

ENROLLED ACT NO. 55, HOUSE OF REPRESENTATIVES

SIXTY-SIXTH LEGISLATURE OF THE STATE OF WYOMING  
2022 BUDGET SESSION

AN ACT relating to the insurance code; amending the scope of service contracts; specifying that theft protection program warranties are not insurance; specifying that theft protection programs and theft protection program warranties are not service contracts; amending and creating definitions; and providing for an effective date.

*Be It Enacted by the Legislature of the State of Wyoming:*

**Section 1.** W.S. 26-1-104(a) by creating a new paragraph (viii), 26-49-101(d)(ii) and by creating a new paragraph (iv) and 26-49-102(a)(ix)(B), (C), by creating new subparagraphs (E) and (F) and by creating new paragraphs (xii) through (xv) are amended to read:

**26-1-104. Applicability of provisions.**

(a) This code does not apply to:

(viii) Theft protection program warranties, except as referred to in chapter 49 of this code. Theft protection program warranties shall not be considered insurance.

**26-49-101. Scope and purposes.**

(d) This article does not apply to:

(ii) To mechanical breakdown insurance organizations who maintain a license pursuant to W.S. 26-37-106; ~~or~~

(iv) Theft protection programs or their accompanying warranties except that theft protection

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programs and their accompanying warranties shall be subject to the enforcement provisions of W.S. 26-49-110.

**26-49-102. Definitions.**

(a) As used in this article:

(ix) "Service contract" means a contract or agreement for a separately stated consideration for a specific duration to perform the repair, replacement or maintenance of property or indemnification for repair, replacement or maintenance, for the operational or structural failure due to a defect in materials or workmanship or normal wear and tear, with or without additional provision for incidental payment or indemnity under limited circumstances, including, but not limited to, towing, rental and emergency road service. Service contracts may provide for the repair, replacement or maintenance of property for damage resulting from power surges and accidental damage from handling. "Service contract" also includes a contract or agreement for one (1) or more of the following:

(B) The repair or replacement of tires or wheels damaged as a result of coming into contact with ordinary road hazards. ~~including, but not limited to, potholes, curbs, rocks, wood debris, metal parts, glass, plastic or composite scraps.~~ A contract or agreement meeting the definition set forth in this subparagraph in which the party obligated to perform is either a tire or wheel manufacturer or a motor vehicle manufacturer is exempt from the requirements of this chapter;

(C) The repair of small windshield chips or cracks ~~but which expressly excludes~~ in or the replacement

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of the entire windshield as a result of damage caused by road hazards;

(E) The replacement of a motor vehicle key or key fob in the event that the key or key fob becomes inoperable, lost or stolen;

(F) In conjunction with a motor vehicle leased for use, the repair, replacement or maintenance of property or indemnification for repair, replacement or maintenance due to excess wear and use, damage to items such as tires, paint cracks or chips, interior stains, rips or scratches, exterior dents or scratches, windshield cracks or chips, missing interior or exterior parts or excess mileage that result in a lease-end charge, or any other charge for damage that is deemed as excess wear and use by a lessor under a motor vehicle lease, provided that any repair, replacement, maintenance or indemnification shall not exceed the purchase price of the vehicle.

(xii) "Incidental theft protection program payment" means expenses specified in a theft protection program warranty that are incurred by the warranty holder due to the failure of the warranty holder's theft protection program to perform as provided in the theft protection program warranty. Incidental theft protection program payments may include insurance policy deductibles, rental vehicle charges, the difference between the actual value of the stolen vehicle at the time of theft and the cost of a replacement vehicle, sales taxes, registration fees, transaction fees and mechanical inspection fees. Incidental theft protection program payments may be reimbursements in either a fixed amount specified in the theft protection program warranty or by use of a formula

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itemizing specific incidental theft protection program payments that may be due to the warranty holder;

(xiii) "Road hazard" means a hazard that is encountered while driving a motor vehicle and that may include, but is not limited to, potholes, rocks, wood debris, metal parts, glass, plastic, curbs or composite scraps;

(xiv) "Theft protection program" means a device or system that:

(A) Is installed on or applied to a motor vehicle and designed to prevent the theft of the vehicle or, if the vehicle is stolen, aid in the recovery of the vehicle;

(B) Includes a theft protection program warranty;

(C) May include but is not limited to:

(I) An alarm system;

(II) A body part marking product;

(III) A steering lock;

(IV) A window etch product;

(V) A pedal or ignition lock;

(VI) A fuel or ignition kill switch;

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(VII) An electronic, radio or satellite tracking device.

(xv) "Theft protection program warranty" means a written agreement by a warrantor that provides if the theft protection program fails to prevent loss or damage to a motor vehicle from theft, the warrantor will pay to or on behalf of the warranty holder specified incidental theft protection program payments as a result of the failure of the theft protection program to perform pursuant to the terms of the theft protection program warranty.

ORIGINAL HOUSE  
BILL NO. HB0064

ENGROSSED

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**Section 2.** This act is effective July 1, 2022.

(END)

\_\_\_\_\_  
Speaker of the House

\_\_\_\_\_  
President of the Senate

\_\_\_\_\_  
Governor

TIME APPROVED: \_\_\_\_\_

DATE APPROVED: \_\_\_\_\_

I hereby certify that this act originated in the House.

\_\_\_\_\_  
Chief Clerk