



WISCONSIN LEGISLATIVE COUNCIL AMENDMENT MEMO

2011 Senate Bill 7	Senate Amendments 1 and 2
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2011 Senate Bill 7

Senate Bill 7 maintains the requirement under current law that every motor vehicle operated in Wisconsin be covered by an insurance policy, but reduces the minimum limits for mandatory liability coverage, uninsured and underinsured coverage, and medical payments coverage. The bill allows an insurance policy to include anti-stacking clauses for any coverage provided in the policy, and to include reducing clauses for uninsured and underinsured coverage provided in the policy.

The bill largely returns the laws on financial responsibility for motor vehicles to the status of those laws prior to being revised by 2009 Wisconsin Act 28. However, the bill revises, but does not completely repeal, provisions regarding underinsured motorist coverage.

Senate Amendment 1 returns the treatment of underinsured motorist coverage limits to the status of that law prior to being revised by 2009 Wisconsin Act 28, including the following provisions:

- Underinsured motorist coverage is not required in an insurance policy.
- If underinsured motorist coverage is not included in the policy, a written notice of its availability must be provided to the insured. The notice is required only one time, in conjunction with the delivery of the policy.
- Rejection or acceptance of the underinsured motorist coverage does not need to be in writing. No premiums paid for underinsured motorist coverage is proof of rejection of the coverage.
- If an insured does accept underinsured motorist coverage, the coverage limits must be at least \$50,000 per person and \$100,000 per accident.

Senate Amendment 2 returns the definition of underinsured motorist coverage to the status of that law prior to being revised by 2009 Wisconsin Act 28. The amendment leaves that term undefined in the statutes, to be defined by each individual insurance policy, as it was prior to 2009 Wisconsin Act 28.

Companion Bill

This bill contains the same provisions as 2011 Assembly Bill 4, which received a public hearing on January 19, 2011. These amendments are identical to two that have been recommended for adoption by the Assembly Committee on Insurance for the Assembly bill.

Legislative History

Senate Amendment 1 was introduced by the Senate Committee on Insurance and Housing on February 2, 2011. On that same date, the Senate Committee on Insurance and Housing recommended adoption of the amendment on a vote of Ayes, 5; Noes, 1.

Senate Amendment 2 was offered by the Senate Committee on Insurance and Housing on February 2, 2011. On the same date, the committee recommended adoption of the amendment on a vote of Ayes, 4; Noes, 2.

On February 2, 2011, the Senate Committee on Insurance and Housing recommended passage of the bill, as amended, on a vote of Ayes, 4; Noes, 2.

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