2009 DRAFTING REQUEST

Bill

Received: **01/19/2009**

Received By: **agary**

Wanted: **As time permits**

Identical to LRB:

For: **Administration-Budget**

By/Representing: **Byrnes**

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

Drafter: **agary**

May Contact:

Addl. Drafters:

Subject: **Transportation - motor vehicles**

Extra Copies: **EVM**

Submit via email: **NO**

Pre Topic:

DOA:.....Byrnes, BB0459 -

Topic:

Electronic recording and release of liens

Instructions:

See attached

Drafting History:

Vers.	Drafted	Reviewed	Typed	Proofed	Submitted	Jacketed	Required
/?				_____			State
/1	agary 01/21/2009	csicilia 01/22/2009	jfrantze 01/22/2009	_____ _____	sbasford 01/22/2009		State
/2	agary 01/28/2009	csicilia 01/28/2009	mduchek 01/28/2009	_____ _____	mbarman 01/28/2009		State
/3	agary 01/29/2009	csicilia 01/29/2009	jfrantze 01/29/2009	_____ _____	cduerst 01/29/2009		

FE Sent For:

<END>

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FE Sent For: /3 gs 1/29 09 1/29 1/29

<END>

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FE Sent For: /2 jys 1/28 09 MD MD plt

<END>

1/28

2009 DRAFTING REQUEST

Bill

Received: **01/19/2009**

Received By: **agary**

Wanted: **As time permits**

Identical to LRB:

For: **Administration-Budget**

By/Representing: **Byrnes**

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

Drafter: **agary**

May Contact:

Addl. Drafters:

Subject: **Transportation - motor vehicles**

Extra Copies: **EVM**

Submit via email: **NO**

Pre Topic:

DOA:.....Byrnes, BB0459 -

Topic:

Electronic recording and release of liens

Instructions:

See attached

Drafting History:

Vers.	Drafted	Reviewed	Typed	Proofed	Submitted	Jacketed	Required
/?	agary	lgjs 1/22 09	1/22	1/22			

FE Sent For:

<END>

2009-11 Budget Bill Statutory Language Drafting Request

- Topic: Electronic recording and release of liens
- Tracking Code: BB0459
- SBO team: Tax, Transportation and Budget Development Team
- SBO analyst: Tyler Byrnes
  - Phone: 266-1039
  - Email: tyler.byrnes@wisconsin.gov
- Agency acronym: DOT
- Agency number: 395
- Priority (Low, Medium, High): High

Intent: Please prepare a draft that allows the department to electronically record and release liens.

- The treatment of requiring or mandating a certain group of businesses to use an electronic DMV system is similar to the statutory language changes we needed in 2007-09 when we mandated that motor vehicle dealers were required to process title applications electronically. Use the newly created language in 342.16(am) and other provisions that were created for the requiring dealers to actually process work.

- Modifications to sections 342.19 to require non-individual lien holders to process lien perfections and releases electronically as prescribed by DOT, ands allow DOT by rule to exempt certain non-individual lien holders from the mandatory requirements, and if we exempt them from the electronic process the business must pay DOT a processing fee in addition to the lien fee. This model was used for the mandatory dealer processing of titles.

- An amendment is needed to 342.20 and 342.22 to remove the requirement that a non-individual lien holder submit to DOT the application for lien and lien fee, for those lien holders who are subject to the new mandatory processing approach to be created in 342.19.

- In addition to changing the statutes to mandate electronic recording and releasing of vehicle liens, the following fee changes are also requested:

- Eliminate 341.255(4) which assesses a $5 fee against financial institution who file liens electronically. This is a disincentive for financial institutions to use electronic filing, because they are required to pay more than other lien holders (ie: motor vehicle dealers who are not assessed the $5 fee) for the same transaction.

- Amend 342.14(2) to increase the $4 lien fee to $10. The increase would make Wisconsin's fee more consistent with average lien recording fees in Minnesota, Iowa and Indiana.

- The effective date for all changes is July 1, 2010.

Gary, Aaron

From: Gary, Aaron
Sent: Wednesday, January 21, 2009 4:15 PM
To: Byrnes, Tyler - DOA
Subject: RE: BB0459 - electronic recording and release of liens

Tyler,

The other problem I see with this request is that under current law, it is the owner's duty, not the lien holders duty, to submit the release of security interest to DOT. So the request doesn't make much sense to me in terms of processing lien releases.

I have the draft mostly finished, assuming that it should apply only to security interests created with the initial issuance of the certificate of title. If I don't hear back from you in the near future, I'll put the draft into editing and we can revise it later if necessary.

Aaron

From: Gary, Aaron
Sent: Wednesday, January 21, 2009 3:40 PM
To: Byrnes, Tyler - DOA
Subject: BB0459 - electronic recording and release of liens

Tyler,
The instructions for this draft are basically to create a process for liens similar to the process used by dealers for electronically processing title and registration applications under s. 342.16 (1) (am). However, there is a signficant difference between the title application process and the lien process.
Under the lien process, the lien holder is required to return the certificate of title to have it marked with the lien information. Where the certificate of title is already in the form of a paper document, how can the lien holder undertake this process electronically? Is it the intent of the draft to only require electronic processing where no certificate of title has yet been issued (ie lien information is being provided in connection with application for initial title) or where the certificate of title has been issued in an electronic form?

Thanks. Aaron

Aaron R. Gary
Attorney, Legislative Reference Bureau
608.261.6926 (voice)
608.264.6948 (fax)
aaron.gary@legis.state.wi.us

State of Wisconsin
2009 - 2010 LEGISLATURE

LRB-1635/1
ARG:.....

DOA:.....Byrnes, BB0459 - Electronic recording and release of liens

FOR 2009-11 BUDGET -- NOT READY FOR INTRODUCTION

1 AN ACT...; **relating to:** the budget.

Analysis by the Legislative Reference Bureau

TRANSPORTATION

DRIVERS AND MOTOR VEHICLES

Under current law, a creditor's security interest in a motor vehicle is generally perfected by notation of the security interest on the certificate of title for the vehicle. A creditor may perfect its security interest by delivering to DOT any existing certificate of title for the vehicle along with an application for a certificate of title containing the name and address of the ~~secured party~~ and the required fee. There is a single fee of $4 for the original notation and subsequent release of each security interest noted on a certificate of title.

