



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 VI**

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

1 standards, and shall be charged to the appropriation under s. ~~20.145 (1)~~ 20.142 (3)
2 (g) 1.

3 **SECTION 188.** 601.63 (5) (a) of the statutes is amended to read:

4 601.63 (5) (a) *Required approval.* Whenever the law requires the
5 ~~commissioner's~~ department's approval for a certain action, the action is not effective
6 until expressly approved. The approval is deemed refused if the commissioner does
7 not act within 60 days after receiving the application for approval.

8 **SECTION 189.** 601.64 (2) of the statutes is amended to read:

9 601.64 (2) COMPULSIVE FORFEITURES. If a person does not comply with an order
10 issued under s. 601.41 (4) within 2 weeks after the commissioner has given the
11 person notice of the ~~commissioner's~~ department's intention to proceed under this
12 subsection, the commissioner may commence an action for a forfeiture in such sum
13 as the court considers just, but not exceeding \$5,000 for each day that the violation
14 continues after the commencement of the action until judgment is rendered. No
15 forfeiture may be imposed under this subsection if at the time the action was
16 commenced the person was in compliance with the order, nor for any violation of an
17 order occurring while any proceeding for judicial review of the order was pending,
18 unless the court in which the proceeding was pending certifies that the claim of
19 invalidity or nonapplicability of the order was frivolous or a sham. If after judgment
20 is rendered the person does not comply with the order, the commissioner may
21 commence a new action for a forfeiture and may continue commencing actions until
22 the person complies. The proceeds of all actions under this subsection, after
23 deduction of the expenses of collection, shall be paid into the common school fund of
24 the state.

25 **SECTION 190.** 601.64 (5) of the statutes is amended to read:

1 **601.64 (5)** REVOCATION, SUSPENSION AND LIMITATION OF LICENSES. Whenever a
2 licensee of the ~~office~~ department other than an insurer, a motor club, an adjuster or
3 an insurance intermediary persistently or substantially violates chs. 600 to 646 or
4 an order of the commissioner under s. 601.41 (4), or if the licensee's methods and
5 practices in the conduct of business endanger, or financial resources are inadequate
6 to safeguard, the legitimate interests of customers and the public, the commissioner
7 may, after a hearing, in whole or in part revoke, suspend or limit the license.

8 **SECTION 191.** 601.72 (1) (intro.) of the statutes is amended to read:

9 **601.72 (1) GENERAL.** (intro.) Under procedures specified in s. 601.73, the
10 ~~commissioner~~ department is by law constituted attorney, ~~except in cases in which the~~
11 ~~proceeding is to be brought by the state against an insurer or intermediary other~~
12 ~~than a risk retention group or risk purchasing group, in which event the department~~
13 ~~of financial institutions is by law constituted attorney,~~ to receive service of summons,
14 notices, orders, pleadings and all other legal process relating to any court or
15 administrative agency in this state for all of the following:

16 **SECTION 192.** 601.72 (2) of the statutes is amended to read:

17 **601.72 (2) APPOINTMENT OF ATTORNEY.** Except as provided in sub. (2m), every
18 licensed insurer by applying for and receiving a certificate of authority, every surplus
19 lines insurer by entering into a contract subject to the surplus lines law, and every
20 unauthorized insurer by doing an insurance business in this state, is deemed to have
21 irrevocably appointed the ~~commissioner and department of financial institutions~~
22 department as the insurer's ~~attorneys~~ attorney in accordance with sub. (1).

23 **SECTION 193.** 601.72 (3) of the statutes is amended to read:

24 **601.72 (3) OTHERS AFFECTED.** The ~~commissioner and department of financial~~
25 ~~institutions~~ department shall also be ~~attorneys~~ attorney for the personal

1 representatives, receivers, trustees, or other successors in interest of the persons
2 specified in sub. (1).

3 **SECTION 194.** 601.73 (1) (intro.) of the statutes is amended to read:

4 601.73 (1) REQUIREMENTS FOR EFFECTIVE SERVICE. (intro.) Service upon the
5 ~~commissioner or department of financial institutions~~ department under s. 601.72 is
6 service on the principal, if:

7 **SECTION 195.** 601.73 (1) (a) of the statutes is amended to read:

8 601.73 (1) (a) Two copies of the process are left in the hands or office of the
9 ~~commissioner or department of financial institutions~~ secretary; and

10 **SECTION 196.** 601.73 (1) (b) of the statutes is amended to read:

11 601.73 (1) (b) The ~~commissioner or department of financial institutions~~
12 department mails a copy of the process to the person served according to sub. (2) (b).

13 **SECTION 197.** 601.73 (2) (title) of the statutes is amended to read:

14 601.73 (2) (title) ~~COMMISSIONER'S~~ DEPARTMENT'S ACTION.

15 **SECTION 198.** 601.73 (2) (a) of the statutes is amended to read:

16 601.73 (2) (a) *Records.* The ~~commissioner and department of financial~~
17 ~~institutions~~ department shall give receipts for and keep records of all process served
18 through ~~them~~ the department.

19 **SECTION 199.** 601.73 (2) (b) of the statutes is amended to read:

20 601.73 (2) (b) *Process mailed.* The ~~commissioner or department of financial~~
21 ~~institutions~~ department shall send immediately by certified mail to the person
22 served, at the person's last-known principal place of business, residence or
23 post-office address or at an address designated in writing by the person, one copy of
24 any process received and shall retain the other copy.

25 **SECTION 200.** 601.73 (3) of the statutes is amended to read:

1 601.73 (3) PROOF OF SERVICE. A certificate by the ~~commissioner or the~~
2 ~~department of financial institutions~~ department, showing service made upon the
3 ~~commissioner or department of financial institutions~~ department, and attached to
4 a copy of the process presented for that purpose is sufficient evidence of the service.

5 **SECTION 201.** 601.93 (2) of the statutes is amended to read:

6 601.93 (2) Every insurer doing a fire insurance business in this state shall,
7 before March 1 in each year, file with the ~~commissioner~~ department a statement,
8 showing the amount of premiums upon fire insurance due for the preceding calendar
9 year. Return premiums may be deducted in determining the premium on which the
10 fire department dues are computed. Payments of quarterly installments of the total
11 estimated payment for the then current calendar year under this subsection are due
12 on or before April 15, June 15, September 15 and December 15. On March 1 the
13 insurer shall pay any additional amounts due for the preceding calendar year.
14 Overpayments will be credited on the amount due April 15. ~~The commissioner shall,~~
15 ~~prior to May 1 each year, report to the department of safety and professional services~~
16 ~~the amount of dues paid under this subsection and to be paid under s. 101.573 (1).~~

17 **SECTION 202.** 604.04 (1) of the statutes is amended to read:

18 604.04 (1) MANAGER. Each fund under chs. 605 to 607 shall be administered
19 by a manager ~~who~~ which shall be the ~~commissioner~~ department. In chs. 604 to 607,
20 “manager” means the ~~commissioner in his or her~~ department in its capacity as
21 manager.

22 **SECTION 203.** 604.04 (2) of the statutes is amended to read:

23 604.04 (2) OTHER PERSONNEL. The manager of a fund may employ such
24 personnel as are necessary for proper administration. To the extent practicable, the
25 manager shall manage the funds, issue policies, and prepare reports in the same way

1 that ~~as commissioner he or she requires~~ other insurers are required to do, except that
2 periodic annual audits may not be required. The manager may make such
3 reasonable rules for the administration of the funds as are necessary to implement
4 the enabling statutes.

5 **SECTION 204.** 604.04 (3) of the statutes is amended to read:

6 604.04 (3) EXPENSES. No full-time state officer or employee may receive
7 additional compensation for services under chs. 604 to 607. Appropriate portions of
8 the salaries of such persons who do work for the funds or supervise them, and other
9 expenses including reasonable charges for state-owned or state-rented office space
10 and the use of state-owned or state-rented office equipment shall be charged against
11 each fund. Each fund shall pay to the ~~commissioner~~ department amounts charged
12 for organizational support services, which shall be credited to the appropriation
13 account under s. ~~20.145 (1)~~ 20.142 (3) (g) 2. Each fund shall also be charged a sum
14 equivalent to the state premium tax that would be paid by a domestic mutual insurer
15 organized or operating under ch. 611 and doing the same kind of insurance business,
16 except that no such charge shall be made for the insurance of governmental units.

17 **SECTION 205.** 604.04 (4) of the statutes is amended to read:

18 604.04 (4) PAYMENT PROCEDURE. Any charges against a fund under sub. (3) shall
19 be certified by the ~~commissioner~~ department of financial institutions, insurance, and
20 professional standards, audited by the department of administration under s. 16.53,
21 and paid by the secretary of administration out of the appropriate fund in accordance
22 with procedures of the department of administration.

23 **SECTION 206.** 604.04 (6) of the statutes is amended to read:

24 604.04 (6) REINSURANCE. The manager may procure such reinsurance for the
25 fund as ~~he or she~~ the manager considers necessary for its sound operation.

1 **SECTION 207.** 604.07 of the statutes is amended to read:

2 **604.07 Bonds.** The ~~commissioner~~ department as manager of the funds and the
3 secretary of administration shall file surety bonds, specifically conditioned on the
4 performance of their duties under chs. 605 to 607, in amounts required by, and with
5 sureties approved by, the governor.

6 **SECTION 208.** 610.01 (4) of the statutes is repealed.

7 **SECTION 209.** 610.21 (2) (c) of the statutes is amended to read:

8 610.21 (2) (c) The ~~commissioner~~ department orders it to cease doing such
9 business upon finding that doing such business is not consistent with the interests
10 of its insureds, creditors, or the public in this state; or that it gives the insurer a
11 substantial competitive advantage in relation to domestic insurers.

12 **SECTION 210.** 610.65 of the statutes is amended to read:

13 **610.65 Uniform claim processing form.** Beginning no later than July 1,
14 2004, every insurer shall use the uniform claim processing form developed by the
15 ~~commissioner~~ under s. 601.41 (9) (b) when processing a claim submitted by a health
16 care provider, as defined in s. 146.81 (1) (a) to (p).

17 **SECTION 211.** 610.70 (1) (a) of the statutes is amended to read:

18 610.70 (1) (a) “Health care provider” means any person licensed, registered,
19 permitted or certified by the department of health services or the department of
20 ~~safety and professional services~~ financial institutions, insurance, and professional
21 standards to provide health care services, items or supplies in this state.

22 **SECTION 212.** 611.07 (2) of the statutes is amended to read:

23 611.07 (2) **EFFECT OF UNAUTHORIZED CORPORATE ACTS.** Section 180.0304 applies
24 to stock corporations and s. 181.0304 applies to mutuals, except that references to
25 “attorney general” shall be read as “~~commissioner~~” “department.”

