



2019 ASSEMBLY BILL 140

March 25, 2019 - Introduced by Representatives KULP, BALLWEG, FIELDS, SORTWELL, TITTL, STEFFEN, TUSLER, MURPHY, QUINN and THIESFELDT, cosponsored by Senators BERNIER, OLSEN, JACQUE and STROEBEL. Referred to Committee on Insurance.

AUTHORS SUBJECT TO CHANGE

1 **AN ACT** *to renumber and amend* 344.16 (1); *to amend* 344.14 (2) (d) and 344.16
2 (2); and *to create* 344.16 (1) (a) and (b), 344.16 (2m) and 344.63 (1) (cm) of the
3 statutes; **relating to:** self-insurance by religious sects for purposes of motor
4 vehicle financial responsibility and liability insurance requirements.

Analysis by the Legislative Reference Bureau

Under this bill, the Department of Transportation may issue a certificate of self-insurance to a religious sect that meets specified requirements.

Under current law, subject to certain exceptions, a person may not operate a motor vehicle in this state unless the owner or operator of the vehicle has in effect a motor vehicle liability insurance policy for the vehicle providing coverage in specified minimum liability limits. However, there is an exception for a motor vehicle owned by a self-insurer possessing a certificate of self-insurance issued by DOT.

Also under current law, if a motor vehicle accident results in injury, death, or property damage of \$1,000 or more, DOT is required to notify the operator and the owner of the vehicle that the person must deposit with DOT security for the accident in an amount sufficient to satisfy any resulting judgment for damages. If DOT receives a copy of a judgment for damages of \$500 or more arising out of a motor vehicle accident, the person against whom the judgment was rendered is required to provide proof of financial responsibility. In both situations, proof of financial responsibility includes coverage under a motor vehicle liability insurance policy with specified minimum liability limits. In lieu of a motor vehicle liability insurance

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policy, a person may show that the person is a self-insurer possessing a certificate of self-insurance issued by DOT.

Under this bill, upon application, DOT may issue a certificate of self-insurance to a religious sect the members of which have a history of mutual financial assistance and have collectively registered with DOT more than 25 vehicles. If DOT issues a certificate of self-insurance to a religious sect, the certificate of self-insurance may be used in lieu of motor vehicle liability insurance by members of the religious sect to satisfy proof of financial responsibility and mandatory motor vehicle liability insurance requirements.

For further information see the *state* fiscal estimate, which will be printed as an appendix to this bill.

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

1 **SECTION 1.** 344.14 (2) (d) of the statutes is amended to read:

2 344.14 (2) (d) To any person qualifying as a self-insurer under s. 344.16 or to
3 ~~any person operating a vehicle for such self-insurer~~ or to any member of a religious
4 sect issued a certificate of self-insurance under s. 344.16.

5 **SECTION 2.** 344.16 (1) of the statutes is renumbered 344.16 (1) (intro.) and
6 amended to read:

7 344.16 (1) (intro.) ~~Any person in whose name more than 25 motor vehicles are~~
8 ~~registered~~ of the following may qualify as a self-insurer by obtaining a certificate of
9 self-insurance issued by the secretary as provided in sub. (2).;

10 **SECTION 3.** 344.16 (1) (a) and (b) of the statutes are created to read:

11 344.16 (1) (a) A person in whose name more than 25 motor vehicles are
12 registered.

13 (b) Subject to sub. (2m), a religious sect the members of which have collectively
14 registered with the department more than 25 motor vehicles.

15 **SECTION 4.** 344.16 (2) of the statutes is amended to read:

