

## **Draft Rule (or Emergency Rule) Form & NOH**

These docs for: Holly L. Strop - Document Name = 690 Rule Text.doc on 2/17/2009 8:53 AM

**NOTE: No work on a rule can be done until 10 days after “Statement of Scope” is published in the Administrative Register.**

**Small business Impact:** (see Federal guidelines on the next few pages)  
(pick the one that applies to your rule)

1. If there is **no impact** on small businesses, send no small business letters.
2. If there **“may be an effect on small businesses,”** send the 2 letters to Secretary of Commerce and the small business ombudsman [227.114(5)] and the relating clause must state **“and affecting small business”** at the end **(the rule template will add this)**.
3. If there **may be “a significant economic impact on small businesses,”** do all in #2 and send a letter the Small Business Regulatory Review Board. [227.138(2g)]

**A fiscal estimate of costs to private sector needs to be done (both for Emerg & Regular Rules)–The attorney should have the OCI section requesting the rule prepare the fiscal analysis, private sector fiscal analysis and perhaps a summary of the adjacent states laws**

The fiscal estimate is set up to show no fiscal effect.

If there is a fiscal effect, you must edit it and change all the amounts

The State & Local Fiscal Estimate forms are the last 2 pages of this template.

The Private Fiscal effect is the 3<sup>rd</sup> page from the end.

### **Draft Rule & NOH:**

**RE:** Section Ins 6.90, Wis. Adm. Code, relating to designations or certifications purporting to demonstrate special expertise in the financial or retirement needs of seniors and affecting small business

**Date of hearing:** hhh

You must change the “version date” in the “Footer” (below the Page number) before you print each draft and the final copy of the rule.

In addition, delete the “Finding of Emergency” if this is not to be done as an emergency rule

**The following is the list of contacts for the adjacent states info (and other states):**

<b>State</b>	<b>Contact Name</b>	<b>Phone</b>	<b>Email Address</b>
Iowa	David Cunningham	(515)281-6793	David.Cunningham@iid.state.ia.us
Illinois	Denise Hamilton	(217)785-8560	Denise.Hamilton2@Illinois.gov
Michigan	Dorothy Cherry	(517)241-2073	Cherryd1@Michigan.gov
Minnesota	Alberto Quintela	(651)297-2117	Alberto.Quintela@state.mn.us
<b>For Info only</b> Ohio	Doug Anderson	(614)719-1579	Douglas.Anderson@ins.state.oh.us

**How to categorize small entity sectors**

The agency’s first step in a threshold analysis consists of identifying the industry, governmental and nonprofit sectors they intend to regulate. In the past, many agencies used the Standard Industrial Classification (SIC) codes to categorize regulated businesses on an industry-by industry basis. In 1999, the SIC system was replaced by the North American Industry Classification System (NAICS) which breaks down industry sectors in much greater detail. The Wisconsin Small Business Regulatory Flexibility Act (WSBRFA) defines small businesses as those companies with 25 or fewer full-time employees or has gross annual sales of less than \$5,000,000.

**Definition of “significant” and “substantial”**

The agency’s second step in a threshold analysis is to determine whether there is a significant economic impact on a substantial number of small entities. Although the WSBRFA does not define “adverse,” “significant,” or “substantial,” the similar federal legislation utilizes the following guidelines. What is “significant” or “substantial” will vary depending on the problem that needs to be addressed, the rule’s requirements, and the preliminary assessment of the rule’s impact. The agency is in the best position to gauge the small entity impacts of its regulations.

**Significance** should not be viewed in absolute terms, but should be seen as relative to the size of the business, the size of the competitor’s business, and the impact the regulation has on larger competitors. For example, a regulation may be significant solely because the disparity in impact on small entities may make it more difficult for them to compete in a particular sector of the economy than large businesses. This may relate to their ability to pass costs through to customers or to reduce the marginal cost of those regulations to an insignificant element of their production functions.

