WISCONSIN LEGISLATIVE COUNCIL
RULES CLEARINGHOUSE

CLEARINGHOUSE RULE 04-071

Comments

[NOTE: All citations to "Manual" in the comments below are to the Administrative Rules Procedures Manual, prepared by the Revisor of Statutes Bureau and the Legislative Council Staff, dated October 2002.]

2.   *Form, Style and Placement in Administrative Code*

a.   The rule preface compares the text to similar rules in adjacent states. The list of adjacent states includes Indiana. While the agency may voluntarily compare the rule to Indiana law, s. 227.14 (2) (a) 4., Stats., as created by 2003 Wisconsin Act 118, only requires a comparison to the laws of Illinois, Iowa, Michigan, and Minnesota.

b.   In the treatment clause in SECTION 1 and throughout the rule, delete "Wis. Adm. Code."   Also, in the text in SECTION 1., "that rule" should be "that section."   The entire rule should be checked so that references to "rule" are changed to references to the specific provision in the code (e.g., in s. Ins 2.81 (1) and (2), it appears that "section" should be substituted for "rule" since the provisions are referring to s. Ins 2.81).

c.   In the Note to s. Ins 2.81 (3) (a), the specific address and web site from which the table may be obtained should be indicated. In sub. (5) (a) 2., delete "use" in the second line. In sub. (6) (a) (intro.), since parentheses should, in general, not be used in rule text, delete the parenthetical material and change the references at the beginning of each subdivision to reference "s. Ins 2.80" (e.g., in subd. 1., "Sub. (2) (b) 1 b" should be changed to "Section Ins 2.80 (2) (b) 1. b.").   In sub. (6) (a) 2., first sentence, it appears that the reference to "sub. (6) (a) 4. of this rule" is to subd. 4. in s. Ins 2.81. If that is the case, delete "sub. (6) (a) 4. of this rule" and substitute "subd. 4."   Similarly, for the sake of clarity, in subd. 4. change the reference to "subd. 3."   In sub. (6) (b), it appears that "section" should be "subsection" since it is referring to

sub. (6). In sub. (7) (b), the second sentence should be placed in a note to this paragraph with the specific address, telephone number, or web site at which the tables may be obtained.

d. In the treatment clause to SECTION 15, "(b) to (c)" should be "(b) and (c)."

e. In SECTIONS 23 and 24, should the references be to "(e)" and not to "(d)"?

f. In s. Ins 50.78 (2) (bg) 3., delete "(AVR)." Since "asset valuation reserve" is used elsewhere in this chapter, "AVR" can be defined in the definitions section, s. Ins 50.01, to mean asset valuation reserve and then "AVR" can be used, instead of the full phrase, throughout the chapter. The same comment applies to the use of "(IMR)" in s. Ins 50.79 (6). (Note: If IMR is only used in this provision, delete it and use the full term.)

g. In SECTION 29, since subd. 2. is repealed in SECTION 30 [leaving only one provision remaining in par. (e)], the text should read: Ins 50.78 (2) (e) In forming my opinion on…."

h. In s. Ins 50.78, before the text, the cite should be "Ins 50.78 (2) (f) 1. f." (not "Ins 50.78 (f) (e) 1. f."). In that subparagraph, substitute "the" for "such" in three places.

i. In s. Ins 50.78 (6) (a) 1., what does ", in effect on July 1 of a calendar year" refer to? The punctuation makes this unclear. Does it mean ", including standards and conditions for that approval in effect on July 1 of a calendar year,"? This needs to be clarified. In the last sentence in subd. 1., it appears that "this paragraph" should be "this subdivision." In subd. 3., second sentence, substitute ", to be added to the table in subpar. a." for "(to be added to the table in subd. a. below)." In that same sentence, what does "it" refer to in the phrase "and it shall remain in effect until it is revised or revoked"? This should be clarified. In par. (b), insert a comma after "under par. (a)."

j. In s. Ins 50.79 (1) (e), second sentence, substitute "shall" for "will."

k. In s. Ins 50.79 (2) (a) 7. a., substitute ", both base and excess" for "(both base and excess)."

l. The new language in s. Ins 50.79 (2) (c) 3. does not make sense. It appears that a word is missing. Also, in that subdivision and subd. 4., delete the quotes around "materiality" and "moderately adverse conditions," respectively.

m. Throughout the rule, references to subdivisions and paragraphs should have a period after the subdivision number or paragraph letter and after "intro." (e.g., the reference in the treatment clause to SECTION 2 should be to "(4) (b) 3. (intro.)"; in s. Ins 2.81 (1), the reference should be to "(6m) (e) 3. f.").

n. SECTION 49 repeals the title to s. Ins 50.80, but current subs. (4) and (4g) remain after the repeals in SECTION 49 and the renumbering in SECTION 50. A new title is needed for s. Ins 50.80 and subs. (4) and (4g) should be renumbered subs. (1) and (2), respectively.

5.   Clarity, Grammar, Punctuation and Use of Plain Language

a.   Page 3 of the rule preface includes a table purportedly comparing basic reserves determined under a 1980 formula and basic reserves determined under a 2001 formula.   The table indicates reserves after 10 years and after 20 years, but does not indicate the differences between the 1980 standard and the 2001 standard.

b.   In s. Ins 2.81 (5) (a) 2., it appears that the word "of" should be inserted after the word "valuation."   In sub. (6) (a) 2., it appears that the phrase "calculations are in made" needs to be rewritten.

c.   In s. Ins 50.78 (6) (a) (intro.), the word "broad" is unnecessary and should be deleted. Also, it appears that the word "writing" should be replaced by the word "written."   Finally, in sub. (6) (b), the phrase "the required the opinion" should be replaced by the phrase "the required opinion."

d.   In s. Ins 50.79 (2) (a) 5., the word "<u>and</u>" should be moved to the end of s. Ins 50.79 (2) (a) 6. The same comment can be made with respect to s. Ins 50.79 (2) (b) 3. and 4.

e.   In s. Ins 50.79 (3) (a) 1., the word "should" should be replaced by the word "shall."