:

12           185.99 (6) DESIGNATION OF GEOGRAPHIC AREAS. After consultation with the  
13 Wisconsin Federation of Cooperatives, the ~~commissioner~~ department shall  
14 designate, by order, the geographic areas of the state in which health benefit  
15 purchasing cooperatives may be organized. A geographic area may overlap with one  
16 or more other geographic areas.

17           **SECTION 86.** 218.0142 (6) (b) of the statutes is amended to read:

18           218.0142 (6) (b) Every finance company, if insurance is provided by the finance  
19 company, shall also within 30 days after acquisition of the retail installment contract  
20 send or cause to be sent to the retail buyer a policy of insurance clearly setting forth  
21 the exact nature of the insurance coverage and the amount of the premiums, each  
22 stated separately, which shall be filed with the ~~commissioner of insurance~~  
23 department of financial institutions, insurance, and professional standards in  
24 accordance with ch. 625. The cancellation and rewriting of any policy provided by  
25 the finance company shall comply with the requirements of s. 631.69.



1           **SECTION 87.** 227.43 (1) (bm) of the statutes is created to read:

2           227.43 (1) (bm) Assign a hearing examiner to preside over any hearing or  
3 review of a worker’s compensation claim or other dispute under ch. 102 or of an  
4 insurance-related claim or other dispute under chs. 600 to 655.

**\*\*\*NOTE: To editor and reconcilers: This provision is intended to expand  
the provision in Gordon’s draft that addresses only worker’s comp claims.  
Please delete this note after reconciliation is done.**

5           **SECTION 88.** 238.397 (4) (d) of the statutes is amended to read:

6           238.397 (4) (d) The corporation shall notify the department of revenue of all  
7 persons entitled to claim tax benefits under this section, except that the corporation  
8 shall notify the ~~office of the commissioner of insurance~~ department of financial  
9 institutions, insurance, and professional standards of all persons entitled to claim  
10 the credit under s. 76.636.

11           **SECTION 89.** 250.041 (1) (b) of the statutes is repealed.

12           **SECTION 90.** 250.041 (1) (e) of the statutes is amended to read:

13           250.041 (1) (e) A permit under s. 254.47 (1), or 254.64 (1) (a) or (b) ~~or~~ 255.08  
14 (2).

15           **SECTION 91.** 252.23 of the statutes is renumbered 463.10, and 463.10 (title), (2),  
16 (3) and (4) (a), as renumbered, are amended to read:

17           **463.10 (title) Regulation of tattooists and tattooing establishments.**

18           **(2) DEPARTMENT; DUTY.** Except as provided in ~~ss. 250.041 and 252.241~~ 463.14,  
19 the department shall provide uniform, statewide licensing and regulation of  
20 tattooists and uniform, statewide licensing and regulation of tattoo establishments  
21 under this section. The department shall inspect a tattoo establishment once before  
22 issuing a license for the tattoo establishment under this section and may make  
23 additional inspections that the department determines are necessary.

1           (3) LICENSE REQUIRED. Except as provided in sub. (5), no person may tattoo or  
2 attempt to tattoo another, designate or represent himself or herself as a tattooist or  
3 use or assume the title “tattooist” and no tattoo establishment may be operated  
4 unless the person and the establishment are licensed by the department under this  
5 section or by a local health department that is designated as the department’s agent  
6 under s. ~~252.245~~ 463.16.

7           (4) (a) Except as provided in ~~ss. 250.041 and 252.241~~ s. 463.14 and subject to  
8 sub. (4m), standards and procedures, including fee payment to offset the cost of  
9 licensing tattooists and tattoo establishments, for the annual issuance of licenses as  
10 tattooists or as tattoo establishments to applicants under this section. The  
11 department may not promulgate a rule that imposes a fee for a license under sub. (3)  
12 on an individual who is eligible for the veterans fee waiver program under s. 45.44.

13           **SECTION 92.** 252.24 of the statutes is renumbered 463.12, and 463.12 (2) and  
14 (4) (a), as renumbered, are amended to read:

15           463.12 (2) DEPARTMENT; DUTY. Except as provided in ~~ss. 250.041 and 252.241~~  
16 s. 463.14, the department shall provide uniform, statewide licensing and regulation  
17 of body piercers and uniform, statewide licensing and regulation of body-piercing  
18 establishments under this section. The department shall inspect a body-piercing  
19 establishment once before issuing a license for the body-piercing establishment  
20 under this section and may make additional inspections that the department  
21 determines are necessary.

22           (4) (a) Except as provided in ~~ss. 250.041 and 252.241~~ s. 463.14 and subject to  
23 sub. (4m), standards and procedures, including fee payment to offset the cost of  
24 licensing body piercers and body-piercing establishments, for the annual issuance  
25 of licenses as body piercers or as body-piercing establishments to applicants under

1 this section. The department may not promulgate a rule under which the  
2 department may charge an individual who is eligible for the veterans fee waiver  
3 program under s. 45.44 a fee to obtain a license under sub. (3).

4 **SECTION 93.** 252.241 of the statutes is renumbered 463.14, and 463.14 (title),  
5 (1), (1m), (3), (4) and (5), as renumbered, are amended to read:

6 **463.14 (title) Denial, nonrenewal and revocation of license or permit**  
7 **based on delinquent taxes or unemployment insurance contributions. (1)**  
8 Except as provided in sub. (1m), the department shall require each applicant to  
9 provide the department with the applicant's social security number, if the applicant  
10 is an individual, or the applicant's federal employer identification number, if the  
11 applicant is not an individual, as a condition of issuing or renewing a license under  
12 s. ~~252.23 (2) or (4) (a) or 252.24 (2) or (4) (a)~~ 463.10 or 463.12, or a permit under s.  
13 463.25.

14 **(1m)** If an individual who applies for or to renew a license or permit under sub.  
15 (1) does not have a social security number, the individual, as a condition of obtaining  
16 the license or permit, shall submit a statement made or subscribed under oath or  
17 affirmation to the department that the applicant does not have a social security  
18 number. The form of the statement shall be prescribed by the department of children  
19 and families. A license or permit issued or renewed in reliance upon a false  
20 statement submitted under this subsection is invalid.

