

2001 DRAFTING REQUEST

Senate Amendment (SA-SSA1-SB55)

Received: 06/15/2001

Received By: kahlepj

Wanted: Soon

Identical to LRB:

For: Senate Democratic Caucus

By/Representing: Keckhaver

This file may be shown to any legislator: NO

Drafter: kahlepj

May Contact:

Addl. Drafters:

Subject: Insurance - auto

Extra Copies:

Submit via email: NO

Requester's email:

Pre Topic:

SDC:.....Keckhaver - CN3035,

Topic:

Use of original manufacturer replacement parts in the repair of a motor vehicle

Instructions:

See Attached

Drafting History:

<u>Vers.</u>	<u>Drafted</u>	<u>Reviewed</u>	<u>Typed</u>	<u>Proofed</u>	<u>Submitted</u>	<u>Jacketed</u>	<u>Required</u>
/?	kahlepj 06/16/2001	wjackson 06/17/2001					
/1			kfollet 06/17/2001		gretskl 06/17/2001		

FE Sent For:

<END>

2001 DRAFTING REQUEST

Senate Amendment (SA-SSA1-SB55)

Received: **06/15/2001**

Received By: **kahlepj**

Wanted: **Soon**

Identical to LRB:

For: **Senate Democratic Caucus**

By/Representing: **Keckhaver**

This file may be shown to any legislator: **NO**

Drafter: **kahlepj**

May Contact:

Addl. Drafters:

Subject: **Insurance - auto**

Extra Copies:

Submit via email: **NO**

Requester's email:

Pre Topic:

SDC:.....Keckhaver - CN3035,

Topic:

Use of original manufacturer replacement parts in the repair of a motor vehicle

Instructions:

See Attached

Drafting History:

<u>Vers.</u>	<u>Drafted</u>	<u>Reviewed</u>	<u>Typed</u>	<u>Proofed</u>	<u>Submitted</u>	<u>Jacketed</u>	<u>Required</u>
/?	kahlepj	1 Wlj 6/17	kij 6/17	gil/mdk 6/17			

FE Sent For:

<END>

Agency: Insurance

PJK

caucus number 3035

duplicate flag:

Other reference numbers:

LFB Sum #:

duplicate with:

bill number/amendment number:

LRB draft # 3013/1

LRB P-draft:

description: Establish statutory right of auto insurance policy holders to select between Original Equipment Manufacturer parts (OEM) or non-OEM parts when having a motor vehicle repaired under motor vehicle insurance policies issued in Wi.

other notes

drafting instructions:

more instructions:

GPR: \$0.00

PR: \$0.00

SEG: \$0.00

Other:

FED: \$0.00

TANF: \$0.00

All Funds: \$0.00

GPR-REV: \$0.00

SEG-REV: \$0.00

PR-REV: \$0.00

no fiscal impact: x

unknown impact:

Agency: Insurance

Number of Amendments: 1

SENATE BUDGET AMENDMENT

Agency name: Commissioner of Insurance – consumer protection

CN 30 35

Related Fiscal Bureau papers and motions:

Description: Establish statutory right of auto insurance policy holders to select between Original Equipment Manufacturer parts (OEM) or non-OEM parts when having a motor vehicle repaired under motor vehicle insurance policies issued in Wisconsin. Nonoriginal manufacturer replacement parts may only be used if written approval is obtained from the consumer. Parts included in the consumer's right to choose are non-mechanical exterior parts only. Specify that the right to choose repair parts extends for motor vehicles five years old and newer. For vehicles more than five years old retain current law that requires consumers to be notified of the use of non-OEM parts.