One measure for determining economic impact is the percentage of revenue or percentage of profits affected. For example, if the cost of implementing a particular rule represents 3 percent of the profits in a particular sector of the economy and the profit margin in that industry is 2 percent of gross revenues (an economic structure that occurs in the food marketing industry, where profits are often less than 2 percent), the implementation of the proposal would drive many businesses out of business (all except the ones that beat a 3 percent profit margin). That would be a significant economic impact.

However, the economic impact does not have to seriously erase profits margins for an impact to be significant. For example, the implementation of a rule might reduce the ability of the firm to make future capital investment, thereby severely harming its competitive ability, particularly against larger firms. This scenario may occur in the telecommunications industry, where a regulatory regime that harms the ability of small companies to invest in needed capital will not put them out of the business immediately, but over time may make it impossible for them to compete against companies with significantly larger capitalizations. The impact of that rule would then be significant for small telecommunications companies.

**Federal Guidelines to Use When Considering “Adverse Effect”**

**Other measures may be used; to illustrate, the impact could be significant** if a) the cost of the proposed regulation eliminates more than 10 percent of the businesses’ profits; b) the regulation exceeds 1 percent of the gross revenues of the entities in a particular sector or c) the regulation exceeds 5 percent of the labor costs of the entities in the sector.

Some agencies have already developed criteria for determining whether a particular economic impact is significant and whether the proposed action will affect a substantial number of small entities. Standards must be flexible enough to work for the individual agency. The following examples, utilized at the federal level, are meant to be illustrative of different types of criteria that may be used. They are not meant to imply a standard, acceptable formula. The SBRRB welcomes input from other agencies on their standards.

\*The Department of Health and Human Services has determined that a rule is significant if it would reduce revenues or raise costs of any class of affected entities by more than 3 to 5 percent within 5 years. This approach may work well for an agency, depending upon the circumstances. It becomes complex, however, in the attempt to apply a simple rule fairly to varied industries and regulatory schemes. A 2 percent reduction in revenues in one industrial category would be significant if the industry's profits are only 3 percent of revenues. More than 60 percent of small businesses do not claim a profit and do not pay taxes; therefore, an agency would not be able to apply a profit-based criterion to these firms.

\*The EPA has prepared extensive guidance for its rule writers concerning "significant economic impact" and "substantial number." With respect to small businesses, the agency advises that the offices compare the annualized costs as a percentage of sales ("sales test") to examine significant economic effect. For the same purpose, it also discusses alternative uses of a cash flow test and a profits test. The absence of a particularized definition of either "significant" or "substantial" does not mean that Congress left the terms completely ambiguous or open to unreasonable interpretations.

Thus, the WSBRFA would like to rely on federal legislative history for general guidance in defining these terms as submitted to the U.S. Office of Advocacy, located within the Small Business Administration.

### **Legislative history of "significant economic impact."**

With regard to the term "**significant economic impact**," Congress said: The term "significant economic impact" is, of necessity, not an exact standard. Because of the diversity of both the community of small entities and of rules themselves, any more precise definition is virtually impossible and may be counterproductive. Any more specific definition would require preliminary work to determine whether the regulatory analysis must be prepared.

Congress also stated that,

Agencies should not give a narrow reading to what constitutes a "significant economic impact"...a determination of significant economic effect is not limited to easily quantifiable costs.

Congress has identified several examples of "significant impact": a rule that provides a strong disincentive to seek capital; 175 staff hours per year for record keeping; impacts greater than the \$500 fine (in 1980 dollars) imposed for noncompliance; new capital requirements beyond the reach of the entity; and any impact less cost-efficient than another reasonable regulatory alternative. None of these standards establishes a ceiling below which impacts are not significant. Other, more specific examples are contained in the House of Representatives Report on the Federal Regulatory Flexibility Act (RFA).

