



**SENATE SUBSTITUTE AMENDMENT 1,  
TO 1997 SENATE BILL 225**

February 10, 1998 - Offered by COMMITTEE ON JUDICIARY, CAMPAIGN FINANCE  
REFORM AND CONSUMER AFFAIRS.

1     **AN ACT to repeal** 632.38 (1) (br), 632.38 (1) (dm) and 632.38 (5); **to amend** 632.38  
2           (title), 632.38 (1) (c) and 632.38 (2) (title); **to repeal and recreate** 632.38 (title)  
3           and 632.38 (1) (c); and **to create** 632.38 (1) (br), 632.38 (1) (dm) and 632.38 (5)  
4           of the statutes; **relating to:** the use of original manufacturer replacement  
5           parts.

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

6           **SECTION 1.** 632.38 (title) of the statutes is amended to read:

7           **632.38** (title) **Nonoriginal and original manufacturer replacement**  
8           **parts.**

9           **SECTION 2.** 632.38 (title) of the statutes, as affected by 1997 Wisconsin Act ...  
10          (this act), is repealed and recreated to read:

11          **632.38** (title) **Nonoriginal manufacturer replacement parts.**

12          **SECTION 3.** 632.38 (1) (br) of the statutes is created to read:

1           632.38 (1) (br) “Manufacturer” has the meaning given in s. 218.015 (1) (c).

2           **SECTION 4.** 632.38 (1) (br) of the statutes, as created by 1997 Wisconsin Act ....  
3 (this act), is repealed.

4           **SECTION 5.** 632.38 (1) (c) of the statutes is amended to read:

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

11           **SECTION 6.** 632.38 (1) (c) of the statutes, as affected by 1997 Wisconsin Act ....  
12 (this act), is repealed and recreated to read:

13           632.38 (1) (c) “Motor vehicle” means any motor-driven vehicle required to be  
14 registered under ch. 341 or exempt from registration under s. 341.05 (2), including  
15 a demonstrator or executive vehicle not titled or titled by a manufacturer or a motor  
16 vehicle dealer. “Motor vehicle” does not mean a moped, semitrailer or trailer  
17 designed for use in combination with a truck or truck tractor.

18           **SECTION 7.** 632.38 (1) (dm) of the statutes is created to read:

19           632.38 (1) (dm) “Original manufacturer replacement part” means a  
20 replacement part that is made by or for the manufacturer of an insured’s motor  
21 vehicle.

22           **SECTION 8.** 632.38 (1) (dm) of the statutes, as created by 1997 Wisconsin Act  
23 .... (this act), is repealed.

24           **SECTION 9.** 632.38 (2) (title) of the statutes is amended to read:

1           632.38 (2) (title) NOTICE OF INTENDED USE OF NONORIGINAL MANUFACTURER  
2 REPLACEMENT PART.

3           **SECTION 10.** 632.38 (5) of the statutes is created to read:

4           632.38 (5) USE OF ORIGINAL MANUFACTURER REPLACEMENT PART. Notwithstanding  
5 subs. (2) to (4), an insurer or the insurer's representative shall require the use of only  
6 original manufacturer replacement parts in the repair of an insured's motor vehicle  
7 if all of the following apply:

8           (a) The date of contracting for the repair of the insured's motor vehicle is not  
9 more than 36 months after possession of the motor vehicle was first delivered to a  
10 consumer, as defined in s. 218.015 (1) (b).

11           (b) At the time of contracting for the repair of the motor vehicle, the insured  
12 requests that only original manufacturer replacement parts be used.

13           **SECTION 11.** 632.38 (5) of the statutes, as created by 1997 Wisconsin Act .... (this  
14 act), is repealed.

15           **SECTION 12. Nonstatutory provisions.**

16           (1) AUDIT ON ECONOMIC IMPACT. The joint legislative audit committee is  
17 requested to direct the legislative audit bureau to perform a performance evaluation  
18 audit of the economic impact on insurers and consumers of the requirement under  
19 section 632.38 (5) of the statutes, as created by this act. If the committee directs the  
20 legislative audit bureau to perform the audit, the bureau shall file its report in the  
21 manner described in section 13.94 (1) (b) of the statutes no later than the first day  
22 of the 43rd month beginning after publication.

23           **SECTION 13. Initial applicability.**

24           (1) The amendment of section 632.38 (title) and (1) (c) of the statutes and the  
25 creation of section 632.38 (1) (br) and (dm) and (5) of the statutes first apply to claims

1 under motor vehicle insurance policies issued or renewed on the effective date of this  
2 subsection.

3 (2) The repeal of section 632.38 (1) (br) and (dm) and (5) of the statutes and the  
4 repeal and recreation of section 632.38 (title) and (1) (c) of the statutes first apply to  
5 claims under motor vehicle insurance policies issued or renewed on the first day of  
6 the 49th month beginning after publication.

7 **SECTION 14. Effective date.** This act takes effect on the day after publication,  
8 except as follows:

9 (1) The repeal of section 632.38 (1) (br) and (dm) and (5) of the statutes and the  
10 repeal and recreation of section 632.38 (title) and (1) (c) of the statutes take effect on  
11 the first day of the 49th month beginning after publication.

12 (END)