Fiscal effect:

Attachments: Draft language



State of Wisconsin
2001 - 2002 LEGISLATURE

LRB-30131

PJK:rs&kmg:rg

2001 BILL

1 **AN ACT to repeal 632.38 (2) (b), 632.38 (3) (c), 632.38 (3) (d) and 632.38 (4); to**
2 **amend 632.38 (1) (c), 632.38 (2) (intro.), 632.38 (2) (a), 632.38 (3) (title), 632.38**
3 **(3) (a) and 632.38 (3) (b); and to create 632.38 (2) (c), 632.38 (2) (d) and 632.38**
4 **(2) (e) of the statutes; relating to: eliminating the requirement to provide**
5 **notice of the use of nonoriginal manufacturer replacement parts in the repair**
6 **of any motor vehicle and requiring notice and authorization for the use of**
7 **nonoriginal manufacturer replacement parts in the repair of certain motor**
8 **vehicles.**

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. The notice must be on or attached to any repair estimate prepared by

2001 - 2002 Legislature

- 2 -

LRB-3013/1
PJKrs&km:pg**BILL**

the insurer that is based on the use of one or more nonoriginal manufacturer replacement parts. If the insured has obtained one or more estimates and the insurer approves an estimate that is based on the use of one or more nonoriginal manufacturer replacement parts, the insurer must make sure that the insured receives the notice before the motor vehicle is repaired. The insurer may give the notice by telephone after repairs have begun if the insured authorizes repairs to begin before the insurer approves an estimate. The insurer may not require the person repairing the vehicle to give the notice.

This bill changes the requirements that apply in order for an insurer to require the use of nonoriginal manufacturer replacement parts in the repair of an insured's motor vehicle and makes the new requirements apply only to motor vehicles that are five model years old or newer. An insurer must provide an insured with a notice and authorization form. The notice must clearly identify any nonoriginal manufacturer replacement parts that will be used in the repair, if the insured authorizes the use. The notice must also explain that the insured may choose to have replacement parts made by or for the manufacturer of the insured's vehicle (original manufacturer replacement parts) used in the repair and that the insurer's obligation to cover the repair is not affected by the type of replacement parts that the insured chooses. The authorization part of the form must allow the insured to choose either a nonoriginal or original manufacturer replacement part for each replacement part that will be used in the repair. The insurer may require the use of a nonoriginal manufacturer replacement part only if so authorized on the form by the insured. The notice and authorization form must be attached to a repair estimate prepared by the insurer, or it must be delivered before repairs begin if the insurer approves an estimate obtained by the insured. The bill removes the authority to provide the notice by telephone and removes the prohibition against an insurer requiring the person repairing the vehicle to give the notice.

The provisions in current law do not apply to mopeds, semitrailers, or trailers designed for use in combination with a truck or truck tractor. The bill provides that the provisions do not apply to motorcycles, either.

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

1 SECTION 1. 632.38 (1) (c) of the statutes is amended to read:

2 632.38 (1) (c) "Motor vehicle" means any motor-driven vehicle required to be
3 registered under ch. 341 or exempt from registration under s. 341.05 (2), including
4 a demonstrator or executive vehicle not titled or titled by a manufacturer or a motor
5 vehicle dealer. "Motor vehicle" does not ~~mean~~ include a moped, as defined in s. 340.01

BILL

1 (29m), motorcycle, as defined in s. 340.01 (32), semitrailer, or trailer designed for use
2 in combination with a truck or truck tractor.

3 SECTION 2. 632.38 (2) (intro.) of the statutes is amended to read:

4 632.38 (2) ~~NOTICE OF INTENDED AND AUTHORIZATION FOR USE.~~ (intro.) An insurer
5 or the insurer's representative may not require directly or indirectly the use of a
6 nonoriginal manufacturer replacement part in the repair of an insured's motor
7 vehicle that is 5 model years of age or newer, unless the insurer or the insurer's
8 representative provides to the insured the notice and authorization form described
9 in this subsection in the manner required in sub. (3) or (4) and receives written
10 authorization from the insured before any nonoriginal manufacturer replacement
11 part is installed on the insured's motor vehicle. The notice shall be in writing and
12 shall include all of must be given, and authorization must be obtained, on a form that
13 is entitled "Replacement Parts Notice and Authorization Form" and that includes
14 only the following information:

15 SECTION 3. 632.38 (2) (a) of the statutes is amended to read:

16 632.38 (2) (a) A clear identification of each nonoriginal manufacturer
17 replacement part that is intended for use will be used in the repair of the insured's
18 motor vehicle if the insured provides authorization for the part's use.