21 **(3)** Except as provided in sub. (1m), the department shall deny an application  
22 for the issuance or renewal of a license or permit specified in sub. (1) if the applicant  
23 does not provide the information specified in sub. (1).

24 **(4)** The department shall deny an application for the issuance or renewal of a  
25 license or permit specified in sub. (1), or shall revoke the license or permit specified

1 in sub. (1), if the department of revenue certifies under s. 73.0301 that the applicant  
2 for or holder of the license or permit is liable for delinquent taxes.

3 (5) The department shall deny an application for the issuance or renewal of a  
4 license or permit specified in sub. (1), or shall revoke the license or permit specified  
5 in sub. (1), if the department of workforce development certifies under s. 108.227 that  
6 the applicant for or holder of the license or permit is liable for delinquent  
7 unemployment insurance contributions.

8 SECTION 94. 252.245 of the statutes is renumbered 463.16, and 463.16 (1), (2),  
9 (3), (4m), (5), (6), (8) and (9), as renumbered, are amended to read:

10 463.16 (1) In the administration and enforcement of ss. ~~252.23 and 252.24~~  
11 463.10 and 463.12, the department may enter into a written agreement with a local  
12 health department with a jurisdictional area that has a population greater than  
13 5,000, which designates the local health department as the department's agent in  
14 issuing licenses to and making investigations or inspections of tattooists and tattoo  
15 establishments and body piercers and body-piercing establishments. In a  
16 jurisdictional area of a local health department without agent status, the  
17 department of ~~health services~~ financial institutions, insurance, and professional  
18 standards may issue licenses, collect license fees established by rule under ss. ~~252.23~~  
19 463.10 (4) (a) and ~~252.24~~ 463.12 (4) (a) and make investigations or inspections of  
20 tattooists and tattoo establishments and body piercers and body-piercing  
21 establishments. If the department of financial institutions, insurance, and  
22 professional standards designates a local health department as its agent, the  
23 department of financial institutions, insurance, and professional standards or local  
24 health department may require no license for the same operations other than the  
25 license issued by the local health department under this subsection. If the

1 designation is made and the services are furnished, the department of financial  
2 institutions, insurance, and professional standards shall reimburse the local health  
3 department furnishing the service at the rate of 80% of the net license fee per license  
4 per year issued in the jurisdictional area.

5 (2) A local health department designated as the department's agent under this  
6 section shall meet standards promulgated under ss. ~~252.23~~ 463.10 (4) (a) and ~~252.24~~  
7 463.12 (4) (a). The department shall annually evaluate the licensing, investigation  
8 and inspection program of each local health department granted agent status. If, at  
9 any time, a local health department designated as the department's agent fails to  
10 meet the standards, the department of ~~health services~~ financial institutions,  
11 insurance, and professional standards may revoke its agent status.

12 (3) The department shall provide education and training to agents designated  
13 under this section to ensure uniformity in the enforcement of s. ~~252.23~~ 463.10 or  
14 ~~252.24~~ 463.12 and rules promulgated under s. ~~252.23~~ 463.10 or ~~252.24~~ 463.12.

15 (4m) A local health department designated as the department's agent under  
16 this section may contract with the department of ~~health services~~ financial  
17 institutions, insurance, and professional standards for the department of ~~health~~  
18 ~~services~~ financial institutions, insurance, and professional standards to collect fees  
19 and issue licenses under s. ~~252.23~~ 463.10 or ~~252.24~~ 463.12. The department of   
20 financial institutions, insurance, and professional standards shall collect from the  
21 local health department the actual and reasonable cost of providing the services.

22 (5) If, under this section, a local health department becomes an agent or its  
23 agent status is discontinued during a licensee's license year, the department of  
24 ~~health services~~ financial institutions, insurance, and professional standards and the  
25 local health department shall divide any license fee paid by the licensee for that

1 license year according to the proportions of the license year occurring before and after  
2 the local health department is designated as an agent or the agent status is  
3 discontinued. No additional fee may be required during the license year due to the  
4 change in agent status.

5 (6) A village, city or county may enact ordinances and a local board of health  
6 may adopt regulations regarding the licensees and premises for which the local  
7 health department is the designated agent under this section, which are stricter than  
8 s. ~~252.23~~ 463.10 or ~~252.24~~ 463.12 or rules promulgated by the department of health  
9 services under s. ~~252.23~~ 463.10 or ~~252.24~~ 463.12. No such provision may conflict with  
10 s. ~~252.23~~ 463.10 or ~~252.24~~ 463.12 or with department rules.

11 (8) The department shall hold a hearing under ch. 227 if, in lieu of proceeding  
12 under ch. 68, any interested person in the jurisdictional area of a local health  
13 department that is designated as the department's agent under this section appeals  
14 to the department of ~~health services~~ financial institutions, insurance, and  
15 professional standards alleging that a license fee for a tattooist or tattooist  
16 establishment or for a body piercer or body-piercing establishment exceeds the  
17 license issuer's reasonable costs of issuing licenses to, making investigations and  
18 inspections of, and providing education, training and technical assistance to the  
19 tattooist or tattooist establishment or to the body piercer or body-piercing  
20 establishment.

21 (9) The department shall promulgate rules establishing state fees for its costs  
22 related to setting standards under ss. ~~252.23~~ 463.10 and ~~252.24~~ 463.12 and  
23 monitoring and evaluating the activities of, and providing education and training to,  
24 agent local health departments. The department may not promulgate a rule under  
25 which a local health department may charge an individual who is eligible for the

1 veterans fee waiver program under s. 45.44 a state fee to obtain a license under s.  
2 ~~252.23~~ 463.10 (3) or ~~252.24~~ 463.12 (3). Agent local health departments shall include  
3 the state fees in the license fees established under sub. (4), collect the state fees and  
4 reimburse the department for the state fees collected. For tattooists or tattoo  
5 establishments and for body piercers or body-piercing establishments, the state fee  
6 may not exceed 20% of the license fees established under s. ~~252.23~~ 463.10 (4) (a) or  
7 ~~252.24~~ 463.12 (4) (a).

