

1999 DRAFTING REQUEST

Bill

Received: **05/18/1999**

Received By: **isagerro**

Wanted: **As time permits**

Identical to LRB:

For: **Mark Pettis (608) 267-2365**

By/Representing: **Himself**

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

Drafter: **isagerro**

May Contact:

Alt. Drafters:

Subject: **Transportation - motor vehicles**

Extra Copies: **PEN, TNF**

Pre Topic:

No specific pre topic given

Topic:

Allow seller of motor vehicle to notify DOT of sale of motor vehicle

Instructions:

See Attached

Drafting History:

<u>Vers.</u>	<u>Drafted</u>	<u>Reviewed</u>	<u>Typed</u>	<u>Proofed</u>	<u>Submitted</u>	<u>Jacketed</u>	<u>Reaired</u>
/1	isagerro 07/22/1999	ygeller 08/05/1999	martykr 08/06/1999	_____	lrb-docadmin 08/06/1999		State
/2	fasttn 08/11/1999	ygeller 08/11/1999	mclark 08/11/1999	_____	lrb-docadmin 08/11/1999	lrb_docadminState 11/17/1999	

FE Sent For:

<END>

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FE Sent For: *1/2 8/11 jg* *mrc* *mrc/ctt*
8/11 *8/11*
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1/?	isagerro	11/8/99 jlg	11/16/99 [signature]	11/16/99 [signature]			

FE Sent For:

<END>

Rep. Mark Pettis - 9:15 5/18/99 7-2365

, when
- prt. party sells motor vehicle, seller has liability until buyer sends in registration

- bill to relieve seller of liability from misuse of vehicle
- seller sends in something to DOT alerting them to fact of sale

* Called: left message, 6/15 3:45 pm.

* Rep. Pettis, -10:30 6/16/99 7-2365

- to relieve seller of burden of litigating liability, have seller notify DOT of sale
- then, when run license plate transfer's names comes up: owner's name doesn't come up



Sec. § 342.15(4)(a)

- make it perforated tab on title that when you sign over title, you can detach and send in
 - price of vehicle on the tab
 - notarized -

1000

1000

1000

1000



↑
JLg

1999 BILL

NOTE

gen cat

1 AN ACT . . . relating to: the transfer of an interest in a motor vehicle and providing
2 a penalty. ✓

Analysis by the Legislative Reference Bureau

Under current law, upon transferring an interest in a motor vehicle, the owner is required to execute an assignment and warranty of title to the purchaser of the motor vehicle and deliver the certificate of title to the purchaser. The owner must also disclose the motor vehicle's mileage in writing to the purchaser and, in most cases, remove the registration plates from the motor vehicle. After an owner complies with these requirements, the owner is no longer liable as an owner for any damages that result from operation of the motor vehicle.

Current law also requires the purchaser of a motor vehicle to forward the transferred certificate of title with an application for a new certificate of title to the department of transportation (DOT). ✓ A purchaser must also apply within two ✓ business days after the transfer of interest in the motor vehicle to DOT for temporary registration plates.

Under this bill, DOT must attach a notice of transfer of interest to each certificate of title it issues after the effective date of this bill. The notice must be easily detachable from the certificate of title and include spaces for the signatures of the owner, the names and addresses of the owner and purchaser, the date of the transfer of interest and the amount paid by the purchaser. This bill requires the owner of a motor vehicle who transfers an interest in a motor vehicle for which a certificate of title was issued by DOT after the effective date of this bill to forward to DOT a completed notice of transfer of interest within two days after the transfer

BILL

of interest. An owner who fails to forward a notice to DOT may be required to forfeit not more than \$500. *This bill does not apply to transfers of motor vehicles*

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

Transfer by motor vehicle dealer

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

1 SECTION 1. [✓]342.09 (4) of the statutes is created to read:

2 342.09 (4) The department shall maintain a record of all notices of transfer of
3 interest received under s. [✓]342.15 (1) (e). *According to vehicle identification*

4 SECTION 2. 342.10 (1) (dr) of the statutes is created to read:

5 342.10 (1) (dr) An easily detachable notice of transfer of interest required
6 under s. 342.15 (1) (e) [✓]shall be attached to the certificate of title.

