



2005 SENATE BILL 385

October 13, 2005 - Introduced by Senators DARLING, ROESSLER, GROTHMAN, CARPENTER, LASSA and OLSEN, cosponsored by Representatives MONTGOMERY, GUNDERSON, HINES, VOS, SHERIDAN, ALBERS and PETROWSKI. Referred to Committee on Agriculture and Insurance.

1 **AN ACT** *to repeal* 218.0143 (2); and *to amend* 218.0143 (1) of the statutes;
2 **relating to:** insurance coverage provided by motor vehicle dealers and finance
3 companies.

Analysis by the Legislative Reference Bureau

Current law requires a person who sells or agrees to sell a motor vehicle under a retail installment contract that provides or charges for insurance coverage to include public liability coverage in the insurance policy. Current law also requires the person who sells or agrees to sell a motor vehicle to provide written notice to the buyer if public liability coverage is not included in the insurance policy.

Under this bill, a person who sells or agrees to sell a motor vehicle under a retail installment contract under which an insurance policy is issued or provided may opt not to include public liability coverage in the insurance policy, if the person provides a statement in writing to the buyer that specifies whether public liability insurance is or is not included in the policy.

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

4 **SECTION 1.** 218.0143 (1) of the statutes is amended to read:
5 218.0143 (1) Whenever a person sells or agrees to sell any motor vehicle at
6 retail under a retail installment contract ~~provides for insurance coverage~~ under

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1 which an insurance policy is issued or provided, or a charge is made for insurance
2 coverage, the policy so issued or provided for shall include public liability coverage
3 protecting the driver of the motor vehicle against damages resulting from the
4 negligent use of the vehicle, or the seller shall, in writing, notify the buyer at the time
5 of entering into such contract that the motor vehicle is not covered by public liability
6 insurance protecting the driver against damages resulting from the negligent use
7 thereof. As used in this section, "insurance" does not include consumer credit
8 insurance, as defined in s. 424.201.

9 **SECTION 2.** 218.0143 (2) of the statutes is repealed.

10 **SECTION 3. Initial applicability.**

11 (1) This act first applies to a sale made or an agreement to sell entered into on
12 the effective date of this subsection.

13 (END)