



## WISCONSIN LEGISLATIVE COUNCIL ACT MEMO

**2017 Wisconsin Act 241**  
[2017 Assembly Bill 744]

**Insurance Policy Renewal and  
Certificate of Insurance**

2017 Wisconsin Act 241 relates to insurance policy renewal in an affiliate and the use and contents of certificates of insurance.

The Act specifies that an insurer may renew a property or casualty insurance policy with coverage to be provided by a valid affiliate. A renewal with a valid affiliate is an exception from the provisions that apply to a nonrenewal. All of the stock of, interest in, or control of the affiliate must be held by one or more persons in the same insurance holding company system that includes the insurer.

An insurer must provide notice to the policyholder at least 60 days before the renewal date that the policy will be renewed in an affiliate. The notice must include certain specified information about the affiliate and a statement that there will be no interruption of coverage.

If the premium will increase by 25% or more, the notice must include a statement of the increased premium. If other terms and conditions will be less advantageous to the policyholder, the renewal is subject to the general requirements for a renewal with altered terms, including the policyholder's right to cancel the policy during the 60-day renewal notice period.

In addition, the Act identifies certain prohibited actions relating to evidence of insurance for a property or casualty insurance policy. In particular, the Act prohibits a person from:

- Altering a certificate of insurance.
- Preparing, issuing, requesting, or requiring that a certificate of insurance contain information that is false, misleading, deceptive, unfairly discriminatory, or that otherwise violates public policy or law.
- Preparing, issuing, requesting, or requiring a certificate of insurance that purports to alter, amend, or extend coverage.

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This memo provides a brief description of the Act. For more detailed information, consult the text of the law and related legislative documents at the Legislature's Web site at: <http://www.legis.wisconsin.gov>.

- Preparing, issuing, requesting, or requiring a certificate of insurance that alters the terms and conditions of the policy's notice requirements.

The Act also prohibits a certificate of insurance or other similar document from warranting that the policy fulfills the insurance or indemnification requirements of a specific contract.

*Effective date:* April 5, 2018, except the Act applies to policies that are renewable on or after July 1, 2018.

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