This bill require persons, other than individuals, that hold security interests in motor vehicles for which DOT has not yet issued a certificate of title to submit electronically to DOT applications for new certificates of title on which is noted these persons' security interests. DOT must promulgate rules for administering this requirement and the rules may provide exemptions from the requirement.

The bill increases the fee for notation and release of a security interest noted on a certificate of title from $4 to $10. The bill also eliminates a $5 fee imposed on financial institutions for each transaction electronically transmitted to DOT relating to a certificate of title or vehicle registration.

For further information see the ***state*** fiscal estimate, which will be printed as an appendix to this bill.

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

1

2 **SECTION 1.** 25.40 (1) (a) 3. of the statutes is amended to read:

3 25.40 **(1)** (a) 3. Revenues collected under ss. 341.09 (2) (d), (2m) (a) 1., (4), and
4 (7), 341.14 (2), (2m), (6) (d), (6m) (a), (6r) (b) 2., (6w), and (8), 341.145 (3), 341.16 (1)
5 (a) and (b), (2), and (2m), 341.17 (8), 341.19 (1) (a), 341.25, 341.255 (1), (2) (a), (b), and
6 (c), ~~(4),~~ and (5), 341.26 (1), (2), (2m) (am) and (b), (3), (3m), (4), (5), and (7), 341.264
7 (1), 341.265 (1), 341.266 (2) (b) and (3), 341.268 (2) (b) and (3), 341.30 (3), 341.305 (3),
8 341.308 (3), 341.36 (1) and (1m), 341.51 (2), and 342.14, except s. 342.14 (1r), that are
9 pledged to any fund created under s. 84.59 (2).

History: 1971 c. 125, 211; 1973 c. 90, 333; 1975 c. 39; 1975 c. 163 s. 16; 1975 c. 199; 1977 c. 29, 274, 418, 447; 1979 c. 34; 1979 c. 361 s. 113; 1981 c. 20; 1981 c. 347 s. 80 (2), (4); 1983 a. 27, 538; 1985 a. 16 s. 15; 1985 a. 29 ss. 638p, 3202 (51); 1985 a. 120 ss. 66, 3202 (56); 1985 a. 332; 1987 a. 3, 27, 110, 399, 403; 1989 a. 31, 102, 105, 359; 1991 a. 39, 104, 189, 269, 309, 315; 1993 a. 16, 123, 205, 253, 415, 437, 491; 1995 a. 27, 113, 201, 269, 280, 445; 1997 a. 27, 35, 41, 135, 237, 255; 1999 a. 9, 32, 92, 167; 2001 a. 16; 2003 a. 33, 139; 2005 a. 25, 45, 85, 179, 199, 260, 319; 2007 a. 42, 97, 107.

10 **SECTION 2.** 84.59 (2) (b) of the statutes is amended to read:

11 84.59 **(2)** (b) The department may, under s. 18.562, deposit in a separate and
12 distinct special fund outside the state treasury, in an account maintained by a
13 trustee, revenues derived under ss. 341.09 (2) (d), (2m) (a) 1., (4), and (7), 341.14 (2),
14 (2m), (6) (d), (6m) (a), (6r) (b) 2., (6w), and (8), 341.145 (3), 341.16 (1) (a) and (b), (2),
15 and (2m), 341.17 (8), 341.19 (1) (a), 341.25, 341.255 (1), (2) (a), (b), and (c), ~~(4),~~ and
16 (5), 341.26 (1), (2), (2m) (am) and (b), (3), (3m), (4), (5), and (7), 341.264 (1), 341.265
17 (1), 341.266 (2) (b) and (3), 341.268 (2) (b) and (3), 341.30 (3), 341.305 (3), 341.308 (3),
18 341.36 (1) and (1m), 341.51 (2), and 342.14, except s. 342.14 (1r), and from any
19 payments received with respect to agreements or ancillary arrangements entered
20 into under s. 18.55 (6) with respect to revenue obligations issued under this section.

The revenues deposited are the trustee's revenues in accordance with the agreement between this state and the trustee or in accordance with the resolution pledging the revenues to the repayment of revenue obligations issued under this section. Revenue obligations issued for the purposes specified in sub. (1) and for the repayment of which revenues are deposited under this paragraph are special fund obligations, as defined in s. 18.52 (7), issued for special fund programs, as defined in s. 18.52 (8).

History: 1983 a. 27, 212; 1985 a. 29; 1987 a. 27; 1989 a. 31; 1991 a. 39; 1993 a. 16; 1995 a. 113; 1997 a. 27; 1999 a. 9; 2001 a. 16; 2003 a. 33; 2005 a. 25; 2007 a. 20.

SECTION 3. 341.255 (4) of the statutes is repealed.

SECTION 4. 342.14 (2) of the statutes is amended to read:

342.14 **(2)** For the original notation and subsequent release of each security interest noted upon a certificate of title, a single fee of ~~$4~~ $10 by the owner of the vehicle.

add struck space

History: 1975 c. 39, 297, 422; 1977 c. 29 ss. 1452, 1654 (7) (a); 1977 c. 418; 1979 c. 221; 1981 c. 20; 1983 a. 27; 1987 a. 110; 1989 a. 31, 137, 359; 1991 a. 309; 1993 a. 159; 1995 a. 27; 1997 a. 27; 1999 a. 9, 80; 2001 a. 16; 2003 a. 33; 2005 a. 25; 2007 a. 20, 33; s. 13.92 (2) (i).

SECTION 5. 342.19 (2) of the statutes is amended to read:

342.19 **(2)** Except as provided in sub. (2m), and subject to sub. (7), a security interest is perfected by the delivery to the department of the existing certificate of title, if any, an application for a certificate of title containing the name and address of the secured party, and the required fee. It is perfected as of the later of the time of its delivery or the time of the attachment of the security interest.

History: 1973 c. 336 s. 79; 1975 c. 286, 422; 1977 c. 29 s. 1654 (7) (a); 1999 a. 179; 2001 a. 10.

SECTION 6. 342.19 (7) of the statutes is created to read:

342.19 **(7)** (a) Except as provided in par. (b), if the department has not yet issued a certificate of title for a vehicle, an application and fee relating to that vehicle submitted to the department under sub. (2) by a person that is not an individual shall be submitted utilizing an electronic process prescribed by the department under this subsection.

1 (b) The department may, by rule, exempt a person from the requirements of par.
2 (a). Any person who is exempted under this paragraph shall pay a fee to the
3 department for processing applications submitted by the person under sub. (2)
4 utilizing a process other than an electronic process.
5 (c) The department shall promulgate rules to implement and administer this
6 subsection.
7 **SECTION 9450. Effective dates; transportation.**
8 (1) ELECTRONIC PROCESSING OF TITLE LIENS. The treatment of sections 25.40 (1)
9 (a) 3., 84.59 (2) (b), 341.255 (4), 342.14 (2), and 342.19 (2) and (7) of the statutes takes
10 effect on July 1, 2010.
11 **(END)**

D-Note

DRAFTER'S NOTE
FROM THE
LEGISLATIVE REFERENCE BUREAU

LRB–1635/1dn
ARG:.:...

gjs

ATTN: Tyler Byrnes

For the reasons discussed by e–mail, the attached draft does not include lien releases or liens arising after initial issuance of the certificate of title.

Aaron R. Gary
Legislative Attorney
Phone: (608) 261–6926
E–mail: aaron.gary@legis.wisconsin.gov

Created s. 342.19(7) does not specifically require the fee to be submitted electronically, while s. 342.19(2) suggests that the fee is the lien holder's responsibility, s. 342.14(2) suggests that the fee is the owner's responsibility.

DRAFTER'S NOTE
FROM THE
LEGISLATIVE REFERENCE BUREAU

LRB-1635/1dn
ARG:cjs:jf

January 22, 2009

ATTN: Tyler Byrnes

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Created s. 342.19 (7) does not specifically require the fee to be submitted electronically. While s. 342.19 (2) suggests that the fee is the lien holder's responsibility, s. 342.14 (2) suggests that the fee is the owner's responsibility.

Aaron R. Gary
Legislative Attorney
Phone: (608) 261-6926
E-mail: aaron.gary@legis.wisconsin.gov

Gary, Aaron

From: Byrnes, Tyler - DOA [Tyler.Byrnes@wisconsin.gov]
Sent: Monday, January 26, 2009 3:28 PM
To: Gary, Aaron
Subject: Draft 1635/1 - Electronic recording and release of leins

Aaron,

I've told DOT staff that they can contact you about changes to the draft. They're going to call you in a few minutes about it.

Tyler

1/27
t/c w/ DOT - Carson Frazier, Karen Baetsen, Paul Nilsen

- all financial institution (FI) title applications — FI will destroy the (paper) title instead of submitting it to DOT & DOT will issue new title
- 2 methods of perfecting lien: paper & electronic
  - paper ↑ individuals
  - electronic ↑ FI
- fee paid electronically, too
- need to cover releases
- exception: lien that is part of vehicle/title transfer

2009 – 2010 LEGISLATURE In 1/28

LRB–1635/~~1~~ 2
ARG:cjs:~~jf~~ RMR
Stays

DOA:.....Byrnes, BB0459 – Electronic recording and release of liens

FOR 2009–11 BUDGET -- NOT READY FOR INTRODUCTION

Do NOT Gen

AN ACT...; **relating to:** the budget.

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DRIVERS AND MOTOR VEHICLES

Under current law, a creditor's security interest in a motor vehicle is generally perfected by notation of the security interest on the certificate of title for the vehicle. A creditor may perfect its security interest by delivering to DOT any existing certificate of title for the vehicle along with an application for a certificate of title containing the name and address of the creditor and the required fee. There is a single fee of $4 for the original notation and subsequent release of each security interest noted on a certificate of title.

Insert ANAL-A

This bill requires ~~persons~~ creditors, other than individuals, that hold security interests in motor vehicles ~~for which DOT has not yet issued a certificate of title~~ to submit electronically to DOT applications for ~~new~~ certificates of title on which is noted these ~~persons'~~ security interests. DOT must promulgate rules for administering this requirement and the rules may provide exemptions from the requirement.

The bill increases the fee for notation and release of a security interest noted on a certificate of title from $4 to $10. The bill also eliminates a $5 fee imposed on financial institutions for each transaction electronically transmitted to DOT relating to a certificate of title or vehicle registration.

Insert ANAL-B

~~[illegible]~~ and for releases of these security interests

For further information see the ***state*** fiscal estimate, which will be printed as an appendix to this bill.

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

1 **SECTION 1.** 25.40 (1) (a) 3. of the statutes is amended to read:

2 25.40 **(1)** (a) 3. Revenues collected under ss. 341.09 (2) (d), (2m) (a) 1., (4), and
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4 (a) and (b), (2), and (2m), 341.17 (8), 341.19 (1) (a), 341.25, 341.255 (1), (2) (a), (b), and
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8 pledged to any fund created under s. 84.59 (2).

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10 84.59 **(2)** (b) The department may, under s. 18.562, deposit in a separate and
11 distinct special fund outside the state treasury, in an account maintained by a
12 trustee, revenues derived under ss. 341.09 (2) (d), (2m) (a) 1., (4), and (7), 341.14 (2),
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14 and (2m), 341.17 (8), 341.19 (1) (a), 341.25, 341.255 (1), (2) (a), (b), and (c), ~~(4),~~ and
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16 (1), 341.266 (2) (b) and (3), 341.268 (2) (b) and (3), 341.30 (3), 341.305 (3), 341.308 (3),
17 341.36 (1) and (1m), 341.51 (2), and 342.14, except s. 342.14 (1r), and from any
18 payments received with respect to agreements or ancillary arrangements entered
19 into under s. 18.55 (6) with respect to revenue obligations issued under this section.
20 The revenues deposited are the trustee's revenues in accordance with the agreement
21 between this state and the trustee or in accordance with the resolution pledging the

revenues to the repayment of revenue obligations issued under this section. Revenue obligations issued for the purposes specified in sub. (1) and for the repayment of which revenues are deposited under this paragraph are special fund obligations, as defined in s. 18.52 (7), issued for special fund programs, as defined in s. 18.52 (8).

SECTION 3. 341.255 (4) of the statutes is repealed.

SECTION 4. 342.14 (2) of the statutes is amended to read:

342.14 **(2)** For the original notation and subsequent release of each security interest noted upon a certificate of title, a single fee of ~~$4~~ $10 by the ~~owner of the vehicle~~ applicant. strike

SECTION 5. 342.19 (2) of the statutes is amended to read:

342.19 **(2)** Except as provided in sub. (2m), and subject to sub. (7), a security interest is perfected by the delivery to the department of the existing certificate of title, if any, an application for a certificate of title containing the name and address of the secured party, and the required fee. It is perfected as of the later of the time of its delivery or the time of the attachment of the security interest.