\*\*\*\*NOTE: Did you want to incorporate tatoois, body piercers, and tanning facility  
owners into s. 440.03 (13) (b) requiring criminal background checks? – Tamara J. Dodge

8 **SECTION 95.** 254.115 (1) (d) of the statutes is repealed.

9 **SECTION 96.** 255.08 of the statutes is renumbered 463.25, and 463.25 (2) (a) and  
10 (b), as renumbered, are amended to read:

11 463.25 (2) (a) No person may operate a tanning facility without a permit that  
12 the department may, except as provided in ~~ss. 250.041 and 254.115~~ s. 463.14, issue  
13 under this subsection. The holder of a permit issued under this subsection shall  
14 display the permit in a conspicuous place at the tanning facility for which the permit  
15 is issued.

16 (b) Permits issued under this subsection shall expire annually on June 30.  
17 Except as provided in ~~ss. 250.041 and 254.115~~ s. 463.14, a permit applicant shall  
18 submit an application for a permit to the department on a form provided by the  
19 department with a permit fee established by the department by rule. The application  
20 shall include the name and complete mailing address and street address of the  
21 tanning facility and any other information reasonably required by the department  
22 for the administration of this section.

23 **SECTION 97.** 292.63 (1m) of the statutes is amended to read:

1           292.63 (1m) RULES CONCERNING 3RD-PARTY COMPENSATION. ~~The commissioner of~~  
2 insurance department of financial institutions, insurance, and professional  
3 standards shall promulgate rules defining “liabilities which are excluded from  
4 coverage in liability insurance policies for bodily injury” and “liabilities which are  
5 excluded from coverage in liability insurance policies for property damage” for the  
6 purposes of sub. (1) (ad) and (gm). The definitions shall be consistent with standard  
7 insurance industry practices.

8           **SECTION 98.** 321.60 (1) (a) 4. of the statutes is amended to read:

9           321.60 (1) (a) 4. A license, certificate of approval, provisional license,  
10 conditional license, certification, certification card, registration, permit, training  
11 permit, or approval specified in s. 49.45 (2) (a) 11., 51.42 (7) (b) 11., 51.421 (3) (a),  
12 ~~252.23 (2), 252.24 (2),~~ 254.176, 254.178 (2) (a), 254.20 (2), (3), or (4), 254.64 (1) (a) or  
13 (b), 254.71 (2), ~~255.08 (2) (a),~~ 256.15 (5) (a) or (b), (6g) (a), (7), or (8) (a) or (f), or 343.305  
14 (6) (a) or a permit for the operation of a campground specified in s. 254.47 (1).

15           **SECTION 99.** 345.61 (1) (a) of the statutes is amended to read:

16           345.61 (1) (a) Any domestic or foreign surety company which has qualified to  
17 transact surety business in this state may, in any year, become surety in an amount  
18 not to exceed \$200 with respect to any guaranteed arrest bond certificates issued in  
19 such year by an automobile club, association or by an insurance company authorized  
20 to write automobile liability insurance within this state, by filing with the  
21 ~~commissioner of insurance~~ department of financial institutions, insurance, and  
22 professional standards an undertaking thus to become surety.

23           **SECTION 100.** 345.61 (2) (intro.) of the statutes is amended to read:



1           345.61 (2) FORM OF BOND. (intro.) Such undertaking shall be in the form  
2           prescribed by the ~~commissioner of insurance~~ department of financial institutions,  
3           insurance, and professional standards and shall state the following:

4           **SECTION 101.** 345.61 (2) (d) of the statutes is amended to read:

5           345.61 (2) (d) A guaranteed arrest bond certificate under sub. (1) (b) need not  
6           be secured by a surety company. The ~~commissioner of insurance~~ department of  
7           financial institutions, insurance, and professional standards may promulgate rules  
8           to insure such bond if the ~~commissioner~~ department feels it necessary.

9           **SECTION 102.** 424.501 (2) of the statutes is amended to read:

10          424.501 (2) It is not a violation of sub. (1) to use printed materials or forms that  
11          have been approved for use by the ~~office of the commissioner of insurance~~ department  
12          of financial institutions, insurance, and professional standards.

13          **SECTION 103.** 424.602 of the statutes is amended to read:

14          **424.602 Administrative action of ~~commissioner of insurance~~**  
15          **department.** To the extent that the ~~commissioner of insurance's~~ responsibility  
16          responsibilities of the department of financial institutions, insurance, and  
17          professional standards under this chapter ~~requires~~ require, the ~~commissioner~~  
18          department shall issue rules with respect to insurers and with respect to refunds (s.  
19          424.205), forms, schedules of premium rates and charges (s. 424.209), and the  
20          ~~commissioner's~~ department's approval or disapproval thereof and, in case of  
21          violation, may make an order for compliance.

22          **SECTION 104.** 426.201 (4) (c) of the statutes is amended to read:

23          426.201 (4) (c) Duly licensed insurance companies subject to the supervision  
24          of the ~~office of the commissioner of insurance~~ department of financial institutions,  
25          insurance, and professional standards.

1           **SECTION 105.** 441.16 (3) (e) of the statutes is amended to read:

2           441.16 (3) (e) Establishing the minimum amount of malpractice liability  
3 insurance coverage that an advanced practice nurse shall have if he or she is certified  
4 to issue prescription orders. The board shall promulgate rules under this paragraph  
5 in consultation with the ~~commissioner of insurance~~ appropriate personnel in the  
6 department.

7           **SECTION 106.** Chapter 463 (title) of the statutes is created to read:

8   **CHAPTER 463**

9   **BODY ART AND TANNING FACILITIES**

10          **SECTION 107.** 463.18 of the statutes is created to read:

11          **463.18 Violation of law relating to body art.** Any person who willfully  
12 violates or obstructs the execution of any state statute or rule, county, city, or village  
13 ordinance or departmental order under this chapter and relating to the public  
14 health, for which no other penalty is prescribed, shall be fined not more than \$500  
15 or imprisoned for not more than 30 days or both.

