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**WISCONSIN LEGISLATIVE COUNCIL  
AMENDMENT MEMO**

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**2011 Assembly Bill 4**

**Assembly  
Amendments 1 and 7**

*Memo published:* January 28, 2011

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**2011 Assembly Bill 4**

**Assembly Bill 4** 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.

**Assembly 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.

**Assembly Amendment 7** 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 Senate Bill 7, which received a public hearing on January 19, 2011. No amendments have been introduced for the Senate bill.

**Legislative History**

Assembly Amendment 1 was offered by Representative Kapenga on January 25, 2011. On January 27, 2011, the Assembly Committee on Insurance recommended adoption of the amendment on a vote of Ayes, 8; Noes, 5.

Assembly Amendment 7 was offered by the Assembly Committee on Insurance on January 27, 2011. On the same date, the committee recommended adoption of the amendment on a vote of Ayes, 8; Noes, 5.

On January 27, 2011, the Assembly Committee on Insurance recommended passage of the bill, as amended, on a vote of Ayes, 10; Noes, 3.

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