19 SECTION 4. 632.38 (2) (b) of the statutes is repealed.

20 SECTION 5. 632.38 (2) (c) of the statutes is created to read:

21 632.38 (2) (c) A statement that the insured may choose to have replacement
22 parts that are made by or for the manufacturer of the insured's motor vehicle used
23 in the repair of the insured's motor vehicle.

24 SECTION 6. 632.38 (2) (d) of the statutes is created to read:

part
BILL

1 632.38 (2) (d) A statement that the insurer's obligation to cover repairs to the
2 insured's motor vehicle will not be affected by the insured's choice under par. (c).

3 SECTION ~~8~~^f 632.38 (2) (a) of the statutes is created to read:

4 632.38 (2) ~~(a)~~^f Two signature lines for the insured's signature, with one line
5 designated as authorizing the use, in the repair, of nonoriginal manufacturer
6 replacement parts and the other line designated as requiring the use, in the repair,
7 of only replacement parts made by or for the manufacturer of the insured's motor
8 vehicle. In addition, the form shall allow the insured to authorize the use of a
9 nonoriginal manufacturer replacement part or to require the use of a replacement
10 part made by or for the manufacturer of the insured's motor vehicle with respect to
11 each replacement part to be used in the repair.

12 SECTION ~~9~~⁹ 632.38 (3) (title) of the statutes is amended to read:

13 632.38 (3) (title) DELIVERY OF NOTICE AND AUTHORIZATION FORM.

14 SECTION ~~10~~¹⁰ 632.38 (3) (a) of the statutes is amended to read:

15 632.38 (3) (a) The notice and authorization form described in sub. (2) shall
16 ~~appear on or~~ be attached to the estimate of the cost of repairing the insured's motor
17 vehicle if the estimate is based on the use of one or more nonoriginal manufacturer
18 replacement parts and is prepared by the insurer or the insurer's representative.
19 The insurer or the insurer's representative shall deliver the estimate and notice and
20 authorization form to the insured before the motor vehicle is repaired.

21 SECTION ~~11~~¹¹ 632.38 (3) (b) of the statutes is amended to read:

22 632.38 (3) (b) If the insurer or the insurer's representative directs the insured
23 to obtain one or more estimates of the cost of repairing the insured's motor vehicle
24 and the estimate approved by the insurer or the insurer's representative clearly
25 identifies one or more nonoriginal manufacturer replacement parts to be used in the

BILL

1 repair, the insurer or the insurer's representative shall ~~assure delivery of the notice~~
2 ~~described in sub. (2) deliver the estimate approved by the insurer or the insurer's~~
3 ~~representative, with the notice and authorization form attached, to the insured~~
4 before the motor vehicle is repaired.

5 SECTION ¹² ~~12~~ 632.38 (3) (c) ^{is amended to read} ~~of the statute is repealed~~

6 SECTION ¹³ ~~13~~ 632.38 (3) (d) of the statutes is repealed.

7 SECTION ¹⁴ ~~14~~ 632.38 (4) of the statutes is repealed.

8 SECTION ¹⁵ ~~15~~ Initial applicability.

9 (1) This act first applies to claims under motor vehicle insurance policies issued
10 or renewed on the effective date of this subsection.

11 SECTION ¹⁶ ~~16~~ Effective date.

12 (1) This act takes effect on the first day of the 3rd month beginning after
13 publication.

14 (END)

(c) The insurer or the insurer's representative may not require the person repairing the motor vehicle to give the notice and authorization form described in sub(2)

Insert

Section 7. 632.38(2)(e)
of the Statutes is created to read:

632.38(2)(e) A statement
that nonoriginal manufacturer replacement
parts will not be covered by
the warranty of the manufacturer
of the insured's motor vehicle,

2001

Date (time) needed _____

LRB b 0798 / 1

AMDT TO BUDGET SUB AMDT

PJK : Wlj : _____

Sec form AMENDMENTS — COMPONENTS & ITEMS.

