

No. 296, S.]

[Published May 29, 1947.

CHAPTER 173.

AN ACT to amend 202.18 and to repeal and recreate 202.07 of the statutes, relating to reinsurance of town mutual insurance companies.

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

SECTION 1. 202.07 of the statutes is repealed and recreated to read:

202.07 REINSURANCE. The board of directors may at any time authorize the officers to cede reinsurance to any other responsible company and may assume as a reinsurer alone or in conjunction with other insurers a portion of any risk of any other company provided the risk is located in the state of Wisconsin and is of a kind which it may insure direct.

SECTION 2. 202.18 of the statutes is amended to read:

202.18 Any town mutual fire insurance company or the board of directors of any town mutual fire insurance company may at any legal meeting vote to apply for insurance in such reinsurance corporation; and when such application for insurance shall be accepted as provided by the by-laws of said reinsurance corporation, such town mutual fire insurance company shall thereupon become a member.

Approved May 26, 1947.

No. 298, S.]

[Published May 29, 1947.

CHAPTER 174.

AN ACT to amend 201.03 (8) and to create 201.03 (8m) of the statutes, relating to the merger, consolidation and reinsurance of mutual insurance corporations.

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

SECTION 1. 201.03 (8) of the statutes is amended to read:

201.03 (8) Any mutual insurance corporation which has been or may be organized under the provisions of this chapter may absorb by merger or consolidation, or be merged into, or consolidated with, or be wholly reinsured as to all of its risks

by any other such corporation or any foreign mutual insurance corporation licensed to transact business in this state or may wholly reinsure all of the risks of any other such corporation or any licensed foreign mutual insurance corporation, by action of the boards of directors of said corporations provided that as to any such merger, consolidation or total reinsurance involving only corporations organized under this chapter the resolution providing therefor and for any transfer of assets and assumption of liabilities in connection therewith, shall be approved by the commissioner of insurance as reasonable and as fair and equitable to the policyholders. In the event that any such merger, consolidation or total reinsurance involves both a mutual insurance corporation organized under this chapter and a foreign mutual insurance corporation authorization therefor shall be obtained in the manner hereinafter provided:

(a) When any such merger, consolidation, or total reinsurance involves both a mutual insurance corporation organized under this chapter and a foreign mutual insurance corporation, a petition setting forth the terms and conditions and praying for approval thereof shall be presented to the commissioner of insurance. The commissioner shall thereupon issue an order fixing the time and place of hearing and requiring a notice thereof to be published in at least 2 newspapers to be designated in the order, once each week, for 3 weeks before the time appointed for hearing, and providing for such other notice, if any, as the commissioner may require.

(b) The governor, or some resident of the state appointed by him, the attorney-general, and the commissioner of insurance shall constitute a commission to hear and determine upon every such petition. The commissioner of insurance shall have the power to summon and compel the attendance of witnesses and the production of books and records before the commission and the commission may make or order such examination into the affairs and condition of the corporations involved as it may deem proper. Any policyholder of the corporations involved may appear and be heard. The commission may authorize the proposed merger, consolidation or total reinsurance either upon the terms and conditions set forth in the petition or with such modification thereof as it shall deem necessary or desirable in the interest of the policyholders. Such mergers, consolidations or total reinsurance as to all risks shall require the approval of

all members of the commission, and it shall be the duty of the commission to guard the interests of the policyholders. The decisions and orders of the commission shall be in writing and shall be signed by all members of the commission. Any final order of the commission authorizing or refusing to authorize any such merger, consolidation or total reinsurance as to all risks may be reviewed in the manner provided in chapter 227.

(c) All expenses incident to proceedings before the commission shall be paid by the companies petitioning. The commission shall file an itemized statement of such expenses in the department with its order.

SECTION 2. 201.03 (8m) of the statutes is created to read:

201.03 (8m) The power and authority conferred by subsection (8) shall be in addition to the power and authority heretofore existing under section 201.27 and nothing contained in subsection (8) shall be deemed to limit or place any restriction on any power or authority existing under said section or on the manner of exercise thereof.

Approved May 26, 1947.

No. 300, S.]

[Published May 29, 1947.

CHAPTER 175.

AN ACT to amend 97.02 (9) (g) of the statutes, relating to the butter fat content of Swiss or Emmenthaler cheese.

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

97.02 (9) (g) of the statutes is amended to read:

97.02 (9) (g) Emmenthaler cheese, commonly known as domestic Swiss cheese, is made from whole milk or partly skimmed milk, and contains, in the water-free substance, not less than 45 per cent of milk fat with an allowance or tolerance of 2 per cent so that in no case or event shall the milk fat content in the water-free substance of such cheese fall below 43 per cent

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