

Insure for Sure

**By Reg P. Wydeven
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When I was a junior in college, my friend, Hark, and I celebrated after mid-terms by going out to eat at Taco Bell. On the way there, a woman didn't see us, and she pulled out of the grocery store parking lot and slammed right into us.

Our car went up on two wheels and then slammed back down. We looked at each other and simultaneously said to one another, "are you okay?!" After checking ourselves over and deciding we were okay, we got out of the car and were glad to find that the other driver was okay, too.

The car, on the other hand, was not so okay. The passenger side door and front fender were completely mangled and the poor antenna was nowhere to be found. After a few weeks in the shop, though, the car looked as good as new, antenna and all. Thankfully, we both had insurance. I paid my deductible, and her insurance company reimbursed mine for the costs of the repairs.

Because automobile insurance is so important, a new law will require Wisconsinites to pay careful attention to coverage.

This summer, Governor Doyle signed into law as part of the budget bill new rules impacting auto insurance requirements. Dubbed the Wisconsin Financial Responsibility Act, the law contains several new regulations that go into effect tomorrow.

Starting on November 1, underinsured motorist coverage becomes mandatory for Wisconsin drivers, as opposed to optional as it had been in the past. In addition, the underinsured and uninsured motorist coverage limits will increase to \$100,000 per person and \$300,000 per accident, up from \$25,000 and \$50,000. Minimum medical payment coverage also increases from \$1,000 to \$10,000, however, this coverage will still be optional. For drivers that have this coverage, the limits will automatically increase.

The changes not only affect insureds. Insurers will be required to provide written offers of uninsured and underinsured coverage when selling or renewing umbrella liability policies.

Beginning on January 1, 2010, the new law will require the amount of liability coverage to increase to \$50,000 for bodily injury or death of one person, \$100,000 for bodily injury or death of two or more people and \$15,000 for property damage. The minimum now is \$25,000 and \$50,000. Starting in 2016, these minimums will be readjusted for inflation, which will reoccur every five years.

The biggest change in the new law will take effect on June 1, 2010. At that time, Wisconsin will be one of over 40 states to require liability coverage to operate a motor vehicle. Drivers will need to carry proof of this insurance with them to provide to law enforcement officers upon request. Insurers currently provide written proof of insurance specifically for this reason.

The new rules will also make it mandatory for uninsured and underinsured motorist coverage on multiple vehicle policies to "stack," or be added together for up to three vehicles, doubling or tripling the coverage for multiple-vehicle households.

Failing to have the insurance can result in a fine of \$10, but repeat offenders face having their licenses revoked.

Take it from me; getting into a car accident can be one of the scariest things that can happen to you. One thing that will make accidents a little less scary is knowing that both you and the other driver will be covered.

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