SENATE AMENDMENT
~~TO SENATE AMENDMENT~~
TO SENATE SUBSTITUTE AMENDMENT 1,
TO 2001 SENATE BILL 55

At the locations indicated, amend the substitute amendment ~~amendment~~ *WAWAW* as follows:

#. Page , line *after that line insert 1/*

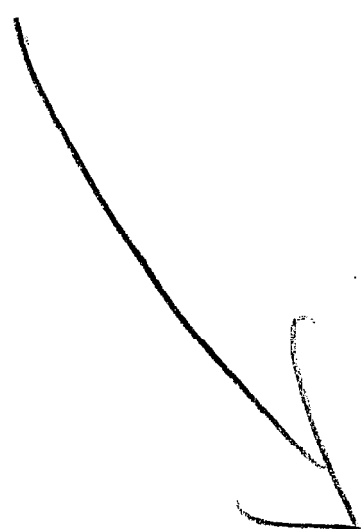
#. Page , line :

#. Page line :

#. Page , line :

#. Page , line :

#. Page , line :



BILL

receives the notice before the motor vehicle is repaired. The insurer may give the notice by telephone and send a written copy within three days of the telephone notice. The insurer may not require the person repairing the vehicle to give the notice.

This bill specifies different requirements that apply in order for an insurer to require the use of nonoriginal manufacturer replacement parts in the repair of an insured's motor vehicle if the motor vehicle is five model years old or newer when the damage occurs. An insurer must provide an insured with a notice and authorization form. The notice must clearly identify any nonoriginal manufacturer replacement parts that will be used in the repair, if the insured authorizes the use. The notice must also explain that the insured may choose to have replacement parts made by or for the manufacturer of the insured's vehicle (original manufacturer replacement parts) used in the repair and that the insurer's obligation to cover the repair is not affected by the type of replacement parts that the insured chooses. The authorization part of the form must allow the insured to choose either a nonoriginal or original manufacturer replacement part for each replacement part that will be used in the repair. The insurer may require the use of a nonoriginal manufacturer replacement part only if so authorized on the form by the insured. The notice and authorization form must be attached to a repair estimate prepared by the insurer, or it must be delivered before repairs begin if the insurer approves an estimate obtained by the insured.

The bill removes the authority to provide the notice by telephone and removes the prohibition against an insurer requiring the person repairing the vehicle to give the notice. These two changes apply regardless of the age of the vehicle.

The notice provisions in current law do not apply to mopeds, semitrailers, or trailers designed for use in combination with a truck or truck tractor. The bill provides that the provisions do not apply to motorcycles, either.

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

1 ¹¹SECTION 1. 632.38 (1) (c) of the statutes is amended to read:

2 ^{3755c}632.38 (1) (c) "Motor vehicle" means any motor-driven vehicle required to be
3 registered under ch. 341 or exempt from registration under s. 341.05 (2), including
4 a demonstrator or executive vehicle not titled or titled by a manufacturer or a motor
5 vehicle dealer. "Motor vehicle" does not mean include a moped, as defined in s. 340.01
6 (29m), motorcycle, as defined in s. 340.01 (32), semitrailer, or trailer designed for use
7 in combination with a truck or truck tractor.

8 SECTION 2. 632.38 (2) (intro.) of the statutes is amended to read:

^{3755e}

Page 1181, line 3; after that line insert

BILL**632.38 (2) NOTICE OF INTENDED USE; MOTOR VEHICLES OLDER THAN 5 MODEL YEARS.**

(intro.) An insurer or the insurer's representative may not require directly or indirectly the use of a nonoriginal manufacturer replacement part in the repair of an insured's motor vehicle that is more than 5 model years of age when the damage for which the repair is to be made occurs, unless the insurer or the insurer's representative provides to the insured the notice described in this subsection in the manner required in sub. (3) ~~or~~ (4). The notice shall be in writing and shall include all of the following information:

SECTION ~~3~~². 632.38 (2m) of the statutes is created to read:

⑥ 3755g
632.38 (2m) NOTICE AND AUTHORIZATION FOR USE; MOTOR VEHICLES 5 MODEL YEARS

OLD OR NEWER. An insurer or the insurer's representative may not require directly or indirectly the use of a nonoriginal manufacturer replacement part in the repair of an insured's motor vehicle that is 5 model years of age or newer when the damage for which the repair is to be made occurs, unless the insurer or the insurer's representative provides to the insured the notice and authorization form described in this subsection in the manner required in sub. (3) and receives written authorization from the insured before any nonoriginal manufacturer replacement part is installed on the insured's motor vehicle. The notice must be given, and authorization must be obtained, on a form that is entitled "Replacement Parts Notice and Authorization Form" and that includes only the following information:

(a) A clear identification of each nonoriginal manufacturer replacement part that will be used in the repair of the insured's motor vehicle if the insured provides authorization for the part's use.