SECTION 6. 342.19 (7) of the statutes is created to read:

342.19 **(7)** (a) Except as provided in par. (b), if the department has not yet issued a certificate of title for a vehicle, an application relating to that vehicle submitted to the department under sub. (2) by a person that is not an individual shall be submitted utilizing an electronic process prescribed by the department under this subsection.

insert 3-20

(3) ~~(b)~~ The department may, by rule, exempt a person from the requirements of ~~par.~~ sub. (1) ~~(a)~~. Any person who is exempted under this ~~paragraph~~ subsection shall pay a fee to the department for processing applications submitted by the person under sub. (2) utilizing a process other than an electronic process.

s. 342.19 (2) (b) and for releases submitted under s. 342.22,

or a type of transaction

(4) (c) The department shall promulgate rules to implement and administer this subsection.

SECTION 9450. Effective dates; Transportation.

(1) ELECTRONIC PROCESSING OF TITLE LIENS. The treatment of sections 25.40 (1) (a) 3., 84.59 (2) (b), 341.255 (4), 342.14 (2), and 342.19 (2) and (7) of the statutes takes effect on July 1, 2010.

(END)

~~and (2) (a) 2.~~, 342.20 (2) and (3), 342.22 ~~(1), (1) (b)~~, (2) ~~and (2)~~, and 342.245

the renumbering and amendment of sections 342.19 (2) and 342.22 (1) of the statutes and the creation of sections 342.19 (2) (a) 2. and 342.22 (1) (b) of the statutes

INSERT ANAL-A:

(no ¶) To release a security interest, the creditor executes and delivers to the owner a release of the security interest and a notice of the owner's duty. The owner must then promptly provide the release and certificate of title to DOT, after which DOT issues a new certificate of title free of the security interest notation.

INSERT ANAL-B:

(no ¶) and specifies that the fee is to be paid to DOT by the applicant. The bill does not affect the current law requirement that the owner of a vehicle provide the DOT fee to the creditor with the application and certificate of title for purposes of having the secured party noted on the certificate of title when the owner creates a security interest in the vehicle.

INSERT 3-20:

SECTION 1. 342.19 (2) of the statutes is renumbered 342.19 (2) (a) (intro.) and amended to read:

342.19 **(2)** (a) (intro.) Except as provided in sub. (2m), a security interest is perfected in one of the following ways:

1. If the secured party is an individual, by the delivery to the department of the existing certificate of title, if any, an application for a certificate of title containing the name and address of the secured party, and the required fee. ~~It~~

(b) A security interest is perfected as of the later of the following:

1. The time of ~~its~~ delivery ~~or the~~ to the department of the certificate of title if perfection occurs under par. (a) 1. or of the application if perfection occurs under par. (a) 2.

2. The time of the attachment of the security interest.

History: 1973 c. 336 s. 79; 1975 c. 286, 422; 1977 c. 29 s. 1654 (7) (a); 1999 a. 179; 2001 a. 10.

SECTION 2. 342.19 (2) (a) 2. of the statutes is created to read:

342.19 **(2)** (a) 2. Except as provided in s. 342.245 (3), if the secured party is not an individual, by the delivery to the department of an application for a certificate of title containing the name and address of the secured party, and the required fee, in the manner specified in s. 342.245 (1).

SECTION 3. 342.20 (2) of the statutes is amended to read:

342.20 **(2)** The secured party shall immediately cause the certificate, application, and the required fee to be mailed or delivered to the department, <u>except that if the secured party is not an individual, the secured party shall follow the procedure specified in ss. 342.19 (2) (a) 2. and 342.245 (1) and (2)</u>.

History: 1975 c. 286; 1977 c. 29 s. 1654 (7) (a); 1981 c. 20; 1985 a. 202 s. 37; 1993 a. 301; 1995 a. 338; 1997 a. 27.

SECTION 4. 342.20 (3) of the statutes is amended to read:

342.20 **(3)** Upon receipt of the certificate of title, application, and the required fee, <u>or upon receipt of the application and required fee if the applicant has utilized the process specified in s. 342.245 (1),</u> the department shall issue to the owner a new certificate containing the name and address of the new secured party. The department shall deliver to such new secured party and to the register of deeds of the county of the owner's residence, memoranda, in such form as the department prescribes, evidencing the notation of the security interest upon the certificate; and thereafter, upon any assignment, termination or release of the security interest, additional memoranda evidencing such action.

History: 1975 c. 286; 1977 c. 29 s. 1654 (7) (a); 1981 c. 20; 1985 a. 202 s. 37; 1993 a. 301; 1995 a. 338; 1997 a. 27.

SECTION 5. 342.22 (1) of the statutes is renumbered 342.22 (1) (intro.) and amended to read:

342.22 **(1)** (intro.) Within one month or within 10 days following written demand by the debtor after there is no outstanding obligation and no commitment to make

advances, incur obligations or otherwise give value, secured by the security interest in a vehicle under any security agreement between the owner and the secured party, the secured party shall do one of the following:

(a) If the secured party is an individual, execute and deliver to the owner, as the department prescribes, a release of the security interest in the form and manner prescribed by the department and a notice to the owner stating in no less than 10-point boldface type the owner's obligation under sub. (2). If the secured party fails to execute and deliver the release and notice of the owner's obligation as required by this ~~subsection~~ paragraph, the secured party is liable to the owner for $25 and for any loss caused to the owner by the failure.

History: 1977 c. 29 s. 1654 (7) (a); 1977 c. 217, 447; 1985 a. 202; 1997 a. 27; 1999 a. 9.

SECTION 6. 342.22 (1) (b) of the statutes is created to read:

342.22 **(1)** (b) If the secured party is not an individual, deliver to the department a release of the security interest in the manner specified in s. 342.245 (1) and deliver to the owner a notice stating that the release has been provided to the department.

SECTION 7. 342.22 (2) of the statutes is amended to read:

342.22 **(2)** ~~The~~ An owner, other than a dealer holding the vehicle for resale, upon receipt of the release and notice of obligation delivered under sub. (1) (a) shall promptly cause the certificate and release to be mailed or delivered to the department, which shall release the secured party's rights on the certificate and issue a new certificate. If a release has been delivered to the department under sub. (1) (b), the owner may, in the form and manner prescribed by the department and without additional fee, deliver an application and the certificate of title to the

1 department and the department shall issue a new certificate of title free of the
2 security interest notation.

