



State of Wisconsin
2015 - 2016 LEGISLATURE

LRB-0680/1
PJK:sac:jf

2015 ASSEMBLY BILL 119

March 27, 2015 - Introduced by Representatives E. BROOKS, TITTL, KNODL, KERKMAN, MURTHA, MURSAU, BERNIER, R. BROOKS, T. LARSON, SKOWRONSKI and QUINN, cosponsored by Senators MARKLEIN, RINGHAND and BEWLEY. 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 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 bill provides that, for purposes of the prohibition on insurers from requiring insureds to use a particular repair facility, a consumer has the right to select the motor vehicle repair facility of his or her choice.

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 119**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. For purposes of this section, a consumer has
6 the right to select the motor 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)**