

1999 Senate Bill 99

Date of enactment: **April 4, 2000**
Date of publication*: **April 18, 2000**

1999 WISCONSIN ACT 31

AN ACT to repeal 218.01 (title); to renumber 218.01 (1) (a), 218.01 (1) (ct), 218.01 (1) (df), 218.01 (1) (e), 218.01 (1) (f), 218.01 (1) (g), 218.01 (1) (gm), 218.01 (1) (h), 218.01 (1) (i), 218.01 (1) (j), 218.01 (1) (je), 218.01 (1) (jf), 218.01 (1) (jg), 218.01 (1) (ji), 218.01 (1) (jj), 218.01 (1) (jk), 218.01 (1) (Lm), 218.01 (1) (m), 218.01 (1) (pt), 218.01 (1) (q), 218.01 (1) (qm), 218.01 (1) (qr), 218.01 (1) (qt), 218.01 (1) (r), 218.01 (1) (s), 218.01 (1) (w), 218.01 (1) (x), 218.01 (1) (xm), 218.01 (1a) (title), 218.01 (2) (title), 218.01 (2) (bd) 1g., 218.01 (2) (bm) 1. b., 218.01 (2) (bm) 1. c., 218.01 (2) (bo) 1., 218.01 (2) (c) 2. a., 218.01 (2) (d) 2., 218.01 (2) (d) 3., 218.01 (2) (d) 5., 218.01 (2) (d) 6., 218.01 (2) (dr), 218.01 (2) (g), 218.01 (2) (k), 218.01 (2a) (title), 218.01 (2a) (a), 218.01 (2f), 218.01 (2g), 218.01 (2w) (title), 218.01 (2w) (b), 218.01 (2w) (d), 218.01 (3) (title), 218.01 (3) (a) (intro.), 218.01 (3) (a) 1., 218.01 (3) (a) 2., 218.01 (3) (a) 3., 218.01 (3) (a) 5., 218.01 (3) (a) 6., 218.01 (3) (a) 7., 218.01 (3) (a) 8., 218.01 (3) (a) 9., 218.01 (3) (a) 12., 218.01 (3) (a) 14., 218.01 (3) (a) 19., 218.01 (3) (a) 25., 218.01 (3) (a) 27., 218.01 (3) (a) 29., 218.01 (3) (a) 30., 218.01 (3) (a) 36. (intro.), 218.01 (3) (a) 43., 218.01 (3) (f) 3., 218.01 (3) (f) 4. b., 218.01 (3) (f) 4. e., 218.01 (3) (fm), 218.01 (3a) (title), 218.01 (3a) (d), 218.01 (3c) (title), 218.01 (3n) (title), 218.01 (3n) (b) 1., 218.01 (3n) (b) 2., 218.01 (3n) (b) 4. (intro.), 218.01 (3n) (b) 4. a., 218.01 (3r) (title), 218.01 (3r) (a) 1., 218.01 (3r) (a) 2., 218.01 (3r) (b) 4., 218.01 (3r) (b) 5., 218.01 (3r) (d) 2., 218.01 (3r) (d) 3., 218.01 (3r) (e) 1. a., 218.01 (3r) (e) 1. b., 218.01 (3r) (e) 1. c., 218.01 (3r) (e) 1. d., 218.01 (3r) (e) 1. f., 218.01 (3x) (title), 218.01 (3x) (c), 218.01 (3x) (d) 1., 218.01 (3x) (d) 3. (intro.), 218.01 (3x) (d) 3. a., 218.01 (3x) (d) 4., 218.01 (5) (title), 218.01 (5m) (title), 218.01 (6) (title), 218.01 (6) (a), 218.01 (6) (bp), 218.01 (7a), 218.01 (7b) (title), 218.01 (7m) (title) and 218.01 (7m) (b); to renumber and amend 218.01 (1) (intro.), 218.01 (1) (b), 218.01 (1) (jm), 218.01 (1) (k), 218.01 (1) (L), 218.01 (1) (n), 218.01 (1) (o), 218.01 (1) (p), 218.01 (1) (t), 218.01 (1) (u), 218.01 (1) (v), 218.01 (1a), 218.01 (1b), 218.01 (2) (a), 218.01 (2) (am), 218.01 (2) (an), 218.01 (2) (b), 218.01 (2) (bb), 218.01 (2) (bc), 218.01 (2) (bd) 1., 218.01 (2) (bd) 1r., 218.01 (2) (bd) 2., 218.01 (2) (bd) 3., 218.01 (2) (bf), 218.01 (2) (bm) 1. (intro.), 218.01 (2) (bm) 1. a., 218.01 (2) (bm) 2., 218.01 (2) (bm) 3., 218.01 (2) (bo) (intro.), 218.01 (2) (bo) 2., 218.01 (2) (bs), 218.01 (2) (c) 1., 218.01 (2) (c) 2. b., 218.01 (2) (cm), 218.01 (2) (d) (intro.), 218.01 (2) (d) 1., 218.01 (2) (d) 4., 218.01 (2) (d) 8., 218.01 (2) (dm), 218.01 (2) (e), 218.01 (2) (f), 218.01 (2) (h) 1., 218.01 (2) (h) 2., 218.01 (2) (h) 3., 218.01 (2) (i), 218.01 (2) (ie), 218.01 (2) (ig), 218.01 (2) (j), 218.01 (2a) (b), 218.01 (2a) (c), 218.01 (2a) (d), 218.01 (2c), 218.01 (2d), 218.01 (2w) (a), 218.01 (2w) (c), 218.01 (2w) (e), 218.01 (2w) (f), 218.01 (2w) (g), 218.01 (2x), 218.01 (3) (a) 4., 218.01 (3) (a) 10. and 11., 218.01 (3) (a) 13., 218.01 (3) (a) 15., 218.01 (3) (a) 16., 218.01 (3) (a) 17., 218.01 (3) (a) 18., 218.01 (3) (a) 20., 218.01 (3) (a) 21., 218.01 (3) (a) 22., 218.01 (3) (a) 23., 218.01 (3) (a) 24., 218.01 (3) (a) 26., 218.01 (3) (a) 28., 218.01 (3) (a) 31., 218.01 (3) (a) 32., 218.01 (3) (a) 35., 218.01 (3) (a) 36. a., 218.01 (3) (a) 36. b., 218.01 (3) (a) 36. c., 218.01 (3) (a) 36. d., 218.01 (3) (a) 37., 218.01 (3) (a) 38., 218.01 (3) (a) 39., 218.01 (3) (a) 40., 218.01 (3) (a) 41., 218.01 (3) (a) 42., 218.01 (3) (ag), 218.01 (3) (am), 218.01 (3) (b), 218.01 (3) (bf), 218.01 (3) (c), 218.01 (3) (d), 218.01 (3) (e), 218.01 (3) (f) 1., 218.01 (3) (f) 2., 218.01 (3) (f) 4. (intro.), 218.01 (3) (f) 4. a., 218.01 (3) (f) 4. c., 218.01 (3)

* Section 991.11, WISCONSIN STATUTES 1997-98: Effective date of acts. "Every act and every portion of an act enacted by the legislature over the governor's partial veto which does not expressly prescribe the time when it takes effect shall take effect on the day after its date of publication as designated" by the secretary of state [the date of publication may not be more than 10 working days after the date of enactment].

(f) 4. d., 218.01 (3) (g), 218.01 (3) (h), 218.01 (3a) (a), 218.01 (3a) (b), 218.01 (3a) (c), 218.01 (3c) (b), 218.01 (3c) (c), 218.01 (3c) (d), 218.01 (3c) (e), 218.01 (3n) (a), 218.01 (3n) (b) (intro.), 218.01 (3n) (b) 3., 218.01 (3n) (b) 4. b., 218.01 (3n) (b) 4. c., 218.01 (3n) (b) 4. d., 218.01 (3n) (b) 4. e., 218.01 (3r) (a) (intro.), 218.01 (3r) (b) 1., 218.01 (3r) (b) 2., 218.01 (3r) (b) 3., 218.01 (3r) (c), 218.01 (3r) (d) 1., 218.01 (3r) (d) 4., 218.01 (3r) (e) 1. (intro.), 218.01 (3r) (e) 1. e., 218.01 (3r) (e) 2., 218.01 (3r) (e) 3., 218.01 (3r) (e) 4., 218.01 (3r) (f), 218.01 (3x) (a), 218.01 (3x) (b), 218.01 (3x) (d) (intro.), 218.01 (3x) (d) 2., 218.01 (3x) (d) 3. b., 218.01 (3x) (d) 3. c., 218.01 (4), 218.01 (5) (a), 218.01 (5) (b) 1., 218.01 (5) (b) 2., 218.01 (5) (b) 3., 218.01 (5) (c), 218.01 (5m) (a), 218.01 (6) (b), 218.01 (6) (c), 218.01 (6) (d), 218.01 (6) (e), 218.01 (6) (em), 218.01 (6) (f), 218.01 (6) (g), 218.01 (6) (h), 218.01 (6) (k), 218.01 (6m), 218.01 (6x), 218.01 (7), 218.01 (7b), 218.01 (7m) (a), 218.01 (7m) (c), 218.01 (7m) (d), 218.01 (7r), 218.01 (7t), 218.01 (8), 218.01 (8m), 218.01 (9), 218.015 and 218.017; **to amend** 49.857 (1) (d) 12., 49.857 (1) (d) 15., 73.03 (37), 73.0301 (1) (d) 6., 73.0301 (1) (d) 7., 77.53 (1m) (intro.), 100.45 (1) (ag), 100.45 (1) (ar), 135.07 (1), 138.04, 138.051 (8), 138.052 (11), 138.09 (3) (e) 1. c., 218.12 (5), 218.12 (6), 218.205 (2) (a), 218.21 (1m), 218.21 (4) (a), 218.21 (6), 218.22 (1) (intro.), 218.22 (3) (m), 218.22 (5), 218.40 (3), 218.505, 220.285 (1), 227.43 (1) (bg), 340.01 (1) (d), 340.01 (28e), 340.01 (35e), 340.01 (74t), 341.51 (6), 341.57 (1), 341.57 (2), 342.12 (3) (a), 342.18 (4) (a), 344.572 (2), 345.11 (1g), 345.11 (5), 422.201 (3), 422.202 (3) (c), 425.301 (4), 429.102 (1), 429.102 (2), 429.104 (13m), 429.104 (19), 429.104 (21), 429.104 (21m), 429.301 (2), 553.235 (2) (a), 632.32 (2) (b) 1. and 779.85 (3); and **to create** 218.0116 (1) (i) 1., 218.0116 (1) (im) 1. and 218.0116 (7) (d) 1d. of the statutes; **relating to:** certain statutes dealing with motor vehicle dealers, salespersons and sales finance companies (Revision Bill).

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

SECTION 1. 49.857 (1) (d) 12. of the statutes is amended to read:

49.857 (1) (d) 12. A license or certificate of registration issued under s. ~~ss.~~ 138.09, 138.12, 217.06, ~~218.01 218.0101 to 218.0163~~, 218.02, 218.04, 218.05 or 224.72 or subch. III of ch. 551.

SECTION 2. 49.857 (1) (d) 15. of the statutes is amended to read:

49.857 (1) (d) 15. A license, permit or registration issued under s. ~~218.01 ss.~~ ~~218.0101 to 218.0163~~, 218.11, 218.12, 218.22, 218.32, 218.41, 218.51, 341.51, 343.305 (6), 343.61 or 343.62.

SECTION 3. 73.03 (37) of the statutes is amended to read:

73.03 (37) To make refunds in connection with motor vehicles returned to the manufacturers by a consumer, as provided under s. ~~218.015~~ ~~218.0171~~ (2) (e) and (f).

SECTION 4. 73.0301 (1) (d) 6. of the statutes is amended to read:

73.0301 (1) (d) 6. A license or certificate of registration issued by the department of financial institutions, or a division of it, under s. ~~ss.~~ 138.09, 138.12, 217.06, ~~218.01 218.0101 to 218.0163~~, 218.02, 218.04, 218.05 or 224.72 or under subch. III of ch. 551.

SECTION 5. 73.0301 (1) (d) 7. of the statutes is amended to read:

73.0301 (1) (d) 7. A license described in s. ~~218.01 (2) (d) 1. and 8.~~ ~~218.0114 (14) (a) and (g)~~, a license described in s. ~~218.01 (2) (d) 2., 3. or 5.~~ ~~218.0114 (14) (b), (c) or (e)~~, a license issued under s. 218.11, 218.12, 218.22, 218.32, 218.41, 343.61 or 343.62, a buyer identification card issued under s. 218.51 or a certificate of registration issued under s. 341.51.

SECTION 6. 77.53 (1m) (intro.) of the statutes is amended to read:

77.53 (1m) (intro.) For motor vehicles that are used for a purpose in addition to retention, demonstration or display while held for sale in the regular course of business by a dealer who is licensed under s. ~~218.01 ss.~~ ~~218.0101 to 218.0163~~, the base for the tax imposed under sub. (1) is the following:

SECTION 7. 100.45 (1) (ag) of the statutes is amended to read:

100.45 (1) (ag) "Distributor" has the meaning given in s. ~~218.01 (4) (e)~~ ~~218.0101 (6)~~.

SECTION 8. 100.45 (1) (ar) of the statutes is amended to read:

100.45 (1) (ar) "Manufacturer" has the meaning given in s. ~~218.01 (4) (L)~~ ~~218.0101 (20)~~, except that, if more than one person satisfies the definition in s. ~~218.01 (4) (L)~~ ~~218.0101 (20)~~ with respect to a motor vehicle, "manufacturer" means the person who installs the mobile air conditioner that is in the motor vehicle when the motor vehicle is distributed for sale in this state.

SECTION 9. 135.07 (1) of the statutes is amended to read:

135.07 (1) To a dealership to which a motor vehicle dealer or motor vehicle distributor or wholesaler as defined in s. ~~218.01 (4)~~ ~~218.0101~~ is a party in such capacity.

SECTION 10. 138.04 of the statutes is amended to read:

138.04 Legal rate. The rate of interest upon the loan or forbearance of any money, goods or things in action shall be \$5 upon the \$100 for one year and according to that rate for a greater or less sum or for a longer or a shorter time; but parties may contract for the payment and receipt of a rate of interest not exceeding the rate allowed in ss. 138.041 to 138.056, 138.09 to 138.12,

~~218.01 218.0101 to 218.0163~~, or 422.201, in which case such rate shall be clearly expressed in writing.

SECTION 11. 138.051 (8) of the statutes is amended to read:

138.051 (8) The contract rate is not subject to rate limitations imposed under this chapter or ~~s. 218.01 ss. 218.0101 to 218.0163~~ or under s. 422.201.

SECTION 12. 138.052 (11) of the statutes is amended to read:

138.052 (11) The contract rate is not subject to rate limitations imposed under this chapter or ~~s. 218.01 ss. 218.0101 to 218.0163~~ or under s. 422.201.