BILL

1 (b) A statement that the insured may choose to have replacement parts that
2 are made by or for the manufacturer of the insured's motor vehicle used in the repair
3 of the insured's motor vehicle.

4 (c) A statement that the insurer's obligation to cover repairs to the insured's
5 motor vehicle will not be affected by the insured's choice under par. (b).

6 (6) Two signature lines for the insured's signature, with one line designated as
7 authorizing the use, in the repair, of nonoriginal manufacturer replacement parts
8 and the other line designated as requiring the use, in the repair, of only replacement
9 parts made by or for the manufacturer of the insured's motor vehicle. In addition,
10 the form shall allow the insured to authorize the use of a nonoriginal manufacturer
11 replacement part or to require the use of a replacement part made by or for the
12 manufacturer of the insured's motor vehicle with respect to each replacement part
13 to be used in the repair.

14 SECTION 4. 632.38 (3) (title) of the statutes is amended to read:

15 632.38 (3) (title) DELIVERY OF NOTICE OR NOTICE AND AUTHORIZATION FORM.

16 SECTION 5. 632.38 (3) (a) of the statutes is renumbered 632.38 (3) (a) 1. and
17 amended to read:

18 632.38 (3) (a) 1. The notice described in required under sub. (2) shall appear
19 on or be attached to the estimate of the cost of repairing the insured's motor vehicle
20 if the estimate is based on the use of one or more nonoriginal manufacturer
21 replacement parts and is prepared by the insurer or the insurer's representative.

22 3. The insurer or the insurer's representative shall deliver the estimate and
23 notice or notice and authorization form to the insured before the motor vehicle is
24 repaired.

25 SECTION 6. 632.38 (3) (a) 2. of the statutes is created to read:

Insert 4-5
6

3755n

BILL

632.38 (3) (a) 2. The notice and authorization form required under sub. (2m) shall be attached to the estimate of the cost of repairing the insured's motor vehicle if the estimate is based on the use of one or more nonoriginal manufacturer replacement parts and is prepared by the insurer or the insurer's representative.

SECTION 7. 632.38 (3) (b) of the statutes is amended to read:

^{(b) 3755 p}
632.38 (3) (b) If the insurer or the insurer's representative directs the insured to obtain one or more estimates of the cost of repairing the insured's motor vehicle and the estimate approved by the insurer or the insurer's representative clearly identifies one or more nonoriginal manufacturer replacement parts to be used in the repair, the insurer or the insurer's representative shall assure delivery of the notice described in required under sub. (2), or deliver the estimate approved by the insurer or the insurer's representative with the notice and authorization form required under sub. (2m) attached, to the insured before the motor vehicle is repaired.

~~SECTION 8. 632.38 (3) (c) of the statutes is repealed.~~

~~SECTION 9. 632.38 (3) (d) of the statutes is repealed.~~

^{(b) 3755 s}
~~SECTION 10. 632.38 (4) of the statutes is repealed.~~

^{(b) 3755 u}
~~SECTION 11. Initial applicability.~~

~~(A) This act first applies~~ to claims under motor vehicle insurance policies issued or renewed on the effective date of this subsection.

~~SECTION 12. Effective date.~~ and SECTION 9327 (2k) of this act ^(b)
~~(A) This act takes effect on the first day of the 3rd month beginning after~~ publication.