1 **SECTION 213.** 611.20 (2) (a) (intro.) of the statutes is amended to read:

2 611.20 (2) (a) (intro.) The ~~commissioner~~ department shall issue a certificate of
3 authority, if ~~he or she~~ the department finds:

4 **SECTION 214.** 611.20 (4) (a) (intro.) of the statutes is amended to read:

5 611.20 (4) (a) *Upon application.* (intro.) A corporation may at any time apply
6 to the ~~commissioner~~ department for a new or amended certificate of authority,
7 removing, altering or adding limits on its business or methods of operation. The
8 application shall contain or be accompanied by so much of the information in s.
9 611.13 (2) as the ~~commissioner~~ department reasonably requires. The ~~commissioner~~
10 department shall issue the new certificate as requested if ~~he or she~~ the department
11 finds:

12 **SECTION 215.** 611.20 (4) (b) of the statutes is amended to read:

13 611.20 (4) (b) *By commissioner department.* If the ~~commissioner~~ department
14 issues a summary order under s. 645.21 against a corporation, ~~he or she~~ the
15 department may also revoke the corporation's certificate and issue a new one with
16 the limits the ~~commissioner~~ department deems necessary.

17 **SECTION 216.** 611.24 (2) of the statutes is amended to read:

18 611.24 (2) **OPTIONAL SEGREGATED ACCOUNTS.** With the approval of the
19 ~~commissioner~~ department, a corporation may establish a segregated account for any
20 part of its business. The ~~commissioner~~ department shall approve unless ~~he or she~~
21 the department finds that the segregated account would be contrary to the law or to
22 the interests of any class of insureds.

23 **SECTION 217.** 611.28 (2) of the statutes is amended to read:

24 611.28 (2) **CONTINUING CONTROL.** The ~~commissioner~~ department may by rule or
25 order specify portions of the business plan to which the requirement of sub. (1) shall

1 apply even after the initial 5-year period, if he or she the department finds after a
2 hearing that it is required to protect the interests of insureds, creditors or the public
3 in this state.

4 **SECTION 218.** 611.29 (1) of the statutes is amended to read:

5 611.29 (1) RIGHT TO AMEND ARTICLES. A stock corporation may amend its articles
6 under ss. 180.0726, 180.1001 to 180.1007, 180.1706, 180.1707 and 180.1708 (4) and
7 a mutual may amend its articles under ss. 181.1001, 181.1002 (1), 181.1003,
8 181.1005 and 181.1006, ~~except that papers required by these sections to be filed with~~
9 ~~the department of financial institutions shall instead be filed with the commissioner.~~
10 Subject to sub. (3), the stock corporation or mutual may amend its articles in any
11 desired respect including substantial changes of its original purposes. No
12 amendment may be made contrary to s. 611.12 (1) to (3).

13 **SECTION 219.** 611.31 (4) (a) of the statutes is amended to read:

14 611.31 (4) (a) Every person who is directly or indirectly the beneficial owner
15 of more than 10% of any class of any equity security of a domestic stock insurance
16 corporation, or who is a director or officer thereof, shall file ~~in the office of the~~
17 ~~commissioner~~ with the department within 10 days after becoming a beneficial owner
18 or a director or officer, and within 10 days after the close of any calendar month
19 thereafter in which there has been a change in his or her ownership or office, a
20 statement in the form prescribed by the ~~commissioner~~ department, of the office and
21 of all equity securities of the company of which the person is the beneficial owner, and
22 of all changes in either.

23 **SECTION 220.** 611.32 (2) (b) (intro.) of the statutes is amended to read:

24 611.32 (2) (b) (intro.) Except under this section and s. 611.18 (2) (a) 2., and
25 except for stock dividends, no promoter stock may be issued for 5 years following the

1 initial issuance of the certificate of authority, without the approval of the
2 ~~commissioner~~ department which may be granted by the ~~commissioner~~ department
3 only if ~~he or she~~ the department finds that:

4 **SECTION 221.** 611.33 (1) (a) 1. of the statutes is amended to read:

5 611.33 (1) (a) 1. Until one year after the initial issuance of a certificate of
6 authority, the corporation may issue no shares and no other securities convertible
7 into shares except for a single class of common stock that satisfies s. 180.0601 (3) and,
8 with the approval of the ~~commissioner~~ department, on terms that ~~he or she~~ the
9 department considers fair, a single class of preferred stock for sale to no more than
10 15 shareholders;

11 **SECTION 222.** 611.33 (1) (a) 2. of the statutes is amended to read:

12 611.33 (1) (a) 2. After the first year and within 5 years after the initial issuance
13 of a certificate of authority, no additional classes of shares may be issued, except after
14 approval of the ~~commissioner, who~~ department, which may approve only if ~~he or she~~
15 the department finds that existing shareholders will not be prejudiced.

16 **SECTION 223.** 611.33 (2) (a) 2. of the statutes is amended to read:

17 611.33 (2) (a) 2. After the first year but within 5 years after the initial issuance
18 of a certificate of authority, additional classes of bonds may be authorized after
19 approval of the ~~commissioner, who~~ department, which shall approve if ~~he or she~~ the
20 department finds that policyholders and prior bondholders will not be prejudiced;

21 **SECTION 224.** 611.33 (2) (b) (intro.) of the statutes is amended to read:

22 611.33 (2) (b) *Contribution notes.* (intro.) Any mutual may issue contribution
23 notes if the ~~commissioner~~ department approves. The ~~commissioner~~ department may
24 approve only if ~~he or she~~ the department finds that:

25 **SECTION 225.** 611.41 (2) of the statutes is amended to read:

1 611.41 (2) ATTENDANCE AT MEETINGS. The ~~commissioner~~ department or
2 department's representative has the right to attend any shareholders' or
3 policyholders' meeting.

4 **SECTION 226.** 611.51 (2) (c) of the statutes is amended to read:

5 611.51 (2) (c) *Exception.* The ~~commissioner~~ department may by order reduce
6 the number of directors required under this subsection, if ~~he or she~~ the department
7 finds that it would be an unreasonable burden on the corporation to comply with the
8 requirement and that the interests of policyholders and shareholders can be
9 otherwise protected.

10 **SECTION 227.** 611.72 (1) of the statutes is amended to read:

11 611.72 (1) GENERAL. Subject to this section, ss. 180.1101, 180.1103 to 180.1106,
12 180.1706, 180.1707, and 180.1708 (5) apply to the merger of a domestic stock
13 insurance corporation or its parent insurance holding corporation, ~~except that~~
14 ~~papers required by those sections to be filed with the department of financial~~
15 ~~institutions shall instead be filed with the commissioner.~~

16 **SECTION 228.** 611.72 (3) (bm) 1. of the statutes is amended to read:

17 611.72 (3) (bm) 1. If the proposed merger or other acquisition of control will
18 require the approval of more than one ~~commissioner~~ insurance regulatory authority,
19 the hearing under par. (am) may be held on a consolidated basis upon the request of
20 a person filing a statement with the ~~commissioner of insurance of this state~~
21 department under s. Ins 40.02 (2), Wis. Adm. Code, which request must be made
22 when the statement is filed. That person shall file a copy of the statement under s.
23 Ins 40.02 (2), Wis. Adm. Code, with the National Association of Insurance
24 Commissioners within 5 days after making the request for a consolidated hearing.
25 A hearing conducted on a consolidated basis shall be public and held within the

1 United States before the ~~commissioners~~ insurance regulatory officials of the states
2 in which the insurers involved in the merger or other acquisition of control are
3 domiciled. The ~~commissioners~~ insurance regulatory officials may hear and receive
4 evidence. ~~A commissioner~~ An insurance regulatory official may attend the hearing
5 in person or by telecommunication.

****NOTE: I do not know if the insurance-related rules of the new department will
continue to be designated as "Ins."

6 **SECTION 229.** 611.72 (3) (bm) 2. of the statutes is amended to read:

7 611.72 (3) (bm) 2. The ~~commissioner of insurance of this state~~ department may
8 opt out of a consolidated hearing, and shall provide notice to the person requesting
9 the consolidated hearing of the opt out within 10 days after the ~~commissioner~~
10 department receives the statement under s. Ins 40.02 (2), Wis. Adm. Code.

11 **SECTION 230.** 611.73 (1) (a) of the statutes is amended to read:

12 611.73 (1) (a) *In general.* Any 2 or more domestic mutuals may merge under
13 the procedures of this section and ss. 181.1105 and 181.1106, ~~except that papers~~
14 ~~required by these sections to be filed with the department of financial institutions~~
15 ~~shall instead be filed with the commissioner.~~

16 **SECTION 231.** 611.73 (3) (a) of the statutes is amended to read:

17 611.73 (3) (a) The plan of merger shall be submitted to the ~~commissioner~~
18 department for ~~his or her~~ the department's approval after any necessary action by
19 the boards and before any necessary action by the policyholders. The ~~commissioner~~
20 department shall approve the plan unless ~~he or she~~ the department finds, after a
21 hearing, that the proposed merger would be contrary to the law or to the interests
22 of the insureds of any participating domestic corporation or the Wisconsin insureds
23 of any participating nondomestic corporation.

1 **SECTION 232.** 611.73 (3) (b) 1. of the statutes is amended to read:

2 611.73 (3) (b) 1. If the proposed merger of 2 or more domestic and foreign
3 mutuals will require the approval of more than one ~~commissioner~~ insurance
4 regulatory authority, the hearing under par. (a) may be held on a consolidated basis
5 upon the request of a person filing with the ~~commissioner of insurance of this state~~
6 department the plan of merger under par. (a) and the statement under s. Ins 40.02
7 (2), Wis. Adm. Code. The person must request a consolidated hearing when the plan
8 of merger and statement are filed. That person shall file copies of the plan of merger
9 and the statement under s. Ins 40.02 (2), Wis. Adm. Code, with the National
10 Association of Insurance Commissioners within 5 days after making the request for
11 a consolidated hearing. A hearing conducted on a consolidated basis shall be public
12 and held within the United States before the ~~commissioners~~ insurance regulatory
13 officials of the states in which the insurers involved in the merger are domiciled. The
14 ~~commissioners~~ insurance regulatory officials may hear and receive evidence. ~~A~~
15 ~~commissioner~~ An insurance regulatory official may attend the hearing in person or
16 by telecommunication.

17 **SECTION 233.** 611.73 (3) (b) 2. of the statutes is amended to read:

18 611.73 (3) (b) 2. The ~~commissioner of insurance of this state~~ department may
19 opt out of a consolidated hearing, and shall provide notice to the person requesting
20 the consolidated hearing of the opt out within 10 days after the ~~commissioner~~
21 department receives the plan of merger under par. (a) and the statement under s. Ins
22 40.02 (2), Wis. Adm. Code.

23 **SECTION 234.** 611.73 (4) of the statutes is amended to read:

1 611.73 (4) VOTING BY POLICYHOLDERS. ~~The commissioner~~ department may order
2 that the plan submitted to ~~him or her~~ the department under sub. (3) (a) be amended
3 to provide for voting by policyholders of any mutual involved.