### **Legislative history of "substantial number."**

To affect a **substantial number**, a proposed regulation must certainly have an impact on at least one small entity. At the other end of the range, legislative history would not require agencies "to find that an overwhelming percentage [more than half] of small [entities] would be affected" before requiring a rule impact statement. Legislative history also says that the term "substantial" is intended to mean a substantial number of entities within a particular economic or other activity. The intent of the RFA, therefore, was not to require that agencies find that a larger number of the entire universe of small entities would be affected by a rule. Quantification of "substantial" may be industry- or rule-specific. However, it is very important that agencies use the broadest category, "more than just a few," when initially reviewing a regulation before making the decision to certify or do an initial regulatory flexibility analysis. The goal at this stage of the process is to ensure that the broadest possible impacts are fully considered. The interpretation of the term "substantial number" is not likely to be 5 small firms in an industry with more than 1,000 small firms. On the other hand, it is important to recognize that 5 small firms in an industry with only 20 small firms would be a substantial number. Depending on the rule, the substantiality of the number of small businesses affected should be determined on an industry-specific basis and/or the number of small businesses overall. For example, the Internal Revenue Service, when changing the tax deposit rules, would examine the entire universe of small businesses to see how many would be affected. On the other hand, a change by FDA in the regulation of meat irradiators might affect only 15 firms, but that would be the entire industry.

## Direct versus indirect impact

The courts have held that the RFA requires an agency to perform a regulatory flexibility analysis of small entity impacts only when a rule directly regulates them.

## Federal Guidelines to Use When Considering “Adverse Effect”

The primary case on the issue of direct versus indirect impacts for RFA purposes is *Mid-Tex Electric Co-op, Inc. v. F.E.R.C. (Mid-Tex)*. In *Mid-Tex*, The Federal Energy Regulatory Commission (FERC) was proposing regulations affecting how generating utilities included construction work in progress in their rates. Generating utilities were large businesses, but their customers included numerous small entities, such as electric cooperatives. FERC authorized large electric utilities to pass these costs through to their transmitting and retail utility customers. This increased cost to the transmitting utilities, which may or may not have been able (because of regulation by their rates commissions) to pass the costs on to their residential and business customers. These smaller utilities challenged the rule, asserting that the impact on them should have been considered. The court concluded that an agency may certify the rule pursuant to Section 605(b) when it determines that the rule will not have a direct impact on small entities.

The U.S. Court of Appeals for the District of Columbia applied the holding of the *Mid-Tex* case in *American Trucking Associations, Inc. v. EPA* (hereafter *ATA*). In the *ATA* case, EPA established a primary national ambient air quality standard (NAAQS) for ozone and particulate matter. The basis of the EPA's certification was that the NAAQS regulated small entities indirectly through state implementation plans. The court found that since the states, not EPA, had the direct authority to impose the burden on small entities, EPA's regulation did not have a direct impact on small entities.

The Office of Advocacy believes that it is good public policy for the agency to perform a regulatory flexibility analysis even when the impacts of its regulation are indirect. In the case of the NAAQS standard at issue in *ATA*, EPA had to estimate the impacts of the proposed rules on small entities in order to comply with the mandate of E.O.12866. Therefore, the agency could have examined alternatives that would have been less burdensome on small entities. If an agency can accomplish its statutory mission in a more cost-effective manner, the Office of Advocacy believes that it is good public policy to do so. The only way an agency can determine this is if it does not certify regulations that it knows will have a significant impact on small entities even if the small entities are regulated by a delegation of authority from the federal agency to some other governing body.

## Adverse versus beneficial impact

Congress considered the term “**significant**” to be neutral with respect to whether the impact is **beneficial or harmful to small businesses**. Therefore, agencies need to consider both beneficial and adverse impacts in an analysis. The RFA legislative history has explicit insights into congressional intent with respect to beneficial impacts:

Agencies may undertake initiatives which would directly benefit such small entities. Thus, the term ‘significant economic impact’ is neutral with respect to whether such impact is beneficial or adverse. The statute is designed not only to avoid harm to small entities but also to promote the growth and well being of such entities.