(END)

^(c)
"2k) Coverage of motor vehicles. The treatment of section 632.38 (1) (c), (2) (intro.), (2m), (3) (title), (b), (c), and (d), and (4) of the statutes, the renumbering and amendment of section 632.38 (3) (a) of the statutes, and the creation of section 632.38 (3) (a) 2 of the statutes

Insert 5-14

Page 1399, line 25: after that line insert:

Page 1421, line 4: after that line insert:

2001-2002 DRAFTING INSERT
FROM THE
LEGISLATIVE REFERENCE BUREAU

LRBb0798/?ins
TJK.....

INSERT 4-5

1 (d) A statement that nonoriginal manufacture replacement parts are not
2 covered by the warranty of the manufacturer of the insured's motor vehicle.

(END OF INSERT 4-5)

INSERT 5-14

3 SECTION ^{Ⓟ 3755g} 632.38 (3) (c) of the statutes is amended to read:
4 632.38 (3) (c) The insurer or the insurer's representative may not require the
5 person repairing the motor vehicle to ~~give~~ provide to the insured the notice described
6 ~~in~~ required under sub. (2) or the notice and authorization form required under sub.
7 (2m).

History: 1991 a. 176.

(END OF INSERT 5-14)

SDC:.....Keckhaver – CN3035, Use of original manufacturer replacement parts in the repair of a motor vehicle

FOR 2001-03 BUDGET — NOT READY FOR INTRODUCTION

CAUCUS SENATE AMENDMENT

TO SENATE SUBSTITUTE AMENDMENT 1,

TO 2001 SENATE BILL 55

1 At the locations indicated, amend the substitute amendment as follows:

2 1. Page 1181, line 3: after that line insert:

3 "SECTION 3755c. 632.38 (1) (c) of the statutes is amended to read:

4 632.38 (1) (c) "Motor vehicle" means any motor-driven vehicle required to be
5 registered under ch. 341 or exempt from registration under s. 341.05 (2), including
6 a demonstrator or executive vehicle not titled or titled by a manufacturer or a motor
7 vehicle dealer. "Motor vehicle" does not mean include a moped, as defined in s. 340.01
8 (29m), motorcycle, as defined in s. 340.01 (32), semitrailer, or trailer designed for use
9 in combination with a truck or truck tractor.

10 SECTION 3755e. 632.38 (2) (intro.) of the statutes is amended to read:

1 **632.38 (2) NOTICE OF INTENDED USE; MOTOR VEHICLES OLDER THAN 5 MODEL YEARS.**

2 (intro.) An insurer or the insurer's representative may not require directly or
3 indirectly the use of a nonoriginal manufacturer replacement part in the repair of an
4 insured's motor vehicle that is more than 5 model years of age when the damage for
5 which the repair is to be made occurs, unless the insurer or the insurer's
6 representative provides to the insured the notice described in this subsection in the
7 manner required in sub. (3) ~~or~~ (4). The notice shall be in writing and shall include
8 all of the following information:

9 **SECTION 3755g.** 632.38 (2m) of the statutes is created to read:

10 **632.38 (2m) NOTICE AND AUTHORIZATION FOR USE; MOTOR VEHICLES 5 MODEL YEARS**
11 **OLD OR NEWER.** An insurer or the insurer's representative may not require directly
12 or indirectly the use of a nonoriginal manufacturer replacement part in the repair
13 of an insured's motor vehicle that is 5 model years of age or newer when the damage
14 for which the repair is to be made occurs, unless the insurer or the insurer's
15 representative provides to the insured the notice and authorization form described
16 in this subsection in the manner required in sub. (3) and receives written
17 authorization from the insured before any nonoriginal manufacturer replacement
18 part is installed on the insured's motor vehicle. The notice must be given, and
19 authorization must be obtained, on a form that is entitled "Replacement Parts Notice
20 and Authorization Form" and that includes only the following information:

21 (a) A clear identification of each nonoriginal manufacturer replacement part
22 that will be used in the repair of the insured's motor vehicle if the insured provides
23 authorization for the part's use.

1 (b) A statement that the insured may choose to have replacement parts that
2 are made by or for the manufacturer of the insured's motor vehicle used in the repair
3 of the insured's motor vehicle.

4 (c) A statement that the insurer's obligation to cover repairs to the insured's
5 motor vehicle will not be affected by the insured's choice under par. (b).

