

CR 84-44

STATE OF WISCONSIN
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JUN 11 1984

DOUGLAS LA FOLLETTE
SECRETARY OF STATE

STATE OF WISCONSIN)
)
OFFICE OF THE COMMISSIONER OF INSURANCE)

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JUN 12 1984
3:30 pm
Revisor of Statutes
Bureau

TO ALL TO WHOM THESE PRESENTS SHALL COME, GREETINGS:

I, Thomas P. Fox, Commissioner of Insurance and custodian of the official records of said office, do hereby certify that the annexed order creating a rule relating to minimum surplus requirements of town mutual insurers was issued by this office June 11, 1984.

I further certify that said copy has been compared by me with the original on file in this office and that the same is a true copy thereof, and of the whole of such original.

IN TESTIMONY WHEREOF, I have
hereunto subscribed my name in the
City of Madison, State of Wisconsin,
this 11th day of June, 1984.



Thomas P. Fox
Commissioner of Insurance

0364G

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JUN 12 1984
10:50 am
Revisor of Statutes
Bureau

8-1-81

STATE OF WISCONSIN
RECEIVED AND FILED

JUN 11 1984

DOUGLAS LA FOLLETTE
SECRETARY OF STATE

ORDER OF THE COMMISSIONER OF INSURANCE

CREATING A RULE

To create Ins 13.06 (4) to (6), relating to minimum surplus requirements for town mutual insurers.

ANALYSIS PREPARED BY THE OFFICE OF THE COMMISSIONER OF INSURANCE

This rule implements and interprets ss. 612.31 and 612.33, Stats., for the purpose of setting minimum surplus requirements for town mutual insurers as a condition for the transaction of property insurance. The minimum requirement is \$50,000 or 20% of net written premiums for the prior year.

The commissioner may by order adjust the requirements for town mutuals writing property insurance or nonproperty insurance who cannot meet the requirements of the proposed rule because of special circumstances.

Pursuant to the authority vested in the commissioner of insurance by ss. 601.41 (3) and 612.31, Stats., the commissioner hereby creates a rule interpreting s. 612.31, Stats., as follows:

SECTION 1. Ins 13.06 (4) to (6) are created to read:

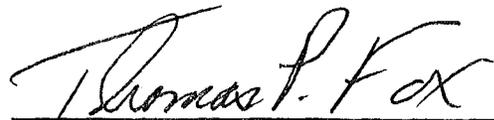
Ins 13.06 (4) PROPERTY INSURANCE. Any town mutual insurer that writes property insurance shall maintain a surplus of the greater of \$50,000 or 20% of the net written premiums and assessments in the 12-month period ending on or not more than 60 days before the date as of which the calculation is made. Every town mutual shall achieve and maintain this minimum surplus by December 31, 1987.

(5) PROPERTY AND NONPROPERTY INSURANCE. Any town mutual insurer that writes nonproperty insurance and property insurance shall meet the requirements of sub. (4).

(6) INDIVIDUAL CIRCUMSTANCES. In the event of special circumstances of an individual town mutual insurer, the commissioner may by order adjust the factors in this section to calculate the minimum surplus, or may establish additional factors in relation to any relevant variables in determining the amount of minimum surplus required for the town mutual insurer.

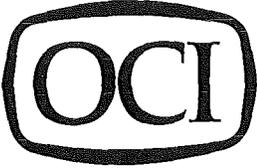
The changes in this rule shall become effective on the first day of the month following its publication in the Wisconsin Administrative Register as provided in s. 227.026 (1) (intro.), Stats.

Dated at Madison, Wisconsin, this 11th day of JUNE, 1984.



Thomas P. Fox
Commissioner of Insurance

7962F



The State of Wisconsin
Office of the Commissioner of Insurance

Thomas P. Fox
Commissioner
(608) 266-3585

DATE: June 11, 1984
TO: Gary Poulson
FROM: M. E. Van Cleave
Assistant Deputy Commissioner of Insurance
SUBJECT: Ins 13.06 (4) to (6) and Clearinghouse No. 84-44

A handwritten signature in dark ink, appearing to be "M. E. Van Cleave", written over the typed name in the "FROM" field.

Enclosed are two copies of an Order of the Commissioner of Insurance creating Ins 13.06 (4) to (6), Clearinghouse No. 84-44, relating to minimum surplus requirements for town mutual insurers.

MEV:LH:mle
Enclosure
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