★★★ **NOTICE OF RULEMAKING HEARING** ★★★

NOTICE IS HEREBY GIVEN that pursuant to the authority granted under s. 601.41(3), Stats., and the procedures set forth in under s. 227.18, Stats., OCI will hold a public hearing to consider the adoption of the attached proposed rulemaking order affecting Sections Ins 6 and 28, Wis. Adm. Code, relating to the use of designations or certifications purporting to demonstrate special expertise in the financial or retirement needs of seniors.

**HEARING INFORMATION**

**Date: July 6, 2009**

**Time: 10:00 a.m., or as soon thereafter as the matter may be reached**

**Place: OCI, Room 227, 125 South Webster St 2<sup>nd</sup> Floor, Madison, WI**

Written comments can be mailed to:

Holly L. Strop  
Legal Unit - OCI Rule Comment for Rule Ins 690  
Office of the Commissioner of Insurance  
PO Box 7873  
Madison WI 53707-7873

Written comments can be hand delivered to:

Holly L. Strop  
Legal Unit - OCI Rule Comment for Rule Ins 690  
Office of the Commissioner of Insurance  
125 South Webster St - 2<sup>nd</sup> Floor  
Madison WI 53703-3474

Comments can be emailed to:

Holly L. Strop  
holly.strop@wisconsin.gov

Comments submitted through the Wisconsin Administrative Rule Web site at: <http://adminrules.wisconsin.gov> on the proposed rule will be considered.

The deadline for submitting comments is 4:00 p.m. on the 14<sup>th</sup> day after the date for the hearing stated in this Notice of Hearing.

**SUMMARY OF PROPOSED RULE & FISCAL ESTIMATE**

For a summary of the rule see the analysis contained in the attached proposed rulemaking order. There will be no state or local government fiscal effect. The full text of the proposed changes, a summary of the changes and the fiscal estimate are attached to this Notice of Hearing.

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## **INITIAL REGULATORY FLEXIBILITY ANALYSIS**

This rule does not impose any additional requirements on small businesses.

### **OCI SMALL BUSINESS REGULATORY COORDINATOR**

The OCI small business coordinator is Eileen Mallow and may be reached at phone number (608) 266-7843 or at email address [eileen.mallow@wisconsin.gov](mailto:eileen.mallow@wisconsin.gov)

### **CONTACT PERSON**

A copy of the full text of the proposed rule changes, analysis and fiscal estimate may be obtained from the OCI internet Web site at <http://oci.wi.gov/ocirules.htm> or by contacting Inger Williams, Public Information and Communications, OCI, at: [inger.williams@wisconsin.gov](mailto:inger.williams@wisconsin.gov), (608) 264-8110, 125 South Webster Street – 2<sup>nd</sup> Floor, Madison WI or PO Box 7873, Madison WI 53707-7873.

May 18, 2009

**PROPOSED ORDER OF THE OFFICE OF THE COMMISSIONER OF INSURANCE  
CREATING A RULE**

**To create** Ins 6.90, Wis. Adm. Code,

**Relating to** the use of designations or certifications purporting to demonstrate special expertise in the financial or retirement needs of seniors.

**ANALYSIS PREPARED BY THE OFFICE OF THE COMMISSIONER OF INSURANCE (OCI)**

**1. Statutes interpreted:**

ss. 600.01, 601.41(3), 628.34 (12), Stats.

**2. Statutory authority:**

ss. 600.01 (2), 601.41 (3), 601.42, 628.34 (12), Stats.

**3. Explanation of OCI's authority to promulgate the proposed rule under these statutes:**

The proposed rule is promulgated under the Commissioner's authority to prescribe misleading, deceptive and prohibited practices for insurers and insurance intermediaries.