SECTION 13. 138.09 (3) (e) 1. c. of the statutes is amended to read:

138.09 (3) (e) 1. c. A loan, finance or discount business under ~~s. 218.01 ss. 218.0101 to 218.0163~~.

SECTION 14. 218.01 (title) of the statutes is repealed.

NOTE: The title of s. 218.01 is repealed to reflect the division of s. 218.01 into a number of different sections.

SECTION 15. 218.01 (1) (intro.) of the statutes is renumbered 218.0101 (intro.) and amended to read:

218.0101 Definitions. (intro.) In ~~this section ss. 218.0101 to 218.0163~~, unless the context requires otherwise ~~requires~~, the following words and terms shall have the following meanings:

SECTION 16. 218.01 (1) (a) of the statutes is renumbered 218.0101 (1).

SECTION 17. 218.01 (1) (b) of the statutes is renumbered 218.0101 (3) and amended to read:

218.0101 (3) "Cash price" means the retail seller's price in dollars for the sale of the goods, and the transfer of unqualified title ~~thereto to those goods~~, upon payment of ~~such the retail seller's price in cash or the a cash~~ equivalent thereof.

SECTION 18. 218.01 (1) (ct) of the statutes is renumbered 218.0101 (4).

SECTION 19. 218.01 (1) (df) of the statutes is renumbered 218.0101 (5).

SECTION 20. 218.01 (1) (e) of the statutes is renumbered 218.0101 (6).

SECTION 21. 218.01 (1) (f) of the statutes is renumbered 218.0101 (7).

SECTION 22. 218.01 (1) (g) of the statutes is renumbered 218.0101 (8).

SECTION 23. 218.01 (1) (gm) of the statutes is renumbered 218.0101 (9).

SECTION 24. 218.01 (1) (h) of the statutes is renumbered 218.0101 (10).

SECTION 25. 218.01 (1) (i) of the statutes is renumbered 218.0101 (11).

SECTION 26. 218.01 (1) (j) of the statutes is renumbered 218.0101 (12).

SECTION 27. 218.01 (1) (je) of the statutes is renumbered 218.0101 (13).

SECTION 28. 218.01 (1) (jf) of the statutes is renumbered 218.0101 (13m).

SECTION 29. 218.01 (1) (jg) of the statutes is renumbered 218.0101 (14).

SECTION 30. 218.01 (1) (ji) of the statutes is renumbered 218.0101 (15).

SECTION 31. 218.01 (1) (jj) of the statutes is renumbered 218.0101 (16).

SECTION 32. 218.01 (1) (jk) of the statutes is renumbered 218.0101 (17).

SECTION 33. 218.01 (1) (jm) of the statutes is renumbered 218.0101 (18) and amended to read:

218.0101 (18) "License period" means the period during which a particular type of license described in ~~sub. (2)-(d) s. 218.0114 (14)~~ is effective, as established by the department of transportation or division of banking under ~~sub. (2) (em) 2. or 4. s. 218.0114 (13) (b) or (d)~~.

SECTION 34. 218.01 (1) (k) of the statutes is renumbered 218.0101 (19) and amended to read:

218.0101 (19) "Licensor" means the body, either the division of banking or the department of transportation or both, issuing a license ~~hereunder~~ under ss. 218.0101 to 218.0163.

SECTION 35. 218.01 (1) (L) of the statutes is renumbered 218.0101 (20) (intro.) and amended to read:

218.0101 (20) (intro.) "Manufacturer" means any person, resident or nonresident, who manufactures does any of the following:

(a) Manufactures or assembles motor vehicles ~~or who manufactures~~.

(b) Manufactures or installs on previously assembled truck chassis, special bodies or equipment which when installed form an integral part of the motor vehicle and which constitutes a major manufacturing alteration and which completed unit is owned by ~~such the~~ manufacturer.

SECTION 36. 218.01 (1) (Lm) of the statutes is renumbered 218.0101 (21).

SECTION 37. 218.01 (1) (m) of the statutes is renumbered 218.0101 (22).

SECTION 38. 218.01 (1) (n) of the statutes is renumbered 218.0101 (23) (a), and 218.0101 (23) (a) (intro.) and 2., as renumbered, are amended to read:

218.0101 (23) (a) (intro.) "Motor vehicle dealer" means any person, firm or corporation, not excluded by par. (a) (b) who:

2. Is engaged wholly or in part in the business of selling or leasing motor vehicles, including motorcycles, whether or not ~~such the~~ motor vehicles are owned by ~~such that~~ person, firm or corporation.

SECTION 39. 218.01 (1) (o) of the statutes is renumbered 218.0101 (23) (b), and 218.0101 (23) (b) 1. to 4., as renumbered, are amended to read:

218.0101 (23) (b) 1. Receivers, trustees, administrators, executors, guardians or other persons appointed by or acting under the judgment or order of any court; ~~or,~~

2. Public officers while performing their official duties; ~~or,~~

3. Employees of persons, corporations or associations enumerated in subs. 1. and 2., when engaged in the specific performance of their duties as ~~such employees~~ of the enumerated persons, corporations or associations.

4. Sales finance companies or other loan agencies who sell or offer for sale motor vehicles repossessed or foreclosed on by them those sales finance companies or other loan agencies under terms of an instalment contract, or motor vehicles taken in trade on such repossessions.

SECTION 40. 218.01 (1) (p) of the statutes is renumbered 218.0101 (24) and amended to read:

218.0101 (24) "Motor vehicle salesperson" means sales representative, sales manager, general manager or other person who is employed by a motor vehicle dealer for the purpose of selling or approving retail sales, or leasing or approving consumer leases, of motor vehicles. Any motor vehicle salesperson licensed ~~hereunder~~ under ss. 218.0101 to 218.0163 shall be licensed to sell or lease ~~only~~ only for only one dealer at a time.

SECTION 41. 218.01 (1) (pt) of the statutes is renumbered 218.0101 (25).

SECTION 42. 218.01 (1) (q) of the statutes is renumbered 218.0101 (26).

SECTION 43. 218.01 (1) (qm) of the statutes is renumbered 218.0101 (27).

SECTION 44. 218.01 (1) (qr) of the statutes is renumbered 218.0101 (28).

SECTION 45. 218.01 (1) (qt) of the statutes is renumbered 218.0101 (29).

SECTION 46. 218.01 (1) (r) of the statutes is renumbered 218.0101 (30).

SECTION 47. 218.01 (1) (s) of the statutes is renumbered 218.0101 (31).

SECTION 48. 218.01 (1) (t) of the statutes is renumbered 218.0101 (32) and amended to read:

218.0101 (32) "Retail instalment contract" or "instalment contract" means and includes every contract to sell one or more motor vehicles at retail, in which the price ~~thereof~~ of the motor vehicle is payable in one or more instalments over a period of time and in which the seller has either retained title to the goods or has taken or retained a security interest in the goods under a form of contract designated either as a conditional sale, chattel mortgage or otherwise.

SECTION 49. 218.01 (1) (u) of the statutes is renumbered 218.0101 (33) and amended to read:

218.0101 (33) "Retail seller" means a person, firm or corporation selling or agreeing to sell one or more motor vehicles under a retail instalment contract to a buyer for the ~~latter's~~ buyer's personal use or consumption ~~thereof.~~

SECTION 50. 218.01 (1) (v) of the statutes is renumbered 218.0101 (34) (a) and amended to read:

218.0101 (34) (a) "Sales finance company" means ~~and includes~~ any person, firm or corporation engaging in the business, in whole or in part, of acquiring by purchase or by loan on the security thereof, or otherwise, retail instalment contracts or consumer leases from retail sellers or lessors in this state, ~~including.~~

(b) "Sales finance company" includes any motor vehicle dealer who sells or leases any motor vehicle on an instalment contract or consumer lease or acquires any retail instalment contracts in the dealer's retail sales or leases of motor vehicles.

SECTION 51. 218.01 (1) (w) of the statutes is renumbered 218.0101 (35).

SECTION 52. 218.01 (1) (x) of the statutes is renumbered 218.0101 (36).

SECTION 53. 218.01 (1) (xm) of the statutes is renumbered 218.0101 (37).

SECTION 54. 218.01 (1a) (title) of the statutes is renumbered 218.0111 (title).

SECTION 55. 218.01 (1a) of the statutes is renumbered 218.0111 (1) (intro.) and amended to read:

218.0111 (1) (intro.) The department of transportation shall issue the licenses provided for in ~~sub. (2) (d) 1. to 6. s. 218.0114 (14) (a) to (f)~~ and have supervision over the licensees ~~thereunder~~ in respect to all of the provisions of ~~this section~~ ss. 218.0101 to 218.0163, except ~~only as to such matters as~~ that the division of banking shall have jurisdiction and control over all of the following:

(a) Matters that relate to the sale of motor vehicles on retail instalment contracts and the financing and servicing of such those retail instalment contracts ~~and as to such matters as.~~

(b) Matters that relate to prelease agreements under ~~sub. (6x) s. 218.0144~~ and consumer leases under chs. 421 to 427 and 429, ~~over which matter the division of banking shall have jurisdiction and control, and the division of banking shall issue the.~~

(c) The issuance of licenses to sales finance companies.

(2) Either licensor ~~hereunder~~ under sub. (1) shall, upon request, furnish the other licensor with any information it may have in respect to any licensee or applicant for license or any transaction in which such a licensee or applicant may be a party or be interested. No license shall be issued under ~~sub. (2) (d) 1. and 8. s. 218.0114 (14) (a) and (g)~~ until both licensors have approved the application. The suspension or revocation of either ~~of such licenses~~ the license issued under s. 218.0114 (14) (a) or (g) shall automatically ~~likewise~~ suspend or revoke the other license; ~~and such.~~ Any suspension or revocation shall be certified by the licensor ordering it to the other licensor.

NOTE: Text order is changed for improved readability.

SECTION 56. 218.01 (1b) of the statutes is renumbered 218.0113 and amended to read:

218.0113 Licenses for dealers, distributors, manufacturers or transporters of semitrailers and trailers. Subject to ch. 180 where applicable, any dealer, distributor, manufacturer or transporter of semitrailers or trailers designed for use in combination with a truck or truck tractor is ~~deemed~~ considered licensed under ~~this section ss. 218.0101 to 218.0163~~ where for purposes of chs. 341 and 342 a license under ~~this section ss. 218.0101 to 218.0163~~ is required. This ~~subsection~~ section is enacted to remove an undue burden on interstate commerce from a class of commercial transactions in which the business character of the parties does not require the protection provided by ~~this section ss. 218.0101 to 218.0163~~ and to promote the expansion of credit for truck operators who require banking and financing facilities throughout the United States.

SECTION 57. 218.01 (2) (title) of the statutes is renumbered 218.0114 (title).

SECTION 58. 218.01 (2) (a) of the statutes is renumbered 218.0114 (1) and amended to read:

218.0114 (1) No motor vehicle dealer, motor vehicle salesperson or sales finance company shall ~~may~~ engage in business as ~~such a motor vehicle dealer, motor vehicle salesperson or sales finance company~~ in this state without a license therefor as provided in ~~this section ss. 218.0101 to 218.0163~~. If any motor vehicle dealer acts as a motor vehicle salesperson, he or she shall secure a motor vehicle salesperson's license in addition to a ~~license for~~ motor vehicle dealer license. Every motor vehicle dealer shall be responsible for the licensing of every motor vehicle salesperson in his or her employ. Any person violating this ~~paragraph~~ subsection may be fined not less than \$500 nor more than \$5,000.

SECTION 59. 218.01 (2) (am) of the statutes is renumbered 218.0114 (2) and amended to read:

218.0114 (2) No manufacturer, importer or distributor shall ~~may~~ engage in business as ~~such a manufacturer, importer or distributor~~ in this state without a license therefor as provided in ~~this section ss. 218.0101 to 218.0163~~.

SECTION 60. 218.01 (2) (an) of the statutes is renumbered 218.0114 (3) and amended to read:

218.0114 (3) No factory representative or distributor representative shall ~~may~~ engage in business as ~~such a factory representative or distributor representative~~ in this state without a license therefor as provided in ~~this section ss. 218.0101 to 218.0163~~.

SECTION 61. 218.01 (2) (b) of the statutes is renumbered 218.0114 (4) and amended to read:

218.0114 (4) Application for a license under this section shall be made to the licensor, at such time, in such form and with such information as the licensor shall require and shall be accompanied by the required fees. An applicant for a sales finance company license, other

than a motor vehicle dealer, shall pay to the division of banking a nonrefundable \$300 investigation fee in addition to the license fee under ~~par. (d)~~ sub. (16). If the cost of an investigation exceeds \$300, the applicant shall, upon demand of the division of banking, pay the amount by which the cost of the investigation exceeds the nonrefundable fee. A licensee is not required to pay an investigation fee for the renewal of a license. The licensor may require the applicant to provide information relating to any pertinent matter that is commensurate with the safeguarding of the public interest in the locality in which the applicant proposes to engage in business, except that information relating to the applicant's solvency and financial standing may not be required for motor vehicle dealers except as provided in ~~par. (h) 1.~~ sub. (20) (a). The information provided may be considered by the licensor in determining the fitness of the applicant to engage in business as set forth in ~~this section ss. 218.0101 to 218.0163~~.

SECTION 62. 218.01 (2) (bb) of the statutes is renumbered 218.0114 (5) and amended to read:

218.0114 (5) (a) A motor vehicle dealer or an applicant for a motor vehicle dealer license shall provide and maintain in force a bond or irrevocable letter of credit of not less than \$25,000 or, if the dealer or applicant sells or proposes to sell motorcycles and not other types of motor vehicles, a bond or irrevocable letter of credit of not less than \$5,000. The bond or letter of credit shall be executed in the name of the department of transportation for the benefit of any person who sustains a loss because of an act of a motor vehicle dealer that constitutes grounds for the suspension or revocation of a license under ~~this section ss. 218.0101 to 218.0163~~.

(b) A sales finance company or an applicant for a sales finance company license shall provide and maintain in force a bond or irrevocable letter of credit of not less than \$25,000 issued by a surety company licensed to do business in this state or a federally insured financial institution, as defined in s. 705.01 (3). The bond or letter of credit shall be payable to the state of Wisconsin for the use of the state and of any person who sustains a loss because of an act of a sales finance company that constitutes grounds for the suspension or revocation of a license under ~~this section ss. 218.0101 to 218.0163~~.

SECTION 63. 218.01 (2) (bc) of the statutes is renumbered 218.0114 (6) and amended to read:

218.0114 (6) Except as provided in this ~~subsection~~ section every dealer and distributor of new motor vehicles shall, at the time of application for a license, file with the department of transportation a certified copy of the applicant's written agreement and a certificate of appointment as dealer or distributor, respectively. The certificate of appointment shall be signed by an authorized agent of the manufacturer of domestic vehicles on direct manufacturer-dealer agreements; or, where the manufacturer is wholesaling through an appointed dis-

tributorship, by an authorized agent of the distributor on indirect distributor-dealer agreements. The certificate shall be signed by an authorized agent of the importer on direct importer-dealer agreements of foreign-made vehicles; or by an authorized agent of the distributor on indirect distributor-dealer agreements. The distributor's certificate of appointment shall be signed by an authorized agent of the manufacturer; or by an agent of the manufacturer or importer of foreign manufactured vehicles.