4 **SECTION 235.** 611.74 (1) of the statutes is amended to read:

5 611.74 (1) PLAN OF DISSOLUTION. At least 60 days prior to the submission to
6 shareholders or policyholders of any proposed voluntary dissolution of an insurance
7 corporation under s. 180.1402 or 181.1401 the plan shall be filed with the
8 ~~commissioner~~ department. ~~The commissioner~~ department may require the
9 submission of additional information to establish the financial condition of the
10 corporation or other facts relevant to the proposed dissolution. If the shareholders
11 or policyholders adopt the resolution to dissolve, ~~the commissioner~~ department shall,
12 within 30 days after the adoption of the resolution, begin to examine the corporation.
13 ~~The commissioner~~ department shall approve the dissolution unless, after a hearing,
14 ~~the commissioner~~ department finds that it is insolvent or may become insolvent in
15 the process of dissolution. Subject to chs. 600 to 645, upon approval, the corporation
16 may dissolve under ss. 180.1402 to 180.1408 and 180.1706, or ss. 181.1401 to
17 181.1407, ~~except that papers required by those sections to be filed with the~~
18 ~~department of financial institutions shall instead be filed with the commissioner.~~
19 Upon disapproval, ~~the commissioner~~ department shall petition the court for
20 liquidation or for rehabilitation under ch. 645.

21 **SECTION 236.** 611.75 (4) (intro.) of the statutes is amended to read:

22 611.75 (4) CONDITION FOR APPROVAL. (intro.) ~~The commissioner~~ department
23 shall approve the conversion unless ~~he or she~~ the department finds, after a hearing,
24 that:

25 **SECTION 237.** 611.75 (7) of the statutes is amended to read:

1 611.75 (7) EXPENSES. The corporation may not pay compensation of any kind
2 to any person other than regular salaries to existing personnel, in connection with
3 the proposed conversion, other than for clerical and mailing expenses, except that
4 with the ~~commissioner's~~ department's approval payment may be made at reasonable
5 rates for printing costs and for legal and other professional fees for services actually
6 rendered. All expenses of the conversion, including the expenses incurred by the
7 ~~commissioner~~ department and the prorated salaries of any ~~insurance office~~
8 department staff members involved, shall be borne by the corporation being
9 converted.

10 **SECTION 238.** 611.76 (3) (a) (intro.) of the statutes is amended to read:

11 611.76 (3) (a) *Application.* (intro.) The board shall file with the ~~commissioner~~
12 department the resolution and any additional documents and information he or she
13 reasonably requires, whereupon the ~~commissioner~~ department shall order
14 examination and appraisal of the corporation, unless ~~he or she~~ the department finds
15 that:

16 **SECTION 239.** 611.76 (6) (b) of the statutes is amended to read:

17 611.76 (6) (b) With regard to a mutual life insurance company, the notice, the
18 plan or a summary of the plan, and any comments under par. (a) shall also be mailed
19 to the ~~commissioner~~ insurance regulatory authority of every jurisdiction in which the
20 mutual life insurance company is authorized to do any business.

21 **SECTION 240.** 611.76 (6) (c) of the statutes is amended to read:

22 611.76 (6) (c) Any policyholder under par. (a) and any ~~commissioner~~ insurance
23 regulatory authority under par. (b) may present written or oral statements at the
24 hearing and may present written statements within a period after the hearing
25 specified by the ~~commissioner~~ department. The ~~commissioner~~ department shall

1 take statements presented under this paragraph into consideration in making the
2 determination under sub. (7).

3 **SECTION 241.** 611.76 (7) (a) of the statutes is amended to read:

4 611.76 (7) (a) The ~~commissioner~~ department shall approve the plan of
5 conversion unless ~~he or she~~ the department finds that the plan violates the law or
6 is contrary to the interests of policyholders or the public.

7 **SECTION 242.** 611.76 (10) of the statutes is amended to read:

8 611.76 (10) EXPENSES. The corporation may not pay compensation of any kind
9 to any person other than regular salaries to existing personnel, in connection with
10 the proposed conversion, other than for clerical and mailing expenses, except that
11 with the ~~commissioner's~~ department's approval payment may be made at reasonable
12 rates for printing costs and for legal and other professional fees for services actually
13 rendered. All expenses of the conversion, including the expenses incurred by the
14 ~~commissioner~~ department and the prorated salaries of any ~~insurance office~~
15 department staff members involved, shall be borne by the corporation being
16 converted.

17 **SECTION 243.** 611.76 (11) of the statutes is amended to read:

18 611.76 (11) SECURITY REGULATION. The filing with the ~~division of securities~~
19 department of a certified copy of the plan of conversion as approved by the
20 ~~commissioner~~ department constitutes registration under s. 551.305 of the securities
21 authorized to be issued thereunder.

22 **SECTION 244.** 611.77 (1) of the statutes is amended to read:

23 611.77 (1) ASSESSABLE TO NONASSESSABLE. Whenever an assessable mutual
24 accumulates enough surplus to satisfy the financial requirements for the operation
25 of a nonassessable mutual under like conditions, it may apply for a certificate of

1 authority authorizing it to sell nonassessable policies. The ~~commissioner~~
2 department shall issue a certificate of authority designating it a nonassessable
3 mutual if ~~he or she~~ the department finds that the applicant satisfies the
4 requirements of the law and that the issuance of nonassessable policies will not
5 endanger the interests of its insureds or the public. Policies issued thereafter shall
6 be nonassessable; existing policies shall continue in effect and shall also become
7 nonassessable.

8 **SECTION 245.** 611.77 (2) of the statutes is amended to read:

9 611.77 (2) NONASSESSABLE TO ASSESSABLE. A nonassessable mutual may apply
10 to the ~~commissioner~~ department for a certificate of authority designating it an
11 assessable mutual. The ~~commissioner~~ department shall issue the certificate if the
12 law permits such a corporation to issue assessable policies and if ~~he or she~~ the
13 department finds that the conversion will not endanger the interests of present or
14 future insureds or of the public. All policies issued after conversion shall be
15 assessable, and all policies in effect on the date of conversion shall be assessable
16 except to the extent that there is a contract right then existing not to be assessed.

17 **SECTION 246.** 612.01 (4) of the statutes is amended to read:

18 612.01 (4) APPLICABLE DEFINITIONS. The definitions in ss. 181.0103 (3) and (18),
19 600.03, and 610.01 (1), and (2) and (4) apply to town mutuals.

20 **SECTION 247.** 612.02 (6) (intro.) of the statutes is amended to read:

21 612.02 (6) CERTIFICATE OF AUTHORITY. (intro.) The ~~commissioner~~ department
22 shall issue a certificate of authority if ~~he or she~~ the department:

23 **SECTION 248.** 612.04 (2) of the statutes is amended to read:

24 612.04 (2) APPROVAL REQUIRED. No change in the articles or bylaws or in the
25 business plan is effective until approved by the ~~commissioner~~ department, nor may

1 a town mutual depart from its business plan except with the ~~commissioner's~~
2 department's approval. No change may be made inconsistent with s. 612.02 (2).
3 Section 181.1008 applies to town mutuals.

4 **SECTION 249.** 612.04 (3) (intro.) of the statutes is amended to read:

5 612.04 (3) GROUNDS FOR DISAPPROVAL. (intro.) The ~~commissioner~~ department
6 shall approve the change unless ~~he or she~~ the department finds, after a hearing, that
7 it would be:

8 **SECTION 250.** 612.11 (3) of the statutes is amended to read:

9 612.11 (3) ~~COMMISSIONER'S~~ DEPARTMENT'S RIGHT TO ATTEND. The ~~commissioner~~
10 department or the department's representative may attend any meeting of members.

11 **SECTION 251.** 612.21 (3) of the statutes is amended to read:

12 612.21 (3) APPROVAL BY ~~COMMISSIONER~~ DEPARTMENT. Each of the participating
13 town mutuals shall file with the ~~commissioner~~ department for approval a copy of the
14 resolution and any explanatory statement proposed to be issued to the members,
15 together with so much of the information under s. 612.02 (4) for the surviving or new
16 town mutual as the ~~commissioner~~ department reasonably requires. The
17 ~~commissioner~~ department shall approve the plan unless ~~he or she~~ the department
18 finds, after a hearing, that it would be contrary to the law, or that the surviving or
19 new town mutual would not satisfy the requirements for a certificate of authority
20 under s. 612.02 (6), or that the plan would be contrary to the interests of insureds or
21 of the public.

22 **SECTION 252.** 612.22 (3) (a) of the statutes is amended to read:

23 612.22 (3) (a) Each of the participating corporations shall file with the
24 ~~commissioner~~ department for approval a copy of the resolution and any explanatory
25 material proposed to be issued to the members who have the right to vote on the

1 merger under sub. (4), together with so much of the information under s. 611.13 (2)
2 or 612.02 (4), whichever is appropriate, for the surviving or new corporation as the
3 ~~commissioner~~ department reasonably requires. The ~~commissioner~~ department shall
4 approve the plan unless ~~he or she~~ the department finds, after a hearing, that it would
5 be contrary to the law, or that the surviving or new corporation would not satisfy the
6 requirements for a certificate of authority under s. 611.20 or 612.02 (6), whichever
7 is appropriate, or that the plan would be contrary to the interest of insureds or of the
8 public.

9 **SECTION 253.** 612.25 (3) of the statutes is amended to read:

10 612.25 (3) APPROVAL BY MEMBERS AND ~~COMMISSIONER~~ DEPARTMENT. The plan shall
11 thereupon be submitted to the members. If the members adopt the plan, the
12 corporation shall file with the ~~commissioner~~ department for approval a copy of the
13 resolution of the members, stating the number of members entitled to vote, the
14 number of members voting and the number of votes cast in favor of the plan, stating
15 separately the mail votes and the votes cast in person. The ~~commissioner~~
16 department shall approve the plan unless ~~he or she~~ the department finds, after a
17 hearing, that the town mutual is insolvent or may become insolvent in the process
18 of dissolution unless it makes an assessment. If an assessment would be required,
19 the ~~commissioner~~ department shall institute proceedings under s. 645.41 (10).

20 **SECTION 254.** 612.31 (2) (c) of the statutes is amended to read:

21 612.31 (2) (c) *Limitations by rule.* The ~~commissioner~~ department may by rule
22 exclude any insurance authorized under sub. (1) or (3) if ~~he or she~~ the department
23 finds that it cannot be successfully transacted by town mutuals without endangering
24 the interests of insureds or the public.

25 **SECTION 255.** 612.33 (2) (b) of the statutes is amended to read:

1 612.33 (2) (b) *Nonproperty insurance.* To the extent that a town mutual
2 provides insurance under s. 612.31 (3), it shall obtain reinsurance of at least a 90%
3 proportional share of each risk with an insurer authorized to do such business in this
4 state. The ~~commissioner~~ department may permit a town mutual to retain a larger
5 percentage if ~~he or she~~ the department finds that the interests of the members will
6 not be endangered thereby, or may require it to reinsure a larger percentage if he or
7 she finds that the interests of the members make it advisable. The ~~commissioner~~
8 department may by rule require other reinsurance.