**4. Related statutes or rules:**

The proposed rule relates to existing statutes and rules defining misleading, deceptive and prohibited practices for insurers and insurance intermediaries under s. 628, Wis. Stats., and s. Ins 6.60, Wis. Adm. Code.

**5. The plain language analysis and summary of the proposed rule:**

Section Ins. 6, Wis. Adm. Code, sets forth general information regarding prohibited business practices insurers and insurance intermediaries. Recently, states have identified a possible fraudulent marketing and sales activity related to the use of senior-specific certifications in the sale of insurance products to seniors. In 2008, the National Association of Insurance Commissioners (NAIC) created a committee to establish a model rule setting standards for the use of senior specific certifications and professional designations by insurance producers in the sale of life insurance and annuities to all consumers regardless of age. The NAIC Model Rule was adopted in July of 2008. The proposed Wisconsin rule follows the NAIC Model with two exceptions. First, the proposed rule adds the term advertising to the list of practices and conduct to which the rule applies. Second, the proposed rule adds health insurance to life insurance and annuity products in the list of insurance products to which the rule applies.

May 18, 2009

**6. Summary of and preliminary comparison with any existing or proposed federal regulation that is intended to address the activities to be regulated by the proposed rule:**

The North American Securities Administrators Association (NASAA) Model Rule, adopted March 20, 2008, addresses the use of senior specific certifications or designations by any person in connection with the offer, sale, or purchase of securities. The NAIC Model Rule, adopted in September of 2008, addresses the use of senior specific certifications and professional designations by insurance producers in the sale of life insurance and annuities.

**7. Comparison of similar rules in adjacent states as found by OCI:**

To date, Iowa is the sole state, adjacent to Wisconsin to adopt the NAIC Model Rule. Nationally, several non-adjacent states have adopted the NAIC Model Rule, including, California, Kentucky, Missouri, New Hampshire, New Jersey, and Utah. Similar legislation is pending in Alaska, Arkansas, Florida, Oklahoma, Ohio, Rhode Island, and Virginia. The degree to which each state's regulations track the Model Rule varies widely. Utah and Ohio also expanded the scope of the regulation to include health insurance.

**Illinois:** n/a

**Iowa:** Iowa Administrative Code 191-10.19, tracks the NAIC Model Rule.

**Michigan:** n/a

**Minnesota:** n/a

**8. A summary of the factual data and analytical methodologies that OCI used in support of the proposed rule and how any related findings support the regulatory approach chosen for the proposed rule:**

OCI review of complaints, NAIC models, similar legislation in other states, and insurer's financial information

**9. Any analysis and supporting documentation that OCI used in support of OCI's determination of the rule's effect on small businesses under s. 227.114:**

This rule relates to prohibited business practices of insurance intermediaries and there is no significant effect on small businesses.

**10. See the attached Private Sector Fiscal Analysis.**

**11. A description of the Effect on Small Business:**

This rule will have little or no effect on small businesses.

**12. Agency contact person:**

A copy of the full text of the proposed rule changes, analysis and fiscal estimate may be obtained from the Web site at:

**<http://oci.wi.gov/ocirules.htm>**

or by contacting Inger Williams, OCI Services Section, at:

Phone: (608) 264-8110

May 18, 2009



Email: inger.williams@wisconsin.gov  
Address: 125 South Webster St – 2<sup>nd</sup> Floor, Madison WI 53703-3474  
Mail: PO Box 7873, Madison, WI 53707-7873

**13. Place where comments are to be submitted and deadline for submission:**

The deadline for submitting comments is 4:00 p.m. on the 14<sup>th</sup> day after the date for the hearing stated in the Notice of Hearing.

