

Senate Bill 247

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CHAPTER 337, LAWS OF 1967

AN ACT to repeal 204.30 (6); and to create 204.341 and 204.342 of the statutes, relating to cancellation and nonrenewal of automobile liability insurance.

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

SECTION 1. 204.30 (6) of the statutes is repealed.

SECTION 2. 204.341 of the statutes is created to read:

204.341 CANCELLATION AND NONRENEWAL OF AUTOMOBILE LIABILITY INSURANCE. (1) As used in this section "policy of automobile liability insurance" means a policy insuring a natural person, who resides in the state of Wisconsin, as named insured, or one or more related individuals resident of the same household, and under which the insured vehicles therein designated are of the following types only:

(a) A motor vehicle of the private passenger, station wagon, or jeep type that is not used as a public or livery conveyance for passengers, nor rented to others, or

(b) Any other 4-wheel motor vehicle with a load capacity of 1,500 pounds or less which is not used in the occupation or professional business of the insured.

(2) This section shall apply only to that portion of an automobile liability policy insuring against bodily injury and property damage liability and to the provisions therein, if any, relating to medical payments and uninsured motorists coverage.

(3) This section shall not apply:

(a) To policies of automobile liability insurance issued under an automobile assigned risk plan, nor

(b) To any policy insuring an automobile which is one of more than 4 insured under a single policy, nor

(c) To any policy covering garage, automobile sales agency, repair shop, service station or public parking place operation hazards.

(4) No insurer shall cancel or refuse to renew an automobile liability insurance policy solely because of the age, residence, race, color, creed, national origin, ancestry or occupation of anyone who is an insured.

(5) (a) When an insurer cancels or refuses to renew an automobile liability insurance policy, it shall mail or deliver to the named insured, at the address shown in the policy, at least 30 days' advance notice. Unless the specific reason or reasons for cancellation or nonrenewal accompany or are included in the notice of cancellation or nonrenewal, such notice shall state or be accompanied by a statement that upon written request of the named insured the insurer shall specify the reasons for such cancellation or nonrenewal. This subsection shall not apply:

1. If the insurer has manifested its willingness to renew by issuing or offering to issue a renewal policy, certificate or other evidence of renewal, or has manifested such intention by any other means; nor

2. Where the named insured has failed to discharge when due any of his obligations in connection with the payment of premiums for the policy, or the renewal thereof, or any instalment payments therefor, whether payable directly to the insurer or indirectly under any premium finance plan or extension of credit;

3. Where the named insured has notified the insurer or its agent that he does not wish the policy to be renewed.

(b) Notwithstanding the failure of an insurer to comply with sub. (5) (a), the policy shall terminate on the effective date of any other automobile liability insurance covering the insured with respect to any automobile designated in the policy.

(6) Mailing of notice of cancellation, or of intention not to renew or not to continue the policy, or mailing of reasons for cancellation or nonrenewal to the named insured at the address shown in the policy shall be sufficient proof of notice.

(7) When a policy is canceled or not renewed by the insurer, other than for nonpayment of premium, the insurer shall notify the named insured of his possible eligibility for insurance through the Wisconsin automobile assigned risk plan.

(8) Unless the reasons for cancellation or nonrenewal accompany or are included in the notice of cancellation or nonrenewal, upon written request of the named insured mailed or delivered prior to the effective date of cancellation or nonrenewal, the insurer shall specify in writing the specific reasons for such cancellation or nonrenewal. Such reasons shall be mailed or delivered to the named insured within 5 days after receipt of such request.

(9) There shall be no liability on the part of and no cause of action of any nature shall arise against any insurer, its authorized representative, its agents, its employes, or any firm, person or corporation furnishing to the insurer information as to reasons for cancellation or nonrenewal, for any statement made by any of them in complying with this section, or for the providing of information pertaining thereto.

SECTION 3. 204.342 of the statutes is created to read:

204.342 CANCELLATION AND NONRENEWAL UPON TERMINATION OF AGENCY CONTRACTS. The termination of an agency contract by an insurer shall not relieve the insurer of the obligations imposed by s. 204.341 (4).

Approved January 18, 1968.