SECTION 64. 218.01 (2) (bd) 1. of the statutes is renumbered 218.0114 (7) (a) 1. (intro.) and amended to read:

218.0114 (7) (a) 1. (intro.) A written agreement need not be filed for each dealer or distributor if the manufacturer ~~on or importer, for~~ direct dealerships, or distributor ~~on, for~~ indirect dealerships ~~or importer on direct dealerships,~~ utilizes the identical basic agreement for all its dealers or distributors in Wisconsin and certifies all of the following in the certificate of appointment ~~that such:~~

a. That the blanket agreement is on file and such written with the department of transportation.

b. That the manufacturer's, distributor's or importer's agreement with such dealer each of its dealers or distributor distributors, respectively, is identical with to the filed blanket agreement, and.

c. That the manufacturer, distributor or importer has filed with the department of transportation one such basic agreement together with a list of its authorized dealers or distributors. Such with the department of transportation.

2. A manufacturer, distributor or importer shall notify the department of transportation immediately of any of the following:

a. The appointment of any additional dealers or distributors, of any not included in the list filed under subd. 1. c.

b. Any revisions of or additions to the basic agreement on file, or of any under subd. 1. a.

c. Any individual dealer or distributor supplements to such the basic agreement on file under subd. 1. a.

3. Except as provided in subd. 1g., the par. (b), a manufacturer, distributor or importer shall notify the a dealer or distributor and forward, forwarding a copy of such the notice to the department of transportation, of the discontinuation or cancellation of the agreement of any of its dealers or distributors at least 60 days before the effective date thereof of the discontinuation or cancellation together with the specific grounds for discontinuation or cancellation of the agreement, if discontinued or canceled.

(e) Agreements and certificates of appointment are deemed considered to be continuing unless the manufacturer, distributor or importer has notified the department of transportation of the discontinuation or cancellation of the agreement of any of its dealers or distributors, and

annual renewal of certifications filed as provided in this subsection ~~section~~ is not necessary.

SECTION 65. 218.01 (2) (bd) 1g. of the statutes is renumbered 218.0114 (7) (b).

SECTION 66. 218.01 (2) (bd) 1r. of the statutes is renumbered 218.0114 (7) (c), and 218.0114 (7) (c) (intro.), as renumbered, is amended to read:

218.0114 (7) (c) (intro) The notice served upon a motor vehicle dealer under ~~subds. 1. and 1g. pars. (a) 3. and (b)~~ is not effective unless it conspicuously displays the following statement:

SECTION 67. 218.01 (2) (bd) 2. of the statutes is renumbered 218.0114 (7) (d) and amended to read:

218.0114 (7) (d) Any dealer or distributor discontinued or canceled may, on or before the date on which the discontinuation or cancellation becomes effective, file with the department of transportation and division of hearings and appeals and serve upon the respondent ~~manufacturer, distributor or importer~~ a complaint for a determination of unfair discontinuation or cancellation under ~~sub. (3)(a) 17, s. 218.0116 (1) (i).~~ Allowing opportunity for an answer, the division of hearings and appeals shall thereafter schedule a hearing on and decide the matter. Agreements and certificates of appointment shall continue in effect until final determination of the issues raised in ~~such the~~ complaint. If the complainant prevails ~~he or she~~ the complainant shall have a cause of action against the ~~defendant~~ respondent for reasonable expenses and attorney fees incurred by ~~him or her~~ the complainant in ~~such the~~ matter.

SECTION 68. 218.01 (2) (bd) 3. of the statutes is renumbered 218.0114 (2m) and amended to read:

218.0114 (2m) No manufacturers', distributors' or importers' vehicles shall be sold in this state unless either the manufacturer on direct dealerships of domestic vehicles, the importer of foreign manufactured vehicles on direct dealerships or the distributor on indirect dealerships of either domestic or foreign vehicles are licensed under ~~s. 218.01 ss. 218.0101 to 218.0163.~~ The obtaining of a license under ~~s. 218.01 ss. 218.0101 to 218.0163~~ shall conclusively establish that ~~such a~~ manufacturer, distributor or importer is doing business in this state and shall subject the licensee to all provisions of the Wisconsin statutes regulating manufacturers, importers and distributors.

SECTION 69. 218.01 (2) (bf) of the statutes is renumbered 218.0114 (8) and amended to read:

218.0114 (8) Within 60 days after the department of transportation issues a declaratory ruling under s. 227.41 that an agreement is inconsistent with ~~par. (bm) sub. (9),~~ a manufacturer, distributor or importer shall remove or revise any provision of the agreement declared to be inconsistent with ~~par. (bm) sub. (9).~~

SECTION 70. 218.01 (2) (bm) 1. (intro.) of the statutes is renumbered 218.0114 (9) (a) (intro.) and amended to read:

218.0114 (9) (a) (intro.) Except as provided in ~~par. (b)~~ sub. (10), provisions of an agreement which do any of the following are void and prohibited:

SECTION 71. 218.01 (2) (bm) 1. a. of the statutes is renumbered 218.0114 (9) (a) 1. and amended to read:

218.0114 (9) (a) 1. Waive a remedy or defense available to a distributor or dealer or other provision protecting the interests of a distributor or dealer under ~~this section ss. 218.0101 to 218.0163~~ or under rules promulgated by the department of transportation under ~~this section ss. 218.0101 to 218.0163~~.

SECTION 72. 218.01 (2) (bm) 1. b. of the statutes is renumbered 218.0114 (9) (a) 2.

SECTION 73. 218.01 (2) (bm) 1. c. of the statutes is renumbered 218.0114 (9) (a) 3.

SECTION 74. 218.01 (2) (bm) 2. of the statutes is renumbered 218.0114 (9) (b) and amended to read:

218.0114 (9) (b) 1. Notwithstanding ~~subd. 1. b. par. (a) 2.~~ and subject to ~~sub. (3) (a) 36. d. s. 218.0116 (1) (qm) 4.~~, an agreement may provide for the resolution of disputes by arbitration, including binding arbitration, if both parties to the agreement voluntarily agree to an arbitration provision. An arbitrator acting under this ~~subd. 2. a. subdivision~~ shall be bound by the laws of this state, including ~~par. (b) 2. sub. (7) (d)~~ and other provisions of ~~this section ss. 218.0101 to 218.0163~~.

2. No finding of an arbitrator is binding upon any person who is not a party to the agreement. A finding of an arbitrator does not bind the department of transportation with respect to enforcement of ~~this section ss. 218.0101 to 218.0163~~.

SECTION 75. 218.01 (2) (bm) 3. of the statutes is renumbered 218.0114 (9) (c) and amended to read:

218.0114 (9) (c) Notwithstanding ~~subd. 1. b. par. (a) 2.~~, an agreement may require a dealer or distributor to submit disputes to a nonbinding and reasonably prompt dispute resolution procedure before bringing an action in another forum.

SECTION 76. 218.01 (2) (bo) (intro.) of the statutes is renumbered 218.0114 (10) (intro.) and amended to read:

218.0114 (10) (intro.) ~~Paragraph (bm) Subsection (9)~~ does not apply to any of the following:

SECTION 77. 218.01 (2) (bo) 1. of the statutes is renumbered 218.0114 (10) (a).

SECTION 78. 218.01 (2) (bo) 2. of the statutes is renumbered 218.0114 (10) (b) and amended to read:

218.0114 (10) (b) An agreement, made after a dealer receives notice under ~~sub. (3) (f) 1. s. 218.0116 (7) (a)~~, which waives the dealer's right to file a complaint protesting the establishment or relocation of a dealership proposed in the notice.

SECTION 79. 218.01 (2) (bs) of the statutes is renumbered 218.0114 (11) and amended to read:

218.0114 (11) A manufacturer, distributor or importer shall designate in writing the area of sales responsibility assigned to a motor vehicle dealer. A manufacturer, distributor or importer may not modify the area of sales responsibility to avoid the requirements of ~~sub. (3) (f) s. 218.0116 (7)~~.

SECTION 80. 218.01 (2) (c) 1. of the statutes is renumbered 218.0114 (12) (a) and amended to read:

218.0114 (12) (a) Except as provided in ~~subd. 2. par. (b)~~, all licenses shall be granted or refused within 60 days after the licensor receives the application for the license.

SECTION 81. 218.01 (2) (c) 2. a. of the statutes is renumbered 218.0114 (12) (b) 1.

SECTION 82. 218.01 (2) (c) 2. b. of the statutes is renumbered 218.0114 (12) (b) 2. and amended to read:

218.0114 (12) (b) 2. In cases where a complaint has been filed under ~~sub. (3) (f) s. 218.0116 (7)~~ protesting the proposed establishment or relocation of a dealership in a relevant market area, no license may be issued until the division of hearings and appeals has rendered a decision permitting the issuance of the license.

SECTION 83. 218.01 (2) (cm) of the statutes is renumbered 218.0114 (13) and amended to read:

218.0114 (13) (a) Licenses described in ~~par. (d) sub. (16)~~ expire on December 31 of the calendar year for which the licenses are granted.

(b) The department of transportation shall promulgate rules establishing the license period for each type of license described in ~~par. (d) 1. to 6. sub. (14) (a) to (f)~~.

(c) The department of transportation may promulgate rules establishing expiration dates for the various types of licenses described in ~~par. (d) 1. to 6. sub. (14) (a) to (f)~~.

(d) The division of banking shall promulgate rules establishing the license period for the license described in ~~par. (d) 8. sub. (14) (g)~~.

(e) The division of banking may promulgate rules establishing expiration dates for licenses issued under ~~par. (d) 8. sub. (14) (g)~~.

SECTION 84. 218.01 (2) (d) (intro.) of the statutes is renumbered 218.0114 (14) (intro.) and amended to read:

218.0114 (14) (intro.) Subject to ~~par. (d) sub. (15)~~, the fee for licenses described in this ~~paragraph subsection~~ equals the number of years in a license period multiplied by whichever of the following applies:

SECTION 85. 218.01 (2) (d) 1. of the statutes is renumbered 218.0114 (14) (a) and amended to read:

218.0114 (14) (a) For motor vehicle dealers, to the department of transportation, \$20 for each office or branch ~~thereof of the motor vehicle dealer~~, plus \$1 for a supplemental license for each used motor vehicle lot within the same municipality, but not immediately adjacent to the office or to a branch.

SECTION 86. 218.01 (2) (d) 2. of the statutes is renumbered 218.0114 (14) (b).

SECTION 87. 218.01 (2) (d) 3. of the statutes is renumbered 218.0114 (14) (c).

SECTION 88. 218.01 (2) (d) 4. of the statutes is renumbered 218.0114 (14) (d) and amended to read:

218.0114 (14) (d) Any person licensed under ~~subd. 2. or 3. next preceding, par. (b) or (c)~~ may also operate as a motor vehicle dealer, without any additional fee.

SECTION 89. 218.01 (2) (d) 5. of the statutes is renumbered 218.0114 (14) (e).

SECTION 90. 218.01 (2) (d) 6. of the statutes is renumbered 218.0114 (14) (f).

SECTION 91. 218.01 (2) (d) 8. of the statutes is renumbered 218.0114 (14) (g) and amended to read:

218.0114 (14) (g) 1. Except as provided in subd. 8. ~~b. 2.~~, for motor vehicle dealers, to the division of banking, \$10.

2. For motor vehicle dealers that operate as a sales finance company or that carry or retain retail instalment contracts or consumer leases for more than 30 days, to the division of banking, the same as for sales finance companies under ~~par. (d) sub. (16)~~.

SECTION 92. 218.01 (2) (dm) of the statutes is renumbered 218.0114 (15) and amended to read:

218.0114 (15) (a) If the department of transportation or division of banking establishes a license period that is not evenly divisible into years, the department of transportation or division of banking shall prorate the remainder when determining the license fee under ~~par. (d) sub. (14)~~.

(b) If the department of transportation or division of banking grants a license described under ~~par. (d) sub. (14)~~ during the license period, the fee for the license shall equal the applicable dollar amount under ~~par. (d) 1. to 8. sub. (14) (a) to (g)~~ multiplied by the number of calendar years, including parts of calendar years, during which the license remains in effect. A fee determined under this ~~subdivision paragraph~~ may not exceed the license fee for an entire license period under ~~par. (d) sub. (14)~~.

SECTION 93. 218.01 (2) (dr) of the statutes is renumbered 218.0114 (16).

SECTION 94. 218.01 (2) (e) of the statutes is renumbered 218.0114 (17) and amended to read:

218.0114 (17) The licenses of dealers, manufacturers, factory branches, distributors, distributor branches and sales finance companies shall specify the location of the office or branch and must be conspicuously displayed ~~there at that location~~. In case ~~such the location be of the office or branch is~~ changed, the licensor shall indorse the change of location on the license, without charge, ~~if it be the new location is~~ within the same municipality ~~as the previous location~~. A change of location to another municipality shall require a new license, except for sales finance companies.

SECTION 95. 218.01 (2) (f) of the statutes is renumbered 218.0114 (18) and amended to read:

218.0114 (18) Every salesperson, factory representative or distributor representative shall carry his or her license when engaged in business, and display the license upon request. The license shall name ~~his or her the licensee's employer, and in case of. Upon~~ leaving an employer, the salesperson licensee shall immediately surrender the license to his or her employer who shall mail the license to the licensor. If during the license period the ~~individual licensee~~ again is employed or acts as a salesperson, he or she shall make application for reissue of a salesperson's license. There shall be no fee in connection with ~~such the~~ subsequent applications.

SECTION 96. 218.01 (2) (g) of the statutes is renumbered 218.0114 (19).

SECTION 97. 218.01 (2) (h) 1. of the statutes is renumbered 218.0114 (20) (a) and amended to read:

218.0114 (20) (a) If the licensor has reasonable cause to doubt the financial responsibility of the applicant or licensee or the compliance by the applicant or licensee with ~~this section ss. 218.0101 to 218.0163~~, the licensor may require the applicant or licensee to furnish information relating to the applicant's or licensee's solvency and financial standing.

SECTION 98. 218.01 (2) (h) 2. of the statutes is renumbered 218.0114 (20) (b) and amended to read:

218.0114 (20) (b) ~~Provided~~ If the licensor has reasonable cause to doubt the financial responsibility of the applicant or licensee or the compliance by the applicant or licensee with ~~this section ss. 218.0101 to 218.0163~~, the licensor may require the applicant or licensee to furnish and maintain a bond in the form, amount and with the sureties it approves, but not less than \$5,000, nor more than \$100,000, conditioned upon the applicant or licensee complying with the statutes applicable to the licensee and as indemnity for any loss sustained by any person by reason of any acts of the licensee constituting grounds for suspension or revocation of the license under ~~this section ss. 218.0101 to 218.0163~~. The bonds shall be executed in the name of the department of transportation for the benefit of any aggrieved parties; ~~provided, except~~ that the aggregate liability of the surety to all ~~such~~ aggrieved parties shall, in no event, exceed the amount of the bond. The bonding requirements in this ~~subdivision paragraph~~ shall not apply to manufacturers, factory branches, and their agents and is in addition to the bond or letter of credit required of a motor vehicle dealer under ~~par. (bb) 1. sub. (5) (a)~~.