16          **SECTION 108.** 551.102 (12) of the statutes is amended to read:

17          551.102 (12) “Insurance company” means a company organized as an  
18 insurance company whose primary business is writing insurance or reinsuring risks  
19 underwritten by insurance companies and which is subject to supervision by the  
20 ~~insurance commissioner~~ department of financial institutions, insurance, and  
21 professional standards or a similar official or agency of a state.

22          **SECTION 109.** 552.23 (1) of the statutes is amended to read:

23          552.23 (1) If the target company is an insurance company subject to regulation  
24 by the ~~commissioner of insurance~~ department, a banking corporation, savings bank,  
25 or savings and loan association subject to regulation by the ~~division of banking~~

1 department, or a company subject to regulation by the public service commission, the  
2 department of transportation, or the office of the commissioner of railroads, the  
3 ~~division of securities~~ department shall promptly furnish a copy of the registration  
4 statement filed under this chapter to the regulatory agency having supervision of the  
5 target company. Any hearing under this chapter involving any such target company  
6 shall be held jointly with the regulatory agency having supervision, and any  
7 determination following the hearing shall be made jointly with that regulatory  
8 agency.

\*\*\*\*NOTE: This amendment assumes that "department" is defined in s. 552.01 or  
for ch. 552.

9 **SECTION 110.** 600.03 (11) of the statutes is repealed.

10 **SECTION 111.** 600.03 (15c) of the statutes is created to read:

11 600.03 (15c) "Department" means the department of financial institutions,  
12 insurance, and professional standards.

13 **SECTION 112.** 600.03 (34) of the statutes is repealed.

14 **SECTION 113.** 600.03 (41f) of the statutes is created to read:

15 600.03 (41f) "Secretary" means the secretary of the department.

16 **SECTION 114.** 601.01 (4) of the statutes is amended to read:

17 601.01 (4) To provide for an ~~office~~ a regulatory authority that is expert in the  
18 field of insurance, and able to enforce chs. 600 to 655;

19 **SECTION 115.** 601.01 (5) of the statutes is amended to read:

20 601.01 (5) To encourage full cooperation of the ~~office~~ department with other  
21 regulatory bodies, both of this and other states and of the federal government;

22 **SECTION 116.** Subchapter II (title) of chapter 601 [precedes 601.11] of the  
23 statutes is repealed and recreated to read:

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**CHAPTER 601**

**SUBCHAPTER II**

**INSURANCE INDUSTRY SUPERVISION**

**OFFICES**

**SECTION 117.** 601.11 (1) of the statutes is repealed.

\*\*\*\*NOTE: I repealed the provisions related to the deputy commissioner because I assumed that a deputy secretary would be created elsewhere.

**SECTION 118.** 601.11 (2) (title) of the statutes is repealed.

**SECTION 119.** 601.11 (2) of the statutes is renumbered 601.11.

**SECTION 120.** 601.12 (1) of the statutes is amended to read:

601.12 (1) **LEGAL SERVICES.** The attorney general shall allocate personnel as the legal needs of the ~~office~~ department demand.

**SECTION 121.** 601.12 (2) of the statutes is amended to read:

601.12 (2) **ENFORCEMENT.** Upon request of the ~~commissioner~~ department, the attorney general shall proceed in any federal or state court or agency to recover any tax or fee related to insurance payable under the laws of this state and not paid when due, and any penalty or forfeiture authorized by chs. 600 to 655. Upon request of the ~~commissioner~~ department, the attorney general or, in a proper case, the district attorney of any county, shall aid in any investigation, hearing or other procedure under chs. 600 to 655 and shall institute, prosecute and defend proceedings relating to the enforcement or interpretation of chs. 600 to 655, including any proceeding to which the state, or the ~~insurance commissioner~~ department, the secretary, or any employee of the ~~office~~ department, in the employee's official capacity, shall be a party or in which the ~~commissioner~~ department, secretary, or the employee is interested.

**SECTION 122.** 601.13 (1) (intro.) of the statutes is amended to read:

1           601.13 (1) RECEIPT OF DEPOSITS. (intro.) Subject to the approval of the  
2 ~~commissioner~~ secretary of financial institutions, insurance, and professional  
3 standards, the secretary of administration shall accept deposits or control of  
4 acceptable book-entry accounts from insurers and other licensees of the ~~office~~  
5 department as follows:

6           **SECTION 123.** 601.13 (3) (intro.) of the statutes is amended to read:

7           601.13 (3) SECURITIES ELIGIBLE. (intro.) All deposits may consist of any of the  
8 securities authorized in this subsection. Each security must be approved by the  
9 ~~commissioner~~ secretary of financial institutions, insurance, and professional  
10 standards, must be subject to disposition by the secretary of administration, and  
11 must not be available to any other person except as expressly provided by law. The  
12 authorized securities are:

13           **SECTION 124.** 601.13 (5) of the statutes is amended to read:

14           601.13 (5) RECEIPT, INSPECTION, AND RECORD. The secretary of administration  
15 shall deliver to the depositor a receipt for all securities deposited or held under the  
16 control of the secretary of administration and shall permit the depositor to inspect  
17 its physically held securities at any reasonable time. On application of the depositor  
18 the secretary of administration shall certify when required by any law of the United  
19 States or of any other state or foreign country or by the order of any court of  
20 competent jurisdiction that the deposit was made. The secretary of administration  
21 and the ~~commissioner~~ department shall each keep a permanent record of securities  
22 deposited or held under the control of the secretary of administration and of any  
23 substitutions or withdrawals and shall compare records at least annually.

24           **SECTION 125.** 601.13 (6) of the statutes is amended to read:

1           601.13 (6) TRANSFER OF SECURITIES. No transfer of a deposited security, whether  
2 voluntary or by operation of law, is valid unless approved in writing by the  
3 ~~commissioner~~ secretary of financial institutions, insurance, and professional  
4 standards and countersigned by the secretary of administration.

5           **SECTION 126.** 601.13 (8) (b) of the statutes is amended to read:

6           601.13 (8) (b) To substitute for deposited securities other eligible securities, as  
7 expressly approved by the ~~commissioner~~ secretary of financial institutions,  
8 insurance, and professional standards.