9 **SECTION 256.** 612.33 (2) (e) of the statutes is amended to read:

10 612.33 (2) (e) *Approval of reinsurance contract.* Every reinsurance contract
11 required under this subsection shall be on a form approved by the ~~commissioner~~
12 department under s. 612.51. The ~~commissioner~~ department shall approve the form
13 unless ~~he or she~~ the department finds that it would be contrary to the law or to the
14 interests of insureds or the public.

15 **SECTION 257.** 612.34 (2) of the statutes is amended to read:

16 612.34 (2) CLASSIFICATIONS. No classification plan for the purpose of
17 determining premiums or assessment shares may be used unless it has been
18 approved by the ~~commissioner~~ department. The ~~commissioner~~ department shall
19 approve the plan unless ~~he or she~~ the department finds that it would be contrary to
20 the law, including the standards of s. 625.11, or contrary to the interests of insureds
21 or of the public.

22 **SECTION 258.** 613.01 (8) of the statutes is repealed.

23 **SECTION 259.** 613.19 (5) of the statutes is amended to read:

24 613.19 (5) REDUCTION OF MINIMUM SURPLUS. The ~~commissioner~~ department may
25 by order reduce the minimum amounts of surplus required under subs. (1) and (2)

1 if in the ~~commissioner's~~ department's opinion the extent and nature of providers'
2 contracts under sub. (3), financial guarantees and other support by financially sound
3 private or public corporations, a pressing social need in a particular community for
4 the formation of a service insurance corporation, or other special circumstances,
5 justify the proposed reduction in the required surplus. A person who will directly
6 compete with the proposed insurer is aggrieved within the meaning of s. 601.62 (3)
7 (a).

8 **SECTION 260.** 613.31 (2) of the statutes is amended to read:

9 613.31 (2) APPROVAL BY ~~COMMISSIONER~~ DEPARTMENT. Securities of a service
10 insurance corporation may not be registered under ch. 551 without prior approval
11 of the ~~commissioner of insurance~~ department.

12 **SECTION 261.** 613.41 (2) of the statutes is amended to read:

13 613.41 (2) ATTENDANCE AT MEETINGS. The ~~commissioner~~ department or the
14 department's representative may attend any members' or policyholders' meeting.

15 **SECTION 262.** 613.72 (2) of the statutes is amended to read:

16 613.72 (2) ~~COMMISSIONER'S~~ DEPARTMENT'S APPROVAL REQUIRED. No proposed
17 merger plan under this section may be submitted to the members until the
18 ~~commissioner~~ department approves it.

19 **SECTION 263.** 613.74 (3) of the statutes is amended to read:

20 613.74 (3) CONVERSION TO INVOLUNTARY LIQUIDATION. The corporation may at
21 any time during the liquidation under ss. 181.1401 to 181.1407 apply to the
22 ~~commissioner~~ department to have the liquidation continued under the
23 ~~commissioner's~~ department's supervision; thereupon the ~~commissioner~~ department
24 shall apply to the court for liquidation under s. 645.41 (10).

25 **SECTION 264.** 614.01 (6) of the statutes is amended to read:

1 614.01 (6) The definitions in ss. 181.0103 (3), (17), and (18), 600.03, and 610.01
2 (1), and 2 and (4) apply to fraternal.

3 **SECTION 265.** 614.09 of the statutes is amended to read:

4 **614.09 Reservation of corporate name.** Sections 181.0402 and 181.0403
5 (2), (3) and (3m) apply to fraternal, ~~except that “department” shall be read~~
6 ~~“commissioner”.~~

7 **SECTION 266.** 614.19 (4) of the statutes is amended to read:

8 614.19 (4) REDUCTION OF MINIMUM SURPLUS. ~~The commissioner~~ department may,
9 by order, reduce the minimum amounts of surplus required under subs. (1) and (2)
10 if in the ~~commissioner’s~~ department’s opinion the extent and nature of providers’
11 contracts, financial guarantees and other support by financially sound private or
12 public corporations, a pressing social need in a particular community for the
13 formation of a fraternal to provide needed insurance coverage, or other special
14 circumstances, justify the proposed reduction in the required surplus. A person who
15 will directly compete with the proposed fraternal is aggrieved within the meaning
16 of s. 601.62 (3) (a).

17 **SECTION 267.** 614.73 (5) of the statutes is amended to read:

18 614.73 (5) PROCEDURE FOR NONDOMESTIC FRATERNALS. Where a nondomestic
19 fraternal is a party to the proposed contract, the parties shall follow the procedure
20 for domestic fraternal under subs. (3) and (4), but the ~~commissioner~~ department
21 may not issue a certificate of compliance until the parties file a certificate that the
22 proposed contract has been approved in the manner provided by the laws of the
23 jurisdiction under which the fraternal is incorporated, or, if such laws contain no
24 procedure for approval, that the proposed contract has been approved by the
25 ~~commissioner of insurance~~ insurance regulatory authority for that jurisdiction.

1 **SECTION 268.** 614.74 (2) of the statutes is amended to read:

2 614.74 (2) CONVERSION TO INVOLUNTARY LIQUIDATION. The fraternal may at any
3 time during the liquidation under ss. 181.1401 to 181.1407 apply to the
4 ~~commissioner~~ department to have the liquidation continued under the
5 ~~commissioner's~~ department's supervision; thereupon the ~~commissioner~~ department
6 shall apply to the court for liquidation under s. 645.41 (10).

7 **SECTION 269.** 614.76 (4) of the statutes is amended to read:

8 614.76 (4) APPROVAL BY MEMBERS. After being approved by the ~~commissioner~~
9 department, the plan shall be submitted for approval to the persons who were voting
10 members on the date of the ~~commissioner's~~ department's approval under sub. (3).
11 At least a majority of the votes cast must be in favor of the plan, or a larger number
12 if required by the laws of the fraternal.

13 **SECTION 270.** 614.76 (8) of the statutes is amended to read:

14 614.76 (8) EXPENSES. The corporation may not pay compensation of any kind
15 to existing personnel, in connection with the proposed conversion, other than regular
16 salaries. With the ~~commissioner's~~ department's approval, payment may be made at
17 reasonable rates for printing costs and for legal and other professional fees for
18 services actually rendered. All expenses of the conversion, including the expenses
19 incurred by the ~~commissioner~~ department and the prorated salaries of any ~~insurance~~
20 ~~office~~ department staff members involved, shall be borne by the corporation being
21 converted.

22 **SECTION 271.** 616.09 (1) (c) 2. of the statutes is amended to read:

23 616.09 (1) (c) 2. In all actions commenced after May 11, 1980, but before July
24 1, 2015, in those provisions of ch. 185 which apply under subd. 1. to plans authorized
25 under s. 616.06, "department" shall be deemed to read "department of financial

1 institutions and commissioner”, except in s. 185.48, where “department” shall be
2 deemed to read “commissioner”.

3 **SECTION 272.** 616.09 (1) (c) 2. of the statutes is repealed.

4 **SECTION 273.** 616.50 (3) of the statutes is repealed.

5 **SECTION 274.** 616.54 (7) (b) 2. of the statutes is amended to read:

6 616.54 (7) (b) 2. An irrevocable letter of credit that is from a bank properly
7 chartered by the federal government or any state, that is acceptable to the
8 ~~commissioner~~ department, and that is issued for a term of at least 5 years with
9 provision for renewal 2 years before termination. The letter of credit shall be payable
10 to the ~~commissioner~~ department or the ~~commissioner's~~ department's designee for the
11 benefit of Wisconsin consumers upon a finding by the ~~commissioner~~ department that
12 a provider is insolvent or financially impaired and unable to meet its obligations
13 under service contracts issued in Wisconsin. The provider shall notify the
14 ~~commissioner~~ department in writing of the nonrenewal of a letter of credit within 30
15 days after receiving a notice of nonrenewal. No provider whose letter of credit has
16 been nonrenewed may offer or sell or renew any service contract on or after the date
17 of nonrenewal until the provider obtains security satisfying the requirements of this
18 subsection or satisfies the requirements of sub. (6).

19 **SECTION 275.** 616.56 (3) of the statutes is amended to read:

20 616.56 (3) Service contracts shall contain the following statement printed in
21 bold and capitalized type: “THIS CONTRACT IS SUBJECT TO LIMITED
22 REGULATION BY THE OFFICE OF ~~THE COMMISSIONER OF INSURANCE~~
23 DEPARTMENT OF FINANCIAL INSTITUTIONS, INSURANCE, AND
24 PROFESSIONAL STANDARDS.”

25 **SECTION 276.** 616.62 (2) of the statutes is amended to read:

1 616.62 (2) The ~~commissioner~~ department may take any action under ss. 601.41
2 and 601.61 to 601.73 that is necessary or appropriate to enforce the provisions of this
3 subchapter and the ~~commissioner's~~ department's rules and orders and to protect
4 service contract holders in this state. The ~~commissioner~~ department may subject a
5 provider to any reporting and replying requirement under s. 601.42.

6 **SECTION 277.** 616.71 (4) of the statutes is repealed.

7 **SECTION 278.** 616.74 (1) (c) of the statutes is amended to read:

8 616.74 (1) (c) A certificate from the department of ~~financial institutions~~, if it
9 is a nonprofit corporation, that it has complied with the corporation laws of this state;
10 if it is a corporation the stock of which has been or is being sold to the general public,
11 a certificate from the ~~division of securities~~ department that it has complied with the
12 requirements of the securities law of this state.

13 **SECTION 279.** 617.11 (5) of the statutes is amended to read:

14 617.11 (5) CONSENT TO JURISDICTION. Every insurer authorized to do business
15 in this state shall promptly submit to the ~~commissioner~~ department a statement
16 from each of its affiliates that owns stock in the insurer either directly or through
17 intermediaries, that controls the insurer or that is a party to any transaction,
18 dividend or distribution that the insurer is required to report under s. 617.21, to the
19 effect that the affiliate agrees to be subject to the jurisdiction of the ~~commissioner~~
20 department and the courts of this state for the purposes of this chapter. The
21 ~~commissioner~~ department may by rule require that such statements be submitted
22 for other classes of affiliates if ~~he or she~~ the department finds that the interests of
23 policyholders or the public so require.

24 **SECTION 280.** 617.215 (3) of the statutes is amended to read:

1 617.215 (3) PAYMENT OF EXPENSES. All insurers to which this section applies are
2 liable for and shall pay the reasonable expenses related to the ~~commissioner's~~
3 department's participation in supervisory colleges, including reasonable travel
4 expenses. The ~~commissioner~~ department may impose a regular assessment on
5 insurers to cover the expenses.

6 **SECTION 281.** 617.215 (4) of the statutes is amended to read:

7 617.215 (4) NOT DELEGATION OF AUTHORITY. Nothing in this section delegates to
8 a supervisory college the authority of the ~~commissioner~~ department to regulate or
9 supervise an insurer or its affiliates within the ~~commissioner's~~ department's
10 jurisdiction.