History: 1977 c. 29 s. 1654 (7) (a); 1977 c. 217, 447; 1985 a. 202; 1997 a. 27; 1999 a. 9.

3 **SECTION 8.** 342.245 of the statutes is created to read:

4 **342.245 Electronic processing of certain applications. (1)** Except as
5 provided in sub. (3), an application and fee under s. 342.19 (2) (a) 2. and a release of
6 a security interest under s. 342.22 (1) (b) shall be submitted to the department
7 utilizing an electronic process prescribed by the department under sub. (3).

8 **(2)** Upon receipt of a certificate of title as provided in s. 342.20 (1), a person
9 required to submit an application under sub. (1) shall destroy the certificate of title.

Gary, Aaron

From: Byrnes, Tyler - DOA [Tyler.Byrnes@wisconsin.gov]
Sent: Thursday, January 29, 2009 4:27 PM
To: Gary, Aaron
Subject: FW: LRB Draft: 09-1635/2 Electronic recording and release of liens
Importance: High
Attachments: 09-1635/2.pdf

Here you go.

From: Baetsen, Karen - DOT
Sent: Thursday, January 29, 2009 4:16 PM
To: Byrnes, Tyler - DOA
Cc: Hammer, Paul - DOT; Newman, Kenneth - DOT; Nilsen, Paul - DOT
Subject: FW: LRB Draft: 09-1635/2 Electronic recording and release of liens
Importance: High

compiled comments from DMV, OGC, OPBF ~~~~~~~~~

Modifications to LRB 1635/2 are needed to Sections 5 through 12, and Section 9450. New language is noted in **RED**

Section 5
page 3, line 17: insert
1. If the secured party is an individual**, or a person exempted by rule under s.342.245(3),** by the delivery to the department of the existing certificate of title.....

Section 6
page 4, line 1 - 4 is reworded:
Except as provided in s.342.245(3), if the secured party is not an individual, by the **filing of a security interest statement** containing the name and address of the secured party, and **payment of** the required fee, in the manner specified in s.342.245(1).

Section 7
page 4, line 8: insert
....that if the secured party is not an individual**, and is not exempt by rule under s.342.245(3),** the secured party shall follow the procedure specified in.....

Section 8
page 4, line 12: reworded
...fee, or upon receipt of the **security interest statement** and required fee if the **secured party** has utilized the process specified in s.342.245(1),.....

Section 9
page 5, line 3: insert
(a) If the secured party is an individual, **or a person exempt by rule under s.342.245(3),** execute and deliver to the owner, as the department prescribes.....

Section 10
page 5, line 11: reworded
....If the secured party is not **described in (a),** deliver to the department a release.....

Section 11
page 5, line 20-24: remove select wording, substitute, and insert comma
...issue a new certificate. **Upon receipt of the notice** under sub. (1) (b), the owner may, in the form and manner prescribed by the department, deliver an application and the certificate of title to the department and the department shall issue a new certificate of title free of the security interest notation.

Section 12
page 6, line 1-4: reword
Except as provided in sub. (3), **a secured party shall file a security interest statement and pay the fee under s. 342.19 (2) (a) 2. and deliver a release of a security interest under s. 342.22 (1) (b) utilizing an electronic process prescribed by the department under sub. (4).**

page 6, line 6: reword
...a person required to **file a security interest statement** under sub.(1) shall destroy the certificate of title.

page 6, line 10-11: insert
..under s. 342.19 (2) **(a) 1.** and releases submitted under s.342.22, utilizing a process other than an electronic process.

Section 9450
page 6, line 15 and 16:
Remove s. 25.40(1)(a)3., 84.59(2)(b), 341.255(4), and 342.14(2) from the July 1, 2010 effective date

Create subsection (2) and make these fee provisions effective January 1, 2010.

Aaron G did a great job at redefining the framework for this whole issue. Please pass along our appreciation for his Herculean efforts! Please call if you have any questions! --- Karen

Karen Baetsen
Department of Transportation
Office of Policy, Budget and Finance
Room 132B Hill Farms
608/ 266-0179
karen.baetsen@dot.state.wi.us

-----Original Message-----
From: Byrnes, Tyler - DOA
Sent: Thursday, January 29, 2009 12:21 PM
To: Baetsen, Karen - DOT; Hammer, Paul - DOT
Subject: FW: LRB Draft: 09-1635/2 Electronic recording and release of liens

Karen and Paul,

Can you take a look at this draft and give a quick read of whether there will be extensive changes needed or not?

Tyler

From: Duchek, Michael [mailto:Michael.Duchek@legis.wisconsin.gov]
Sent: Wednesday, January 28, 2009 3:19 PM
To: Byrnes, Tyler - DOA
Cc: Grinde, Kirsten - DOA; Hanaman, Cathlene - LEGIS; Beadles, Kathleen - DOA

State of Wisconsin
2009 - 2010 LEGISLATURE

in 1/29

LRB-1635/~~4~~ 3
ARG:cjs:md

RMR

DOA:.....Byrnes, BB0459 - Electronic recording and release of liens

FOR 2009-11 BUDGET -- NOT READY FOR INTRODUCTION

stays

Do NOT Cer

1 AN ACT ...; **relating to:** the budget.

Analysis by the Legislative Reference Bureau

TRANSPORTATION

DRIVERS AND MOTOR VEHICLES

Under current law, a creditor's security interest in a motor vehicle is generally perfected by notation of the security interest on the certificate of title for the vehicle. A creditor may perfect its security interest by delivering to DOT any existing certificate of title for the vehicle along with an application for a certificate of title containing the name and address of the creditor and the required fee. To release a security interest, the creditor executes and delivers to the owner a release of the security interest and a notice of the owner's duty. The owner must then promptly provide the release and certificate of title to DOT, after which DOT issues a new certificate of title free of the security interest notation. There is a single fee of $4 for the original notation and subsequent release of each security interest noted on a certificate of title.

This bill requires creditors, other than individuals, that hold security interests in motor vehicles to submit electronically to DOT ~~applications for~~ certificates of title ~~on which is noted these security interests~~ and ~~for~~ releases of these security interests. DOT must promulgate rules for administering this requirement and the rules may provide exemptions from the requirement.

