

No. 113, A.]

[Published June 29, 1905.]

CHAPTER 519.

AN ACT to amend section 1950, of the statutes of 1898, providing for the valuation of policies of life insurance, and requiring that the compensation for valuation be paid into the state treasury; and providing for the appointment of actuaries, and making an appropriation therefor.

The people of the state of Wisconsin, represented in senate and assembly, do enact as follows:

Valuation of policies. SECTION 1. Section 1950, statutes of 1898, shall read as follows: Section 1950.* *The commissioner of insurance shall, annually make or cause to be made, net valuations of all outstanding policies, additions thereto and all other obligations of every life insurance company transacting business in this state, and for the purpose of such valuations, and for making special examinations of the condition of life insurance companies as provided for by the laws of this state, such net value shall be computed upon the basis of the "American Experience Table of Mortality" with interest at such rate as assumed by the company, provided that the rate assumed shall not be less than that determined by the local minimum standard prescribed by the laws of this state. In every case in which the actual premium charged for an insurance is less than the net premium for such insurance, computed according to the table of mortality and rate of interest as aforesaid, the company shall also be charged with the value of an annuity, the amount of which shall equal the difference between the premium charged and that required by the rules above stated, and the term of which in years shall equal the number of future annual payments due on the insurance at the date of the valuation. The aggregate net value so ascertained of all policies of any such company shall be deemed its reserve liability, to provide for which it shall hold funds, properly and safely secured, of an amount equal to such net value above all its other liabilities. Whenever the laws of any other of the United States authorize or require an annual valuation of life insurance policies by the insurance department of any such other state, or when such valuation of any company*

*Entire section is rewritten.

has been made by the department of commerce and labor, according to the standard herein provided, the valuation so made according to the said standard of the policies and other obligations of any life insurance company not organized under the laws of this state, and certified to as true and correct by the insurance commissioner of such other state, or by the secretary of the department of commerce and labor, shall be received and accepted, and no further annual valuation of the policies of such company shall be required or made by the commissioner of insurance of this state. There shall be paid by every life insurance company organized in this state, and by every life insurance company organized under the laws of some other state or foreign country if no certified valuation of its policies has been furnished as herein provided, by way of compensation for such valuation, one cent on every one thousand dollars insured by it, which shall be paid by the commissioner of insurance into the state treasury. The commissioner of insurance to comply with the requirements of this section shall appoint an actuary at a salary not exceeding twenty-four hundred dollars per year, and an assistant actuary at a salary not exceeding fifteen hundred dollars per year, who shall hold their respective positions until removed for cause, and such appointments shall be certified in writing and filed in the office of the secretary of state. Whenever any life insurance company, organized under the laws of any foreign country, shall have been admitted, it shall also be the duty of the commissioner of insurance to annually and separately value all policies written in, or on the lives of residents of this state, and it shall be the duty of such company, as one of the conditions of renewal of license, to invest and at all times keep invested the aggregate net value of such policies in such securities as provided for under the laws of this state, and deposit such aggregate amount in such securities at their book value with the state treasurer; every such company depositing such securities shall have the right to receive the income thereof, and to exchange the same from time to time for like securities of like value, and may withdraw such deposit when the commissioner of insurance shall certify that all liability arising under all policies or contracts issued in, or on the lives of residents of this state has been satisfied and that there is no further necessity for such deposit.

Conflicting laws repealed. SECTION 2. All acts or parts of acts inconsistent or conflicting with this act are hereby repealed.

SECTION 3. This act shall take effect and be in force from and after the first Monday in January, 1907.

Approved June 16, 1905.