SECTION 99. 218.01 (2) (h) 3. of the statutes is renumbered 218.0114 (20) (c) and amended to read:

218.0114 (20) (c) An applicant or licensee furnishing information under ~~subd. 1. par. (a)~~ may designate the information as a trade secret, as defined in s. 134.90 (1) (c), or as confidential business information. The licensor shall notify the applicant or licensee providing the information 15 days before any information designated as a

trade secret or as confidential business information is disclosed to the legislature, a state agency, as defined in s. 13.62 (2), a local governmental unit, as defined in s. 605.01 (1), or any other person. The applicant or licensee furnishing the information may seek a court order limiting or prohibiting the disclosure. ~~In such cases, in which case~~ the court shall weigh the need for confidentiality of the information against the public interest in the disclosure. A designation under this ~~subdivision~~ paragraph does not prohibit the disclosure of a person's name or address, of the name or address of a person's employer or of financial information that relates to a person when requested under s. 49.22 (2m) by the department of workforce development or a county child support agency under s. 59.53 (5).

SECTION 100. 218.01 (2) (i) of the statutes is renumbered 218.0114 (21) and amended to read:

218.0114 (21) Application for dealers' licenses shall be submitted to the department of transportation in duplicate and shall contain such information as the licensors require. Application for sales finance company licenses shall contain such information as the division of banking requires. No motor vehicle dealer or sales finance company, unless so licensed, shall be permitted to register or receive or use registration plates under ss. 341.47 to 341.57. The department of transportation shall transmit the duplicate copy of each application for a dealer's license to the division of banking with the fee required under ~~par. (d) 8. sub. (14) (g)~~. The division of banking may not refund the fee required under ~~par. (d) 8. sub. (14) (g)~~. The division of banking shall approve a sales finance company license for a dealer if no prior sales finance company license has been suspended or revoked, and if the applicant meets the requirements of ~~this section ss. 218.0101 to 218.0163~~ relating to sales finance companies.

SECTION 101. 218.01 (2) (ie) of the statutes is renumbered 218.0114 (21e) and amended to read:

218.0114 (21e) (a) In addition to any other information required under this ~~subsection~~ section, an application by an individual for the issuance or renewal of a license described in ~~par. (d) sub. (14)~~ shall include the individual's social security number and an application by a person who is not an individual for the issuance or renewal of a license described in ~~par. (d) 1., 2., 3. or 5. sub. (14) (a), (b), (c) or (e)~~ shall include the person's federal employer identification number. The licensor may not disclose any information received under this ~~subdivision~~ paragraph to any person except the department of ~~industry, labor and job development~~ workforce development for purposes of administering s. 49.22 or the department of revenue for the sole purpose of requesting certifications under s. 73.0301.

(b) The licensor shall deny an application for the issuance or renewal of a license if the information

required under ~~subd. 1. par. (a)~~ is not included in the application.

SECTION 102. 218.01 (2) (ig) of the statutes is renumbered 218.0114 (21g), and 218.0114 (21g) (a) (intro.) and (b), as renumbered, are amended to read:

218.0114 (21g) (a) (intro.) In addition to any other information required under this ~~subsection~~ section, an application for a license described in ~~par. (d) sub. (16)~~ shall include the following:

(b) The licensor may not disclose any information received under ~~subd. 1. par. (a)~~ to any person except as follows:

1. The licensor may disclose information under ~~subd. 1. par. (a)~~ to the department of revenue for the sole purpose of requesting certifications under s. 73.0301.

2. The licensor may disclose information under ~~subd. 1. a. par. (a) 1.~~ to the department of ~~industry, labor and job development~~ workforce development in accordance with a memorandum of understanding under s. 49.857.

SECTION 103. 218.01 (2) (j) of the statutes is renumbered 218.0114 (22) and amended to read:

218.0114 (22) A motor vehicle dealer licensed in accordance with the provisions of ~~this section ss. 218.0101 to 218.0163~~ shall make reports to the licensor at such intervals and showing such information as the licensor may require.

SECTION 104. 218.01 (2) (k) of the statutes is renumbered 218.0114 (23).

SECTION 105. 218.01 (2a) (title) of the statutes is renumbered 218.0119 (title).

SECTION 106. 218.01 (2a) (a) of the statutes is renumbered 218.0119 (1).

SECTION 107. 218.01 (2a) (b) of the statutes is renumbered 218.0119 (2) and amended to read:

218.0119 (2) Whenever a licensed dealer, distributor, manufacturer or transporter opens a new place of business, the licensee shall promptly report ~~such that~~ that fact, including the address ~~thereof of the new place of business~~, to the department of transportation.

SECTION 108. 218.01 (2a) (c) of the statutes is renumbered 218.0119 (3) and amended to read:

218.0119 (3) Whenever a licensed dealer, distributor or manufacturer discontinues or disposes of his or her business, ~~such person that dealer, distributor or manufacturer~~ shall promptly report ~~such that~~ that fact to the department of transportation and return the license and registration plates issued. Whenever a licensed dealer, distributor or manufacturer discontinues business due to license suspension or revocation, ~~such person that dealer, distributor or manufacturer~~ shall surrender the licenses and registration plates to the department of transportation for ~~such the~~ the suspension or revocation period.

SECTION 109. 218.01 (2a) (d) of the statutes is renumbered 218.0119 (4) and amended to read:

218.0119 (4) Any dealer, distributor, manufacturer or transporter who fails to comply with the requirements of this ~~subsection~~ section may be fined not more than \$200 or imprisoned for not more than 6 months or both.

SECTION 110. 218.01 (2c) of the statutes is renumbered 218.0121 and amended to read:

218.0121 Factory stores. A manufacturer, importer or distributor, or a subsidiary ~~thereof of a manufacturer, importer or distributor,~~ shall not own, operate or control a motor vehicle dealership in this state. This ~~subsection~~ section does not prohibit any of the following:

(1) The ownership and operation by a manufacturer, importer or distributor, or a subsidiary ~~thereof of a manufacturer, importer or distributor,~~ of a dealership for a temporary period, not to exceed one year, during the transition from one owner or operator to another.

(2) The ownership or control of a dealership by a manufacturer, importer or distributor, or a subsidiary ~~thereof of a manufacturer, importer or distributor,~~ if the dealership is being sold under a bona fide contract or purchase option to the operator of the dealership, or a contract exists under which the operator of the dealership can expect to acquire full ownership of or a controlling interest in the dealership, and after the transfer of ownership is completed the dealership will no longer be owned, operated or controlled by the manufacturer, importer or distributor, or a subsidiary ~~thereof of the manufacturer, importer or distributor.~~

(3) The ownership, operation or control of a dealership by a manufacturer, importer or distributor, or subsidiary ~~thereof of a manufacturer, importer or distributor,~~ which does not meet the conditions under ~~par. (a) or (b) sub. (1) or (2),~~ if the division of hearings and appeals determines, after a hearing on the matter at the request of any party, that there is no prospective independent dealer available to own and operate the dealership in a manner consistent with the public interest and that meets the reasonable standard and uniformly applied qualifications of the manufacturer, importer or distributor.

SECTION 111. 218.01 (2d) of the statutes is renumbered 218.0122 and amended to read:

218.0122 Damages to delivered vehicles. (1) A manufacturer, importer or distributor shall disclose in writing to a motor vehicle dealer, at or before delivery to the dealer, any damage and repair to a new motor vehicle occurring after the manufacturing process is complete but before delivery to the dealer, if the cost of the repair exceeds 6% of the manufacturer's suggested retail price, as measured by retail repair costs. Replacement of glass, tires, bumpers, fenders, moldings, audio equipment, instrument panels, hoods and deck lids with identical manufacturer's original equipment is not considered damage and repair under this ~~paragraph~~ subsection. If a manufacturer, importer or distributor fails to make a disclosure of damage and repair under this ~~paragraph~~ subsection, it shall be liable to the dealer for any liability

imposed on the dealer for a failure on the part of the dealer to disclose that damage and repair.

(2) If the cost of repairing damage to a new motor vehicle that occurs before delivery to the dealer's location exceeds 6% of the manufacturer's suggested retail price, as measured by retail repair costs, the dealer may reject or, if title has passed to the dealer, require the manufacturer, importer or distributor who delivered the vehicle to repurchase the vehicle within 10 business days after delivery, unless the damage occurred during shipment and the method of transportation, carrier or transporter of the motor vehicle was designated by the motor vehicle dealer. Upon repurchase, the manufacturer, importer or distributor shall be subrogated to all of the dealer's rights against the carrier or transporter of the motor vehicle regarding damage. The cost of repairing glass, tires, bumpers, moldings and audio equipment with identical manufacturer's original equipment shall not be included in determining the cost of repairing damage under this ~~paragraph~~ subsection.

(3) This ~~subsection~~ section does not apply to motorcycles that are delivered in a crated, disassembled condition to the dealer or the dealer's agent.

SECTION 112. 218.01 (2f) of the statutes is renumbered 218.0123.

SECTION 113. 218.01 (2g) of the statutes is renumbered 218.0124.

SECTION 114. 218.01 (2w) (title) of the statutes is renumbered 218.0125 (title).

SECTION 115. 218.01 (2w) (a) of the statutes is renumbered 218.0125 (1) and amended to read:

218.0125 (1) In this ~~subsection~~ section, "dealer cost" means the wholesale cost for a part as listed in the manufacturer's, importer's or distributor's current price schedules or, if the part is not so listed, the dealer's original invoice cost for the part.

SECTION 116. 218.01 (2w) (b) of the statutes is renumbered 218.0125 (2).

SECTION 117. 218.01 (2w) (c) of the statutes is renumbered 218.0125 (3) and amended to read:

218.0125 (3) To be eligible for compensation for parts under ~~par. (b) sub. (2),~~ a dealer shall notify the manufacturer, importer or distributor in writing of the amounts that the dealer charges its other retail service customers for parts and request that it be paid for parts in accordance with this ~~subsection~~ section. The notice may be limited to the dealer's average markup over dealer cost that the dealer charges its other retail service customers for parts used to perform similar work. The notice shall be served upon the manufacturer, importer or distributor not less than 30 days before the date on which the dealer requests that the manufacturer, importer or distributor begin paying the dealer for parts at the stated amounts. The manufacturer, importer or distributor shall pay the dealer, as provided in this ~~subsection~~ section, at the amounts stated in the dealer notice for parts used in work

performed on and after the beginning date stated in the notice.

SECTION 118. 218.01 (2w) (d) of the statutes is renumbered 218.0125 (4).

SECTION 119. 218.01 (2w) (e) of the statutes is renumbered 218.0125 (5) and amended to read:

218.0125 (5) A manufacturer, importer or distributor who fails to compensate a dealer for parts at an amount not less than the amount the dealer charges its other retail service customers for parts used to perform similar work shall not be found to have violated this ~~subsection~~ section if the manufacturer, importer or distributor shows that the amount is not reasonably competitive to the amounts charged to retail service customers by other similarly situated franchised motor vehicle dealers in this state for the same parts when used by those dealers to perform similar work.

SECTION 120. 218.01 (2w) (f) of the statutes is renumbered 218.0125 (6) and amended to read:

218.0125 (6) If a manufacturer, importer or distributor furnishes a part to a dealer at no cost for use by the dealer in performing work for which the manufacturer, importer or distributor is required to compensate the dealer under this ~~subsection~~ section, the manufacturer, importer or distributor shall compensate the dealer for the part at an amount not less than the amount the dealer charges its other retail customers for parts when used to perform similar work less the wholesale cost for ~~such the~~ furnished part as listed in the manufacturer's current price schedules. A manufacturer, importer or distributor may pay the dealer a reasonable handling fee instead of the compensation otherwise required by this ~~subsection~~ section for special high-performance complete engine assemblies furnished to the dealer at no cost, provided that the manufacturer, importer or distributor excludes special high-performance complete engine assemblies in determining whether the amounts requested in the dealer's notice are consistent with the amounts that the dealer charges its other retail service customers for parts used by the dealer to perform similar work.

SECTION 121. 218.01 (2w) (g) of the statutes is renumbered 218.0125 (7) and amended to read:

218.0125 (7) A claim made by a franchised motor vehicle dealer for compensation under this ~~subsection~~ section shall be either approved or disapproved within 30 days after the claim is submitted to the manufacturer, importer or distributor in the manner and on the forms the manufacturer, importer or distributor reasonably prescribes. An approved claim shall be paid within 30 days after its approval; ~~and, if,~~ If a claim is not specifically disapproved in writing or by electronic transmission within 30 days after the date on which the manufacturer, importer or distributor receives it, the claim shall be considered to be approved and payment shall follow within 30 days. A manufacturer, importer or distributor retains the right to audit claims for a period of one year after the

date on which the claim is paid and to charge back any amounts paid on claims that are false or unsubstantiated. If there is evidence of fraud, this ~~paragraph~~ subsection does not limit the right of the manufacturer to audit for longer periods and charge back for any fraudulent claim, subject to the limitations period under s. 893.93 (1) (b).

SECTION 122. 218.01 (2x) of the statutes is renumbered 218.0126 and amended to read:

218.0126 Promotional allowances. A claim made by a franchised motor vehicle dealer for promotional allowances or other incentive payments shall be either approved or disapproved within 30 days after the claim is submitted to the manufacturer, importer or distributor in the manner and on the forms the manufacturer, importer or distributor reasonably prescribes. An approved claim shall be paid within 30 days after its approval; ~~and, if,~~ If a claim is not specifically disapproved in writing or by electronic transmission within 30 days after the date on which the manufacturer, importer or distributor receives it, the claim shall be considered to be approved and payment shall follow within 30 days after approval. A manufacturer, importer or distributor retains the right to audit a claim for a period of 2 years after the date on which the claim is paid and to charge back any amounts paid on claims that are false or unsubstantiated. If there is evidence of fraud, this ~~subsection~~ section does not limit the right of the manufacturer to audit for longer periods and charge back for any fraudulent claim, subject to the limitations period under s. 893.93 (1) (b).

SECTION 123. 218.01 (3) (title) of the statutes is renumbered 218.0116 (title).

SECTION 124. 218.01 (3) (a) (intro.) of the statutes is renumbered 218.0116 (1) (intro.).

SECTION 125. 218.01 (3) (a) 1. of the statutes is renumbered 218.0116 (1) (a).

SECTION 126. 218.01 (3) (a) 2. of the statutes is renumbered 218.0116 (1) (am).

SECTION 127. 218.01 (3) (a) 3. of the statutes is renumbered 218.0116 (1) (b).

