## 1997 SENATE BILL 208

May 15, 1997 - Introduced by Senator Plache, by request of David Kristopeit, Racine. Referred to Committee on Insurance, Tourism and Rural Affairs.

AN ACT to create 632.27 of the statutes; relating to: requiring notice to an insured before a liability insurance claim is paid.

## Analysis by the Legislative Reference Bureau

This bill requires an insurer that provides coverage under a liability insurance policy to provide notice to the insured under the policy at least 7 days before the insurer pays a claim under the policy as a result of a settlement. The notice must include the name and address of the payee of the claim, the amount that will be paid, the anticipated date of payment and a description of the occurrence on which the claim is based.

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

SECTION 1. 632.27 of the statutes is created to read:
632.27 Notice to insured before payment of claim. (1) An insurer that provides coverage under a liability insurance policy shall notify the insured under the policy at least 7 days before the insurer pays a claim under the policy as a result of a settlement.
(2) The notice under sub. (1) shall include all of the following:
(a) The name and address of the person to whom the claim will be paid.
(b) The amount of the claim that will be paid and the anticipated date of payment.
(c) A description, including the date, of the occurrence out of which the claim arose.

## SECTION 2. Initial applicability.

(1) This act first applies to either of the following:
(a) Except as provided in paragraph (b), claims made on the effective date of this paragraph.
(b) Claims made under a liability insurance policy containing provisions inconsistent with this act on the day that the policy is renewed.
(END)