11 **SECTION 282.** 618.11 (14) of the statutes is amended to read:

12 618.11 (14) Authorization to the ~~commissioner or office~~ department to make
13 inquiry of any person about the applicant, its manager under a management
14 contract, its attorney in fact, its general agents, and any of the officers, directors or
15 shareholders of any of them designated by the ~~commissioner or office~~ department,
16 and agreement by the applicant and any other persons so designated that in the
17 absence of actual malice, no communication made in response to any such inquiry
18 will subject the persons making it to an action for damages for the communication
19 brought by the applicant or the designated person or a legal representative of either.
20 No such action shall lie whether such agreement is made or not.

21 **SECTION 283.** 618.12 (4) of the statutes is amended to read:

22 618.12 (4) ALTERATION OF CERTIFICATE. An insurer may at any time apply to the
23 ~~commissioner~~ department for a new certificate of authority, removing, altering or
24 adding limits on its business or methods of operation. The application shall be
25 accompanied by so much of the information under s. 618.11 as the ~~commissioner~~

1 department reasonably requires. The ~~commissioner~~ department shall issue the new
2 certificate as requested if ~~he or she~~ the department would do so if an initial
3 application were being made.

4 **SECTION 284.** 618.21 (2) (b) of the statutes is amended to read:

5 618.21 (2) (b) *Corporate reorganization or transformation.* When any corporate
6 reorganization, transformation, or liquidation of a nondomestic insurer is proposed
7 by it or approved by the domiciliary ~~commissioner~~ insurance regulatory authority or
8 by another official act, notice shall be given to the ~~commissioner~~ department
9 promptly.

10 **SECTION 285.** 618.22 (2) (intro.) of the statutes is amended to read:

11 618.22 (2) DISAPPROVAL. (intro.) The ~~commissioner~~ department shall
12 disapprove a contract under sub. (1) or s. 611.67 if ~~he or she~~ the department finds
13 that:

14 **SECTION 286.** 618.23 (2) of the statutes is amended to read:

15 618.23 (2) SUBSTITUTE FOR THE LIABILITY UNDER SUB. (1) (B). Where the liability
16 of subscribers does not satisfy sub. (1) (b), the ~~commissioner~~ department may
17 nevertheless authorize an assessable reciprocal if ~~he or she~~ the department is
18 satisfied that practices are actually followed by the attorney in fact which ensure the
19 capacity and willingness of all subscribers to pay assessments if called upon to do so,
20 or which otherwise ensure the solidity of the operation.

21 **SECTION 287.** 618.26 (2) (b) of the statutes is amended to read:

22 618.26 (2) (b) *Corporate reorganization or transformation.* When any corporate
23 reorganization, transformation, or liquidation of a nondomestic fraternal, or any
24 levy to cover a deficiency under a law comparable to s. 614.19 (3), is proposed by it

1 or approved by the domiciliary ~~commissioner~~ insurance regulatory authority or by
2 another official act, notice shall be given to the ~~commissioner~~ department promptly.

3 **SECTION 288.** 618.36 (3) (intro.) of the statutes is amended to read:

4 618.36 (3) RELEASE ORDER. (intro.) The ~~commissioner~~ department shall release
5 the insurer from regulation if ~~he or she~~ the department finds:

6 **SECTION 289.** 618.36 (4) of the statutes is amended to read:

7 618.36 (4) NOTIFICATION OR PUBLICATION. The ~~commissioner~~ department may,
8 before deciding on the release, require the insurer to notify all agents or other classes
9 of potentially interested persons in a manner ~~he or she~~ the department prescribes,
10 or in a manner ~~he or she~~ the department prescribes to publish at its own expense its
11 intention to withdraw. The notice shall advise affected persons to communicate to
12 the ~~commissioner~~ department any objections they may have to the withdrawal.

13 **SECTION 290.** 618.39 (3) (a) (intro.) of the statutes is amended to read:

14 618.39 (3) (a) (intro.) The ~~office~~ department may by rule promulgate standards
15 for any of the following:

16 **SECTION 291.** 618.39 (3) (b) of the statutes is amended to read:

17 618.39 (3) (b) Notwithstanding par. (a) 1., it is not necessary for the ~~office~~
18 department to promulgate a rule under par. (a) 1. to establish that a person violated
19 sub. (1).

20 **SECTION 292.** 618.41 (6) (d) of the statutes is amended to read:

21 618.41 (6) (d) *Evaluations.* The ~~commissioner~~ department may issue lists of
22 unauthorized nondomestic insurers whose solidity he or she believes to be doubtful
23 or whose practices ~~he or she~~ the department believes to be objectionable. The
24 ~~commissioner~~ department may issue lists of unauthorized nondomestic insurers ~~he~~
25 ~~or she~~ the department believes to be reliable and solid. The ~~commissioner~~

1 department may also issue other relevant evaluations of unauthorized insurers. No
2 action may lie against the ~~commissioner~~ department, secretary, or any employee of
3 the ~~office~~ department for anything said in the issuance of such lists and evaluations.

4 **SECTION 293.** 618.416 (1) (b) of the statutes is amended to read:

5 618.416 (1) (b) Either the unauthorized insurer has capital and surplus or its
6 equivalent under the laws of its domiciliary jurisdiction that equals the greater of
7 either the minimum capital and surplus requirements under the laws of this state
8 or \$15,000,000 or the ~~commissioner~~ department affirmatively finds that the
9 unauthorized insurer's capital and surplus are acceptable. The ~~commissioner's~~
10 department's finding shall be based on factors that include quality of management,
11 capital and surplus of any parent company, company underwriting profit and
12 investment income trends, market availability, and company record and reputation
13 within the industry. In no event may the ~~commissioner~~ department find that the
14 unauthorized insurer's capital and surplus are acceptable if the unauthorized
15 insurer's capital and surplus are less than \$4,500,000.

16 **SECTION 294.** 618.42 (2) of the statutes is amended to read:

17 618.42 (2) REPORTS AND TAXATION. Every policyholder who procures or renews
18 insurance otherwise subject to chs. 600 to 646 and 655 from any insurer not
19 authorized to do business in this state, other than insurance procured under s.
20 618.41 and the renewal of guaranteed renewable insurance lawfully issued outside
21 this state, shall within 60 days after the insurance procured or renewed report to the
22 ~~commissioner~~ department in such form as ~~he or she~~ the department requires and pay
23 the taxes specified by s. 618.43.

24 **SECTION 295.** 618.61 (3) of the statutes is amended to read:

1 **618.61 (3) ENFORCEMENT OF WISCONSIN DECREES OR ORDERS.** The attorney
2 general upon request of the ~~commissioner~~ department may proceed in the courts of
3 this state or any other state to enforce an order or decision issued in this state in any
4 court proceeding or in any administrative proceeding before the ~~insurinee~~
5 ~~commissioner~~ department.

 ****NOTE: Both ss. 618.47 and 618.61 (3) mention administrative proceedings
before the commissioner (which I've changed to department). I assume there will still be
administrative proceedings before the department and that not all will be before the
division of hearings and appeals. If that is not the case, do ss. 618.47 and 618.61 (3) need
to reference the division of hearings and appeals instead of the department?

6 **SECTION 296.** 619.01 (1) (a) of the statutes is amended to read:

7 619.01 (1) (a) *Establishment of plans.* If the ~~commissioner~~ department finds
8 after a hearing that in any part of this state automobile insurance, property
9 insurance, health care liability insurance, liability insurance but not to include
10 coverage for risks that are determined to be uninsurable, worker's compensation
11 insurance, insurance coverage for foster homes, or insurance coverage for group
12 homes is not readily available in the voluntary market, and that the public interest
13 requires that availability, the ~~commissioner~~ department may by rule either
14 promulgate plans to provide such insurance coverages for any risks in this state that
15 are equitably entitled to, but otherwise unable to obtain, that coverage, or may call
16 upon the insurance industry to prepare plans for the ~~commissioner's~~ department's
17 approval.

18 **SECTION 297.** 619.04 (3) of the statutes is amended to read:

19 619.04 (3) The plan shall operate subject to the supervision and approval of a
20 board of governors consisting of 3 representatives of the insurance industry
21 appointed by and to serve at the pleasure of the ~~commissioner~~ secretary, a person to
22 be named by the State Bar Association, a person to be named by the Wisconsin

1 Academy of Trial Lawyers, 2 persons to be named by the Wisconsin Medical Society,
2 a person to be named by the Wisconsin Hospital Association, the ~~commissioner~~
3 secretary or a designated representative employed by the ~~office of the commissioner~~
4 department, and 4 public members at least 2 of whom are not attorneys or physicians
5 and are not professionally affiliated with any hospital or insurance company,
6 appointed by the governor for staggered 3-year terms. The ~~commissioner or the~~
7 ~~commissioner's~~ secretary or the secretary's representative shall be the chairperson
8 of the board of governors. Board members shall be compensated at the rate of \$50
9 per diem plus actual and necessary travel expenses.

10 **SECTION 298.** 622.03 (1) of the statutes is amended to read:

11 622.03 (1) "Guidance manual" means the most current version of the Own Risk
12 and Solvency Assessment Guidance Manual developed and adopted by the National
13 Association of Insurance Commissioners as of January 1, 2015, subject to the
14 adoption of any amendments by the ~~commissioner~~ department under s. 601.415 (11).

15 **SECTION 299.** 622.09 (1) (intro.) and (a) 2. of the statutes are amended to read:

16 622.09 (1) ~~FILING WITH THE COMMISSIONER~~ DEPARTMENT. (intro.) An insurer must
17 file with the ~~commissioner~~ department a summary report or any combination of
18 reports that together contain the information described in the guidance manual
19 applicable to the insurer and, if applicable, the insurance holding company system
20 of which the insurer is a member as follows:

21 (a) 2. The insurer is a member of an insurance holding company system and
22 the ~~commissioner~~ secretary is the lead state ~~commissioner~~ insurance regulator.

23 **SECTION 300.** 622.09 (1) (b) (intro.) of the statutes is amended to read:

1 622.09 (1) (b) (intro.) Within 45 days after the date on which the final summary
2 report is filed with the ~~commissioner~~ insurance regulator of the insurer's lead state
3 if all of the following apply:

4 **SECTION 301.** 622.09 (1) (b) 2. of the statutes is amended to read:

5 622.09 (1) (b) 2. The insurer is a member of an insurance holding company
6 system for which the ~~commissioner~~ secretary is not the lead state ~~commissioner~~
7 insurance regulator.

8 **SECTION 302.** 622.09 (3) of the statutes is amended to read:

9 622.09 (3) ALTERNATE FILING. An insurer may satisfy sub. (1) by providing the
10 most recent summary report provided by the insurer or another member of the
11 insurance holding company system of which the insurer is a member to the
12 ~~commissioner~~ insurance regulator of another state or to a supervisor or regulator of
13 a jurisdiction not located in the United States or any of its territories, if that
14 summary report provides information that is substantially comparable to the
15 information described in the guidance manual. Any such summary report in a
16 language other than English must be accompanied by a translation of that summary
17 report into English.