SECTION 128. 218.01 (3) (a) 4. of the statutes is renumbered 218.0116 (1) (bm) and amended to read:

218.0116 (1) (bm) Wilful failure to comply with any provision of ~~this section~~ ss. 218.0101 to 218.0163 or any rule or regulation promulgated by the licenser under ~~this section~~ ss. 218.0101 to 218.0163.

SECTION 129. 218.01 (3) (a) 5. of the statutes is renumbered 218.0116 (1) (c).

SECTION 130. 218.01 (3) (a) 6. of the statutes is renumbered 218.0116 (1) (cm).

SECTION 131. 218.01 (3) (a) 7. of the statutes is renumbered 218.0116 (1) (d).

SECTION 132. 218.01 (3) (a) 8. of the statutes is renumbered 218.0116 (1) (dm).

SECTION 133. 218.01 (3) (a) 9. of the statutes is renumbered 218.0116 (1) (e).

SECTION 134. 218.01 (3) (a) 10. and 11. of the statutes are renumbered 218.0116 (1) (em) and (f) and amended to read:

218.0116 (1) (em) Employment of fraudulent devices, methods or practices in connection with compliance with the statutes with respect to the retaking of goods under retail instalment contracts or consumer leases and the redemption and resale or subsequent lease of such ~~the~~ retaken goods.

(f) Having ~~indulged~~ engaged in any unconscionable practice relating to ~~said~~ the licensed business activity.

NOTE: Inserts specific references and preferred term. Section 218.01 (3) (a) which was contained in the original s. 218.01, created by Chapter 474 of the Laws of 1933, has never contained an antecedent to the "said business" in subd. 11.

SECTION 135. 218.01 (3) (a) 12. of the statutes is renumbered 218.0116 (1) (fm).

SECTION 136. 218.01 (3) (a) 13. of the statutes is renumbered 218.0116 (1) (g) and amended to read:

218.0116 (1) (g) Having sold a retail instalment contract or consumer lease to a sales finance company ~~that~~ is not licensed hereunder under ss. 218.0101 to 218.0163.

SECTION 137. 218.01 (3) (a) 14. of the statutes is renumbered 218.0116 (1) (gm).

SECTION 138. 218.01 (3) (a) 15. of the statutes is renumbered 218.0116 (1) (h) and amended to read:

218.0116 (1) (h) Being a manufacturer, importer or distributor who has coerced or attempted to coerce any motor vehicle dealer to order any commodity or service or to accept delivery of or pay for any commodity or service that the motor vehicle dealer has not ordered. This ~~subdivision~~ paragraph does not modify or prohibit reasonable requirements in a franchise agreement that require a dealer to market and service a representative line of new motor vehicles that the manufacturer, importer or distributor is publicly advertising.

SECTION 139. 218.01 (3) (a) 16. of the statutes is renumbered 218.0116 (1) (hm) and amended to read:

218.0116 (1) (hm) Being a manufacturer of motor vehicles, factory branch, distributor, field representative, officer, agent or any representative ~~whatsoever~~ of such a motor vehicle manufacturer or factory branch, who has attempted to induce or coerce, or has induced or coerced, any motor vehicle dealer to enter into any agreement with ~~such~~ the manufacturer, factory branch or representative ~~thereof of the motor vehicle manufacturer or factory branch,~~ or to do any other act unfair to ~~said~~ the dealer, by threatening to cancel any franchise existing between ~~such~~ the manufacturer, factory branch or representative ~~thereof of the motor vehicle manufacturer or factory branch~~ and ~~said~~ the dealer.

SECTION 140. 218.01 (3) (a) 17. of the statutes is renumbered 218.0116 (1) (i) 2. and amended to read:

218.0116 (1) (i) 2. Subject to ~~sub. (3n) s. 218.0132,~~ being a manufacturer, importer or distributor who has unfairly, without due regard to the equities or without just

provocation, directly or indirectly canceled or failed to renew the franchise of any motor vehicle dealer; or being a manufacturer or importer, who has unfairly, without due regard to the equities or without just provocation, directly or indirectly canceled or failed to renew the franchise of any distributor. If there is a change in a manufacturer, importer or distributor, a motor vehicle dealer's franchise granted by the former manufacturer, importer or distributor shall continue in full force and operation under the new manufacturer, importer or distributor unless a mutual agreement of cancellation is filed with the department of transportation between the new manufacturer, importer or distributor and the dealer. ~~In this subdivision, "due regard to the equities" means treatment in enforcing an agreement that is fair and equitable to a motor vehicle dealer or distributor and that is not discriminatory compared to similarly situated dealers or distributors; and "just provocation" means a material breach by a motor vehicle dealer or distributor, due to matters within the dealer's or distributor's control, of a reasonable and necessary provision of an agreement and the breach is not cured within a reasonable time after written notice of the breach has been received from the manufacturer, importer or distributor.~~

NOTE: The stricken definitions are recreated by this bill as s. 218.0116 (1) (i) 1. for proper location according to current style.

SECTION 141. 218.01 (3) (a) 18. of the statutes is renumbered 218.0116 (1) (im) 2. and amended to read:

218.0116 (1) (im) 2. Having accepted an order or contract of purchase from a buyer or a consumer lease or prelease agreement from a lessee or prospective lessee if ~~such~~ the arrangement results in the practice of bushing. For the purpose of this section, "bushing" means, with respect to an order or contract of purchase, the practice of increasing the selling price of a motor vehicle above that originally quoted the purchaser as evidenced by a purchase order or contract which has been signed by both the purchaser and dealer licensee and, with respect to a consumer lease or prelease agreement, the practice of increasing the gross capitalized cost above that originally quoted the lessee or prospective lessee as evidenced by a consumer lease or prelease agreement which has been signed by both the lessee or prospective lessee and the dealer licensee.

NOTE: The stricken definition is recreated by this bill as s. 218.0116 (1) (im) 1. by this bill for proper location according to current style.

SECTION 142. 218.01 (3) (a) 19. of the statutes is renumbered 218.0116 (1) (j).

SECTION 143. 218.01 (3) (a) 20. of the statutes is renumbered 218.0116 (1) (jm) and amended to read:

218.0116 (1) (jm) Having set up, promoted or aided in the promotion of a plan by which motor vehicles are sold or leased to a person for a consideration and upon the further consideration that the purchaser or lessee agrees

to secure one or more persons to participate in the plan by respectively making a similar purchase or lease and in turn agreeing to secure one or more persons likewise to join in ~~said~~ the plan, each purchaser or lessee being given the right to secure money, credits, goods or something of value, depending upon the number of persons joining in the plan.

SECTION 144. 218.01 (3) (a) 21. of the statutes is renumbered 218.0116 (1) (k) and amended to read:

218.0116 (1) (k) Being a dealer who keeps open the dealer's place of business on Sunday for the purpose of buying, leasing or selling motor vehicles; but nothing in this ~~subdivision~~ paragraph shall apply to any person who conscientiously believes that the 7th day of the week, from sunset Friday to sunset Saturday, should be observed as the Sabbath and who actually refrains from conducting or engaging in the business of buying, leasing, selling or offering for lease or sale motor vehicles, or performing other secular business on that day.

SECTION 145. 218.01 (3) (a) 22. of the statutes is renumbered 218.0116 (1) (km) and amended to read:

218.0116 (1) (km) Being a manufacturer, importer or distributor who violates ~~sub. (2c), (2d), (2f), (2g) or (2w) s. 218.0121, 218.0122, 218.0123, 218.0124 or 218.0125.~~

SECTION 146. 218.01 (3) (a) 23. of the statutes is renumbered 218.0116 (1) (L) and amended to read:

218.0116 (1) (L) Being a motor vehicle dealer who, in breach of an agreement, voluntarily changes its ownership or executive management, transfers its dealership assets to another person, adds another franchise at the same location as its existing franchise, or relocates a franchise without first complying with the procedures in ~~sub. (3x) s. 218.0134.~~

SECTION 147. 218.01 (3) (a) 24. of the statutes is renumbered 218.0116 (1) (Lm) and amended to read:

218.0116 (1) (Lm) Being a manufacturer, importer or distributor who fails to comply with the procedures in ~~sub. (3x) s. 218.0134~~ regarding a dealer's request for approval of a change of ownership or executive management, transfer of its dealership assets to another person, adding another franchise at the same location as its existing franchise, or relocation of a franchise or who fails to comply with an order of the division of hearings and appeals issued under ~~sub. (3x) s. 218.0134.~~

SECTION 148. 218.01 (3) (a) 25. of the statutes is renumbered 218.0116 (1) (m).

SECTION 149. 218.01 (3) (a) 26. of the statutes is renumbered 218.0116 (1) (mm) and amended to read:

218.0116 (1) (mm) Being a manufacturer, factory branch, distributor, field representative, officer, agent or any representative of ~~such~~ a manufacturer, factory branch or distributor who, notwithstanding the terms of any agreement, refuses to honor the succession to the ownership or operation of a dealership under an existing franchise agreement by a designated family member of a deceased or incapacitated dealer, except in the manner

prescribed by ~~sub. (3e) s. 218.0131,~~ or who unreasonably withholds its approval of a change of ownership or executive management of the dealership after the dealer's death or incapacity.

SECTION 150. 218.01 (3) (a) 27. of the statutes is renumbered 218.0116 (1) (n).

SECTION 151. 218.01 (3) (a) 28. of the statutes is renumbered 218.0116 (1) (nm) and amended to read:

218.0116 (1) (nm) Wilful failure to provide and maintain facilities and business records as required by ~~this section ss. 218.0101 to 218.0163~~ or by any rule promulgated by the licenser pertaining to facility and business records.

SECTION 152. 218.01 (3) (a) 29. of the statutes is renumbered 218.0116 (1) (o).

SECTION 153. 218.01 (3) (a) 30. of the statutes is renumbered 218.0116 (1) (om).

SECTION 154. 218.01 (3) (a) 31. of the statutes is renumbered 218.0116 (1) (p) and amended to read:

218.0116 (1) (p) Having violated an order issued under ~~par. (h) sub. (10).~~

SECTION 155. 218.01 (3) (a) 32. of the statutes is renumbered 218.0116 (1) (pm) and amended to read:

218.0116 (1) (pm) Being a manufacturer, factory branch or distributor who enters into a franchise agreement establishing or relocating a motor vehicle dealership, parts outlet or service outlet in a relevant market area without first complying with the procedure in ~~par. (f) s. 218.0116 (1) (p).~~

SECTION 156. 218.01 (3) (a) 35. of the statutes is renumbered 218.0116 (1) (q) and amended to read:

218.0116 (1) (q) Being a manufacturer, factory branch or distributor who engages in any action which transfers to a motor vehicle dealer any responsibility of the manufacturer, factory branch or distributor under ~~s. 218.015 218.0171.~~

SECTION 157. 218.01 (3) (a) 36. (intro.) of the statutes is renumbered 218.0116 (1) (qm) (intro.).

SECTION 158. 218.01 (3) (a) 36. a. of the statutes is renumbered 218.0116 (1) (qm) 1. and amended to read:

218.0116 (1) (qm) 1. Fails to notify the department of transportation of any revision or addition to an agreement as required under ~~sub. (2) (bd) s. 218.0114 (7) (a) 2.~~

SECTION 159. 218.01 (3) (a) 36. b. of the statutes is renumbered 218.0116 (1) (qm) 2. and amended to read:

218.0116 (1) (qm) 2. Fails to revise or remove portions of an agreement that the department of transportation declares to contain provisions which are inconsistent with ~~sub. (2) (bm) s. 218.0114 (9).~~

SECTION 160. 218.01 (3) (a) 36. c. of the statutes is renumbered 218.0116 (1) (qm) 3. and amended to read:

218.0116 (1) (qm) 3. Requires or coerces a dealer or distributor to ~~execute~~ sign an agreement, as a condition of obtaining or continuing a franchise, that contains provisions that are void or prohibited under ~~sub. (2) (bm) s.~~

218.0114 (9) or attempts to enforce an agreement with void or prohibited provisions.

SECTION 161. 218.01 (3) (a) 36. d. of the statutes is renumbered 218.0116 (1) (qm) 4. (intro.) and amended to read:

218.0116 (1) (qm) 4. (intro.) Requires or coerces a dealer or distributor to ~~execute~~ sign an agreement that requires arbitration as a condition of obtaining or continuing a franchise, unless the dealer or distributor has the option of signing an otherwise identical agreement without the arbitration provision or unless the agreement provides for arbitration on a case-by-case basis and only when both parties elect to refer the matter to arbitration. This ~~subd. 36. d.~~ subdivision does not apply to a manufacturer or distributor who enters into an agreement that creates a new franchise for a new line make of motor vehicle, if ~~the~~ each of the following is applicable:

a. The arbitration provision was the subject of good faith negotiations with a representative group of dealers; ~~and if each.~~

b. Each dealer voluntarily accepts the arbitration provision after receiving a franchise offering circular under s. 553.27 (4) that discloses the existence and effect of the arbitration provision; ~~and if the.~~

c. The manufacturer or dealer files a copy of the franchise offering circular and proof of good faith negotiation and voluntary acceptance of the arbitration with any filing required under ~~sub. (2) (bd) 1.~~ s. 218.0114 (7) (a).

SECTION 162. 218.01 (3) (a) 37. of the statutes is renumbered 218.0116 (1) (r) and amended to read:

218.0116 (1) (r) Being a manufacturer, distributor or importer who fails to designate in writing the area of sales responsibility assigned to a motor vehicle dealer or who changes or attempts to change an area of sales responsibility to avoid the requirements of ~~par. (f)~~ sub. (7).

SECTION 163. 218.01 (3) (a) 38. of the statutes is renumbered 218.0116 (1) (rm) and amended to read:

218.0116 (1) (rm) Being a grantor, as defined in ~~sub. (3r) (a) 2.~~ s. 218.0133 (1) (b)., who fails to pay a motor vehicle dealer agreement termination benefits under ~~sub. (3r) s. 218.0133.~~

SECTION 164. 218.01 (3) (a) 39. of the statutes is renumbered 218.0116 (1) (s) and amended to read:

218.0116 (1) (s) Being a manufacturer or distributor who modifies a motor vehicle dealer agreement during the term of the agreement or upon its renewal without complying with ~~par. (fm)~~ sub. (8).

SECTION 165. 218.01 (3) (a) 40. of the statutes is renumbered 218.0116 (1) (sm) and amended to read:

218.0116 (1) (sm) Having violated s. ~~218.017~~ 218.0172.

SECTION 166. 218.01 (3) (a) 41. of the statutes is renumbered 218.0116 (1) (t) and amended to read:

218.0116 (1) (t) Being a manufacturer, importer or distributor who compels a dealer, through a financing subsidiary of the manufacturer, importer or distributor, to

agree to unreasonable operating requirements or who directly or indirectly cancels or fails to renew a dealer's franchise, except as allowed under ~~subs. (3) (a) 17. and (3n) par. (i) and s. 218.0132,~~ through the actions of a financing subsidiary of the manufacturer, importer or distributor. This ~~subdivision~~ paragraph does not limit the right of a financing subsidiary to engage in business practices in accordance with the usages of the trade in which it is engaged.

