

[No. 206, A.]

[Published March 17, 1880.]

## CHAPTER 240.

AN ACT to prohibit unauthorized companies and agents from transacting the business of insurance in this state, and relating to the department of insurance.

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

SECTION 1. The commissioner of insurance may address inquiries to any insurance corporation doing business in this state, or officer, in relation to its doings or condition, or any other matter connected with its transactions, and it shall be the duty of every corporation or officer so addressed, to promptly reply in writing to such inquiries; and, whenever he shall deem it expedient so to do, or when any responsible person shall file with him written charges against any such corporation, alleging that any return or statement filed by it with such commissioner of insurance is false, or that its affairs are in an unsound condition, he shall, in person, or by some one to be appointed by him for that purpose, not an officer or agent of, or in any manner interested in, any insurance corporation doing business in this state, except as policy holders, examine into its affairs and condition: and it shall be the duty of the corporation, its officers or agents, to cause their books to be opened for inspection, and to pay all reasonable expense of, and compensation for, such examination, upon the certificate and requisition therefor of the said commissioner; which expenses, however, shall not exceed the sum of five dollars per day during the time of the examination, and five cents per mile for traveling by the most direct route in going to and coming from the place where such examination took place; but no corporation examined, shall either directly or indirectly pay, by way of gifts, gratuity or otherwise, any other or further sum to said commissioner or examiner for services, extra services, or for purposes of legislation, or on any other pretense whatever. Any commissioner, examiner, or any officer, clerk or employe of any insurance company violating the provisions of this section shall be guilty of a misdemeanor. And whenever it shall appear to the said commissioner of insurance, from the report of the person appointed by him, that the affairs of any company not incorporated by the laws of this state are in an unsound condition, he shall revoke the certificate granted in behalf of such company, and shall cause a

Authority of  
commissioners

May examine  
into affairs of  
companies.

notification thereof to be published in the official state paper, mail a copy thereof to each agent of the company, and the agent or agents of such company, after such notice, shall be required to discontinue the issuing of any new policy and the renewal of any previously issued. The commissioner of insurance shall in like manner and upon like conditions examine insurance corporations applying for admission to transact business in this state, and if the affairs or condition of any such corporation are not such as to fully meet the requirements of law, he shall withhold his certificate.

Revised statutes to apply.

SECTION 2. All examinations of insurance corporations of this state, and of life and accident corporations, shall be made as now provided by the revised statutes.

Business to be done through authorized agent.

SECTION 3. No corporation transacting the business of fire insurance in this state, not incorporated by the laws of this state, shall write or cause to be written, any policy of insurance on property situate in this state, except by or through a duly authorized agent of such corporation licensed by the commissioner of insurance, or at the personal request or application of the person who desires to effect insurance on his own property.

Agents not to act without authority from commissioner.

SECTION 4. No officer or broker, agent or sub-agent of any insurance corporation of any kind, except town insurance corporations of this state, shall act or aid in any manner in transacting the business of or with such corporation, in placing risks or effecting insurance therein, without first procuring from the commissioner of insurance a certificate of authority as provided by law, nor after the period named in such certificate shall have expired. Every person violating the provisions of this section shall be guilty of a misdemeanor, and be punished by a fine of not less than fifty nor more than five hundred dollars for each offense.

What constitutes agent.

SECTION 5. Whoever solicits insurance on behalf of any insurance corporation or property owner, or transmits an application for insurance, or a policy of insurance, other than for himself, to or from any such corporation, or who makes any contract for insurance, or collect any premium for insurance, or in any manner aids or assist in doing either, or in transacting any business of like nature for any insurance corporation, or advertises to do any such thing, shall be held to be an agent of such corporation to all intents and purposes, unless it can be shown that he receives no compensation for such services.

SECTION 6. It shall be the duty of the commissioner of insurance, when he deems the evidence sufficient, to prosecute or cause to be prosecuted, all violations of the insurance laws of the state, and for the purpose of defraying the expenses of the department of insurance and compensation of the commissioner of insurance and his clerks, there shall be paid annually to the commissioner of insurance by insurance companies organized under the laws of this state, one dollar; by life and accident insurance companies not organized under the laws of this state, one dollar; and by fire and marine insurance companies not organized under the laws of this state, two dollars— for each certificate issued by him to the agents of such companies during the year: *provided*, that the several sums aforesaid, to be paid to the said commissioner of insurance, shall be fully and accurately accounted for by him each year; the account whereof to be separately stated in the annual report of said commissioner, and whenever such sums as aforesaid to be received by him under the provisions of this section, shall exceed the sum of five thousand dollars in any one year, such excess over the sum of five thousand dollars shall be paid over to the treasurer of the state of Wisconsin and be credited to the general fund; and which sums aforesaid amounting to, or less than five thousand dollars, shall be in lieu of all compensation now allowed by law, both for salary and for all expenses of the department of insurance. It shall be the duty of the commissioner of insurance to tabulate and publish in his annual report, the statistics given in the reports of town insurance companies; also to give the name and location of each company, together with the names of its officers, and to furnish the secretary thereof with a copy of each annual report.

SECTION 7. All acts or parts of acts inconsistent with the provisions of this act are hereby repealed. Repealed.

SECTION 8. This act shall take effect and be in force from and after its passage and publication.

Approved March 15, 1880.