7 SECTION 3. 342.10 (2) (a) 5. of the statutes is created to read:

8 342.10 (2) (a) 5. The notice of transfer of interest shall contain spaces for the
9 signature of the transferor, the name and address of the transferor, the name and
10 address of the transferee, the date of the transfer and the amount paid by the
11 transferee.

12 SECTION 4. 342.15 (1) (a) of the statutes is amended to read:

13 342.15 (1) (a) If an owner transfers an interest in a vehicle, other than by the
14 creation of a security interest, the owner shall comply with the requirements of par.
15 (e) [✓]and s. 342.155 and, at the time of the delivery of the vehicle, execute an
16 assignment and warranty of title to the transferee in the space provided therefor on
17 the certificate, and cause the certificate to be mailed or delivered to the transferee,
18 except that if the vehicle being transferred is a junk vehicle or has been junked, the
19 owner shall return the certificate to the department in accordance with s. 342.34.

History: 1971 c. 278; 1975 c. 121, 199; 1977 c. 29 ss. 1453.1654(7) (a); 1977 c. 79, 129, 203, 418, 447; 1983 a. 126, 227, 270, 538; 1985 a. 29, 202, 332; 1987 a. 349; 1993 a. 63, 159; 1995 a. 421; 1997 a. 27.

BILL

1 **SECTION 5.** 342.15 (1) (c) of the statutes is amended to read:

2 342.15 (1) (c) If an owner transfers his or her interest in a salvage vehicle, the
3 owner shall at the time of the delivery of the vehicle, execute an assignment and
4 warranty of title to the transferee in the space provided therefor on the certificate,
5 and cause the certificate to be mailed or delivered to the transferee and comply with
6 the requirements nar. (e). ✓

History: 1971 c. 278; 1975 c. 121,199; 1977 c. 29 ss. 1453,1654 (7) (a), 1977 c. 79, 129, 203, 418, 447; 1983 a. 126, 227, 270, 538; 1985 a. 29, 202, 332, 1987 a. 349; 1993 a. 63, 159; 1995 a. 421; 1997 a. 27.

7 **SECTION 6.** 342.15 (1) (e) of the statutes is created to read:

8 342.15 (1) (e) An owner who transfers an interest in a vehicle for which the
9 certificate of title was issued by the department after the effective date of this
10 paragraph [] ← BRACKET
11 the department a notice of transfer of interest. The notice of transfer of interest
12 submitted to the department under this subsection shall be in the form specified
13 under s. 342.10 (1) (dr) and (2) (a) 5. and include the signature of the transferor, the
14 name and address of the transferor, the name and address of the transferee, the date
15 of the transfer of interest and the amount paid by the transferee.

16 **SECTION 7.** 342.15 (3) of the statutes is amended to read:

17 342.15 (3) Except as provided in s. 342.16 with respect to a vehicle which is not
18 a salvage vehicle and as between the parties, a transfer by an owner is not effective
19 until the provisions of this section, other than sub. (1) (e), have been complied with. ✓
20 An owner who has delivered possession of the vehicle to the transferee and has
21 complied with the provisions of this section, other than sub. (1) (e), requiring action ✓
22 by him or her is not liable as owner for any damages thereafter resulting from
23 operation of the vehicle.

History: 1971 c. 278; 1975 c. 121, 199; 1977 c. 29 ss. 1453, 1654 (7) (a); 1977 c. 79, 129, 203, 418, 447; 1983 a. 126, 227, 270, 538; 1985 a. 29, 202, 332; 1987 a. 349; 1993 a. 63, 159; 1995 a. 421; 1997 a. 27.

DRAFTER'S NOTE
FROM THE
LEGISLATIVE REFERENCE BUREAU

LRB-3109/1dn

ISR:.....

JG

July 14, 1999

Representative Pettis:

Please review this bill carefully to make sure it achieves your intent. In particular, please note the following:

1. The requirement that an owner forward the notice of the transfer of interest to DOT only applies if an owner transfers a vehicle for which a certificate of title was issued after the effective date of this bill. Thus, owners of vehicles for which the certificate of title was issued prior to the effective date of this bill are not required to forward a notice to DOT. Is this your intent? The notice requirement also does not apply to involuntary transfers or transfers by a motor vehicle dealer. Examples of involuntary transfers are transfers that occur as a result of the death of an owner or the sale of a vehicle under a security agreement by a secured party. Is this your intent?