18 **SECTION 303.** 622.11 (3) of the statutes is amended to read:

19 622.11 (3) WAIVER. An insurer that does not qualify for exemption under sub.
20 (1) may apply to the ~~commissioner~~ department for a waiver from the requirements
21 of this chapter. In determining whether to grant the waiver, the ~~commissioner~~
22 department may consider the type and volume of business written by the insurer, the
23 ownership and organizational structure of the insurer, and any other factor the
24 ~~commissioner~~ department considers relevant to the insurer or insurance holding
25 company system of which the insurer is a member. If the insurer is part of an

1 insurance holding company system that includes insurers domiciled in more than
2 one state, the ~~commissioner~~ department shall coordinate with the ~~commissioner~~
3 insurance regulator of the lead state and with the ~~commissioners~~ insurance
4 regulators of each of the other states in which insurer members of the insurance
5 holding company system are domiciled in determining whether to grant the insurer's
6 request for a waiver.

7 **SECTION 304.** 622.11 (4) of the statutes is amended to read:

8 622.11 (4) WITHDRAWAL OF EXEMPTION OR WAIVER. Notwithstanding subs. (1) and
9 (3), the ~~commissioner~~ department may issue an order requiring an insurer to create
10 and maintain a risk management framework, conduct an own risk and solvency
11 assessment, and file a summary report if either of the following applies:

12 (a) The ~~commissioner~~ department finds that the insurer's unique
13 circumstances, including the type and volume of business written, the ownership
14 and organizational structure, federal agency requests, or international supervisor
15 requests, warrant withdrawal of the exemption or waiver. If the ~~commissioner~~
16 department withdraws the exemption or waiver, the insurer or the insurance holding
17 company system is subject to the requirement under s. 622.09 until the ~~commissioner~~
18 department reinstates the exemption under sub. (1) or the waiver under sub. (3).

19 (b) The insurer has a risk-based capital company action level event, as defined
20 in s. Ins 51.01 (4), Wis. Adm. Code, meets one or more of the standards for an insurer
21 in hazardous financial condition as described in s. 623.11, 645.31, or 645.41, or
22 otherwise exhibits qualities of a troubled insurer as determined by the ~~commissioner~~
23 department.

24 **SECTION 305.** 622.13 (1) of the statutes is amended to read:

1 622.13 (1) PREPARATION. The summary report shall be prepared consistently
2 with the guidance manual. Documentation and supporting information shall be
3 maintained and made available upon examination or upon request of the
4 ~~commissioner~~ department.

5 **SECTION 306.** 622.13 (2) of the statutes is amended to read:

6 622.13 (2) REVIEW. The ~~commissioner's~~ department's review of the summary
7 report, and any additional requests for information, shall be made using similar
8 procedures used in the analysis and examination of multistate or global insurers and
9 insurance holding company systems.

10 **SECTION 307.** 622.15 (1) of the statutes is amended to read:

11 622.15 (1) CONFIDENTIAL TREATMENT. Documents, materials, or other
12 information, including summary reports, in the possession or control of the
13 ~~commissioner~~ department that are obtained by, created by, or disclosed to the
14 ~~commissioner~~ department or any other person under this chapter, are confidential
15 and privileged, are not subject to inspection or copying under s. 19.35 (1), are not
16 subject to subpoena, and are not subject to discovery or admissible in evidence in any
17 private civil action. The ~~commissioner~~ department is authorized to use the
18 documents, materials, or other information in the ~~commissioner's~~ department's
19 regulation of the insurer or insurance holding company system but may not make the
20 documents, materials, or other information public without the prior written consent
21 of the insurer.

22 **SECTION 308.** 622.15 (2) of the statutes is amended to read:

23 622.15 (2) PROHIBITION ON TESTIMONY. Neither the ~~commissioner~~ department
24 nor any person who received documents, materials, or other information related to
25 own risk and solvency assessments, through examination or otherwise, while acting

1 under the authority of the ~~commissioner~~ department or with whom such documents,
2 materials, or other information are shared in accordance with this chapter, may
3 testify in any private civil action concerning any confidential documents, materials,
4 or information subject to sub. (1).

5 **SECTION 309.** 622.15 (3) (intro.) of the statutes is amended to read:

6 622.15 (3) PERMITTED DISCLOSURES. (intro.) In furtherance of the performance
7 of the ~~commissioner's~~ department's regulatory duties, all of the following apply:

8 **SECTION 310.** 622.15 (3) (a) of the statutes is amended to read:

9 622.15 (3) (a) The ~~commissioner~~ department may, upon request, share
10 documents, materials, or other information related to own risk and solvency
11 assessments, including the confidential and privileged documents, materials, or
12 information subject to sub. (1), including proprietary and trade secret documents
13 and materials, with other state, federal, and international financial regulatory
14 agencies, including members of any supervisory college as described in s. 617.215,
15 with the National Association of Insurance Commissioners, and with any 3rd-party
16 consultants designated by the ~~commissioner~~ department, provided that the recipient
17 agrees in writing to maintain the confidentiality and privileged status of the
18 documents, materials, or other information required by this section related to own
19 risk and solvency assessments and has verified in writing its legal authority to
20 maintain confidentiality.

21 **SECTION 311.** 622.15 (3) (b) of the statutes is amended to read:

22 622.15 (3) (b) The ~~commissioner~~ department may receive documents,
23 materials, or other information related to own risk and solvency assessments,
24 including otherwise confidential and privileged documents, materials, or
25 information, including proprietary and trade secret information or documents, from

1 regulatory officials of other jurisdictions, including members of any supervisory
2 college as described in s. 617.215, and from the National Association of Insurance
3 Commissioners, and shall maintain as confidential or privileged any document,
4 material, or information received with notice or the understanding that it is
5 confidential or privileged under the laws of the jurisdiction that is the source of the
6 document, material, or information.

7 **SECTION 312.** 622.15 (3) (c) (intro.) of the statutes is amended to read:

8 622.15 (3) (c) (intro.) The ~~commissioner~~ department shall enter into a written
9 agreement with the National Association of Insurance Commissioners or any 3rd
10 party consulted formally or informally by the ~~commissioner~~ department governing
11 the sharing and use of information provided under this chapter, consistent with this
12 subsection, that does all of the following:

13 **SECTION 313.** 622.15 (3) (c) 2. of the statutes is amended to read:

14 622.15 (3) (c) 2. Specifies that ownership of information shared with the
15 National Association of Insurance Commissioners or 3rd-party consultants in
16 accordance with this chapter remains with the ~~commissioner~~ department and that
17 the use of the information by the National Association of Insurance Commissioners,
18 regulatory officials, or 3rd-party consultants is subject to the direction of the
19 ~~commissioner~~ department.

20 **SECTION 314.** 622.15 (3) (d) of the statutes is amended to read:

21 622.15 (3) (d) The sharing of information and documents by the ~~commissioner~~
22 department under this chapter does not constitute a delegation of regulatory
23 authority or rule making, and the ~~commissioner~~ department is solely responsible for
24 the administration, execution, and enforcement of the provisions of this chapter.

25 **SECTION 315.** 622.15 (3) (e) of the statutes is amended to read:

1 622.15 (3) (e) No waiver of any applicable privilege or claim of confidentiality
2 in the documents, proprietary and trade secret materials, or other information
3 related to own risk and solvency assessments obtained or developed under this
4 chapter shall occur as a result of disclosure of such information or documents to the
5 ~~commissioner~~ department under this section or as a result of the ~~commissioner~~
6 department sharing such information or documents as authorized in this section.

7 **SECTION 316.** 623.06 (1m) (b) 2. of the statutes is amended to read:

8 623.06 (1m) (b) 2. An insurance company that is required to submit an opinion
9 under subd. 1. shall have prepared by the qualified actuary who renders the opinion
10 a memorandum in support of the opinion under subd. 1. The ~~commissioner~~
11 department shall specify by rule the form and content of the memorandum. The
12 insurance company shall provide the memorandum to the ~~commissioner~~ secretary,
13 at the ~~commissioner's~~ secretary's request, for his or her examination. After
14 examination, the ~~commissioner~~ secretary shall return the memorandum to the
15 insurance company. The memorandum shall not be considered a record of the
16 ~~commissioner's~~ secretary's office.

17 **SECTION 317.** 623.06 (1m) (b) 3. of the statutes is amended to read:

18 623.06 (1m) (b) 3. If an insurance company fails to provide a supporting
19 memorandum to the ~~commissioner~~ secretary upon request within the period
20 specified by rule, or if the ~~commissioner~~ secretary determines that the supporting
21 memorandum provided by an insurance company fails to meet the standards
22 prescribed by rule or is otherwise unacceptable, the ~~commissioner~~ department may
23 retain a qualified actuary at the expense of the insurance company to review the
24 opinion required under subd. 1. and the basis for the opinion and to prepare such
25 supporting memorandum as the ~~commissioner~~ secretary requires.

1 **SECTION 318.** 623.06 (1m) (f) 3. of the statutes is amended to read:

2 623.06 (1m) (f) 3. A memorandum loses its confidentiality if the insurance
3 company cites any portion of the memorandum for marketing purposes or before any
4 governmental agency other than a state insurance ~~department~~ agency or if the
5 insurance company releases any portion of the memorandum to the news media.