Mailing address:

Holly L. Strop  
Legal Unit - OCI Rule Comment for Rule Ins 690  
Office of the Commissioner of Insurance  
PO Box 7873  
Madison WI 53707-7873

Street address:

Holly L. Strop  
Legal Unit - OCI Rule Comment for Rule Ins 690  
Office of the Commissioner of Insurance  
125 South Webster St – 2<sup>nd</sup> Floor  
Madison WI 53703-3474

Email address:

Holly L. Strop  
holly.strop@wisconsin.gov

Web site: <http://oci.wi.gov/ocirules.htm>

**The proposed rule changes are:**

**SECTION 1. Ins 6.90 is created to read:**

**Ins. 6.90 Prohibited Uses of Senior-Specific Designations**

(1) PURPOSE. The purpose of this rule is to set forth standards to protect consumers from advertising and trade practices that are deceptive, misleading, or restrain competition unreasonably, with respect to the use of senior-specific certifications and professional designations in the advertising, solicitation, sale or purchase of, or advice made in connection with, life or health insurance, or an annuity product.

(2) AUTHORITY. (a) This rule is adopted pursuant to the Office of the Commissioner of Insurance's authority under ss. 601.42(3) and 628.34(12), Wis Stats.

(b) Nothing in this rule shall limit the Commissioner's authority to enforce existing provisions of law.

(3) SCOPE. This rule shall apply to any advertising, solicitation, or sale or purchase of, or advice made in connection with, a life or health insurance policy, or annuity product by an insurance producer.

(4) DEFINITIONS. In this Section:

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(a) "Insurance Producer" means a person required to be licensed under the laws of this state to advertise, sell, solicit or negotiate insurance, including life insurance, health insurance and annuities.

(b) "Health insurance" includes, without limitation, any policy of individual or group sickness and accident insurance, long term care insurance, Medicare advantage, Medicare supplement, and Medicare part D.

(c) "Advertising" means: 1. Printed and published material, audio visual material and descriptive literature of an insurer or intermediary used in direct mail, newspapers, magazines, other periodicals, radio and TV scripts, billboards and similar displays, excluding advertisements prepared for the sole purpose of obtaining employees, intermediaries or agencies;

2. Descriptive literature and sales aids of all kinds authored, issued, distributed or used by an insurer, intermediary or third party for presentation to members of the public, including but not limited to circulars, leaflets, booklets, depictions, illustrations and form letters. Descriptive literature and sales aids do not include material in house organs of insurers, communications within an insurer's own organization not intended for dissemination to the public, individual communications of a personal nature, and correspondence between a prospective group or blanket policyholder and an insurer in the course of negotiating a group or blanket policy, and general announcements from group or blanket policyholders to eligible individuals that a contract has been written;

3. Prepared sales talks, presentations and material for use by intermediaries and representations made by intermediaries in accordance therewith, excluding materials to be used solely by an insurer for the training and education of its employees or intermediaries; and

4. Packaging, including but not limited to envelopes, used in connection with subd. 1., 2., and 3.

5. Advertising does not include a policy summary as defined in par. Ins 2.14 (3) (d), the "buyer's guide to life insurance" as set forth in s. Ins 2.14, an illustration as defined in par. Ins 2.17 (3) (i), a contract summary as defined in par. Ins 2.15 (4) (a), a preliminary contract summary as defined in par. Ins 2.15 (4) (b), and the "Wisconsin Buyer's Guide to Annuities" as defined in par. Ins 2.15 (4) (c).

(5) PROHIBITED USES OF SENIOR-SPECIFIC CERTIFICATIONS AND PROFESSIONAL DESIGNATIONS. (a) It is an unfair and deceptive trade practice under s. 628.34(12), Wis. Stats., for an insurance producer to use a senior-specific certification or professional designation that indicates or implies in such a way as to mislead a purchaser or prospective purchaser that the insurance producer has special certification or training in advising or providing services to seniors in connection with the advertising, solicitation, sale, or purchase of a life or health insurance policy, or annuity product or in the provision of advice as to the value of or the advisability of purchasing or selling a life or health insurance policy or annuity product, either directly or indirectly, through publications or writings, or

by issuing or promulgating analyses or reports related to a life or health insurance policy or annuity product as follows:

1. Use of a certification or professional designation by an insurance producer who has not actually earned or is otherwise ineligible to use such certification or designation.

