

1987 Senate Bill 150

Date of enactment: **March 17, 1988**  
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## 1987 Wisconsin Act 166

AN ACT to repeal 616.73; to amend 601.31 (1) (m) 1 and 2, 601.93 (2), 616.71 (5), 616.77 and 628.02 (1) (b) 7; and to create 601.31 (1) (u) and (v), 601.31 (3), 601.935 and 628.02 (1) (b) 7m of the statutes, relating to insurance intermediary fees, motor club agents, insurers' fire department dues and providing a penalty.

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

SECTION 1. 601.31 (1) (m) 1 and 2 of the statutes are amended to read:

601.31 (1) (m) 1. Resident intermediaries, ~~\$5~~ \$20;

2. Nonresident intermediaries, ~~\$15~~ \$40; and

SECTION 2. 601.31 (1) (u) and (v) of the statutes are created to read:

601.31 (1) (u) For preparation and furnishing of an agent's letter of certification, \$10.

(v) For preparation and furnishing of an agent's letter of clearance, \$10.

SECTION 2m. 601.31 (3) of the statutes is created to read:

601.31 (3) The commissioner may not increase fees under sub. (1) (m) above the amounts in effect on the effective date of this subsection .... [revisor inserts date], except for the purpose of funding projected expenses for the office's supervision of the insurance industry.

SECTION 3. 601.93 (2) of the statutes is amended to read:

601.93 (2) Every insurer doing a fire insurance business in this state shall, before March 1 in each year, file with the commissioner a statement, showing the amount of premiums upon fire insurance due for the preceding calendar year. Return premiums may be deducted in determining the premium on which the fire department dues are computed. Payments of quarterly instalments of the total estimated payment for the then current calendar year under this subsection are due on or before April 15, June 15, September 15 and December 15, ~~except that town mutual insurers shall make annual payments on or before March 1.~~ On March 1 the insurer shall pay any additional amounts due for the preceding calendar year. Overpayments will be credited on the amount due April 15. ~~If any insurer fails to make quarterly payments of at least 25% of either the total tax paid for the previous calendar year or 80% of the actual tax for the current calendar year, it shall be liable, in addition to the~~

~~amount due for interest, in the amount of one percent of the amount due and unpaid for each month or part of a month that the amount due together with any interest remains unpaid.~~ The commissioner shall, prior to ~~April 15~~ May 1 each year, report to the department of industry, labor and human relations the amount of dues paid under this subsection and to be paid under s. 101.573 (1).

SECTION 4. 601.935 of the statutes is created to read:

**601.935 Penalties.** (1) **LATE PAYMENT.** An insurer that fails to make quarterly payments under s. 601.93 (2) of at least 25% of either the total fire dues paid for the previous calendar year or 80% of the actual fire dues for the current calendar year is liable, in addition to the amount due, for interest of 1.5% of the amount due and unpaid for each month or part of a month that the amount due, together with any interest, remains unpaid.

(2) **NEGLIGENCE.** An insurer that fails to pay an amount due, or file a statement required, under s. 601.93 (2), unless the insurer shows that the failure is due to reasonable cause and not due to wilful neglect, is liable for the greater of the following amounts:

- (a) Five hundred dollars.
- (b) Five percent of the amount due for each month or fraction of a month during which the failure continues, but not more than 25% of the amount due.

SECTION 5. 616.71 (5) of the statutes is amended to read:

616.71 (5) "Company" means any person, firm, copartnership, company, association or corporation engaged in selling, furnishing or procuring, either as principal or agent, for a consideration, motor club service as ~~herein defined.~~

SECTION 6. 616.73 of the statutes is repealed.

SECTION 7. 616.77 of the statutes is amended to read:

**616.77 Execution of service contract.** Every service contract, executed, issued, or delivered in this state shall be made in duplicate, and shall be dated and signed by the company issuing the ~~same, and counter-signed by its duly authorized agent,~~ service contract and by the party purchasing the ~~same~~ service contract, and one copy thereof shall be kept by ~~said~~ the company, and the other copy shall be delivered to the party purchasing the ~~same~~ service contract.

SECTION 8. 628.02 (1) (b) 7 of the statutes is amended to read:

628.02 (1) (b) 7. A person who gives advice or assistance without compensation, direct or indirect; or

SECTION 9. 628.02 (1) (b) 7m of the statutes is created to read:

628.02 (1) (b) 7m. A person who acts solely as an agent, as defined in s. 616.71 (1); or