9           **SECTION 127.** 601.13 (10) of the statutes is amended to read:

10          601.13 (10) RELEASE OF DEPOSIT. Upon approval of the ~~commissioner~~ secretary  
11 of financial institutions, insurance, and professional standards, any deposit or part  
12 thereof shall be released upon the depositor's request to the extent permitted by law.

13          **SECTION 128.** 601.14 (1) (intro.) of the statutes is amended to read:

14          601.14 (1) OFFICES. (intro.) The department of administration shall provide  
15 suitable premises for the insurance industry supervision offices of the ~~commissioner~~  
16 of insurance department:

17          **SECTION 129.** 601.14 (1) (b) of the statutes is amended to read:

18          601.14 (1) (b) Elsewhere, if approved by the governor as necessary for the  
19 efficient operation of the ~~office~~ insurance industry supervision offices.

20          **SECTION 130.** 601.14 (2) of the statutes is amended to read:

21          601.14 (2) MATERIALS, SUPPLIES, EQUIPMENT AND CONTRACTUAL SERVICES. The  
22 department of administration shall provide the ~~office~~ insurance industry  
23 supervision offices of the department of financial institutions, insurance, and  
24 professional standards with all materials, supplies, equipment and contractual  
25 services necessary for its efficient operation, including reasonable library facilities

1 and books. Part-time or temporary services of professionals and experts shall be  
2 provided by the department of administration upon the recommendation of the  
3 ~~commissioner~~ secretary of financial institutions, insurance, and professional  
4 standards, and may be provided without regard to the restrictions of subch. II of ch.  
5 230.

6 **SECTION 131.** 601.15 of the statutes is repealed.

7 **SECTION 132.** 601.16 (1) of the statutes is amended to read:

8 601.16 (1) ~~SEAL.~~ The ~~commissioner~~ department need not have ~~nor~~ or use an  
9 official seal. Any statutory or common law requirement that an official seal be affixed  
10 is satisfied by the signature of the ~~commissioner~~ secretary.

11 **SECTION 133.** 601.16 (2) of the statutes is amended to read:

12 601.16 (2) SIGNATURES. Any signature of the ~~commissioner~~ secretary may be  
13 in facsimile unless specifically required to be handwritten.

14 **SECTION 134.** 601.18 of the statutes is amended to read:

15 **601.18 Delegation.** Any power, duty, or function vested in the ~~commissioner~~  
16 secretary by law may be exercised, discharged, or performed by any employee of the  
17 ~~office~~ department acting in the ~~commissioner's~~ secretary's name and by the  
18 ~~commissioner's~~ secretary's delegated authority. Any person whose own course of  
19 action in good faith depends upon proof of the validity of an asserted delegation is  
20 not obligated to act until the person is shown a written delegation with a handwritten  
21 signature of the ~~commissioner or deputy commissioner~~ secretary.

22 **SECTION 135.** 601.19 of the statutes is amended to read:

23 **601.19 Organization of the office insurance industry supervision**  
24 **offices.** The ~~commissioner~~ department shall publish periodically in the Wisconsin  
25 administrative code an up-to-date chart and explanation of the organization of the

1 ~~commissioner's office~~ department's insurance industry supervision offices, making  
2 clear the allocation of responsibility and authority among the staff.

3 **SECTION 136.** 601.20 (1) (title) of the statutes is repealed.

4 **SECTION 137.** 601.20 (1) of the statutes is renumbered 601.20 and amended to  
5 read:

6 **601.20 Authorization to form councils and committees.** The  
7 ~~commissioner~~ secretary may create advisory councils and committees under s. 15.04  
8 (1) (c) to assist in dealing with regulatory problems. The ~~commissioner~~ secretary  
9 may appoint members and may provide by rule for the creation, governance, duties  
10 and termination of any council or committee the ~~commissioner~~ secretary establishes.

11 **SECTION 138.** Subchapter III (title) of chapter 601 [precedes 601.31] of the  
12 statutes is amended to read:

13 **CHAPTER 601**

14 **SUBCHAPTER III**

15 **FINANCING THE INSURANCE OFFICE**

16 **INDUSTRY SUPERVISION OFFICES**

17 **SECTION 139.** 601.31 (1) (q) of the statutes is amended to read:

18 601.31 (1) (q) For a copy of a paper filed ~~in the commissioner's office~~ with the  
19 department, actual cost.

20 **SECTION 140.** 601.31 (3) of the statutes is amended to read:

21 601.31 (3) The ~~commissioner~~ department may not increase fees under sub. (1)  
22 (m) above the amounts in effect on March 25, 1988, except for the purpose of funding  
23 projected expenses for the ~~office's~~ department's supervision of the insurance  
24 industry.

25 **SECTION 141.** 601.32 (1) of the statutes is amended to read:



1           601.32 (1) If the moneys credited to s. ~~20.145 (1)~~ 20.142 (3) (g) 1. under other  
2 sections of the statutes prove inadequate for the office's department's supervision of  
3 insurance industry program, the commissioner may increase any or all of the fees  
4 imposed by s. 601.31, or may in any year levy a special assessment on all domestic  
5 insurers, or both, for the general operation of that program.

6           **SECTION 142.** 601.41 (3) (b) of the statutes is amended to read:

7           601.41 (3) (b) The ~~commissioner~~ department may, without the consent of the  
8 attorney general as required under s. 227.21 (2), adopt standards of the National  
9 Association of Insurance Commissioners by incorporating by reference in rules  
10 promulgated by the ~~commissioner~~ department any materials published, adopted, or  
11 approved by the National Association of Insurance Commissioners, without  
12 reproducing the standards in full. The standards referred to in this paragraph do  
13 not include any model act or model regulation proposed or adopted by the National  
14 Association of Insurance Commissioners. Any materials of the National Association  
15 of Insurance Commissioners that are incorporated by reference in rules promulgated  
16 by the ~~commissioner~~ department shall be obtainable from, and are only required to  
17 be kept on file at, the ~~office~~ department, which shall be stated in any rule containing  
18 such an incorporation by reference. Nothing in this paragraph prohibits the  
19 ~~commissioner~~ department from adopting standards of the National Association of  
20 Insurance Commissioners through incorporation by reference in rules in the manner  
21 provided under s. 227.21 (2).