The bill increases the fee for notation and release of a security interest noted on a certificate of title from $4 to $10 and specifies that the fee is to be paid to DOT

both security interest statements for the purpose of having the ~~secured~~ ~~party~~ these creditors' noted on the security interests

by the applicant. The bill does not affect the current law requirement that the owner of a vehicle provide the DOT fee to the creditor with the application and certificate of title for purposes of having the secured party noted on the certificate of title when the owner creates a security interest in the vehicle. The bill also eliminates a $5 fee imposed on financial institutions for each transaction electronically transmitted to DOT relating to a certificate of title or vehicle registration.

For further information see the ***state*** fiscal estimate, which will be printed as an appendix to this bill.

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

1 **SECTION 1.** 25.40 (1) (a) 3. of the statutes is amended to read:

2 25.40 **(1)** (a) 3. Revenues collected under ss. 341.09 (2) (d), (2m) (a) 1., (4), and
3 (7), 341.14 (2), (2m), (6) (d), (6m) (a), (6r) (b) 2., (6w), and (8), 341.145 (3), 341.16 (1)
4 (a) and (b), (2), and (2m), 341.17 (8), 341.19 (1) (a), 341.25, 341.255 (1), (2) (a), (b), and
5 (c), ~~(4),~~ and (5), 341.26 (1), (2), (2m) (am) and (b), (3), (3m), (4), (5), and (7), 341.264
6 (1), 341.265 (1), 341.266 (2) (b) and (3), 341.268 (2) (b) and (3), 341.30 (3), 341.305 (3),
7 341.308 (3), 341.36 (1) and (1m), 341.51 (2), and 342.14, except s. 342.14 (1r), that are
8 pledged to any fund created under s. 84.59 (2).

9 **SECTION 2.** 84.59 (2) (b) of the statutes is amended to read:

10 84.59 **(2)** (b) The department may, under s. 18.562, deposit in a separate and
11 distinct special fund outside the state treasury, in an account maintained by a
12 trustee, revenues derived under ss. 341.09 (2) (d), (2m) (a) 1., (4), and (7), 341.14 (2),
13 (2m), (6) (d), (6m) (a), (6r) (b) 2., (6w), and (8), 341.145 (3), 341.16 (1) (a) and (b), (2),
14 and (2m), 341.17 (8), 341.19 (1) (a), 341.25, 341.255 (1), (2) (a), (b), and (c), ~~(4),~~ and
15 (5), 341.26 (1), (2), (2m) (am) and (b), (3), (3m), (4), (5), and (7), 341.264 (1), 341.265
16 (1), 341.266 (2) (b) and (3), 341.268 (2) (b) and (3), 341.30 (3), 341.305 (3), 341.308 (3),
17 341.36 (1) and (1m), 341.51 (2), and 342.14, except s. 342.14 (1r), and from any
18 payments received with respect to agreements or ancillary arrangements entered

into under s. 18.55 (6) with respect to revenue obligations issued under this section. The revenues deposited are the trustee's revenues in accordance with the agreement between this state and the trustee or in accordance with the resolution pledging the revenues to the repayment of revenue obligations issued under this section. Revenue obligations issued for the purposes specified in sub. (1) and for the repayment of which revenues are deposited under this paragraph are special fund obligations, as defined in s. 18.52 (7), issued for special fund programs, as defined in s. 18.52 (8).

SECTION 3. 341.255 (4) of the statutes is repealed.

SECTION 4. 342.14 (2) of the statutes is amended to read:

342.14 **(2)** For the original notation and subsequent release of each security interest noted upon a certificate of title, a single fee of ~~$4~~ $10, by the ~~owner of the vehicle~~ applicant.

SECTION 5. 342.19 (2) of the statutes is renumbered 342.19 (2) (a) (intro.) and amended to read:

342.19 **(2)** (a) (intro.) Except as provided in sub. (2m), a security interest is perfected in one of the following ways: insert 3-17

1. If the secured party is an individual, by the delivery to the department of the existing certificate of title, if any, an application for a certificate of title containing the name and address of the secured party, and the required fee. ~~It~~

(b) A security interest is perfected as of the later of the following:

1. The time of ~~its~~ delivery ~~or the~~ to the department of the certificate of title if perfection occurs under par. (a) 1. or of the application if perfection occurs under par. (a) 2.

2. The time of the attachment of the security interest.

SECTION 6. 342.19 (2) (a) 2. of the statutes is created to read:

342.19 **(2)** (a) 2. Except as provided in s. 342.245 (3), if the secured party is not an individual, by the filing of a security interest statement ~~delivery to the department of an application for a certificate of~~ title containing the name and address of the secured party, and payment of the required fee, in the manner specified in s. 342.245 (1).

SECTION 7. 342.20 (2) of the statutes is amended to read:

342.20 **(2)** The secured party shall immediately cause the certificate, application, and the required fee to be mailed or delivered to the department, except that if the secured party is not an individual, insert 4-8 the secured party shall follow the procedure specified in ss. 342.19 (2) (a) 2. and 342.245 (1) and (2).

SECTION 8. 342.20 (3) of the statutes is amended to read:

342.20 **(3)** Upon receipt of the certificate of title, application, and the required fee, or upon receipt of the security interest statement ~~application~~ and required fee if the secured party ~~applicant~~ has utilized the process specified in s. 342.245 (1), the department shall issue to the owner a new certificate containing the name and address of the new secured party. The department shall deliver to such new secured party and to the register of deeds of the county of the owner's residence, memoranda, in such form as the department prescribes, evidencing the notation of the security interest upon the certificate; and thereafter, upon any assignment, termination or release of the security interest, additional memoranda evidencing such action.

SECTION 9. 342.22 (1) of the statutes is renumbered 342.22 (1) (intro.) and amended to read:

342.22 **(1)** (intro.) Within one month or within 10 days following written demand by the debtor after there is no outstanding obligation and no commitment to make advances, incur obligations or otherwise give value, secured by the security

interest in a vehicle under any security agreement between the owner and the secured party, the secured party shall do one of the following:

(a) If the secured party is an individual, execute and deliver to the owner, as the department prescribes, a release of the security interest in the form and manner prescribed by the department and a notice to the owner stating in no less than 10-point boldface type the owner's obligation under sub. (2). If the secured party fails to execute and deliver the release and notice of the owner's obligation as required by this ~~subsection~~ paragraph, the secured party is liable to the owner for $25 and for any loss caused to the owner by the failure.

SECTION 10. 342.22 (1) (b) of the statutes is created to read:

342.22 **(1)** (b) If the secured party is not an individual, deliver to the department a release of the security interest in the manner specified in s. 342.245 (1) and deliver to the owner a notice stating that the release has been provided to the department.

