



WISCONSIN LEGISLATIVE COUNCIL AMENDMENT MEMO

2003 Assembly Bill 821

Assembly Amendments 1 and 3

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Current law requires a motor vehicle dealer, motor vehicle salesperson, and motor vehicle sales finance company to have a license issued by the Department of Transportation (DOT) in order to conduct business. A motor vehicle dealer is responsible for ensuring that each motor vehicle salesperson in his or her employment has a valid license. Failure to comply with these licensing requirements may result in a fine of not less than \$500 nor more than \$5,000.

Assembly Bill 821 defines a **motor vehicle buyer** as a person who is employed by one or more motor vehicle dealers to bid on or purchase a motor vehicle from a motor vehicle dealer or a motor vehicle auction and **requires** a motor vehicle buyer and a motor vehicle wholesaler to be licensed. A motor vehicle buyer must obtain a separate license for each motor vehicle dealer on whose behalf the buyer operates and each motor vehicle dealer is responsible for ensuring that each motor vehicle buyer in his or her employment has a valid license.

Under **current law**, motor vehicles sold at a motor vehicle auction may only be sold to licensed motor vehicle dealers. **Under the bill**, motor vehicles sold at a motor vehicle auction may be sold to licensed motor vehicle dealers, licensed motor vehicle wholesalers, and licensed motor vehicle buyers. The licensed dealer, wholesaler, or buyer must display his or her valid license and include his or her license number on each sheet of any bid submitted to a motor vehicle auction and on any document evidencing the purchase of a motor vehicle from the auction. Prior to accepting a bid, the motor vehicle auction must verify that the license number displayed on the buyer or bidder's license and the number included on the bid or other documents are identical. After a motor vehicle is sold at an auction, the motor vehicle auction must include information, to be determined by DOT, to indicate that ownership of the vehicle was transferred by a motor vehicle auction.

Assembly Amendment 1

- Changes the effective date of the bill to the first day of the seventh month beginning after publication.

ASSEMBLY AMENDMENT 3

- Provides the Division of Motor Vehicles with a one-time appropriation increase of \$44,000 for fiscal year 2004-05 from the Transportation Fund to increase funding for administering the buyer license card.

Legislative History

On February 17, 2004, the Assembly Committee on Transportation recommended for adoption Assembly Amendments 1 and 3 by a vote of Ayes, 15; Noes, 0. The Assembly Committee on Transportation recommended passage of the bill, as amended, by a vote of Ayes, 15; Noes, 0.

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