22           **SECTION 143.** 601.41 (9) (b) of the statutes is amended to read:

23           601.41 (9) (b) If ~~the federal government has not developed by July 1, 2003,~~  
24 no uniform claim processing form that must be used by all health care providers for  
25 submitting claims to insurers and by all insurers for processing claims submitted by

1 health care providers, ~~the commissioner shall develop, by December 31, 2003, has~~  
2 been developed by the effective date of this paragraph .... [LRB inserts date], the  
3 department shall develop a uniform claim processing form for that purpose.

4 **SECTION 144.** 601.41 (10) (b) of the statutes is amended to read:

5 601.41 (10) (b) After the effective date of the rules promulgated under par. (a),  
6 an insurer may use only the prescribed questions and format for individual major  
7 medical health insurance policy applications. ~~The commissioner shall publish a~~  
8 ~~notice in the Wisconsin Administrative Register that states the effective date of the~~  
9 ~~rules promulgated under par. (a).~~

10 **SECTION 145.** 601.415 (1) of the statutes is amended to read:

11 601.415 (1) JOINT SURVEY COMMITTEE ON RETIREMENT SYSTEMS. The  
12 ~~commissioner~~ secretary or an experienced actuary in the ~~office~~ department  
13 designated by the ~~commissioner~~ secretary shall serve as a member of the joint survey  
14 committee on retirement systems under s. 13.50.

15 **SECTION 146.** 601.415 (2) of the statutes is amended to read:

16 601.415 (2) GROUP INSURANCE BOARD. The ~~commissioner~~ secretary shall serve  
17 as a member of the group insurance board under s. 15.165 (2).

18 **SECTION 147.** 601.415 (3) of the statutes is amended to read:

19 601.415 (3) WISCONSIN RETIREMENT BOARD. The ~~commissioner~~ secretary or an  
20 experienced actuary in the ~~office~~ department designated by the ~~commissioner~~  
21 secretary shall serve as a member of the Wisconsin retirement board under s. 15.165  
22 (3) (b).

23 **SECTION 148.** 601.415 (5) of the statutes is amended to read:

24 601.415 (5) COOPERATION WITH DEPARTMENT OF ADMINISTRATION. The  
25 ~~commissioner~~ department of financial institutions, insurance, and professional

1 standards shall cooperate with the department of administration in placing  
2 insurance under s. 16.865 (4).

3 **SECTION 149.** 601.415 (7) of the statutes is repealed.

4 **SECTION 150.** 601.415 (8) of the statutes is amended to read:

5 601.415 (8) LONG-TERM CARE PARTNERSHIP PROGRAM. ~~The commissioner~~ On and  
6 after July 1, 2015, the department of financial institutions, insurance, and  
7 professional standards shall provide the certifications required under s. 49.45 (31)  
8 (b) 5. and shall cooperate with the department of health services in approving the  
9 training program under s. 49.45 (31) (c) for agents who sell long-term care insurance  
10 policies.

11 **SECTION 151.** 601.415 (9) of the statutes is repealed.

12 **SECTION 152.** 601.415 (11) of the statutes is amended to read:

13 601.415 (11) AMENDMENTS TO OWN RISK AND SOLVENCY ASSESSMENT GUIDANCE  
14 MANUAL. ~~The commissioner~~ department shall, in ~~his or her~~ the department's  
15 discretion, adopt amendments made after April 18, 2014, by the National  
16 Association of Insurance Commissioners to the guidance manual, as defined in s.  
17 622.03 (1). Any such amendments made by the National Association of Insurance  
18 Commissioners become effective in this state if adopted by the ~~commissioner~~  
19 department by order after giving 30 days' notice to insurers of the changes proposed  
20 by the National Association of Insurance Commissioners. If one or more insurers  
21 request a hearing on the proposed changes during the 30-day period, the  
22 ~~commissioner~~ department shall hold a hearing to determine whether the  
23 ~~commissioner~~ department will, in ~~his or her~~ the department's discretion, adopt one  
24 or more of the changes made by the National Association of Insurance  
25 Commissioners.

1           **SECTION 153.** 601.415 (12) of the statutes is amended to read:

2           601.415 (12) HEALTH INSURANCE RISK-SHARING PLAN. ~~The commissioner~~ On and  
3 after July 1, 2015, the department shall perform the duties specified to be performed  
4 by the commissioner of insurance in s. 149.13, 2011 stats., and under 2013 Wisconsin  
5 Act 20, section 9122 (1L) (b) 8.

6           **SECTION 154.** 601.42 (6) (a) of the statutes is amended to read:

7           601.42 (6) (a) In the absence of actual malice, no communication to the  
8 commissioner of insurance required by law or by the commissioner shall subject the  
9 person making it to an action for damages for defamation. This paragraph applies  
10 to communications received by the commissioner before May 11, 1990, or on or after  
11 June 1, 1994, and before the effective date of this paragraph .... [LRB inserts date].

12           **SECTION 155.** 601.42 (6) (am) of the statutes is created to read:

13           601.42 (6) (am) In the absence of actual malice, no communication to the  
14 secretary required by law or by the secretary shall subject the person making it to  
15 an action for damages for the communication. This paragraph applies to  
16 communications received by the secretary on or after the effective date of this  
17 paragraph .... [LRB inserts date].

      \*\*\*\*NOTE: Do you want the paragraph above? I think pars. (a) and (b) in current  
law were not intended generally but for a specific situation, so this provision may not be  
necessary.

18           **SECTION 156.** 601.42 (6) (b) of the statutes is amended to read:

19           601.42 (6) (b) In the absence of actual malice, no communication to the  
20 commissioner of insurance or the office of the commissioner of insurance required by  
21 law or by the commissioner shall subject the person making it to an action for  
22 damages for the communication. This paragraph applies to communications

1 received by the commissioner or office on or after May 11, 1990, and before June 1,  
2 1994.