2. Use of a nonexistent or self-conferred certification or professional designation.

3. Use of a certification or professional designation that indicates or implies a level of occupational qualifications obtained through education, training or experience that the insurance producer using the certification or designation does not have.

4. Use of a certification or professional designation that was obtained from a certifying or designating organization that:

a. Is primarily engaged in the business of instruction in sales or marketing; or

b. Does not have reasonable standards or procedures for assuring the competency of its certificants or designees; or

c. Does not have reasonable standards or procedures for monitoring and disciplining its certificants or designees for improper or unethical conduct; or

d. Does not have reasonable continuing education requirements for its certificants or designees in order to maintain the certificate or designation.

(b) There is a rebuttable presumption that a certifying or designating organization is not disqualified solely for the purposes of subd. (5)(a)4., when the certification or designation issued from the organization does not primarily apply to sales or marketing and when the organization or the certification or designation in question has been accredited by:

1. The American National Standards Institute (ANSI);

2. The National Commission for Certifying Agencies; or

3. Any organization that is on the U.S. Department of Education's list entitled "Accrediting Agencies Recognized for Title IV Purposes."

(c) In determining whether a combination of words or an acronym standing for a combination of words constitutes a certification or professional designation indicating or implying that a person has special certification or training in advising or servicing seniors, factors to be considered shall include:

1. Use of one or more words such as "senior," "retirement," "elder," or like words combined with one or more words such as "certified,"

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"registered," "chartered," "advisor," "specialist," "consultant," "planner," or like words, in the name of the certification or professional designation; and

2. The manner in which those words are combined.

(d) 1. For purposes of this section, a job title within an organization that is licensed or registered by a state or federal financial services regulatory agency is not a certification or professional designation, unless it is used in a manner that would confuse or mislead a reasonable consumer, when the job title:

a. Indicates seniority or standing within the organization; or

b. Specifies an individual's area of specialization within the organization.

2. For the purpose of this paragraph, financial services regulatory agency includes, but is not limited to, an agency that regulates insurers, insurance producers, broker-dealers, investment advisers, or investment companies as defined under the Investment Company Act of 1940 (15 USC 2d).

(6) PENALTIES. A violation of this rule is an unfair and deceptive trade practice under s. 628.34(12), Wis. Stats., and shall subject the violator to ss. 601.41, 601.62, 601.64, 601.65 and 628.10, Wis. Stats.

**SECTION 2.** This rule may be enforced under ss. 601.41, 601.64, 601.65, Stats., or ch. 645, Stats., or any other enforcement provision of chs. 600 to 646, Stats.

**SECTION 3.** These changes will take effect on the first day of the month after publication, as provided in s. 227.22(2)(intro.), Stats.

Dated at Madison, Wisconsin, this \_\_\_\_\_ day of \_\_\_\_\_, 2009.

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Sean Dilweg  
Commissioner of Insurance

May 18, 2009

**Office of the Commissioner of Insurance  
Private Sector Fiscal Analysis**

for Section Ins 6.90 relating to designations or certifications  
purporting to demonstrate special expertise in the financial or  
retirement needs of seniors.

This rule change will have no significant effect on the private sector regulated by OCI.

