

**NOTICE OF PUBLIC HEARING
OFFICE OF THE COMMISSIONER OF INSURANCE**

The Office of the Commissioner of Insurance announces that it will hold a public hearing on a Permanent Rule for ss. Ins 2.02, 2.04, and 6.20, Wis. Adm. Code, relating to the repeal of restrictions related to the allocation of dividends to participating life insurance policies issued by a stock company, rating practices for exceeding filed rates for substandard risks, and revisions to the definition of investment terms, limitations on the investments of town mutual insurers and the permissible scope of foreign investments and affecting small business. In accordance with s. 227.15, Stats., the Commissioner is seeking public input through the hearing and comment period regarding the content of the proposed permanent rule.

Hearing Information:

Date: February 10, 2020
Time: 1:00 pm
Location: Office of the Commissioner of Insurance
125 S. Webster St., 2nd Floor Rm. 250
Madison, WI 53703

Accessibility:

Pursuant to the American with Disabilities Act reasonable accommodations including the provision of informational materials in an alternative format, will be provided for individuals with disabilities upon request. Please call Karyn Culver at (608) 267-9586 with specific information on your request at least 5 days before the date of the hearing. There is also handicap access to the hearing location.

Appearances at the Hearing and Submittal of Written Comments:

Persons wishing to testify or provide oral or written comments regarding the Permanent Rule for the proposed administrative rule may appear during the hearing. Additionally comments may be submitted at <https://docs.legis.wisconsin.gov/code>.

For additional information please contact Julie E. Walsh at (608) 264-8101 or email at Julie.Walsh@wisconsin.gov in the OCI Legal Unit.

Deadline for submitting comments is February 17, 2020 by 4:00 pm.

Initial Regulatory Flexibility Analysis:

The proposed rule will repeal restrictions related to the allocation of dividends to participating life insurance policies issued by a stock company and the rating practices for exceeding filed rates for substandard risks. Additionally, the proposed rule revises the definitions of investment terms, modifies limitations on the investments of town mutual insurers, and the permissible scope of foreign investments. This rule will have a beneficial effect on small businesses, specifically, approximately 54 town mutual insurance companies by saving potentially \$6,000.00 to \$10,000.00 in custody fees per year by being permitted to invest in a diversified pool of mutual funds. The rule change also increases the amount of foreign investments that may be counted towards the satisfaction of compulsory and security surplus requirements but only applies to insurers with \$500 million or more in admitted assets. Therefore, the rule is not anticipated to have a significant impact on small businesses that are insurers or that are insured by

businesses subject to the proposed rule as little to no economic impact is anticipated and therefore will not be passed on to insureds.

Agency Small Business Regulatory Coordinator:

The OCI small business coordinator is Kate Ludlum and she may be reached at Kate.Ludlum@wisconsin.gov or (608) 264-6232.