



STATE OF WISCONSIN
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CORRESPONDENCE MEMORANDUM

DATE: October 17, 2013
TO: Group Insurance Board
FROM: David H. Nispel, General Counsel
Steve Hurley, Office of Policy, Privacy and Compliance
SUBJECT: Status of Proposed Administrative Rules

This memo is for informational purposes only. No Board action is required.

This memorandum lists administrative rules staff are working on and the status of those rules. Once a rule is in final draft form, it is brought to the Group Insurance Board (Board) for approval. The memorandum also includes an update on a project the Legislature has undertaken called Right the Rules. The project seeks to perform a comprehensive review of the entire Wisconsin Administrative Code. The goal is to delete or modify obsolete, duplicative, and overly onerous rules.

Currently, there are two rules of interest to the Board:

CR 12-054, Technical rule relating to making technical updates on existing Employee Trust Funds (ETF) rules and making other minor substantive changes including allowing employers more flexibility with deadlines for submitting monthly reports to ETF, and changing an existing rule regarding local public employer's health insurance to comply with 2011 Wisconsin Act 133.

- **Status:** No action was taken by the Legislature. The rule was referred to the Legislative Reference Bureau for publication. The rule will be published on October 31, 2013 and be effective on November 1st.

Reviewed and approved by Robert J. Marchant, Deputy Secretary

Electronically Signed 10/24/13

Board	Mtg Date	Item #
GIB	11.12.13	6D

CR 13-004, Internal Revenue Code (IRC) compliance rule relating to clarifying how ETF administers provisions of the IRC, including §§ 415 (b), 415 (c) and 401 (a) (17) as provided in § 40.03 (2) (t), Wis. Stats.

- **Status: The final rule was published with an effective date of September 1, 2013. The rulemaking process is completed.**

Administrative Rules Update: Right the Rules

Early in the 2013-14 legislative session, Assembly Representative Dan LeMahieu (R-Cascade), Co-Chair of the Joint Committee for Review of Administrative Rules (JCRAR), introduced a project for reforming the Wisconsin Administrative Code, called Right the Rules. The project identifies rules that make it harder to do business in Wisconsin because they are out of date, duplicate federal rules, require people to fill out unnecessary paperwork, delay projects, or add costs to everyday tasks.

Through the Right the Rules project, the Assembly Standing Committees will examine each chapter of the Wisconsin Administrative Code to determine if the rules still function as intended. Each committee will be assigned appropriate sections of the Administrative Code to read and discuss. Some questions they will ask about each rule include: :

- Does it protect the public from a threat to public health, safety or welfare?
- Does it promote or hinder job growth and the economy?
- Is the rule outdated?
- What is the cost to implement the rule?
- Does it follow legislative intent?
- Have there been complaints about it?

After a committee receives input and discusses the respective Administrative Code chapters, legislation may be introduced to make modifications. To date, legislation that proposes many deletions and modifications to the existing Code has been introduced and referred to the Transportation Committee (AB 262) and Financial Institutions Committee (AB 277).

Under the bills, the ordinary rule-making procedures under current law do not apply. If the bill is enacted, the Legislative Reference Bureau must publish the repeal or modification of a Code provision, and the repeal or modification, subject to certain exceptions, takes effect on the first day of the first month beginning after publication.

Staff will be at the Board meeting to answer any questions.