* *UW* 2. This bill only requires DOT to keep a record of any notices it receives. *Is this your intent or do you want to impose additional duties on DOT?*

* *UW* 3. Finally, under current law, an owner remains liable as an owner for damages that result from the operation of a vehicle only until the owner executes an assignment and warranty of title, discloses the vehicle's mileage to the purchaser and removes the registration plates from the vehicle. This bill does not impose any additional requirements on an owner before the owner becomes exempt as an owner from liability. Thus, regardless of whether an owner sends in a notice of transfer of interest to DOT as long as the owner complies with all of the current other transfer requirements, the owner will not be liable as an owner for any damages that result from operation of the vehicle. An owner who does not send in a notice of transfer of interest will, however, be subject to a forfeiture of up to \$500. OK?

may not be held liable as an owner

If you have any questions or comments, please feel free to contact me.

Ivy G. Sager-Rosenthal
Legislative Attorney
Phone: (608) 2614455
E-mail: Ivy.Sager-Rosenthal@legis.state.wi.us

DRAFTER'S NOTE
FROM THE
LEGISLATIVE REFERENCE BUREAU

LRB-3 109/1dn
ISR:jlg:km

August 6, 1999

Representative Pettis:

Please review this bill carefully to make sure it achieves your intent. In particular, please note the following:

1. The requirement that an owner forward the notice of the transfer of interest to DOT only applies if an owner transfers a vehicle for which a certificate of title was issued after the effective date of this bill. Thus, owners of vehicles for which the certificate of title was issued prior to the effective date of this bill are not required to forward a notice to DOT. Is this your intent? The notice requirement also does not apply to involuntary transfers or transfers by a motor vehicle dealer. Examples of involuntary transfers are transfers that occur as a result of the death of an owner or the sale of a vehicle under a security agreement by a secured party. Is this your intent?

2. This bill only requires DOT to keep a record of any notices it receives. Do you want to impose additional duties on DOT.

3. Finally, under current law, an owner remains liable as an owner for damages that result from the operation of a vehicle only until the owner executes an assignment and warranty of title, discloses the vehicle's mileage to the purchaser and removes the registration plates from the vehicle. This bill does not impose any additional requirements on an owner before the owner may not be held liable as an owner. Thus, regardless of whether an owner sends in a notice of transfer of interest to DOT, as long as the owner complies with all of the other transfer requirements, the owner will not be liable as an owner for any damages that result from operation of the vehicle. An owner who does not send in a notice of transfer of interest will, however, be subject to a forfeiture of up to \$500. OK?

If you have any questions or comments, please feel free to contact me.

Ivy G. Sager-Rosenthal
Legislative Attorney
Phone: (608) 261-4455
E-mail: Ivy.Sager-Rosenthal@legis.state.wi.us

DRAFTER'S NOTE
FROM THE
LEGISLATIVE REFERENCE BUREAU

LRB-3109/1dn
ISR:jlg:km

August 6, 1999

8/11/99 t/c Don Nelson - answered questions below. Also require seller to forward notice of transfer of interest within "2 business days" (instead of "2 days").

TNF

Representative Pettis:

Please review this bill carefully to make sure it achieves your intent. In particular, please note the following:

1. The requirement that an owner forward the notice of the transfer of interest to DOT only applies if an owner transfers a vehicle for which a certificate of title was issued after the effective date of this bill. Thus, owners of vehicles for which the certificate of title was issued prior to the effective date of this bill are not required to forward a notice to DOT. Is this your intent? ~~The notice requirement also does not apply to involuntary transfers or transfers by a motor vehicle dealer. Examples of involuntary transfers are transfers that occur as a result of the death of an owner or the sale of a vehicle under a security agreement by a secured party. Is this your intent?~~ Yes

2. This bill only requires DOT to keep a record of any notices it receives. Do you want to impose additional duties on DOT. No

3. Finally, under current law, an owner remains liable as an owner for damages that result from the operation of a vehicle only until the owner executes an assignment and warranty of title, discloses the vehicle's mileage to the purchaser and removes the registration plates from the vehicle. This bill does not impose any additional requirements on an owner before the owner may not be held liable as an owner. Thus, regardless of whether an owner sends in a notice of transfer of interest to DOT, as long as the owner complies with all of the other transfer requirements, the owner will not be liable as an owner for any damages that result from operation of the vehicle. An owner who does not send in a notice of transfer of interest will, however, be subject to a forfeiture of up to \$500. OK? OK, except remove \$500 forfe.