SECTION 11. 342.22 (2) of the statutes is amended to read:

342.22 **(2)** ~~The~~ An owner, other than a dealer holding the vehicle for resale, upon receipt of the release and notice of obligation delivered under sub. (1) (a) shall promptly cause the certificate and release to be mailed or delivered to the department, which shall release the secured party's rights on the certificate and issue a new certificate. ~~If a release has been delivered to the department~~ Upon receipt of the notice under sub. (1) (b), the owner may, in the form and manner prescribed by the department and without additional fee, deliver an application and the certificate of title to the department and the department shall issue a new certificate of title free of the security interest notation.

SECTION 12. 342.245 of the statutes is created to read:

342.245 Electronic processing of certain applications. (1) Except as provided in sub. (3), insert 6-2 an application and fee under s. 342.19 (2) (a) 2. and deliver a release of a security interest under s. 342.22 (1) (b) shall be submitted to the department utilizing an electronic process prescribed by the department under sub. (3). (4)

(2) Upon receipt of a certificate of title as provided in s. 342.20 (1), a person required to file a security interest statement submit an application under sub. (1) shall destroy the certificate of title.

(3) The department may, by rule, exempt a person or a type of transaction from the requirements of sub. (1). Any person who is exempted under this subsection shall pay a fee to the department for processing applications submitted by the person under s. 342.19 (2) (a) 1. and releases submitted under s. 342.22, utilizing a process other than an electronic process.

(4) The department shall promulgate rules to implement and administer this section.

SECTION 9450. Effective dates; Transportation.

(1) ELECTRONIC PROCESSING OF TITLE LIENS. (a) The treatment of sections 25.40 (1) (a) 3., 84.59 (2) (b), 341.255 (4), 342.14 (2), 342.20 (2) and (3), 342.22 (2), and 342.245 of the statutes, the renumbering and amendment of sections 342.19 (2) and 342.22 (1) of the statutes, and the creation of sections 342.19 (2) (a) 2. and 342.22 (1) (b) of the statutes take effect on July 1, 2010.

(END)

insert 6-19

INSERTS 3-17, 4-8, and 5-3:

or a person exempted by rule under s. 342.245 (3)

INSERT 6-2:

a secured party shall file a security interest statement and pay the fee

INSERT 6-19:

(b) ELECTRONIC PROCESSING OF TITLE LIENS. The treatment of sections 25.40 (1) (a) 3., 84.59 (2) (b), 341.255 (4), and 342.14 (2) of the statutes takes effect on January 1, 2010.

State of Wisconsin
2009 - 2010 LEGISLATURE

LRB-1635/3
ARG:cjs:jf

DOA:.....Byrnes, BB0459 - Electronic recording and release of liens

FOR 2009-11 BUDGET -- NOT READY FOR INTRODUCTION

1 AN ACT ...; **relating to:** the budget.

Analysis by the Legislative Reference Bureau

TRANSPORTATION

DRIVERS AND MOTOR VEHICLES

Under current law, a creditor's security interest in a motor vehicle is generally perfected by notation of the security interest on the certificate of title for the vehicle. A creditor may perfect its security interest by delivering to DOT any existing certificate of title for the vehicle along with an application for a certificate of title containing the name and address of the creditor and the required fee. To release a security interest, the creditor executes and delivers to the owner a release of the security interest and a notice of the owner's duty. The owner must then promptly provide the release and certificate of title to DOT, after which DOT issues a new certificate of title free of the security interest notation. There is a single fee of $4 for the original notation and subsequent release of each security interest noted on a certificate of title.

This bill requires creditors, other than individuals, that hold security interests in motor vehicles to submit electronically to DOT both security interest statements, for the purpose of having these creditors' security interests noted on the certificates of title, and releases of these security interests. DOT must promulgate rules for administering this requirement and the rules may provide exemptions from the requirement.

The bill increases the fee for notation and release of a security interest noted on a certificate of title from $4 to $10 and specifies that the fee is to be paid to DOT

by the applicant. The bill does not affect the current law requirement that the owner of a vehicle provide the DOT fee to the creditor with the application and certificate of title for purposes of having the secured party noted on the certificate of title when the owner creates a security interest in the vehicle. The bill also eliminates a $5 fee imposed on financial institutions for each transaction electronically transmitted to DOT relating to a certificate of title or vehicle registration.

For further information see the ***state*** fiscal estimate, which will be printed as an appendix to this bill.

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

1 **SECTION 1.** 25.40 (1) (a) 3. of the statutes is amended to read:

2 25.40 **(1)** (a) 3. Revenues collected under ss. 341.09 (2) (d), (2m) (a) 1., (4), and
3 (7), 341.14 (2), (2m), (6) (d), (6m) (a), (6r) (b) 2., (6w), and (8), 341.145 (3), 341.16 (1)
4 (a) and (b), (2), and (2m), 341.17 (8), 341.19 (1) (a), 341.25, 341.255 (1), (2) (a), (b), and
5 (c), ~~(4),~~ and (5), 341.26 (1), (2), (2m) (am) and (b), (3), (3m), (4), (5), and (7), 341.264
6 (1), 341.265 (1), 341.266 (2) (b) and (3), 341.268 (2) (b) and (3), 341.30 (3), 341.305 (3),
7 341.308 (3), 341.36 (1) and (1m), 341.51 (2), and 342.14, except s. 342.14 (1r), that are
8 pledged to any fund created under s. 84.59 (2).

9 **SECTION 2.** 84.59 (2) (b) of the statutes is amended to read:

10 84.59 **(2)** (b) The department may, under s. 18.562, deposit in a separate and
11 distinct special fund outside the state treasury, in an account maintained by a
12 trustee, revenues derived under ss. 341.09 (2) (d), (2m) (a) 1., (4), and (7), 341.14 (2),
13 (2m), (6) (d), (6m) (a), (6r) (b) 2., (6w), and (8), 341.145 (3), 341.16 (1) (a) and (b), (2),
14 and (2m), 341.17 (8), 341.19 (1) (a), 341.25, 341.255 (1), (2) (a), (b), and (c), ~~(4),~~ and
15 (5), 341.26 (1), (2), (2m) (am) and (b), (3), (3m), (4), (5), and (7), 341.264 (1), 341.265
16 (1), 341.266 (2) (b) and (3), 341.268 (2) (b) and (3), 341.30 (3), 341.305 (3), 341.308 (3),
17 341.36 (1) and (1m), 341.51 (2), and 342.14, except s. 342.14 (1r), and from any
18 payments received with respect to agreements or ancillary arrangements entered

into under s. 18.55 (6) with respect to revenue obligations issued under this section. The revenues deposited are the trustee's revenues in accordance with the agreement between this state and the trustee or in accordance with the resolution pledging the revenues to the repayment of revenue obligations issued under this section. Revenue obligations issued for the purposes specified in sub. (1) and for the repayment of which revenues are deposited under this paragraph are special fund obligations, as defined in s. 18.52 (7), issued for special fund programs, as defined in s. 18.52 (8).