3 **SECTION 157.** 601.422 (7) of the statutes is amended to read:

4 601.422 (7) NO LIABILITY OR CAUSE OF ACTION. There shall be no liability on the  
5 part of and no cause of action shall arise against an insurer or an insurer's agents  
6 or employees for reporting in good faith under this section, or against the  
7 ~~commissioner or employees of the office~~ secretary, department, or employees of the  
8 department for any good faith act or omission under this section.

9 **SECTION 158.** 601.427 (9) of the statutes is repealed.

10 **SECTION 159.** 601.43 (1) (a) of the statutes is amended to read:

11 601.43 (1) (a) *Insurers, other licensees and other persons subject to regulation.*  
12 Whenever the ~~commissioner~~ department deems it necessary ~~in order to inform~~  
13 ~~himself or herself to obtain information~~ about any matter related to the enforcement  
14 of chs. 600 to 647, the ~~commissioner~~ department may examine the affairs and  
15 condition of any licensee or permittee under chs. 600 to 647 or applicant for a license  
16 or permit, of any person or organization of persons doing or in process of organizing  
17 to do an insurance business in this state, and of any advisory organization serving  
18 any of the foregoing in this state.

19 **SECTION 160.** 601.43 (1) (d) of the statutes is amended to read:

20 601.43 (1) (d) *Delivery of records to the office department.* On order of the  
21 ~~commissioner~~ department any licensee or permittee under chs. 600 to 647 shall bring  
22 to the ~~office~~ department for examination such records as the order reasonably  
23 requires.

24 **SECTION 161.** 601.44 (9) of the statutes is amended to read:

1           601.44 (9) COPIES FOR OTHER PERSONS. The ~~commissioner~~ department may  
2 furnish, without cost or at a price to be determined by the ~~commissioner~~ department,  
3 a copy of the adopted report to the insurance ~~commissioner~~ regulatory authority of  
4 each state in the United States and of each foreign jurisdiction in which the examinee  
5 is authorized to do business, and to any other interested person in this state or  
6 elsewhere.

7           **SECTION 162.** 601.45 (3) of the statutes is amended to read:

8           601.45 (3) DEPOSIT. The ~~commissioner~~ department may require any examinee,  
9 before or from time to time during an examination, to deposit with the secretary of  
10 administration such deposits as the ~~commissioner~~ department deems necessary to  
11 pay the costs of the examination. Any deposit and any payment made under subs.  
12 (1) and (2) shall be credited to the appropriation account under s. ~~20.145 (1)~~ 20.142  
13 (3) (g) 1.

14           **SECTION 163.** 601.45 (4) of the statutes is amended to read:

15           601.45 (4) EXEMPTIONS. On the examinee's request or on the ~~commissioner's~~  
16 department's own motion, the commissioner may pay all or part of the costs of an  
17 examination from the appropriation under s. ~~20.145 (1)~~ 20.142 (3) (g) 1., whenever  
18 the commissioner finds that because of the frequency of examinations or other  
19 factors, imposition of the costs would place an unreasonable burden on the examinee.  
20 The commissioner shall include in ~~his or her~~ the department's annual report  
21 information about any instance in which the commissioner applied this subsection.

22           **SECTION 164.** 601.45 (5) of the statutes is amended to read:

23           601.45 (5) RETALIATION. Deposits and payments under this section shall not be  
24 deemed to be a tax or license fee within the meaning of any statute. If any other state  
25 charges a per diem fee for examination of examinees domiciled in this state, any

1 examinee domiciled in that other state shall be required to pay the same fee when  
2 examined by the ~~insurance office of this state~~ department.

3 **SECTION 165.** 601.46 (title) of the statutes is amended to read:

4 **601.46 (title) Commissioner's Department's records and reports.**

5 **SECTION 166.** 601.46 (1) of the statutes is amended to read:

6 601.46 (1) RECORD MAINTENANCE. The commissioner shall maintain the records  
7 required by law and those necessary to provide for the continued effective operation  
8 of the ~~office~~ insurance industry supervision offices, to constitute an adequate and  
9 proper recording of its activities and to protect the rights of the people of this state.  
10 The records shall be preserved in the ~~office~~ department offices except as provided in  
11 s. 16.61.

12 **SECTION 167.** 601.46 (3) (c) of the statutes is amended to read:

13 601.46 (3) (c) A summary of the complaints made to or processed by the ~~office~~  
14 department about insurers, agents and others connected with insurance, and  
15 information about their disposition;

16 **SECTION 168.** 601.465 (1m) (intro.) of the statutes is amended to read:

17 601.465 (1m) TYPES OF INFORMATION. (intro.) The ~~office~~ department may refuse  
18 to disclose and may prevent any other person from disclosing any of the following:

19 **SECTION 169.** 601.465 (1m) (c) (intro.) of the statutes is amended to read:

20 601.465 (1m) (c) (intro.) Testimony, reports, records, communications, and  
21 information that are obtained by the ~~office~~ department from, or provided by the ~~office~~  
22 department to, any of the following, under a pledge of confidentiality or for the  
23 purpose of assisting or participating in monitoring activities or in the conduct of an  
24 inquiry, investigation, or examination:

25 **SECTION 170.** 601.465 (1m) (c) 3. of the statutes is amended to read:

1           601.465 (1m) (c) 3. The insurance ~~commissioner~~ regulatory authority of  
2 another state.

3           **SECTION 171.** 601.465 (1m) (c) 4. of the statutes is amended to read:

4           601.465 (1m) (c) 4. An agent or employee of the insurance ~~commissioner~~  
5 regulatory authority of another state.

6           **SECTION 172.** 601.465 (1n) (a) of the statutes is amended to read:

7           601.465 (1n) (a) Notwithstanding sub. (1m) and subch. II of ch. 19, it is  
8 presumed that nonpublic documents and information provided by an insurer to the  
9 ~~office~~ department under s. 601.42 or 601.43 are proprietary and confidential and that  
10 the potential for harm and competitive disadvantage to the insurer if the documents  
11 and information are made public by the ~~office~~ department outweighs the public  
12 interest in the disclosure of the documents and information.