6 (d) A statement that nonoriginal manufacture replacement parts are not
7 covered by the warranty of the manufacturer of the insured's motor vehicle.

8 (e) Two signature lines for the insured's signature, with one line designated as
9 authorizing the use, in the repair, of nonoriginal manufacturer replacement parts
10 and the other line designated as requiring the use, in the repair, of only replacement
11 parts made by or for the manufacturer of the insured's motor vehicle. In addition,
12 the form shall allow the insured to authorize the use of a nonoriginal manufacturer
13 replacement part or to require the use of a replacement part made by or for the
14 manufacturer of the insured's motor vehicle with respect to each replacement part
15 to be used in the repair.

16 **SECTION 3755k.** 632.38 (3) (title) of the statutes is amended to read:

17 632.38 (3) (title) DELIVERY OF NOTICE OR NOTICE AND AUTHORIZATION FORM.

18 **SECTION 3755m.** 632.38 (3) (a) of the statutes is renumbered 632.38 (3) (a) 1.
19 and amended to read:

20 632.38 (3) (a) 1. The notice ~~described in~~ required under sub. (2) shall appear
21 on or be attached to the estimate of the cost of repairing the insured's motor vehicle
22 if the estimate is based on the use of one or more nonoriginal manufacturer
23 replacement parts and is prepared by the insurer or the insurer's representative.

1 **3.** The insurer or the insurer's representative shall deliver the estimate and
2 notice or notice and authorization form to the insured before the motor vehicle is
3 repaired.

4 **SECTION 3755n.** 632.38 (3) (a) 2. of the statutes is created to read:

5 632.38 (3) (a) 2. The notice and authorization form required under sub. (2m)
6 shall be attached to the estimate of the cost of repairing the insured's motor vehicle
7 if the estimate is based on the use of one or more nonoriginal manufacturer
8 replacement parts and is prepared by the insurer or the insurer's representative.

9 **SECTION 3755p.** 632.38 (3) (b) of the statutes is amended to read:

10 632.38 (3) (b) If the insurer or the insurer's representative directs the insured
11 to obtain one or more estimates of the cost of repairing the insured's motor vehicle
12 and the estimate approved by the insurer or the insurer's representative clearly
13 identifies one or more nonoriginal manufacturer replacement parts to be used in the
14 repair, the insurer or the insurer's representative shall assure delivery of the notice
15 described in required under sub. (2), or deliver the estimate approved by the insurer
16 or the insurer's representative with the notice and authorization form required
17 under sub. (2m) attached, to the insured before the motor vehicle is repaired.

18 **SECTION 3755q.** 632.38 (3) (c) of the statutes is amended to read:

19 632.38 (3) (c) The insurer or the insurer's representative may not require the
20 person repairing the motor vehicle to give provide to the insured the notice described
21 in required under sub. (2) or the notice and authorization form required under sub.
22 (2m).

23 **SECTION 3755s.** 632.38 (3) (d) of the statutes is repealed.

24 **SECTION 3755u.** 632.38 (4) of the statutes is repealed.”.

1 **2.** Page 1399, line 25: after that line insert:

2 “(2k) COVERAGE OF MOTOR VEHICLES. The treatment of section 632.38 (1) (c), (2)
3 (intro.), (2m), (3) (title), (b), (c), and (d), and (4) of the statutes, the renumbering and
4 amendment of section 632.38 (3) (a) of the statutes, and the creation of section 632.38
5 (3) (a) 2. of the statutes first apply to claims under motor vehicle insurance policies
6 issued or renewed on the effective date of this subsection.”.

7 **3.** Page 1421, line 4: after that line insert:

8 “(2k) COVERAGE OF MOTOR VEHICLES. The treatment of section 632.38 (1) (c), (2)
9 (intro.), (2m), (3) (title), (b), (c), and (d), and (4) of the statutes, the renumbering and
10 amendment of section 632.38 (3) (a) of the statutes, and the creation of section 632.38
11 (3) (a) 2. of the statutes and SECTION 9327 (2k) of this act take effect on the first day
12 of the 3rd month beginning after publication.”.

13

(END)