If you have any questions or comments, please feel free to contact me.

Ivy G. Sager-Rosenthal
Legislative Attorney
Phone: (608) 261-4455
E-mail: Ivy.Sager-Rosenthal@legis.state.wi.us



State of Wisconsin
1999 - 2000 LEGISLATURE

WANTED
8/12 AM

LRB-3109/A (Redraft
ISR:jlg:km makes
has
been
run)
αTNF

1999 BILL

Reger

1 **AN ACT to amend 342.15 (1) (a), 342.15 (1)(c), 342.15 (3), 342.15 (5) and 342.18**
2 **(1); and to create 342.09 (4), 342.10 (1) (dr), 342.10 (2) (a) 5. and 342.15 (1)(e)**
3 **of the statutes; relating to: the transfer of an interest in a motor vehicle and**
4 **providing a penalty.**

Analysis by the Legislative Reference Bureau

Under current law, upon transferring an interest in a motor vehicle, the owner is required to execute an assignment and warranty of title to the purchaser of the motor vehicle and deliver the certificate of title to the purchaser. The owner must also disclose the motor vehicle's mileage in writing to the purchaser and, in most cases, remove the registration plates from the motor vehicle. After an owner complies with these requirements, the owner is no longer liable as an owner for any damages that result from operation of the motor vehicle.

Current law also requires the purchaser of a motor vehicle to forward the transferred certificate of title with an application for a new certificate of title to the department of transportation (DOT). A purchaser must also apply within two business days after the transfer of interest in the motor vehicle to DOT for temporary registration plates.

Under this bill, DOT must attach a notice of transfer of interest to each certificate of title it issues after the effective date of this bill. The notice must be easily detachable from the certificate of title and include spaces for the signatures of the owner, the names and addresses of the owner and purchaser, the date of the transfer of interest and the amount paid by the purchaser. This bill requires the

BILL

business

owner of a motor vehicle who transfers an interest in a motor vehicle for which a certificate of title was issued by DOT after the effective date of this bill to forward to DOT a completed notice of transfer of interest within two days after the transfer of interest. ~~An owner who fails to forward a notice to DOT may be required to forfeit not more than \$500.~~ This bill does not apply to transfers of salvage vehicles or transfers by motor vehicle dealers.

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.** 342.09 (4) of the statutes is created to read:

2 342.09 (4) The department shall maintain a record of all notices of transfer of
3 interest received under s. 342.15 (1) (e) according to vehicle identification number.

4 **SECTION 2.** 342.10 (1) (dr) of the statutes is created to read:

5 342.10 (1) (dr) An easily detachable notice of transfer of interest required under
6 s. 342.15 (1) (e) shall be attached to the certificate of title.

7 **SECTION 3.** 342.10 (2) (a) 5. of the statutes is created to read:

8 342.10 (2) (a) 5. The notice of transfer of interest shall contain spaces for the
9 signature of the transferor, the name and address of the transferor, the name and
10 address of the transferee, the date of the transfer and the amount paid by the
11 transferee.

12 **SECTION 4.** 342.15 (1) (a) of the statutes is amended to read:

13 342.15 (1) (a) If an owner transfers an interest in a vehicle, other than by the
14 creation of a security interest, the owner shall comply with the requirements of par.
15 (e) and s. 342.155 and, at the time of the delivery of the vehicle, execute an
16 assignment and warranty of title to the transferee in the space provided therefor on
17 the certificate, and cause the certificate to be mailed or delivered to the transferee,

BILL

1 except that if the vehicle being transferred is a junk vehicle or has been junked, the
2 owner shall return the certificate to the department in accordance with s. 342.34.

