



2013 ASSEMBLY BILL 237

June 6, 2013 – Introduced by Representatives BROOKS, BERCEAU, TITTL, RINGHAND, WACHS, MURSAU, SCHRAA, SWEARINGEN and KERKMAN, cosponsored by Senators LEHMAN and JAUCH. Referred to Committee on Insurance.

1 **AN ACT to create** 632.375 of the statutes; **relating to:** motor vehicle repair
2 practices.

Analysis by the Legislative Reference Bureau

Current law prohibits an insurer that issues a motor vehicle insurance policy that covers the repair or replacement of motor vehicle glass from conditioning the coverage on whether the insured or a third party making a claim under the policy obtains services or parts from a particular vendor specified by the insurer.

This bill provides that a consumer has the right to select the motor vehicle repair facility of his or her choice and prohibits an insurer that issues a motor vehicle insurance policy that covers repairs to a motor vehicle from: 1) requiring that repairs must be made by a particular contractor or repair facility as a condition of that coverage; or 2) failing to initiate or conclude with due dispatch an investigation of a claim for repairs on the basis of whether the repair will be made by a particular contractor or repair facility.

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

3 **SECTION 1.** 632.375 of the statutes is created to read:
4 **632.375 Motor vehicle repair practices; restriction on specifying**
5 **vendor. (1) SCOPE.** This section applies to every insurer that issues or delivers in

ASSEMBLY BILL 237**SECTION 1**

1 this state a motor vehicle insurance policy that covers repairs to a motor vehicle
2 registered or principally garaged in this state.

3 **(2) PROHIBITED PRACTICES.** (a) No insurer may require that, as a condition of
4 the coverage specified in sub. (1), repairs to a motor vehicle must be made by a
5 particular contractor or repair facility. A consumer has the right to select the motor
6 vehicle repair facility of his or her choice.

7 (b) No insurer may fail to initiate or conclude with due dispatch an
8 investigation of a claim for repairs to a motor vehicle on the basis of whether the
9 repairs will be made by a particular contractor or repair facility.

10 **(3) INAPPLICABILITY TO GLASS REPAIR.** Section 632.37, rather than this section,
11 applies to the repair or replacement of motor vehicle glass under a motor vehicle
12 insurance policy.

13 **SECTION 2. Initial applicability.**

14 (1) Except as provided in subsection (2), this act first applies to a claim made
15 under a motor vehicle insurance policy on the effective date of this subsection.

16 (2) If a motor vehicle insurance policy that is in effect on the effective date of
17 this subsection contains a provision that is inconsistent with this act, this act first
18 applies to a claim made under that motor vehicle insurance policy on the date on
19 which the policy is renewed.

20 **(END)**