13           **SECTION 173.** 601.465 (1n) (c) of the statutes is amended to read:

14           601.465 (1n) (c) Paragraph (a) does not apply to the ~~commissioner's~~  
15 department's discretion to disclose documents and information provided by an  
16 insurer to the ~~office~~ department under s. 601.42 or 601.43 as a part of an enforcement  
17 proceeding the ~~commissioner~~ department brings under s. 601.64.

18           **SECTION 174.** 601.465 (2m) (c) of the statutes is amended to read:

19           601.465 (2m) (c) The privilege applies to testimony, reports, records,  
20 communications, and information obtained, created, or provided by any official,  
21 employee, or agent of the ~~office~~ department for the purpose of assisting or  
22 participating in monitoring activities or in the conduct of an inquiry, investigation,  
23 or examination by, or coordinated through, the National Association of Insurance  
24 Commissioners.

25           **SECTION 175.** 601.47 (1) of the statutes is amended to read:



1           601.47 (1) GENERAL. The commissioner may prepare books, pamphlets, and  
2 other publications relating to insurance and sell them in the manner and at the  
3 prices the commissioner determines. The cost of publication and distribution may  
4 be paid from the appropriation under s. ~~20.145 (1)~~ 20.142 (3) (g) 1.

5           **SECTION 176.** 601.47 (3) of the statutes is amended to read:

6           601.47 (3) FREE DISTRIBUTION. The commissioner may furnish free copies of the  
7 publications prepared under subs. (1) and (2) to public officers and libraries in this  
8 state and elsewhere. The cost of free distribution shall be charged to the  
9 appropriation under s. ~~20.145 (1)~~ 20.142 (3) (g) 1.

10          **SECTION 177.** 601.48 (1) of the statutes is amended to read:

11          601.48 (1) NATIONAL ASSOCIATION OF INSURANCE COMMISSIONERS. The  
12 ~~commissioner secretary~~ and the ~~office of the commissioner~~ department shall  
13 maintain close relations with the ~~commissioners~~ insurance regulatory authorities of  
14 other states and shall participate in the activities and affairs of the National  
15 Association of Insurance Commissioners and other organizations so far as it will, in  
16 the judgment of the ~~commissioner secretary~~, enhance the purposes of chs. 600 to 655.  
17 The actual and necessary expenses incurred thereby shall be reimbursed out of the  
18 appropriation under s. ~~20.145 (1)~~ 20.142 (3) (g) 1.

19          **SECTION 178.** 601.49 of the statutes is amended to read:

20          **601.49 Access to records.** The commissioner shall have access to the records  
21 of any agency of the state government or of any political subdivision thereof which  
22 the commissioner may wish to consult in discharging ~~his or her~~ the department's  
23 duties.

24          **SECTION 179.** 601.56 (1) of the statutes is repealed.

25          **SECTION 180.** 601.56 (2) (title) of the statutes is repealed.

1           **SECTION 181.** 601.56 (2) of the statutes is renumbered 601.56 and amended to  
2 read:

3           **601.56 Study and rules on standards for health insurers.** If, as a result  
4 of the study under sub. (1), ~~the commissioner s. 601.56 (1), 2013 stats., the~~  
5 department determines that in transactions with health care providers compliance  
6 by health insurers with certain standards will likely reduce the cost of health care  
7 administration, the ~~commissioner~~ department shall promulgate rules to establish  
8 and implement appropriate standards.

9           **SECTION 182.** 601.57 (1) (a) of the statutes is renumbered 601.57 (1) and  
10 amended to read:

11           **601.57 (1)** The commissioner of insurance, in consultation with the department  
12 of health services, shall study the feasibility and cost-effectiveness of requiring  
13 every health insurer to issue to its insureds uniform machine-readable health  
14 insurance identification cards and to establish a computerized support system for  
15 the cards that will accept and respond to electronically conveyed requests from  
16 health care providers for information related to an insured, such as eligibility,  
17 coverages and authorizations. The study shall consider the feasibility and  
18 cost-effectiveness of including the medical assistance program under subch. IV of ch.  
19 49 in the system of identification cards and the computerized support system and the  
20 feasibility of using those systems to coordinate the payment of benefits by health  
21 insurers and the medical assistance program.

22           **SECTION 183.** 601.57 (1) (b) of the statutes is repealed.

23           **SECTION 184.** 601.57 (2) of the statutes is amended to read:

24           **601.57 (2) RULES.** If, as a result of the study under sub. (1), the commissioner  
25 of insurance determined, or the department of financial institutions, insurance, and

1 professional standards determines, that a health insurance identification card  
2 system and its computerized support system are feasible and would be cost-effective,  
3 the commissioner or department, whichever is appropriate, shall promulgate rules  
4 to establish and implement the systems.

5 **SECTION 185.** 601.58 (2) (d) of the statutes is amended to read:

6 601.58 (2) (d) “Commissioner” means the chief insurance regulatory official of  
7 a state, including, but not limited to, commissioner, secretary, superintendent,  
8 director, or administrator.

9 **SECTION 186.** 601.62 (3) (a) of the statutes is amended to read:

10 601.62 (3) (a) *Subsequent hearings.* Whenever an order is issued without a  
11 hearing, any person aggrieved by the order may demand a hearing within 30 days  
12 after the date on which the notice of the order was mailed. Failure to demand a  
13 hearing within the period prescribed therefor is waiver of a hearing. The demand  
14 shall be in writing and shall be served on the commissioner by delivering a copy to  
15 the ~~commissioner~~ secretary or by leaving it at the ~~commissioner’s~~ secretary’s office.  
16 The commissioner shall thereupon hold a hearing not less than 10 nor more than 60  
17 days after service of the demand.

18 **SECTION 187.** 601.62 (4) of the statutes is amended to read:

19 601.62 (4) **FEEES IN INVESTIGATIONS AND HEARINGS.** The fees for stenographic  
20 services in investigations, examinations, and hearings may not exceed the sum  
21 provided for like services in the circuit court. The fees of officers, witnesses,  
22 interpreters, and stenographers on behalf of the commissioner or the state shall be  
23 paid by the secretary of administration, authorized by the certificate of the  
24 ~~commissioner~~ secretary of financial institutions, insurance, and professional