

CR 84-137

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

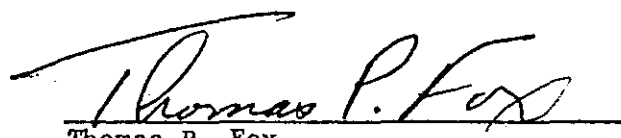
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TO ALL TO WHOM THESE PRESENTS SHALL COME, GREETINGS:

I, Thomas P. Fox, Commissioner of Insurance and custodian of the official records of said office, do hereby certify that the annexed order renumbering, amending and creating administrative rules was issued by this office on October 23, 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 23rd day of October, 1984.


Thomas P. Fox
Commissioner of Insurance

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STATE OF WISCONSIN
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DOUGLAS LA FOLLETTE
SECRETARY OF STATE

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ORDER OF THE COMMISSIONER OF INSURANCE
RENUMBERING, AMENDING AND CREATING RULES

DOUGLAS LA FOLLETTE
SECRETARY OF STATE

To renumber and amend Ins 6.58 (3); to amend Ins 6.57 (5) and Ins 6.59 (4); to create Ins 6.59 (8) and Ins 15.01 (6) (c), relating to the licensing of intermediary agents, partnerships and corporations and exemption of warranty plans.

ANALYSIS PREPARED BY THE OFFICE OF THE COMMISSIONER OF INSURANCE

The change in s. Ins 6.57 (5) eliminates reference to intermediary broker, because the licensing of intermediary brokers was excluded by amendment of s. 628.04 (1) in Chapter 38, Laws of 1981. Section Ins 6.57 interprets s. 628.04, Stats. Sections Ins 6.58 (3) and 6.59 (4) are amended to comply with s. 227.0105 (1), Stats., as created by 1983 Wisconsin Act 91 which requires that administrative rules state the period of time within which the commissioner shall accept or reject a completed application. Section Ins 6.59 (8) is created to define residency and required licensure for maintenance of authority to act as an agent after a change in residency status and interprets s. 628.04, Stats. Section Ins 15.01 (6) (c) is created to comply with s. 227.0105 (1), as created by 1983 Wisconsin Act 91, and states that completed

applications for warranty plans must be accepted or rejected within 60 days. Section Ins 15.01 interprets and implements s. 600.01 (1) (b) 5. Stats.

Pursuant to the authority vested in the commissioner of insurance by s. 601.41 (3), Stats., the commissioner renumbers and amends, amends and creates rules interpreting s. 227.0105, Stats., as created by 1983 Wisconsin Act 91, s. 600.01 (1) (b) 5 and s. 628.04, Stats., as follows:

SECTION 1. Ins 6.57 (5) is amended to read:

Ins 6.57 (5) No insurer may accept business directly from any intermediary unless that intermediary is a licensed intermediary-agent listed with that company. ~~or-unless-the-intermediary-holds-a-valid-license-as-an-intermediary-broker.~~

SECTION 2. Ins 6.58 (3) (a), (b), (c), (d), (e) and (f) are amended to read:

Ins 6.58 (3) PROCEDURE. Application for a permanent intermediary license for a corporation or partnership shall be made on application form 11-50 and filed with the commissioner of insurance.

(a) The application must be accompanied by:

~~(a)~~ 1. A licensing fee of \$100.00 as authorized by ~~s. 601.31-~~
~~(1)-(c)-(1)~~; s. 601.31 (1) (1) 2., Stats.;

~~(b)~~ 2. Certification that the articles of incorporation or association include the intent, in good faith, to do business as an intermediary;

~~(c)~~-3. Certification that the corporation or partnership will transact business in such a way that all acts that may only be performed by a licensed intermediary are performed exclusively by natural persons who are licensed under s. 628.04, Stats., and functioning within the scope of the license, and a list of such persons;

~~(d)~~-4. If the corporation or partnership is domiciled outside of Wisconsin, an agreement to be subject to the jurisdiction of the commissioner and the courts of this state on any matter related to the corporation's or partnership's insurance activities in this state, on the basis of service of process under ss. 601.72 and 601.73, Stats.; and

~~(e)~~-5. A list of all partners, directors or principal officers or persons in fact having comparable power.

~~(f)~~-6. In the case of a corporation the application must be signed by an officer. In the case of a partnership the application must be signed by a partner.

(b) Determination of the acceptance or rejection of a completed application shall be made within 60 business days. A completed application consists of form 11-50 and other required material described in (3) (a).

SECTION 3. Ins 6.59 (4) is amended to read:

Ins 6.59 (4) PROCEDURE. (a) Application. Application for a permanent agent license or an enlargement of authority shall be made on form OCI 11-41 (rev.) and filed with the commissioner of insurance. A completed application consists of receipt by the office of the commissioner of insurance of required forms and examination score report.

(b) Time of filing. Applications and appropriate fees shall be filed with the commissioner of insurance, at least 30 days prior to the scheduled date of the written examination.

(c) Issuance of license. An applicant for an original license or a license enlargement who passes the written examination, pays the fees, submits a satisfactory application and meets the standards of competence and trustworthiness as described in sub. (5) shall be issued an agent license for those kinds of authority for which the applicant is qualified. Determination of the acceptance or rejection of a completed application shall be made within 60 business days.

SECTION 4. Ins 6.59 (8) is created to read:

Ins 6.59 (8) CHANGE IN RESIDENCY STATUS. (a) A licensed nonresident agent, after becoming a Wisconsin resident, may retain authority under the nonresident agent license for a maximum of 60 days, at which time all authority granted under the nonresident license shall cease.

(b) A licensed resident agent, after becoming a resident of another state, may retain authority under the resident agent license for a maximum of 60 days, at which time all authority granted under the resident license shall cease.

(c) If an agent changes residency status and becomes licensed under the new status, all authority granted by the license issued under the former status shall terminate on the date the new license is issued.

(d) Criteria used by the insurance commissioner to establish residency shall include, but not be limited to:


1. Jurisdiction for payment of state taxes.
2. Jurisdiction for automobile driver's license and motor vehicle registration.
3. Location of voter registration.
4. Location of principal residence, such as owned or rented dwelling, condominium or apartment.

SECTION 5. Ins 15.01 (6) (c) is created to read:

(c) Determination of the acceptance or rejection of a completed application shall be made within 60 days upon receipt of the information and documentary evidence required by the office of the commissioner of insurance.

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

Dated at Madison, Wisconsin, this 23rd day of October, 1984.



Thomas P. Fox
Commissioner of Insurance

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The State of Wisconsin
Office of the Commissioner of Insurance

Thomas P. Fox
Commissioner
(608) 266-3585

DATE: October 23, 1984
TO: Gary Poulson
FROM: M. E. Van Cleave
Assistant Deputy Commissioner of Insurance

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

SUBJECT: Ins 6.58 (3), 6.57 (4), 6.59(4), 6.59 (8) and 15.01 (6) (c),
Clearinghouse No. 84-137

Enclosed are two copies of an Order of the Commissioner of Insurance renumbering and amending Ins 6.58 (3), amending Ins 6.57 (5) and Ins 6.59 (4) and creating Ins 6.59 (8) and Ins 15.01 (6) (c) relating to the licensing of intermediary agents, partnerships and corporations and exemption of warranty plans.

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