SECTION 3. 341.255 (4) of the statutes is repealed.

SECTION 4. 342.14 (2) of the statutes is amended to read:

342.14 **(2)** For the original notation and subsequent release of each security interest noted upon a certificate of title, a single fee of ~~$4~~ $10, by the ~~owner of the vehicle~~ applicant.

SECTION 5. 342.19 (2) of the statutes is renumbered 342.19 (2) (a) (intro.) and amended to read:

342.19 **(2)** (a) (intro.) Except as provided in sub. (2m), a security interest is perfected in one of the following ways:

1. If the secured party is an individual or a person exempted by rule under s. 342.245 (3), by the delivery to the department of the existing certificate of title, if any, an application for a certificate of title containing the name and address of the secured party, and the required fee. ~~It~~

(b) A security interest is perfected as of the later of the following:

1. The time of ~~its~~ delivery ~~or the~~ to the department of the certificate of title if perfection occurs under par. (a) 1. or of the application if perfection occurs under par. (a) 2.

2. The time of the attachment of the security interest.

1 **SECTION 6.** 342.19 (2) (a) 2. of the statutes is created to read:

2 342.19 **(2)** (a) 2. Except as provided in s. 342.245 (3), if the secured party is not
3 an individual, by the filing of a security interest statement containing the name and
4 address of the secured party, and payment of the required fee, in the manner
5 specified in s. 342.245 (1).

6 **SECTION 7.** 342.20 (2) of the statutes is amended to read:

7 342.20 **(2)** The secured party shall immediately cause the certificate,
8 application, and the required fee to be mailed or delivered to the department, except
9 that if the secured party is not an individual or a person exempted by rule under s.
10 342.245 (3), the secured party shall follow the procedure specified in ss. 342.19 (2)
11 (a) 2. and 342.245 (1) and (2).

12 **SECTION 8.** 342.20 (3) of the statutes is amended to read:

13 342.20 **(3)** Upon receipt of the certificate of title, application, and the required
14 fee, or upon receipt of the security interest statement and required fee if the secured
15 party has utilized the process specified in s. 342.245 (1), the department shall issue
16 to the owner a new certificate containing the name and address of the new secured
17 party. The department shall deliver to such new secured party and to the register
18 of deeds of the county of the owner's residence, memoranda, in such form as the
19 department prescribes, evidencing the notation of the security interest upon the
20 certificate; and thereafter, upon any assignment, termination or release of the
21 security interest, additional memoranda evidencing such action.

22 **SECTION 9.** 342.22 (1) of the statutes is renumbered 342.22 (1) (intro.) and
23 amended to read:

24 342.22 **(1)** (intro.) Within one month or within 10 days following written
25 demand by the debtor after there is no outstanding obligation and no commitment

to make advances, incur obligations or otherwise give value, secured by the security interest in a vehicle under any security agreement between the owner and the secured party, the secured party shall do one of the following:

(a) If the secured party is an individual or a person exempted by rule under s. 342.245 (3), execute and deliver to the owner, as the department prescribes, a release of the security interest in the form and manner prescribed by the department and a notice to the owner stating in no less than 10-point boldface type the owner's obligation under sub. (2). If the secured party fails to execute and deliver the release and notice of the owner's obligation as required by this ~~subsection~~ paragraph, the secured party is liable to the owner for $25 and for any loss caused to the owner by the failure.

SECTION 10. 342.22 (1) (b) of the statutes is created to read:

342.22 **(1)** (b) If the secured party is not described in par. (a), deliver to the department a release of the security interest in the manner specified in s. 342.245 (1) and deliver to the owner a notice stating that the release has been provided to the department.

SECTION 11. 342.22 (2) of the statutes is amended to read:

342.22 **(2)** ~~The~~ An owner, other than a dealer holding the vehicle for resale, upon receipt of the release and notice of obligation delivered under sub. (1) (a) shall promptly cause the certificate and release to be mailed or delivered to the department, which shall release the secured party's rights on the certificate and issue a new certificate. Upon receipt of the notice under sub. (1) (b), the owner may, in the form and manner prescribed by the department and without additional fee, deliver an application and the certificate of title to the department and the department shall issue a new certificate of title free of the security interest notation.

1 **SECTION 12.** 342.245 of the statutes is created to read:

2 **342.245 Electronic processing of certain applications. (1)** Except as
3 provided in sub. (3), a secured party shall file a security interest statement and pay
4 the fee under s. 342.19 (2) (a) 2. and deliver a release of a security interest under s.
5 342.22 (1) (b) utilizing an electronic process prescribed by the department under sub.
6 (4).

7 **(2)** Upon receipt of a certificate of title as provided in s. 342.20 (1), a person
8 required to file a security interest statement under sub. (1) shall destroy the
9 certificate of title.

10 **(3)** The department may, by rule, exempt a person or a type of transaction from
11 the requirements of sub. (1). Any person who is exempted under this subsection shall
12 pay a fee to the department for processing applications submitted by the person
13 under s. 342.19 (2) (a) 1. and releases submitted under s. 342.22, utilizing a process
14 other than an electronic process.

15 **(4)** The department shall promulgate rules to implement and administer this
16 section.

17 **SECTION 9450. Effective dates; Transportation.**

18 (1) ELECTRONIC PROCESSING OF TITLE LIENS.

19 (a) The treatment of sections 342.20 (2) and (3), 342.22 (2), and 342.245 of the
20 statutes, the renumbering and amendment of sections 342.19 (2) and 342.22 (1) of
21 the statutes, and the creation of sections 342.19 (2) (a) 2. and 342.22 (1) (b) of the
22 statutes take effect on July 1, 2010.

23 (b) The treatment of sections 25.40 (1) (a) 3., 84.59 (2) (b), 341.255 (4), and
24 342.14 (2) of the statutes takes effect on January 1, 2010.

25 **(END)**