3

4

5

6

7

LRB-2643/2 PJK:kaf:km

## **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.

1 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.

## SENATE BILL 208

13

1	(2) The notice under sub. (1) shall include all of the following:
2	(a) The name and address of the person to whom the claim will be paid.
3	(b) The amount of the claim that will be paid and the anticipated date of
4	payment.
5	(c) A description, including the date, of the occurrence out of which the claim
6	arose.
7	Section 2. Initial applicability.
8	(1) This act first applies to either of the following:
9	(a) Except as provided in paragraph (b), claims made on the effective date of
10	this paragraph.
11	(b) Claims made under a liability insurance policy containing provisions
12	inconsistent with this act on the day that the policy is renewed.

(END)