6 **SECTION 319.** 623.06 (2a) (intro.) of the statutes is amended to read:

7 623.06 (2a) (intro.) Except as provided in sub. (2m), the minimum standard for
8 the valuation of all individual annuity and pure endowment contracts issued on or
9 after the operative date of this subsection, as defined in sub. (2b), and for all
10 annuities and pure endowments purchased on or after that operative date under
11 group annuity and pure endowment contracts, shall be the ~~commissioners~~ reserve
12 valuation methods defined in subs. (3) to (4m) and the following tables and interest
13 rates:

14 **SECTION 320.** 623.06 (3) (intro.) of the statutes is amended to read:

15 623.06 (3) (intro.) Except as provided in subs. (4m) and (7), reserves according
16 to the ~~commissioners~~ reserve valuation method, for the life insurance and
17 endowment benefits of policies providing for a uniform amount of insurance and
18 requiring the payment of uniform premiums shall be the excess, if any, of the present
19 value, at the date of valuation, of such future guaranteed benefits provided for by
20 such policies, over the then present value of any future modified net premiums
21 therefor. The modified net premiums for any such policy shall be such uniform
22 percentage of the respective contract premiums for such benefits that the present
23 value, at the date of issue of the policy, of all such modified net premiums shall be
24 equal to the sum of the then present value of such benefits provided for by the policy
25 and the excess of par. (a) over par. (b), as follows:

1 **SECTION 321.** 623.06 (3m) (b) (intro.) of the statutes is amended to read:

2 623.06 (3m) (b) (intro.) Except as provided under sub. (7), any life insurance
3 policy issued on or after January 1, 1984, for which no comparable benefit is provided
4 in the first year for an excess premium and which provides an endowment benefit or
5 a cash surrender value or a combination of both in an amount greater than the excess
6 premium, the reserve according to the ~~commissioners~~ reserve valuation method as
7 of any policy anniversary occurring on or before the assumed ending date is the
8 greater of the reserve on that policy anniversary calculated under sub. (3) and the
9 reserve on that policy anniversary calculated under sub. (3) subject to the following
10 computational assumptions:

11 **SECTION 322.** 623.06 (4) (intro.) of the statutes is amended to read:

12 623.06 (4) (intro.) Reserves according to the ~~commissioners~~ reserve valuation
13 method for the following shall be calculated by a method consistent with the
14 principles of sub. (3), except that any extra premiums charged because of
15 impairments or special hazards shall be disregarded in the determination of
16 modified net premiums:

17 **SECTION 323.** 623.06 (4m) of the statutes is amended to read:

18 623.06 (4m) This subsection applies to all annuity and pure endowment
19 contracts other than group annuity and pure endowment contracts purchased under
20 a retirement plan or plan of deferred compensation, established or maintained by an
21 employer, including a partnership or sole proprietorship, or by an employee
22 organization, or by both, other than a plan providing individual retirement accounts
23 or individual retirement annuities under section 408 of the Internal Revenue Code.
24 Reserves according to the ~~commissioners~~ annuity reserve method for benefits under
25 annuity or pure endowment contracts, excluding any disability and accidental death

1 benefits in such contracts, shall be the greatest of the respective excesses of the
2 present values, at the date of valuation, of the future guaranteed benefits, including
3 guaranteed nonforfeiture benefits, provided for by such contracts at the end of each
4 respective contract year, over the present value, at the date of valuation, of any
5 future valuation considerations derived from future gross considerations, required
6 by the terms of such contract, that become payable prior to the end of such respective
7 contract year. The future guaranteed benefits shall be determined by using the
8 mortality table, if any, and the interest rate specified in such contracts for
9 determining guaranteed benefits. The valuation considerations are the portions of
10 the respective gross considerations applied under the terms of such contracts to
11 determine nonforfeiture values.

12 **SECTION 324.** 625.21 (1) of the statutes is amended to read:

13 625.21 (1) RULE INSTITUTING DELAYED EFFECT. If the ~~commissioner~~ department
14 finds that competition is not an effective regulator of the rates charged or that a
15 substantial number of companies are competing irresponsibly through the rates
16 charged, or that there are widespread violations of this chapter, in any kind or line
17 of insurance or subdivision thereof or in any rating class or rating territory, ~~he or she~~
18 the department may promulgate a rule requiring that in the kind or line of insurance
19 or subdivision thereof or rating class or rating territory comprehended by the finding
20 any subsequent changes in the rates or supplementary rate information be filed with
21 the ~~commissioner~~ department at least 15 days before they become effective. The
22 ~~commissioner~~ department may extend the waiting period for not to exceed 15
23 additional days by written notice to the filer before the first 15-day period expires.

24 **SECTION 325.** 625.23 of the statutes is amended to read:

1 **625.23 Special restrictions on individual insurers.** The ~~commissioner~~
2 ~~department~~ may by order require that a particular insurer file any or all of its rates
3 and supplementary rate information 15 days prior to their effective date, if and to
4 the extent that ~~he or she~~ the department finds, after a hearing, that the protection
5 of the interests of its insureds and the public in this state requires closer supervision
6 of its rates because of the insurer's financial condition or rating practices. The
7 ~~commissioner~~ department may extend the waiting period for any filing for not to
8 exceed 15 additional days by written notice to the insurer before the first 15-day
9 period expires. A filing not disapproved before the expiration of the waiting period
10 shall be deemed to meet the requirements of this chapter, subject to the possibility
11 of subsequent disapproval under s. 625.22.

12 **SECTION 326.** 625.32 (3) of the statutes is amended to read:

13 625.32 (3) GRANTING OF LICENSE. If the ~~commissioner~~ department finds that the
14 applicant and the natural persons through whom it acts are competent, trustworthy,
15 and technically qualified to provide the services proposed, and that all requirements
16 of law are met, ~~he or she~~ the department shall issue a license specifying the
17 authorized activity of the applicant. The ~~commissioner~~ department may not issue
18 a license if the proposed activity would tend to create a monopoly or to lessen or
19 destroy price competition.

20 **SECTION 327.** 626.12 (3) of the statutes is amended to read:

21 626.12 (3) PHYSICAL IMPAIRMENT. Rates or rating plans may not take into
22 account the physical impairment of employees. Any employer who applies or
23 promotes any oppressive plan of physical examination and rejection of employees or
24 applicants for employment shall forfeit the right to experience rating. If the
25 ~~department of workforce development~~ determines that grounds exist for such

1 forfeiture it shall ~~file with the commissioner~~ make a certified copy of its findings,
2 which shall automatically suspend any experience rating credit for the employer.
3 The department shall make the determination ~~as prescribed in the same manner as~~
4 the department of workforce development makes the determinations under ss.
5 103.005 (5) (b) to (f), (6) to (11), (13) (b) to (d) and (16), so far as such subsections are
6 applicable, subject to review under ch. 227. Restoration of an employer to the
7 advantages of experience rating shall be by the same procedure.

8 **SECTION 328.** 626.31 (1) (b) of the statutes is amended to read:

9 626.31 (1) (b) *Representation.* The rating committee shall consist of 10
10 members. Two members of the rating committee shall represent noninsurer,
11 employer interests and shall be appointed by and serve at the pleasure of the
12 governor. Of the remaining 8 members, 4 shall be chosen by stock insurers and 4 by
13 mutual insurers. Both stock and mutual insurers shall be represented equally on all
14 other committees, including the managing committee. Each member of a committee
15 shall have one vote, with the ~~commissioner~~ secretary deciding the matter in the event
16 of a tie.

17 **SECTION 329.** 626.32 (1) (a) of the statutes is amended to read:

18 626.32 (1) (a) *General.* Every insurer writing any insurance specified under
19 s. 626.03 shall report its insurance in this state to the bureau at least annually, on
20 forms and under rules prescribed by the bureau. The bureau shall file, under rules
21 promulgated by the department ~~of workforce development~~, a record of such reports
22 with ~~that~~ the department. No such information may be made public by the bureau
23 or any of its employees except as required by law and in accordance with its rules.
24 No such information may be made public by the department ~~of workforce~~
25 ~~development~~ or any of its employees except as authorized by the bureau.

1 **SECTION 330.** 628.095 (4) (a) of the statutes is amended to read:

2 628.095 (4) (a) The ~~commissioner~~ department of financial institutions,
3 insurance, and professional standards shall disclose a social security number
4 obtained under sub. (1) or (3) to the department of children and families in the
5 administration of s. 49.22, as provided in a memorandum of understanding entered
6 into under s. 49.857.

7 **SECTION 331.** 628.095 (4) (b) of the statutes is amended to read:

8 628.095 (4) (b) The ~~commissioner~~ department of financial institutions,
9 insurance, and professional standards may disclose any information received under
10 sub. (1) or (3) to the department of revenue for the purpose of requesting
11 certifications under s. 73.0301 and to the department of workforce development for
12 the purpose of requesting certifications under s. 108.227.

13 **SECTION 332.** 628.095 (5) of the statutes is amended to read:

14 628.095 (5) IF APPLICANT OR INTERMEDIARY OR NAVIGATOR HAS NO SOCIAL SECURITY
15 NUMBER. If an applicant who is a natural person does not have a social security
16 number, the applicant shall provide to the ~~commissioner~~ department of financial
17 institutions, insurance, and professional standards, along with the application for
18 a license and on a form prescribed by the department of children and families, a
19 statement made or subscribed under oath or affirmation that the applicant does not
20 have a social security number. If an intermediary or navigator who is a natural
21 person does not have a social security number, the intermediary or navigator shall
22 provide to the ~~commissioner~~ department of financial institutions, insurance, and
23 professional standards, each time that the annual fee is paid under s. 601.31 (1) (m)
24 or (nm) 2. and on a form prescribed by the department of children and families, a

1 statement made or subscribed under oath or affirmation that the intermediary or
2 navigator does not have a social security number.

3 **SECTION 333.** 628.097 (1m) of the statutes is amended to read:

4 **628.097 (1m)** FOR FAILURE TO PAY SUPPORT OR TO COMPLY WITH SUBPOENA OR
5 WARRANT. The ~~commissioner~~ department of financial institutions, insurance, and
6 professional standards shall refuse to issue to a natural person a license, including
7 a temporary license, under this subchapter or subch. V if the natural person is
8 delinquent in court-ordered payments of child or family support, maintenance, birth
9 expenses, medical expenses, or other expenses related to the support of a child or
10 former spouse, or if the natural person fails to comply, after appropriate notice, with
11 a subpoena or warrant issued by the department of children and families or a county
12 child support agency under s. 59.53 (5) and related to paternity or child support
13 proceedings, as provided in a memorandum of understanding entered into under s.
14 49.857.

15 **SECTION 334.** 628.097 (2m) of the statutes is amended to read:

16 **628.097 (2m)** FOR LIABILITY FOR DELINQUENT TAXES OR UNEMPLOYMENT INSURANCE
17 CONTRIBUTIONS. The ~~commissioner~~ department of financial institutions, insurance,
18 and professional standards shall refuse to issue a license, including a temporary
19 license, under this subchapter or subch. V, or to register a navigator entity under
20 subch. V, if the department of revenue certifies under s. 73.0301 that the applicant
21 for the license or registration is liable for delinquent taxes or if the department of
22 workforce development certifies under s. 108.227 that the applicant for the license
23 or registration is liable for delinquent unemployment insurance contributions.

24 **SECTION 335.** 628.10 (2) (c) of the statutes is amended to read:

1 628.10 (2) (c) *For failure to pay support or to comply with subpoena or warrant.*
2 The ~~commissioner~~ department of financial institutions, insurance, and professional
3 standards shall suspend or limit the license of an intermediary who is a natural
4 person, the license of an individual navigator, or a temporary license of a natural
5 person under s. 628.09, if the natural person is delinquent in court-ordered
6 payments of child or family support, maintenance, birth expenses, medical expenses,
7 or other expenses related to the support of a child or former spouse, or if the natural
8 person fails to comply, after appropriate notice, with a subpoena or warrant issued
9 by the department of children and families or a county child support agency under
10 s. 59.53 (5) and related to paternity or child support proceedings, as provided in a
11 memorandum of understanding entered into under s. 49.857. A natural person
12 whose license or temporary license is suspended under this paragraph who satisfies
13 the requirements under this paragraph for which the license was suspended may
14 have his or her license or temporary license reinstated by satisfactorily completing
15 a reinstatement application and paying the application fee for original licensure as
16 specified by rule.