SECTION 167. 218.01 (3) (a) 42. of the statutes is renumbered 218.0116 (1) (tm) and amended to read:

218.0116 (1) (tm) Being a licensee who wilfully refuses or fails to participate in mediation pursuant to a demand for mediation served under ~~sub. (7m) (a) s. 218.0136 (1).~~

SECTION 168. 218.01 (3) (a) 43. of the statutes is renumbered 218.0116 (1) (u).

SECTION 169. 218.01 (3) (ag) of the statutes is renumbered 218.0116 (1g) and amended to read:

218.0116 (1g) (a) A license described in ~~sub. (2) (d) s. 218.0114 (14)~~ shall be denied, restricted, limited or suspended if the applicant or licensee is an individual who fails to comply, after appropriate notice, with a subpoena or warrant issued by the department of workforce development or a county child support agency under s. 59.53 (5) and related to paternity or child support proceedings or who is delinquent in making court-ordered payments of child or family support, maintenance, birth expenses, medical expenses or other expenses related to the support of a child or former spouse, as provided in a memorandum of understanding entered into under s. 49.857.

(b) A license described in ~~par. (d) 1., 2., 3. or 5. s. 218.0114 (14) (a), (b), (c) or (e)~~ shall be suspended or revoked if the department of revenue certifies under s. 73.0301 that the applicant or licensee is liable for delinquent taxes.

(c) No provision of ~~this section ss. 218.0101 to 218.0163~~ that entitles an applicant or licensee to a notice or hearing applies to a denial, restriction, limitation, suspension or revocation of a license under this ~~paragraph~~ subsection.

SECTION 170. 218.01 (3) (am) of the statutes is renumbered 218.0116 (1m) and amended to read:

218.0116 (1m) (a) A license described in ~~sub. (2) (dr) s. 218.0114 (16)~~ shall be denied if any of the ~~follow~~ following applies:

1. The applicant fails to provide the information required under ~~sub. (2) (ig) 1. s. 218.0114 (21g) (a).~~

2. The department of revenue certifies under s. 73.0301 that the applicant is liable for delinquent taxes. An applicant whose license is denied under this ~~subd. 1. b.~~ subdivision for delinquent taxes is entitled to a notice under s. 73.0301 (2) (b) 1. b. and hearing under s. 73.0301 (5) (a) but is not entitled to any other notice or hearing under this ~~subsection~~ section.

3. The applicant is an individual who fails to comply, after appropriate notice, with a subpoena or warrant issued by the department of workforce development or a county child support agency under s. 59.53 (5) and related to paternity or child support proceedings or who is delinquent in making court-ordered payments of child or family support, maintenance, birth expenses, medical expenses or other expenses related to the support of a child or former spouse, as provided in a memorandum of understanding entered into under s. 49.857. An applicant whose application is denied under this ~~subd. 1.-e.~~ subdivision is entitled to a notice and hearing under s. 49.857 but is not entitled to any other notice or hearing under ~~this section~~ ss. 218.0101 to 218.0163.

(b) A license described in ~~sub. (2) (d)~~ s. 218.0114 (16) shall be restricted or suspended if the licensee is an individual who fails to comply, after appropriate notice, with a subpoena or warrant issued by the department of workforce development or a county child support agency under s. 59.53 (5) and related to paternity or child support proceedings or who is delinquent in making court-ordered payments of child or family support, maintenance, birth expenses, medical expenses or other expenses related to the support of a child or former spouse, as provided in a memorandum of understanding entered into under s. 49.857. A licensee whose license is restricted or suspended under this ~~subdivision~~ paragraph is entitled to a notice and hearing under s. 49.857 but is not entitled to any other notice or hearing under ~~this section~~ ss. 218.0101 to 218.0163.

(c) A license described in ~~sub. (2) (d)~~ s. 218.0114 (16) shall be revoked if the department of revenue certifies under s. 73.0301 that the licensee is liable for delinquent taxes. A licensee whose license is revoked under this ~~subdivision~~ paragraph for delinquent taxes is entitled to a notice under s. 73.0301 (2) (b) 1. b. and hearing under s. 73.0301 (5) (a) but is not entitled to any other notice or hearing under this ~~subsection~~ section.

SECTION 171. 218.01 (3) (b) of the statutes is renumbered 218.0116 (2) and amended to read:

218.0116 (2) The licensor may without prior notice deny the application for a license within 60 days after receipt ~~thereof of the application~~ by written notice to the applicant, stating the grounds for ~~such~~ the denial. Within 30 days after ~~such~~ receiving the notice, the applicant may petition the division of hearings and appeals to conduct a hearing to review the denial, and a hearing shall be scheduled with reasonable promptness.

NOTE: "[P]rior" is inserted to eliminate an internal inconsistency.

SECTION 172. 218.01 (3) (bf) of the statutes is renumbered 218.0116 (3) and amended to read:

218.0116 (3) (a) 1. Except as provided in ~~subd. 1.-b.~~ 2., the department of transportation shall not license an applicant as a dealer ~~an applicant~~ for the sale or lease of

motor vehicles at retail unless ~~such~~ the applicant owns or leases a vehicle display lot and a permanent building ~~wherein in which~~ there are facilities to display motor vehicles and facilities to repair functional and nonfunctional parts of motor vehicles and, where replacement parts, repair tools and equipment to service motor vehicles are kept, and at which ~~place of business shall be kept and maintained~~ the books, records and files necessary to conduct the dealer's business shall be kept and maintained.

1m. A residence, tent or temporary stand is not a sufficiently permanent ~~place of business~~ building within the meaning of ~~this paragraph~~ subd. 1.

2. The requirements in subd. 1. a. that an applicant own or lease a vehicle display lot and that the permanent building owned or leased by the applicant contain facilities to display motor vehicles do not apply to persons who are engaged only in the leasing of motor vehicles and who do not maintain an inventory of motor vehicles offered for lease.

(b) An approved service contract with an established repair shop having the repair parts and repair facilities specified in ~~subd. par. (a)~~ 1. shall serve in lieu of the applicant's owning or leasing the applicant's own repair facilities if ~~such~~ the service connection is within a reasonable distance from the applicant's place of business and if ~~such~~ the service connection guarantees in writing the making of the repairs or replacements ordered by the dealer.

(c) This ~~paragraph~~ subsection does not apply to persons who deal only in mopeds or motor bicycles.

SECTION 173. 218.01 (3) (c) of the statutes is renumbered

218.0116 (4) and amended to read:

218.0116 (4) (a) No license may be suspended or revoked except after a hearing ~~thereon~~ on the possible suspension or revocation. Except as provided in ~~subd. 2.~~ par. (b)., the licensor shall give the licensee at least 5 days' notice of the time and place of ~~such~~ the hearing, ~~and the~~ The order suspending or revoking ~~such~~ the license shall not be effective until after 10 days' written notice ~~thereof of the order~~ to the licensee, after ~~such~~ the hearing under this paragraph has been ~~had~~ held.

(b) When in the licensor's opinion the best interest of the public or the trade demands it, for conduct or under circumstances specified in ~~this section~~ ss. 218.0101 to 218.0163 or in rules promulgated by the licensor, the licensor may suspend a license upon not less than 24 hours' notice of hearing and with not less than 24 hours' notice of the suspension of the license.

(c) Matters involving suspensions or revocations brought before the department of transportation shall be heard and decided upon by the division of hearings and appeals. If the department of transportation requests the division of hearings and appeals to hear a matter brought

before the department of transportation under ~~subd. 2. par. (b)~~, the division of hearings and appeals shall hear and decide the matter within 30 days after the date of the department of transportation's request.

SECTION 174. 218.01 (3) (d) of the statutes is renumbered 218.0116 (5) and amended to read:

218.0116 (5) The licensor may inspect the pertinent books, records, letters and contracts of a licensee and shall determine the cost of an examination. The cost of an examination shall be paid by ~~such the~~ licensee so examined within 30 days after demand ~~therefor~~ for the examination by the licensor, ~~and the~~. The licensor may maintain an action for the recovery of ~~such the~~ costs of the examination in any court of competent jurisdiction.

SECTION 175. 218.01 (3) (e) of the statutes is renumbered 218.0116 (6) and amended to read:

218.0116 (6) If a licensee is a firm, corporation or limited liability company, it shall be sufficient cause for the denial, suspension or revocation of a license that any officer, director, trustee or manager of the firm, corporation or limited liability company, or any member in case of a partnership, has been guilty of any act or omission which would be cause for refusing, suspending or revoking a license to ~~such that~~ party as an individual. Each licensee shall be responsible for the acts of any or all of his or her salespersons while acting as his or her agent, if the licensee approved of or had knowledge of the acts or other similar acts and after ~~such approval~~ approving of or obtaining knowledge of the acts retained the benefit, proceeds, profits or advantages accruing from the acts or otherwise ratified the acts.

SECTION 176. 218.01 (3) (f) 1. of the statutes is renumbered 218.0116 (7) (a) 1. and amended to read:

218.0116 (7) (a) 1. A manufacturer, importer or distributor who seeks to enter into a franchise agreement establishing or relocating a motor vehicle dealership, parts outlet or service outlet within the relevant market area of an existing enfranchised dealer of the line make of motor vehicle shall first notify, in writing, the department of transportation and ~~each such that~~ existing enfranchised dealer of its intention to establish or relocate a dealership or outlet. Within 30 days of receiving the notice or within 30 days after the end of any appeal procedure provided by the manufacturer, importer or distributor, whichever is later, any existing enfranchised dealer of the same line make to whom the manufacturer, importer or distributor is required to give notice under this ~~subdivision~~ paragraph may file with the department of transportation and the division of hearings and appeals a complaint protesting the proposed establishment or relocation of the dealership or outlet within the relevant market area of the existing enfranchised dealer.

2. If a complaint is filed under subd. 1., the department of transportation shall inform the manufacturer, importer or distributor that a timely complaint has been filed, that a hearing is required, and that the proposed

franchise agreement may not be entered into until the division of hearings and appeals has held a hearing, nor thereafter, if the division of hearings and appeals determines that there is good cause for not permitting the proposed establishment or relocation of the dealership or outlet. In the event of multiple complaints, hearings shall be consolidated to expedite the disposition of the issue.

SECTION 177. 218.01 (3) (f) 2. of the statutes is renumbered 218.0116 (7) (b), and 218.0116 (7) (b) 8., as renumbered, is amended to read:

218.0116 (7) (b) 8. The effect the denial of ~~such the~~ proposed establishment or relocation would have on the license applicant, dealer or outlet operator who is seeking to establish or relocate a dealership or outlet.

SECTION 178. 218.01 (3) (f) 3. of the statutes is renumbered 218.0116 (7) (c).

SECTION 179. 218.01 (3) (f) 4. (intro.) of the statutes is renumbered 218.0116 (7) (d) (intro.) and amended to read:

218.0116 (7) (d) (intro.) For purposes of this ~~para-~~graph subsection:

SECTION 180. 218.01 (3) (f) 4. a. of the statutes is renumbered 218.0116 (7) (d) 1h. and amended to read:

218.0116 (7) (d) 1h. The reopening or replacement of a dealership or outlet that has been closed for less than 2 years, at the original location or within 2 miles of the original location by the closest highway route, is not the establishment of a motor vehicle dealership or outlet, unless the location is within 4 miles, by the closest highway route, of another franchised dealer of the same line make and is closer to that dealer than the closed dealership or outlet. ~~In this subd. 4. a., "closed" means the effective date of the termination or expiration of the dealership's or outlet's license or franchise, whichever is earlier.~~

1m. The reopening or replacement of a dealership or outlet that has been closed for less than 2 years at a location other than the original location and other than a location within 2 miles of the original location by the closest highway route, but within the area of sales responsibility that had been assigned to the closed dealership or outlet by the manufacturer, importer or distributor is not the establishment of a motor vehicle dealership or outlet, unless the new location is within 6 miles, by the closest highway route, of another franchised dealer of the same line make and is closer to that dealer than the closed dealership or outlet.

1q. The reopening or replacement of a dealership or outlet that has been closed for 2 or more years or that is at a location outside of the area of sales responsibility that had been assigned to the closed dealership or outlet by the manufacturer, importer or distributor is the establishment of a dealership or outlet.

NOTE: The definition of "closed" is recreated by this bill as s. 218.0116 (7) (d) 1d. for proper placement consistent with current style.

SECTION 181. 218.01 (3) (f) 4. b. of the statutes is renumbered 218.0116 (7) (d) 2.

SECTION 182. 218.01 (3) (f) 4. c. of the statutes is renumbered 218.0116 (7) (d) 3. and amended to read:

218.0116 (7) (d) 3. The establishment or relocation of a service or parts outlet requires that notice be given under ~~subd. 4. par. (a)~~ to existing enfranchised dealers who are otherwise entitled to receive ~~such~~ notice under par. (a) and who are authorized to perform work to rectify product or warranty defects or delivery and preparation obligations on the same line make as the proposed service outlet or to use a trade name, trademark or service mark that is also proposed to be used by the proposed service or parts outlet, except that the establishment or relocation of a service or parts outlet that is owned and operated by a motor vehicle dealership enfranchised by the manufacturer, importer or distributor requires that notice be given only to existing dealers who are otherwise entitled to receive ~~such~~ notice under par. (a) and who hold a franchise to sell the same line make as the dealership that will own and operate the proposed service or parts outlet.

SECTION 183. 218.01 (3) (f) 4. d. of the statutes is renumbered 218.0116 (7) (d) 4. and amended to read:

218.0116 (7) (d) 4. A manufacturer's, importer's or distributor's authorization of a fleet owner to perform warranty or delivery and preparation work only on the fleet owner's own vehicles is not the establishment of a service outlet. In this ~~subd. 4. d.~~, "fleet subdivision:

a. "Fleet owner" means a person who owns for its own use or for the use of others 10 or more motor vehicles of the current or preceding model year manufactured or sold by the manufacturer, importer or distributor who is authorizing the warranty work to be performed, ~~except that "fleet~~

b. "Fleet owner" does not include persons engaged in the business of leasing motor vehicles to individual consumers.

SECTION 184. 218.01 (3) (f) 4. e. of the statutes is renumbered 218.0116 (7) (d) 5.

SECTION 185. 218.01 (3) (fm) of the statutes is renumbered 218.0116 (8).

SECTION 186. 218.01 (3) (g) of the statutes is renumbered 218.0116 (9) and amended to read:

218.0116 (9) Any person in interest aggrieved by a decision of the division of hearings and appeals or an order of the division of banking may have a review ~~thereof of the decision~~ as provided in ch. 227.

SECTION 187. 218.01 (3) (h) of the statutes is renumbered 218.0116 (10) and amended to read:

218.0116 (10) In addition to the licensor's authority to deny, suspend or revoke a license under ~~this section ss. 218.0101 to 218.0163~~, the division of banking, after public hearing, may issue a special order enjoining any licensee from engaging in any act or practice which is determined by the division of banking to be in violation of any provision of ~~par. (a) sub. (1)~~, and the division of

hearings and appeals may be petitioned to issue such a special order after notice and hearing thereon.

