

No. 633, A.]

[Published July 17, 1957.

CHAPTER 354

AN ACT to create 20.005 (2) (a) (line 537m), 20.560 (2) and 85.035 of the statutes, relating to motor vehicle auction dealers, making an appropriation and providing a penalty.

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

SECTION 1. 20.005 (2) (a) (line 537m) of the statutes is created to read:

20.005 (2) (a)

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|--------------------------------------|-------|---------|---------|
| | | 1957-58 | 1958-59 |
| 537m. Auction dealers administration | (2) S | \$ | \$ |

SECTION 2. 20.560 (2) of the statutes is created to read:

20.560 (2) MOTOR VEHICLE AUCTION DEALERS; ADMINISTRATION. There is appropriated from the general fund to the motor vehicle department annually, a sum sufficient to carry out its functions under s. 85.035.

SECTION 3. 85.035 of the statutes is created to read:

85.035 MOTOR VEHICLE AUCTION DEALERS; LICENSE. (1)
No person unless licensed to do so by the department, under this section,

shall carry on or conduct the business of auctioning at wholesale motor vehicles.

(2) Application for a motor vehicle auction dealer's license shall be made upon the form prescribed by the department and shall contain the name and address of the applicant; and when the applicant is a partnership, the name and address of each partner; or when the applicant is a corporation, the names of the principal officers of the corporation, and the state in which incorporated. It shall also set forth the place or places where the business is to be conducted, and the nature of such business, and such other information as may be required by the department. Every application shall be executed by the applicant, if an individual, or in the event an applicant is a partnership or corporation, by a partner or officer thereof. Every such application shall be accompanied by the fee required by law.

(3) The department, upon receiving application accompanied by the required annual fee of \$50, and when satisfied that the applicant is of good character, and so far as can be ascertained has complied with and will comply with the laws of this state with reference to the provisions of this section, shall issue to the applicant a license certificate which shall entitle the licensee to carry on and conduct the business of a motor vehicle auction dealer during the calendar year in which the license is issued. Every such license shall expire on December 31 of each year, and may be renewed upon application and payment of the annual license fee of \$50.

(4) The department may refuse to issue a license or, after written notice to the licensee and a hearing, may revoke a license when satisfied that the applicant for a license or the licensee has failed to comply with the provisions of this section or does not qualify.

(5) Each licensee shall furnish and maintain a corporate surety bond in the amount of \$25,000 in such form as the licensor shall approve conditioned upon such applicant or licensee complying with the laws applicable to the licensee and as indemnity for any loss sustained by any person by reason of acts of the licensee constituting grounds for refusal or revocation of his license hereunder. The bond shall run to the state of Wisconsin for the benefit of aggrieved parties, but the aggregate liability of the surety for all such parties shall not exceed the amount of said bond.

(6) Sales of automobiles shall be confined to those offered by licensed automobile dealers and shall be sold only to licensed automobile dealers.

(7) Every car offered for sale shall be sold with the understanding that a clear title will be furnished, or in lieu of such an agreement, the obtaining of title insurance on each car sold. A dealer's reassignment form shall be filed on each car sold at the auction.

(8) Payment for cars bought and sold shall be made immediately after sale.

(9) Any person violating this section shall be fined not less than \$25 nor more than \$200 or imprisoned not more than 60 days, or both.

SECTION 4. This act shall take effect January 1, 1958.

Approved July 10, 1957.