17 **SECTION 336.** 628.10 (2) (cm) of the statutes is amended to read:

18 628.10 (2) (cm) *For liability for delinquent taxes or unemployment insurance*
19 *contributions.* The ~~commissioner~~ department of financial institutions, insurance,
20 and professional standards shall revoke the license of an intermediary or individual
21 navigator, including a temporary license under s. 628.09, if the department of
22 revenue certifies under s. 73.0301 that the intermediary or navigator is liable for
23 delinquent taxes or if the department of workforce development certifies under s.
24 108.227 that the intermediary or navigator is liable for delinquent unemployment
25 insurance contributions. An intermediary who is a natural person, or an individual

1 navigator, whose license is revoked under this paragraph may have his or her license
2 reinstated, or may be relicensed, as provided in sub. (5).

3 **SECTION 337.** 628.347 (4m) (b) 9. of the statutes is amended to read:

4 628.347 (4m) (b) 9. An insurer shall verify that an insurance intermediary has
5 completed the annuity training course required under this paragraph before
6 allowing the intermediary to sell an annuity product for that insurer. An insurer
7 may satisfy its responsibility under this subdivision by obtaining certificates of
8 completion of the training course or obtaining reports provided by
9 ~~commissioner-sponsored~~ database systems or vendors that are sponsored by the
10 department or from a reasonably reliable commercial database vendor that has a
11 reporting arrangement with approved insurance education providers.

12 **SECTION 338.** 628.36 (4) (a) (intro.) of the statutes is amended to read:

13 628.36 (4) (a) (intro.) The ~~commissioner~~ department of financial institutions,
14 insurance, and professional standards shall provide information and assistance to
15 the department of employee trust funds, employers and their employees, providers
16 of health care services and members of the public, as provided in par. (b), for the
17 following purposes:

18 **SECTION 339.** 631.13 (intro.) and (1) of the statutes are amended to read:

19 **631.13 Incorporation by reference.** (intro.) No insurance contract may
20 contain any agreement or incorporate any provision not fully set forth in the policy
21 or in an application or other document attached to and made a part of the policy at
22 the time of its delivery except that for any of the following circumstances:

23 (1) **RATES.** Any policy may by reference incorporate rate schedules and
24 classifications of risks and short-rate tables filed with the ~~commissioner;~~ and
25 department.

1 **SECTION 340.** 631.28 (1) of the statutes is amended to read:

2 631.28 (1) REQUIREMENT TO PROVIDE NOTICE. Every insurer shall provide notice
3 to its policyholders and its insureds of the right to file a complaint with the ~~office~~
4 department in the manner prescribed by rule under sub. (2).

5 **SECTION 341.** 631.28 (2) of the statutes is amended to read:

6 631.28 (2) CONTENTS BY RULE. The ~~commissioner~~ department shall promulgate
7 rules specifying the contents of a notice that insurers must disseminate under sub.
8 (1), and when and in what manner the notice must be provided. The rules shall
9 describe how a policyholder, insured or other person may make a complaint with the
10 ~~office~~ department about an insurer, an intermediary or other insurance matter. The
11 rules may also specify the form, including the type size, in which insurers must
12 present the notice.

13 **SECTION 342.** 632.69 (2) (c) of the statutes is amended to read:

14 632.69 (2) (c) The ~~commissioner~~ department of financial institutions,
15 insurance, and professional standards may not issue a license under this subsection
16 unless the applicant provides his or her social security number or its federal
17 employer identification number or, if the applicant does not have a social security
18 number, a statement made or subscribed under oath or affirmation that the
19 applicant does not have a social security number. An applicant who is providing a
20 statement that he or she does not have a social security number, shall provide that
21 statement along with the application for a license on a form prescribed by the
22 department of children and families. A licensee shall provide to the ~~commissioner~~
23 department of financial institutions, insurance, and professional standards the
24 licensee's social security number, statement the licensee does not have the social
25 security number, or federal employment identification number of the licensee at the

1 time that the annual license renewal fee is paid, if not previously provided. The
2 ~~commissioner~~ department of financial institutions, insurance, and professional
3 standards shall disclose a social security number obtained from an applicant or
4 licensee to the department of children and families in the administration of s. 49.22,
5 as provided in a memorandum of understanding entered into under s. 49.857. The
6 ~~commissioner~~ department of financial institutions, insurance, and professional
7 standards may disclose the social security number or federal employment
8 identification number of an applicant or licensee to the department of revenue for the
9 purpose of requesting certifications under s. 73.0301 and to the department of
10 workforce development for the purpose of requesting certifications under s. 108.227.

11 **SECTION 343.** 632.69 (14) (g) 12. of the statutes is amended to read:

12 632.69 (14) (g) 12. Exaggerate the fact that a licensee under this section is
13 licensed in the state where the advertisement appears or suggest or imply that
14 competing licensees may not be so licensed. An advertisement may ask the audience
15 to consult the licensee's Web site or contact the ~~office of the commissioner~~ department
16 for licensing requirements and the status of a license.

17 **SECTION 344.** 632.69 (20) (title) of the statutes is amended to read:

18 632.69 (20) (title) POWERS OF ~~COMMISSIONER~~ DEPARTMENT

19 **SECTION 345.** 633.14 (2c) (a) of the statutes is amended to read:

20 633.14 (2c) (a) The ~~commissioner~~ department of financial institutions,
21 insurance, and professional standards shall disclose a social security number
22 obtained under sub. (1) (d) to the department of children and families in the
23 administration of s. 49.22, as provided in a memorandum of understanding entered
24 into under s. 49.857.

25 **SECTION 346.** 633.14 (2c) (b) of the statutes is amended to read:

1 633.14 (2c) (b) The ~~commissioner~~ department of financial institutions,
2 insurance, and professional standards may disclose any information received under
3 sub. (1) (d) or (2) (d) or s. 633.15 (1m) to the department of revenue for the purpose
4 of requesting certifications under s. 73.0301 and to the department of workforce
5 development for the purpose of requesting certifications under s. 108.227.

6 **SECTION 347.** 633.14 (2m) (a) of the statutes is amended to read:

7 633.14 (2m) (a) Notwithstanding sub. (1), the ~~commissioner~~ department of
8 financial institutions, insurance, and professional standards may not issue a license
9 under this section if the individual applying for the license is delinquent in
10 court-ordered payments of child or family support, maintenance, birth expenses,
11 medical expenses or other expenses related to the support of a child or former spouse,
12 or if the individual fails to comply, after appropriate notice, with a subpoena or
13 warrant issued by the department of children and families or a county child support
14 agency under s. 59.53 (5) and related to paternity or child support proceedings, as
15 provided in a memorandum of understanding entered into under s. 49.857.

16 **SECTION 348.** 633.14 (2m) (b) of the statutes is amended to read:

17 633.14 (2m) (b) Notwithstanding subs. (1) and (2), the ~~commissioner~~
18 department of financial institutions, insurance, and professional standards may not
19 issue a license under this section if the department of revenue certifies under s.
20 73.0301 that the applicant is liable for delinquent taxes or if the department of
21 workforce development certifies under s. 108.227 that the applicant is liable for
22 delinquent unemployment insurance contributions.

23 **SECTION 349.** 633.15 (2) (c) of the statutes is amended to read:

24 633.15 (2) (c) *Failure to pay support or to comply with subpoena or warrant.*
25 The ~~commissioner~~ department of financial institutions, insurance, and professional

1 standards shall suspend, limit or refuse to renew a license issued under this section
2 to an individual if the individual is delinquent in court-ordered payments of child
3 or family support, maintenance, birth expenses, medical expenses or other expenses
4 related to the support of a child or former spouse, or if the individual fails to comply,
5 after appropriate notice, with a subpoena or warrant issued by the department of
6 children and families or a county child support agency under s. 59.53 (5) and related
7 to paternity or child support proceedings, as provided in a memorandum of
8 understanding entered into under s. 49.857.

9 **SECTION 350.** 633.15 (2) (d) of the statutes is amended to read:

10 633.15 (2) (d) *For liability for delinquent taxes or unemployment insurance*
11 *contributions.* The ~~commissioner~~ department of financial institutions, insurance,
12 and professional standards shall revoke or refuse to renew a license issued under s.
13 633.14 if the department of revenue certifies under s. 73.0301 that the licensee is
14 liable for delinquent taxes or if the department of workforce development certifies
15 under s. 108.227 that the licensee is liable for delinquent unemployment insurance
16 contributions.

17 **SECTION 351.** 644.02 (2) (b) of the statutes is repealed.

18 **SECTION 352.** 644.05 (2) of the statutes is amended to read:

19 644.05 (2) EFFECT OF UNAUTHORIZED CORPORATE ACTS. Section 181.0304 applies
20 to mutual holding companies, except that, for purposes of this subsection, “attorney
21 general” used in s. 181.0304 (3) means “~~commissioner~~” “secretary”.

22 **SECTION 353.** 644.07 (6) (a) of the statutes is amended to read:

23 644.07 (6) (a) The ~~commissioner~~ secretary or a hearing examiner designated
24 by the ~~commissioner~~ secretary shall hold a hearing after receipt of a mutual holding
25 company plan.

1 **SECTION 354.** 644.07 (6) (b) 1. of the statutes is amended to read:

2 644.07 (6) (b) 1. Notice of the hearing shall be mailed by the converting
3 insurance company not more than 60 days and not less than 10 days before the
4 scheduled date of the hearing to the last-known address of each person who was a
5 policyholder of the converting insurance company on the date of the resolution under
6 sub. (2), together with a copy of the mutual holding company plan, or a copy of a
7 summary of the plan if the ~~commissioner~~ secretary approves the summary, and any
8 comment that the ~~commissioner~~ secretary considers necessary for the adequate
9 information of policyholders. Failure to mail notice to a policyholder does not
10 invalidate a proceeding under this subsection if the ~~commissioner~~ secretary
11 determines that the converting insurance company has substantially complied with
12 this subdivision and has attempted in good faith to mail notice to all policyholders
13 entitled to notice.

14 **SECTION 355.** 644.07 (6) (b) 2. of the statutes is amended to read:

15 644.07 (6) (b) 2. The notice, the plan or a summary of the plan and any
16 comments under subd. 1. shall also be mailed by the converting insurance company
17 not more than 60 days and not less than 10 days before the scheduled date of the
18 hearing to the ~~commissioner~~ insurance regulator of every jurisdiction in which the
19 converting insurance company is authorized to do any business.

20 **SECTION 356.** 644.07 (6) (c) of the statutes is amended to read:

21 644.07 (6) (c) In accordance with such hearing procedures as the ~~commissioner~~
22 secretary or the designated hearing examiner may prescribe, any policyholder under
23 par. (b) 1. and any ~~commissioner~~ insurance regulator under par. (b) 2. may present
24 written or oral statements at the hearing and may present written statements within
25 a period after the hearing specified by the ~~commissioner~~ secretary or the hearing