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1997 ASSEMBLY BILL 416

June 10, 1997 – Introduced by Representatives Freese, Riley, Musser, Reynolds, Urban, Ziegelbauer, Ott, Travis, Underheim, Notestein, Handrick, Staskunas, Otte, L. Young, Albers, Hasenohrl, Hahn, Carpenter, Turner, Ryba and Meyer, cosponsored by Senators Risser, Drzewiecki, Grobschmidt, Wirch, Clausing, Rosenzweig, Burke and Rude. Referred to Committee on Consumer Affairs.

AN ACT to amend 632.38 (title) and 632.38 (2) (title); and to create 632.38 (1)

(dm) and 632.38 (5) of the statutes; **relating to:** the use of original manufacturer replacement parts.

Analysis by the Legislative Reference Bureau

Under current law, an insurer may not use nonoriginal manufacturer replacement parts in the repair of an insured's motor vehicle unless the insurer complies with specific notice requirements. (Nonoriginal manufacturer replacement parts are nonmechanical sheet metal or plastic parts for the repair of the exterior of a motor vehicle that are not made by or for the manufacturer of the insured's motor vehicle.) The notice must clearly identify the replacement parts as nonoriginal manufacturer replacement parts and advise the insured that warranties on the parts are provided by the manufacturer of the parts, not the manufacturer of the insured's motor vehicle. This bill provides that, regardless of the notice requirements for the use of nonoriginal manufacturer replacement parts, in the repair of an insured's motor vehicle an insurer must use replacement parts that are made by or for the manufacturer of the insured's motor vehicle (original manufacturer replacement parts) if the model year of the insured's motor vehicle is 5 years old or less and if at the time of contracting for repairs the insured requests the use of original manufacturer replacement parts.

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T	SECTION 1. 632.38 (title) of the statutes is amended to read:
2	632.38 (title) Nonoriginal and original manufacturer replacement
3	parts.
4	Section 2. 632.38 (1) (dm) of the statutes is created to read:
5	632.38 (1) (dm) "Original manufacturer replacement part" means a
6	replacement part that is made by or for the manufacturer of an insured's motor
7	vehicle.
8	SECTION 3. 632.38 (2) (title) of the statutes is amended to read:
9	632.38 (2) (title) Notice of intended use of nonoriginal manufactures
10	REPLACEMENT PART.
11	Section 4. 632.38 (5) of the statutes is created to read:
12	632.38 (5) Use of original manufacturer replacement part. Notwithstanding
13	subs. (2) to (4), an insurer or the insurer's representative shall use only original
14	manufacturer replacement parts in the repair of an insured's motor vehicle if all of
15	the following apply:
16	(a) The model year of the insured's motor vehicle is 5 years old or less.
17	(b) At the time of contracting for the repair of the motor vehicle, the insured
18	requests that only original manufacturer replacement parts be used.
19	Section 5. Initial applicability.
20	(1) This act first applies to claims under motor vehicle insurance policies issued
21	or renewed on the effective date of this subsection.
22	(END)