3 **SECTION 5.** 342.15 (1) (c) of the statutes is amended to read:

4 342.15 (1) (c) If an owner transfers his or her interest in a salvage vehicle, the
5 owner shall at the time of the delivery of the vehicle, execute an assignment and
6 warranty of title to the transferee in the space provided therefor on the certificate;
7 and cause the certificate to be mailed or delivered to the transferee and comply with
8 the requirements par. (e). of 2

9 **SECTION 6.** 342.15 (1) (e) of the statutes is created to read:

10 342.15 (1) (e) An owner who transfers an interest in a vehicle for which the
11 certificate of title was issued by the department after the effective date of this
12 paragraph [revisor inserts date], shall within 2 days after the transfer forward to
13 the department a notice of transfer of interest. The notice of transfer of interest
14 submitted to the department under this subsection shall be in the form specified
15 under s. 342.10 (1) (dr) and (2) (a) 5. and include the signature of the transferor, the
16 name and address of the transferor, the name and address of the transferee, the date
17 of the transfer of interest and the amount paid by the transferee.

18 **SECTION 7.** 342.15 (3) of the statutes is amended to read:

19 342.15 (3) Except as provided in s. 342.16 with respect to a vehicle which is not
20 a salvage vehicle and as between the parties, a transfer by an owner is not effective
21 until the provisions of this section, other than sub. (1) (e), have been complied with.
22 An owner who has delivered possession of the vehicle to the transferee and has
23 complied with the provisions of this section, other than sub. (1) (e), requiring action
24 by him or her is not liable as owner for any damages thereafter resulting from
25 operation of the vehicle.

BILL

1 **SECTION 8.** 342.15 (5) of the statutes is amended to read:

2 342.15 (5) Any owner of a vehicle for which a certificate of title has been issued,
3 who upon transfer of the vehicle fails to execute and deliver the assignment and
4 warranty of title ~~or who fails to forward a notice of transfer of interest required by~~
5 sub. (1), may be required to forfeit not more than \$500.

6 **SECTION 9.** 342.18 (1) of the statutes is amended to read:

7 342.18 (1) The department, upon receipt of a properly assigned certificate of
8 title, with an application for a new certificate of title, the required fee and any other
9 transfer documents required by law, to support the transfer, shall issue a new
10 certificate of title in the name of the transferee as owner. ~~The denartment may not~~
11 ~~refuse to issue a certificate of title to a transferee under this subsection if the~~
12 transferor of the motor vehicle fails to submit the notice of transfer of interest
13 reaquired under s. 342.15 (1) (e).

14 **SECTION 10. Initial applicability.**

15 (1) This act first applies to certificate of titles issued by the department of
16 transportation on the effective date of this subsection.

17 **SECTION 11. Effective date.**

18 (1) This act takes effect on the first day of the 6th month beginning after
19 publication.

20 (END)

**SUBMITTAL
FORM**

**LEGISLATIVE REFERENCE BUREAU
Legal Section Telephone: 266-3561
5th Floor, 100 N. Hamilton Street**

The attached draft is submitted for your inspection. Please check each part carefully, proofread each word, and sign on the appropriate line(s) below.

Date: 08/11/1999

To: Representative Pettis

Relating to LRB drafting number: LRB-3 109

Topic

Allow seller of motor vehicle to notify DOT of sale of motor vehicle

Subject(s)

Transportation - motor vehicles

1. JACKET the draft for introduction Mark G. Pettis

in the Senate A s or ~~the~~ b 1 y X (check only one). Only the requester under whose name the drafting request is entered in the LRB's drafting records may authorize the draft to be submitted. Please allow one day for the preparation of the required copies.

2. REDRAFT. See the changes indicated or attached _____

A revised draft will be submitted for your approval with changes incorporated.

3. Obtain FISCAL ESTIMATE NOW, prior to introduction _____

If the analysis indicates that a fiscal estimate is required because the proposal makes an appropriation or increases or decreases existing appropriations or state or general local government fiscal liability or revenues, you have the option to request the fiscal estimate prior to introduction. If you choose to introduce the proposal without the fiscal estimate, the fiscal estimate will be requested automatically upon introduction. It takes about 10 days to obtain a fiscal estimate. Requesting the fiscal estimate prior to introduction retains your flexibility for possible redrafting of the proposal.

If you have any questions regarding the above procedures, please call 266-3561. If you have any questions relating to the attached draft, please feel free to call me.

Ivy G. Sager-Rosenthal, Legislative Attorney
Telephone: (608) 261-4455