



## **Wisconsin Insurance Security Fund**

### **About the Wisconsin Insurance Security Fund**

The Wisconsin Insurance Security Fund (the Fund) was created by 1969 Wisconsin Act 144 published in August, 1969. A part of major revision of the insurance laws, the Fund's purpose was defined this way:

***The purpose of this chapter is to maintain public confidence in the promises of insurers by providing a mechanism for protecting insureds in this state from excessive delay or loss in the event of liquidation of insurers and by assessing the cost of such protection among insurers.***

The Fund, Wisconsin's guaranty association, was the first in the nation and its law inspired a National Association of Insurance Commissioners (NAIC) model guaranty association law. Now all 50 states and the District of Columbia have guaranty funds or associations. Wisconsin was also one of the first states to extend coverage to health maintenance organizations (HMOs) in 1989.

The Fund is unique among the guaranty funds and associations in that it provides coverage for all covered lines of insurance including health maintenance organizations through one, unified organization. Not a state agency, the Fund is a non-profit, tax exempt organization created by state statute. The Fund operates under Chapter 646 of the statutes. It is governed by a 14 member board made up of the Insurance Commissioner, Attorney General, State Treasurer and up to 11 insurer representatives appointed by the Insurance Commissioner.

Since its inception, the Fund has paid over \$282 million in claims and continued thousands of life, annuity and disability policies for Wisconsin consumers.

For more information about the Fund see the 2019-20 Wisconsin Blue Book, Executive Branch (page 210):

[http://docs.legis.wisconsin.gov/misc/lrb/blue\\_book/2019\\_2020/060\\_executive.pdf](http://docs.legis.wisconsin.gov/misc/lrb/blue_book/2019_2020/060_executive.pdf)