SECTION 188. 218.01 (3a) (title) of the statutes is renumbered 218.0117 (title).

SECTION 189. 218.01 (3a) (a) of the statutes is renumbered 218.0117 (1) and amended to read:

218.0117 (1) If a dealer, distributor or manufacturer is convicted under s. 341.55 (1) a ~~second 2nd~~ or subsequent time within the same registration year, the department of transportation shall revoke the license of ~~such the~~ dealer, distributor or manufacturer for a period not to exceed one year. For the purposes of this ~~paragraph subsection~~, the conviction of ~~the an~~ employe of a dealer, distributor or manufacturer shall be counted as a conviction of the employer.

SECTION 190. 218.01 (3a) (b) of the statutes is renumbered 218.0117 (2) and amended to read:

218.0117 (2) If a transporter is convicted under s. 341.55 (3) a 2nd or subsequent time within the same license period, the department of transportation shall revoke the license of ~~such the~~ transporter for a period not to exceed one year.

SECTION 191. 218.01 (3a) (c) of the statutes is renumbered 218.0117 (3) and amended to read:

218.0117 (3) A dealer, distributor, manufacturer or transporter whose license has been revoked shall ~~forthwith~~ immediately surrender its registration plates to a traffic officer or peace officer designated by the department of transportation. A dealer, distributor, manufacturer or transporter who fails to return the plates as required by this ~~subsection section~~ may be fined not more than \$200 or imprisoned for not more than 6 months or both.

NOTE: "(F)orthwith" is replaced with "immediately" and "for" is added for constancy with current style.

SECTION 192. 218.01 (3a) (d) of the statutes is renumbered 218.0117 (4).

SECTION 193. 218.01 (3c) (title) of the statutes is renumbered 218.0131 (title).

SECTION 194. 218.01 (3c) (b) of the statutes is renumbered 218.0131 (1) and amended to read:

218.0131 (1) Any designated family member of a deceased or incapacitated dealer shall have the right to succeed ~~such the deceased or incapacitated~~ dealer in the ownership or operation of the dealership under the existing franchise agreement ~~provided if~~ the designated family member gives the manufacturer, factory branch or distributor written notice of his or her intention to do so within 120 days of the dealer's death or incapacity ~~and~~, unless there exists good cause for refusal to honor ~~such the~~ succession on the part of the manufacturer, factory branch or distributor. The manufacturer, factory branch or distributor may request, and the designated family member shall provide, ~~such~~ personal and financial data ~~as is that are~~ reasonably necessary to determine whether the succession should be honored.

SECTION 195. 218.01 (3c) (c) of the statutes is renumbered 218.0131 (2) and amended to read:

218.0131 (2) If a manufacturer, factory branch or distributor believes it has good cause for refusing to honor the succession to the ownership and operation of a dealership by a family member of a deceased or incapacitated dealer under the existing franchise agreement, ~~such the~~ manufacturer, factory branch or distributor may, within 30 days of receipt of notice of the designated family member's intent to succeed the dealer in the ownership and operation of the dealership, serve upon ~~such the~~ designated family member and the department of transportation notice of its refusal to honor the succession and of its intent to discontinue the existing franchise agreement with the dealership no sooner than 60 days from the date ~~such the~~ notice is served. ~~Such The~~ notice shall state the specific grounds for the refusal to honor the succession and the discontinuance of the franchise agreement. If no notice of ~~such~~ refusal and discontinuance is timely served upon the family member and department of transportation, or if the division of hearings and appeals rules in favor of the complainant in a hearing held under ~~par. (d) sub. (3)~~, the franchise agreement shall continue in effect subject to termination only in the manner prescribed in this subchapter.

SECTION 196. 218.01 (3c) (d) of the statutes is renumbered 218.0131 (3) (a) and amended to read:

218.0131 (3) (a) Any designated family member who receives a notice of the manufacturer's, factory branch's or distributor's refusal to honor his or her succession to the ownership and operation of the dealership may, within the 60-day notice period, serve on the respondent and file in triplicate with the division of hearings and appeals a verified complaint for a hearing and determination by the division of hearings and appeals on whether good cause exists for ~~such the~~ manufacturer's, factory branch's or distributor's refusal and discontinuance. The division of hearings and appeals shall forward a copy of the complaint to the department of transportation.

(b) The manufacturer, factory branch or distributor shall, at the hearing held under par. (a), have the burden of establishing good cause for ~~such its~~ refusal by showing that the succession would be detrimental to the public interest or to the representation of the manufacturer, factory branch or distributor. The franchise agreement shall continue in effect until the final determination of the issues raised in ~~such the~~ complaint.

(c) If the complainant prevails at the hearing held under par. (a), he or she shall have a cause of action against the defendant manufacturer, factory branch or distributor for reasonable expenses and attorney fees incurred in ~~such the~~ matter. If the manufacturer, factory branch or distributor prevails, the division of hearings and appeals shall include in its order approving the termination of the franchise agreement such conditions as are reasonable and adequate to afford the complainant an

opportunity to receive fair and reasonable compensation for the value of the dealership.

SECTION 197. 218.01 (3c) (e) of the statutes is renumbered 218.0131 (4) and amended to read:

218.0131 (4) Nothing in this ~~subsection~~ section shall prevent a dealer, during the dealer's lifetime, from designating any person as his or her successor dealer by written instrument filed with the manufacturer, factory branch or distributor.

SECTION 198. 218.01 (3n) (title) of the statutes is renumbered 218.0132 (title).

SECTION 199. 218.01 (3n) (a) of the statutes is renumbered 218.0132 (1) (a) and amended to read:

218.0132 (1) (a) For purposes of ~~sub. (3) (a) 17. s. 218.0116 (1) (i)~~, the termination, cancellation or discontinuation of a motor vehicle line make will be considered to be the cancellation or failure to renew the franchise of a motor vehicle dealer or distributor of that line make even if that line make is part of an agreement that includes other line makes ~~but~~.

(b) Notwithstanding par. (a), a manufacturer, importer or distributor may change, add or delete models, specifications, model names, numbers or identifying marks or similar characteristics of motor vehicles that it markets without effecting a cancellation or failure to renew a franchise.

SECTION 200. 218.01 (3n) (b) (intro.) of the statutes is renumbered 218.0132 (2) (intro.) and amended to read:

218.0132 (2) (intro.) The cancellation or nonrenewal of a franchise shall not be a violation of ~~sub. (3) (a) 17. s. 218.0116 (1) (i)~~ if all of the following requirements are met:

SECTION 201. 218.01 (3n) (b) 1. of the statutes is renumbered 218.0132 (2) (a).

SECTION 202. 218.01 (3n) (b) 2. of the statutes is renumbered 218.0132 (2) (b).

SECTION 203. 218.01 (3n) (b) 3. of the statutes is renumbered 218.0132 (2) (c) and amended to read:

218.0132 (2) (c) If the franchisee is a motor vehicle dealer, the dealer receives the termination benefits under ~~sub. (3) s. 218.0133~~.

SECTION 204. 218.01 (3n) (b) 4. (intro.) of the statutes is renumbered 218.0132 (2) (d) (intro.).

SECTION 205. 218.01 (3n) (b) 4. a. of the statutes is renumbered 218.0132 (2) (d) 1.

SECTION 206. 218.01 (3n) (b) 4. b. of the statutes is renumbered 218.0132 (2) (d) 2. and amended to read:

218.0132 (2) (d) 2. Compensates the dealer or distributor for the actual pecuniary loss caused by the franchise cancellation or nonrenewal. In determining the actual pecuniary loss, the value of any continued service or parts business available to the dealer or distributor for the line make covered by the franchise shall be considered. If the dealer or distributor and the manufacturer, importer or distributor cannot agree on the amount of compensation to be paid under this ~~subd. 4. b.~~ subdivi-

sion, either may file a declaratory judgment action in a court of competent jurisdiction.

SECTION 207. 218.01 (3n) (b) 4. c. of the statutes is renumbered 218.0132 (2) (d) 3. and amended to read:

218.0132 (2) (d) 3. Establishes, in a proceeding brought by the dealer or distributor alleging that the cancellation or nonrenewal violates ~~sub. (3) (a) 17. s. 218.0116 (1) (i)~~, that the continued distribution of the line make in the United States would cause it economic loss and that, after the effective date of the franchise cancellation or nonrenewal, neither the manufacturer, importer or distributor nor any owner, assignee or licensee of the trademarks or service marks used for the purpose of designating, making known or distinguishing the line make covered by the franchise will use the trademarks or service marks, either alone or in conjunction with other marks, in designating, making known or distinguishing any line make of motor vehicle sold or distributed in the United States.

SECTION 208. 218.01 (3n) (b) 4. d. of the statutes is renumbered 218.0132 (2) (d) 4. (intro.) and amended to read:

218.0132 (2) (d) 4. (intro.) If the franchise relates to a line make that is sold or distributed in less than 13 states of the United States, establishes, in a proceeding brought by the dealer or distributor alleging that the cancellation or nonrenewal violates ~~sub. (3) (a) 17., that s. 218.0116 (1) (i) all of the following:~~

a. That the continued distribution of the line make in this state would cause it economic loss ~~and that.~~

b. That after the effective date of the franchise cancellation or nonrenewal, neither the manufacturer, importer or distributor nor any owner, assignee or licensee of the trademarks or service marks used for the purpose of designating, making known or distinguishing the line make covered by the franchise will use ~~such those~~ trademarks or service marks, either alone or in conjunction with other marks, in designating, making known or distinguishing any line make of motor vehicle sold or distributed in this state, except that, if the line make covered by the franchise has been first distributed in this state less than 2 years before the effective date of the cancellation or nonrenewal, ~~such those~~ trademarks and service marks may be used in this state after 6 years from the effective date of the cancellation or nonrenewal.

SECTION 209. 218.01 (3n) (b) 4. e. of the statutes is renumbered 218.0132 (2) (d) 5. (intro.) and amended to read:

218.0132 (2) (d) 5. (intro.) Establishes, in a proceeding brought by the dealer or distributor alleging that the cancellation or nonrenewal violates ~~sub. (3) (a) 17., that s. 218.0116 (1) (i) all of the following:~~

a. That the continued distribution of the line make in this state is prohibited by law or by an order of a court or agency with jurisdiction to issue the order ~~and that.~~

b. That the continued distribution of the line make in this state cannot be made to comply with the law or order through the reasonable efforts of the manufacturer, importer or distributor ~~and that.~~

c. That after the effective date of the franchise cancellation or nonrenewal, neither the manufacturer, importer or distributor nor any owner, assignee or licensee of the trademarks or service marks used for the purpose of designating, making known or distinguishing the line make covered by the franchise will use ~~such those~~ trademarks or service marks, either alone or in conjunction with other marks, in designating, making known or distinguishing any comparable line make of motor vehicle sold or distributed in this state.

SECTION 210. 218.01 (3r) (title) of the statutes is renumbered 218.0133 (title).

SECTION 211. 218.01 (3r) (a) (intro.) of the statutes is renumbered 218.0133 (1) (intro.) and amended to read:

218.0133 (1) (intro.) In this ~~subsection~~ section:

SECTION 212. 218.01 (3r) (a) 1. of the statutes is renumbered 218.0133 (1) (a).

SECTION 213. 218.01 (3r) (a) 2. of the statutes is renumbered 218.0133 (1) (b).

SECTION 214. 218.01 (3r) (b) 1. of the statutes is renumbered 218.0133 (2) (a) and amended to read:

218.0133 (2) (a) Except as provided in ~~par. (e) sub. (5)~~ and subject to ~~par. (e) sub. (3)~~, when a grantor or motor vehicle dealer terminates, cancels or does not renew an agreement a grantor shall pay a motor vehicle dealer all of the termination benefits under ~~subds. 2. to 5. pars. (b) to (e).~~

SECTION 215. 218.01 (3r) (b) 2. of the statutes is renumbered 218.0133 (2) (b) 1. (intro.) and amended to read:

218.0133 (2) (b) 1. (intro.) A grantor shall repurchase from the motor vehicle dealer any unsold new motor ~~vehicles~~ vehicle that have meets all of the following criteria:

a. The motor vehicle has not been structurally modified by a motor vehicle dealer, ~~that have.~~

b. The motor vehicle has not been operated more than 300 miles for manufacturer's tests, predelivery tests and motor vehicle dealer exchange in addition to operation required for motor vehicle delivery from the grantor ~~and that the.~~

c. The motor vehicle dealer was acquired as part of the motor vehicle dealer's original inventory or acquired from the grantor or from another motor vehicle dealer of the same line make ~~and~~ who acquired the motor vehicle from the grantor. ~~In addition, a~~

2. A grantor may not be required to repurchase a motor vehicle under this ~~subdivision~~ paragraph unless the date on the original dealer invoice is within 12 months of the date on which the motor vehicle dealer terminates, cancels or does not renew an agreement or is within 18

months of the date on which the grantor terminates, cancels or does not renew an agreement.

3. The repurchase price for a new motor vehicle shall be the motor vehicle invoice price from the grantor, plus destination, delivery or distribution charges and sales taxes incurred by the motor vehicle dealer, less allowances paid or credited to the motor vehicle dealer by the grantor. A grantor may subtract from a new motor vehicle repurchase price an amount equal to the diminution in wholesale value caused by damages to a new motor vehicle before the motor vehicle dealer delivers the new motor vehicle to the grantor.

SECTION 216. 218.01 (3r) (b) 3. of the statutes is renumbered 218.0133 (2) (c) 1. (intro.) and amended to read:

218.0133 (2) (c) 1. (intro.) A grantor shall repurchase from the motor vehicle dealer any unused, undamaged and unsold parts and accessories and unopened appearance and maintenance materials and paints that if those items meet all of the following criteria:

a. The items are in the motor vehicle dealer's inventory or subject to a noncancelable order to the grantor on the effective date of the termination, cancellation or nonrenewal, ~~that and~~ are in original packaging, or, if sheet metal or body panels, ~~that~~ are in a comparable substitute for original packaging, ~~and that the~~.

b. The items were acquired by the motor vehicle dealer ~~acquired~~ from the grantor or from its the motor vehicle dealer's predecessor motor vehicle dealer ~~if and~~ the ~~parts, accessories and materials and paints~~ items are listed for sale in the grantor's price schedules in effect on the effective date of the termination, cancellation or nonrenewal ~~or, the items~~ are part of the motor vehicle dealer's original inventory acquired from the grantor or ~~are~~ the items were acquired by the motor vehicle dealer from the grantor within 4 years before the effective date of the termination, cancellation or nonrenewal. ~~However, a~~

2. A grantor may not be required to repurchase items that are not listed for sale in the grantor's price schedules in effect on the effective date of the termination, cancellation or nonrenewal if, within 2 years before the effective date of the termination, cancellation or nonrenewal, the grantor permitted a motor vehicle dealer to return obsolete parts and accessories, or a reasonable percentage of parts and accessories, for an amount that is equal to or greater than the price at which those items were listed for sale, less any allowances, at the time the return was permitted.

