



**ASSEMBLY AMENDMENT 3,
TO 1995 ASSEMBLY BILL 1020**

March 20, 1996 - Offered by Representatives BALDWIN, JENSEN, ALBERS and
BALDUS.

- 1 At the locations indicated, amend the bill as follows:
- 2 **1. Page 3, line 3:** on lines 3, 9 and 15, before “death” insert “sale of the”.
- 3 **2. Page 4, line 17:** on lines 17 and 18, delete “or advertises the availability of
viatical settlement providers or offers”.
- 4 **3. Page 4, line 18:** delete “viatical”.
- 5 **4. Page 4, line 19:** delete “a viatical settlement provider” and substitute “one
or more viatical settlement providers”.
- 6 **5. Page 4, line 20:** after “include” insert: “a viatical settlement agent, as
defined by the commissioner by rule under sub. (11) (b) 4., or”.
- 7 **6. Page 10, line 20:** after “received” insert: “a recommendation from a viatical
settlement provider or a viatical settlement broker in writing to seek”.
- 8 **7. Page 11, line 3:** after that line insert:
- 9 “1. That he or she is a viatical settlement provider or broker.”.
- 10 **8. Page 11, line 4:** substitute “1m.” for “1.”.
- 11 **9. Page 11, line 21:** delete lines 21 to 23 and substitute:

1 “8. The bank from which the viatical settlement proceeds will be available and
2 that the trustee or escrow agent holding the proceeds is required to pay the proceeds
3 to the policyholder or certificate holder immediately upon notification from the
4 insurer that the policy or certificate has been transferred to the viatical settlement
5 provider.”.

6 **10. Page 12, line 7:** delete lines 7 to 12 and substitute:

7 “a. If the insured’s life expectancy is 6 months or less, 80% of the policy or
8 certificate face value after reducing the face value by the amount of any outstanding
9 loans against the policy or certificate.

10 b. If the insured’s life expectancy is more than 6 months but not more than 12
11 months, 75% of the policy or certificate face value after reducing the face value by the
12 amount of any outstanding loans against the policy or certificate.

13 c. If the insured’s life expectancy is more than 12 months but not more than 24
14 months, 65% of the policy or certificate face value after reducing the face value by the
15 amount of any outstanding loans against the policy or certificate.

16 d. If the insured’s life expectancy is more than 24 months but not more than
17 36 months, 55% of the policy or certificate face value after reducing the face value
18 by the amount of any outstanding loans against the policy or certificate.

19 e. If the insured’s life expectancy is more than 36 months but not more than 48
20 months, 45% of the policy or certificate face value after reducing the face value by the
21 amount of any outstanding loans against the policy or certificate.

22 f. If the insured’s life expectancy is more than 48 months, 30% of the policy or
23 certificate face value after reducing the face value by the amount of any outstanding
24 loans against the policy or certificate.”.

1 **11.** Page 12, line 13: delete lines 13 and 14 and substitute:

2 “2. If the total of the premiums that the viatical settlement provider expects to
3 pay under the policy or certificate exceeds 5% of the face value of the policy or
4 certificate, the viatical settlement provider may reduce the minimum payment
5 amount under subd. 1. by the percentage of the face value that the total of the
6 premiums that the viatical settlement provider expects to pay equals.”.

7 **12.** Page 13, line 11: substitute a comma for “or by”; and after “transfer” insert
“or electronic fund transfer”.

8 **13.** Page 13, line 12: after “holder” insert: “, or in instalments if the settlement
is effected through the purchase of an annuity or similar instrument from a person
authorized by this or another state to issue annuities”.

9 **14.** Page 13, line 13: delete lines 13 to 15.

10 **15.** Page 13, line 20: after “dependents” insert: “, unless any such factor
affects the life expectancy of the person whose life is insured”.

11 **16.** Page 14, line 4: after “ss.” insert “51.30,”.

12 **17.** Page 14, line 18: after “solicit” insert “or accept”.

13 **18.** Page 15, line 16: after that line insert:

14 “3. Establish standards regarding the duty of insurers to respond without
15 unreasonable delay to a request, in writing and authorized by the policyholder or
16 certificate holder, from a viatical settlement provider or broker for information
17 related to a policy or certificate.

18 4. Define a viatical settlement agent and establish regulations related to
19 viatical settlement agents that are consistent with this section.”.

