



## WISCONSIN LEGISLATIVE COUNCIL AMENDMENT MEMO

**2011 Senate Bill 492**

**Senate Amendments 1, 2, and 3;  
Senate Amendment 1 to Senate  
Amendment 2; and Assembly  
Amendment 1**

*Memo published:* March 14, 2012

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### **2011 Senate Bill 492**

Senate Bill 492 modifies the procedures for oversight of service contract providers by the Office of Commissioner of Insurance (OCI). The bill defines a service contract to include the repair of motor vehicle windshield chips or cracks, but not the replacement of the entire windshield, among other types of service contracts. The bill excludes a service contract for voice, video, and Internet access for an inside wire protection plan for telecommunications services.

### **Senate Amendment 1**

Senate Amendment 1 revises the definition of a service contract that is subject to OCI oversight to include the replacement of a motor vehicle windshield, in addition to the repair of chips or cracks.

The amendment revises the exclusion of an inside wire protection plan for telecommunications services to exclude voice, *data*, video, or *other* information. The amendment also excludes a service contract between telecommunication service providers for maintenance of the property used in the provision of the service.

### **Senate Amendment 2 and Senate Amendment 1 to Senate Amendment 2**

Senate Amendment 2 specifies that a service contract offered by a cooperative association, or its subsidiary or affiliate, is excluded from the service contracts regulated by OCI.

Senate Amendment 1 to Senate Amendment 2 specifies that the type of cooperative association that is excluded is one that is organized for the purpose of producing or furnishing heat, light, power, or water to its members.

### **Senate Amendment 3**

Senate Amendment 3 repeals the preference in state purchasing to a Wisconsin producer, distributor, supplier, or retailer that is allowed only if the home state of the lowest bidder itself grants a preference to its home state vendors. The amendment instead allows a preference to any Wisconsin business that submits a qualified responsible bid that is no more than 5% higher than the competing low bid or most advantageous proposal.

For purposes of the state purchasing preference, the amendment specifies that a Wisconsin business must have at least 50% of its operations in Wisconsin, or must plan to have that by the end of the year following the solicitation of the bid or proposal.

The amendment continues to allow a preference for materials manufactured in the United States if the home country of the lowest bidder itself grants a preference to its vendors, when all other factors are substantially equal.

### **Assembly Amendment 1**

Assembly Amendment 1 removes each of the changes made by Senate Amendment 3 to the bill.

### **Legislative History**

Senate Bill 492 was introduced on February 20, 2012, by Senators Lasee, Olsen, and Schultz. Senate Amendment 1 was introduced on February 29, 2012, by Senator Lasee, and adopted by the Senate Committee on Insurance and Housing on March 2, 2012, on a votes of Ayes, 6; Noes, 1. The committee also recommended passage of the bill, as amended, on a vote of Ayes, 4; Noes, 3.

On March 6, 2012, Senate Amendment 2 and Senate Amendment 1 to Senate Amendment 2 were introduced by Senator Lasee, and Senate Amendment 3 was introduced by Senator Lassa. That same day the Senate adopted each amendment, and passed the bill, as amended, on a voice vote.

On March 13, 2012, Assembly Amendment 1 was introduced by Representative Nygren. That same day the Assembly adopted the amendment, and concurred in the engrossed bill, as amended, on voice votes.

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