## FISCAL ESTIMATE WORKSHEET

### Detailed Estimate of Annual Fiscal Effect

ORIGINAL       UPDATED  
 CORRECTED       SUPPLEMENTAL

LRB Number	Amendment No. if Applicable
Bill Number	Administrative Rule Number <b>INS 690</b>

**Subject designations or certifications purporting to demonstrate special expertise in the financial or retirement needs of seniors**

**One-time Costs or Revenue Impacts for State and/or Local Government (do not include in annualized fiscal effect):**  
**None**

Annualized Costs:	Annualized Fiscal impact on State funds from:	
A. State Costs by Category	Increased Costs	Decreased Costs
State Operations - Salaries and Fringes	\$ 0	\$ -0
(FTE Position Changes)	(0 FTE)	(-0 FTE)
State Operations - Other Costs	0	-0
Local Assistance	0	-0
Aids to Individuals or Organizations	0	-0
TOTAL State Costs by Category	\$ 0	\$ -0
B. State Costs by Source of Funds	Increased Costs	Decreased Costs
GPR	\$ 0	\$ -0
FED	0	-0
PRO/PRS	0	-0
SEG/SEG-S	0	-0
C. State Revenues	Increased Rev.	Decreased Rev.
GPR Taxes <small>Complete this only when proposal will increase or decrease state revenues (e.g., tax increase, decrease in license fee, etc.)</small>	\$ 0	\$ -0
GPR Earned	0	-0
FED	0	-0
PRO/PRS	0	-0
SEG/SEG-S	0	-0
TOTAL State Revenues	\$ 0 None	\$ -0 None

#### NET ANNUALIZED FISCAL IMPACT

	<u>STATE</u>	<u>LOCAL</u>
NET CHANGE IN COSTS	\$ <u>None 0</u>	\$ <u>None 0</u>
NET CHANGE IN REVENUES	\$ <u>None 0</u>	\$ <u>None 0</u>

Prepared by: Holly L. Strop	Telephone No. (608) 261-8283	Agency Insurance
Authorized Signature:	Telephone No.	Date (mm/dd/ccyy)

### FISCAL ESTIMATE

ORIGINAL                       UPDATED  
  
 CORRECTED                       SUPPLEMENTAL

LRB Number	Amendment No. if Applicable
Bill Number	Administrative Rule Number <b>INS 690</b>

**Subject**  
designations or certifications purporting to demonstrate special expertise in the financial or retirement needs of seniors

**Fiscal Effect**  
State:  No State Fiscal Effect

Check columns below only if bill makes a direct appropriation or affects a sumsufficient appropriation.

<input type="checkbox"/> Increase Existing Appropriation	<input type="checkbox"/> Increase Existing Revenues	<input type="checkbox"/> Increase Costs - May be possible to Absorb Within Agency's Budget <input type="checkbox"/> Yes <input type="checkbox"/> No
<input type="checkbox"/> Decrease Existing Appropriation	<input type="checkbox"/> Decrease Existing Revenues	
<input type="checkbox"/> Create New Appropriation		<input type="checkbox"/> Decrease Costs

Local:  No local government costs

1. <input type="checkbox"/> Increase Costs <input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory	3. <input type="checkbox"/> Increase Revenues <input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory	5. Types of Local Governmental Units Affected: <input type="checkbox"/> Towns <input type="checkbox"/> Villages <input type="checkbox"/> Cities <input type="checkbox"/> Counties <input type="checkbox"/> Others _____
2. <input type="checkbox"/> Decrease Costs <input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory	4. <input type="checkbox"/> Decrease Revenues <input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory	<input type="checkbox"/> School Districts <input type="checkbox"/> WTCS Districts

<b>Fund Sources Affected</b> <input type="checkbox"/> GPR <input type="checkbox"/> FED <input type="checkbox"/> PRO <input type="checkbox"/> PRS <input type="checkbox"/> SEG <input type="checkbox"/> SEG-S	<b>Affected Chapter 20 Appropriations</b>
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Assumptions Used in Arriving at Fiscal Estimate

  
  
  
  
  
  
  
  
  
  

**Long-Range Fiscal Implications**

None

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<b>Authorized Signature:</b>	<b>Telephone No.</b>	<b>Date</b> (mm/dd/ccyy)