3. The repurchase price for parts, accessories ~~and~~ materials and paints repurchased under subd. 1. shall be the price at which those items are listed for sale in the grantor's price schedules in effect on the effective date of the termination, cancellation or nonrenewal, or, if an item is not listed, the motor vehicle dealer's original invoice cost, plus destination, delivery or distribution charges, and sales taxes incurred by the motor vehicle dealer, less

allowances paid or credited to the motor vehicle dealer by the grantor. If a motor vehicle dealer inventories, handles and packages repurchased items for delivery to the grantor, the grantor shall reimburse the motor vehicle dealer an additional amount equal to 2% of the repurchase price under this subdivision paragraph.

SECTION 217. 218.01 (3r) (b) 4. of the statutes is renumbered 218.0133 (2) (d).

SECTION 218. 218.01 (3r) (b) 5. of the statutes is renumbered 218.0133 (2) (e).

SECTION 219. 218.01 (3r) (c) of the statutes is renumbered 218.0133 (3) and amended to read:

218.0133 (3) (a) The grantor shall provide a list of the motor vehicles, parts, accessories, materials and paints, signs, tools, equipment and furnishings that the motor vehicle dealer is authorized to return to the grantor within 30 days after the grantor receives a written inventory of the property that the motor vehicle dealer intends to return or within 30 days after the effective date of the termination, cancellation or nonrenewal, whichever is later. Within 60 days after the property is actually returned by the motor vehicle dealer to the grantor, f.o.b. dealership facilities, the grantor shall pay the motor vehicle dealer the reimbursement amount under ~~par. (b) 2. to 5. sub. (2) (b) to (e),~~ except that the grantor may apply the reimbursement amount first to pay any amount owed by the motor vehicle dealer to the grantor.

(b) If a repurchase price under ~~par. (b) sub. (2)~~ depends on a purchase date or original cost or includes an associated cost, the motor vehicle dealer shall have the burden of proving by documentary evidence the purchase date, original cost or associated cost.

SECTION 220. 218.01 (3r) (d) 1. of the statutes is renumbered 218.0133 (4) (a) and amended to read:

218.0133 (4) (a) Except as provided in ~~par. (e) sub. (5) and subject to subd. 4. par. (d),~~ when a grantor terminates, cancels or does not renew an agreement a grantor shall, upon request, pay a motor vehicle dealer the termination benefits under ~~subd. 2. or 3. par. (b) or (c).~~ If a motor vehicle dealer receives benefits under ~~subd. 2. or 3. par. (b) or (c),~~ the grantor shall be entitled to the possession and use of the dealership facilities for the period that the termination benefits payment covers.

SECTION 221. 218.01 (3r) (d) 2. of the statutes is renumbered 218.0133 (4) (b).

SECTION 222. 218.01 (3r) (d) 3. of the statutes is renumbered 218.0133 (4) (c).

SECTION 223. 218.01 (3r) (d) 4. of the statutes is renumbered 218.0133 (4) (d) and amended to read:

218.0133 (4) (d) Subdivisions 2. and 3. Paragraphs (b) and (c) apply only to dealership facilities that are used in performing sales and service obligations under an agreement before the motor vehicle dealer receives notice of the termination, cancellation or nonrenewal of the agreement.

SECTION 224. 218.01 (3r) (e) 1. (intro.) of the statutes is renumbered 218.0133 (5) (a) (intro.) and amended to read:

218.0133 (5) (a) (intro.) ~~Paragraphs (b) and (d) Subsections (2) and (4)~~ do not apply to any of the following:

SECTION 225. 218.01 (3r) (e) 1. a. of the statutes is renumbered 218.0133 (5) (a) 1.

SECTION 226. 218.01 (3r) (e) 1. b. of the statutes is renumbered 218.0133 (5) (a) 2.

SECTION 227. 218.01 (3r) (e) 1. c. of the statutes is renumbered 218.0133 (5) (a) 3.

SECTION 228. 218.01 (3r) (e) 1. d. of the statutes is renumbered 218.0133 (5) (a) 4.

SECTION 229. 218.01 (3r) (e) 1. e. of the statutes is renumbered 218.0133 (5) (a) 5. and amended to read:

218.0133 (5) (a) 5. A motor vehicle dealer who terminates, cancels or fails to renew an agreement to sell motor homes, as defined in s. 340.01 (33m), unless a court, a licensor or the division of hearings and appeals determines that the grantor has not acted in good faith or has materially violated the agreement or a provision of ~~this section ss. 218.0101 to 218.0163~~ and determines that the motor vehicle dealer has not acted in bad faith or has not violated the agreement or a provision of ~~this section ss. 218.0101 to 218.0163.~~

SECTION 230. 218.01 (3r) (e) 1. f. of the statutes is renumbered 218.0133 (5) (a) 6.

SECTION 231. 218.01 (3r) (e) 2. of the statutes is renumbered 218.0133 (5) (b) and amended to read:

218.0133 (5) (b) ~~Paragraph (b) Subsection (2)~~ does not apply to a motor vehicle dealer who is unable to convey clear title to property under ~~par. (b) 2. to 5. sub. (2) (b) to (e)~~ on the date on which the grantor takes delivery of the property.

SECTION 232. 218.01 (3r) (e) 3. of the statutes is renumbered 218.0133 (5) (c) and amended to read:

218.0133 (5) (c) ~~Paragraph (b) Subsection (2)~~ does not apply to property under ~~par. (b) 2. to 5. sub. (2) (b) to (e)~~ that is acquired by a motor vehicle dealer from another motor vehicle dealer if the property is acquired after the motor vehicle dealer receives or gives notice of termination, cancellation or nonrenewal or if the property was acquired other than in the ordinary course of the motor vehicle dealer's business.

SECTION 233. 218.01 (3r) (e) 4. of the statutes is renumbered 218.0133 (5) (d) and amended to read:

218.0133 (5) (d) ~~Paragraph (d) Subsection (4)~~ does not apply if a grantor terminates, cancels or fails to renew an agreement in compliance with ~~sub. (3) (a) 17. s. 218.0116 (1) (i)~~, unless the primary ground for termination, cancellation or nonrenewal is inadequate sales performance by the motor vehicle dealer.

SECTION 234. 218.01 (3r) (f) of the statutes is renumbered 218.0133 (6) and amended to read:

218.0133 (6) (a) This ~~subsection section~~ does not restrict the right of a motor vehicle dealer to pursue any

other remedy available against a grantor who terminates, cancels or does not renew an agreement.

(b) A grantor may not make the termination benefits payments under ~~par. (b) or (d) sub. (2) or (4)~~ contingent on the motor vehicle dealer releasing or waiving any rights, claims or remedies.

SECTION 235. 218.01 (3x) (title) of the statutes is renumbered 218.0134 (title).

SECTION 236. 218.01 (3x) (a) of the statutes is renumbered 218.0134 (1) and amended to read:

218.0134 (1) In this ~~subsection section~~, "affected grantor" means a manufacturer on direct dealerships, a distributor on indirect dealerships or an importer on direct dealerships that has entered into an agreement with a motor vehicle dealer and that is directly affected by an action proposed to be undertaken by the dealer under this ~~subsection section~~.

SECTION 237. 218.01 (3x) (b) of the statutes is renumbered 218.0134 (2) and amended to read:

218.0134 (2) (a) If a motor vehicle dealer's agreement with an affected grantor requires the grantor's prior approval of an action proposed to be undertaken by the dealer under this ~~subsection section~~, a dealer may not voluntarily change its ownership or executive management, transfer its dealership assets to another person, add another franchise at the same location as its existing franchise or relocate a franchise without giving prior written notice of the proposed action to the affected grantor and to the department of transportation. Within 20 days after receiving the notice, the affected grantor may serve the dealer with a written list of the information not already known or in the possession of the grantor that is reasonably necessary in order for the grantor to determine whether the proposed action should be approved. The grantor shall, in good faith, confirm in writing to the dealer the date on which it has received from the dealer or from other sources all the information specified on the list.

(b) An affected grantor who does not approve of the proposed action shall, within 30 days after receiving the dealer's written notice of the proposed action or within 30 days after receiving all the information specified in a written list served on the dealer under ~~subd. 1. par. (a)~~, whichever is later, file with the department of transportation and serve upon the dealer a written statement of the reasons for its disapproval. The reasons given for the disapproval or any explanation of those reasons by the manufacturer, distributor or importer shall not subject the manufacturer, distributor or importer to any civil liability unless the reasons given or explanations made are malicious and published with the sole intent to cause harm to the dealer or a transferee of the dealer. Failure to file and serve a statement within the applicable period shall, notwithstanding the terms of any agreement, constitute approval of the proposed action by the grantor. If an affected grantor files a written statement within the appli-

cable period, the dealer may not voluntarily undertake the proposed action unless it receives an order permitting it to do so from the division of hearings and appeals under ~~par. (e) 2, sub. (3) (b).~~

(c) A dealer who is served with a written statement by an affected grantor under ~~subd. 2, par. (b)~~ may file with the department of transportation and the division of hearings and appeals and serve upon the affected grantor a complaint for the determination of whether there is good cause for permitting the proposed action to be undertaken. The division of hearings and appeals shall promptly schedule a hearing and decide the matter. The proposed action may not be undertaken pending the determination of the matter.

SECTION 238. 218.01 (3x) (c) of the statutes is renumbered 218.0134 (3).

SECTION 239. 218.01 (3x) (d) (intro.) of the statutes is renumbered 218.0134 (4) (intro.) and amended to read:

218.0134 (4) (intro.) This ~~subsection~~ section does not apply to:

SECTION 240. 218.01 (3x) (d) 1. of the statutes is renumbered 218.0134 (4) (a).

SECTION 241. 218.01 (3x) (d) 2. of the statutes is renumbered 218.0134 (4) (b) and amended to read:

218.0134 (4) (b) A proposed action that would require an affected grantor to give notice under ~~sub. (3) (f) 1, s. 218.0116 (7) (a)~~, except that the dealer must have the affected grantor's written approval before undertaking any such proposed action.

SECTION 242. 218.01 (3x) (d) 3. (intro.) of the statutes is renumbered 218.0134 (4) (c) (intro.).

SECTION 243. 218.01 (3x) (d) 3. a. of the statutes is renumbered 218.0134 (4) (c) 1.

SECTION 244. 218.01 (3x) (d) 3. b. of the statutes is renumbered 218.0134 (4) (c) 2. (intro.) and amended to read:

218.0134 (4) (c) 2. (intro.) The proposed change of ownership or transfer of dealership assets does not involve the transfer of assets or the transfer or issuance of stock by the dealer or one or more dealer owners to one or more immediate family members of one or more dealer owners or to a qualifying member of the dealer's management or to a partnership, limited liability company or corporation controlled by ~~such~~ those persons. In this ~~subd. 3. b.,~~ "immediate subdivision:

a. "Immediate family member" means the spouse, child, grandchild, spouse of a child or grandchild, brother, sister or parent of the dealer owner; ~~and~~ "qualifying

b. "Qualifying member of the dealer's management" means an individual who has been employed by the dealer for at least 2 years and who otherwise qualifies as a dealer operator.

SECTION 245. 218.01 (3x) (d) 3. c. of the statutes is renumbered 218.0134 (4) (c) 3. and amended to read:

218.0134 (4) (c) 3. The affected grantor agrees to pay the reasonable expenses, including reasonable attorney fees that do not exceed the usual, customary and reasonable fees charged for similar work done for other clients, incurred by the proposed new owner or transferee before the grantor's exercise of its right of first refusal in negotiating and implementing the contract for the proposed change of ownership or transfer of dealership assets. Notwithstanding this ~~subd. 3. c.~~ subdivision, no payment of expenses and attorney fees shall be required if the dealer has not submitted or caused to be submitted an accounting of those expenses within 7 days after the dealer's receipt of the affected grantor's written request for an accounting.

SECTION 246. 218.01 (3x) (d) 4. of the statutes is renumbered 218.0134 (4) (d).

SECTION 247. 218.01 (4) of the statutes is renumbered 218.0151 and amended to read:

218.0151 Advisory committee. The licensor may appoint annually one or more local advisory committees and one general advisory committee, each consisting of not more than 9 members. The committees upon request of the licensor may advise and assist the licensor in the administration of ~~this section ss. 218.0101 to 218.0163.~~ The members of ~~said~~ the committees shall receive no compensation for their services or expenses.

SECTION 248. 218.01 (5) (title) of the statutes is renumbered 218.0152 (title).

SECTION 249. 218.01 (5) (a) of the statutes is renumbered 218.0152 (1) and amended to read:

218.0152 (1) The licensor shall promote the interests of retail buyers and lessees of motor vehicles relating to default, delinquency, repossession or collection charges and the refund of the finance charge and insurance premium on prepayment of the instalment contract or consumer lease. It may define unfair practices in the motor vehicle industry and trade between licensees or between any licensees and retail buyers, lessees or prospective lessees of motor vehicles, but may not limit the price at which licensees may sell, assign or transfer receivables, contracts or other evidence of any obligation arising out of an instalment sale or consumer lease made under ~~this section ss. 218.0101 to 218.0163.~~

SECTION 250. 218.01 (5) (b) 1. of the statutes is renumbered 218.0152 (2) (a) (intro.) and amended to read:

218.0152 (2) (a) (intro.) The division of banking, department of transportation and division of hearings and appeals shall have the power in hearings arising under this chapter to ~~determine~~ do all of the following:

1. Determine the place, in this state, where ~~they~~ the hearings shall be held; ~~to subpoena.~~

2. Subpoena witnesses and documents; ~~to take.~~

3. Take and permit the taking of depositions of witnesses residing in or outside of this state and to otherwise

permit the discovery and preservation of evidence before hearing, in the manner provided for in civil actions in courts of record; ~~to pay such.~~

4. ~~Pay the witnesses described in subd. 2 the fees and mileage for their attendance as is that are provided for witnesses in civil actions in courts of record; and to administer.~~

5. ~~Administer oaths.~~

SECTION 251. 218.01 (5) (b) 2. of the statutes is renumbered 218.0152 (2) (b) and amended to read:

218.0152 (2) (b) If the licensor has reason to believe that a violation of ~~this section ss. 218.0101 to 218.0163~~ has occurred, the licensor may issue subpoenas to compel the attendance of persons to be examined or the production of materials regarding the violation. Subpoenas shall be issued and served in accordance with ch. 885.

SECTION 252. 218.01 (5) (b) 3. of the statutes is renumbered 218.0152 (2) (c) and amended to read:

218.0152 (2) (c) A person providing information under this ~~paragraph subsection~~ may request that the information be designated as a trade secret, as defined in s. 134.90 (1) (c), or as confidential business information. The division of hearings and appeals or licensor shall approve the designation if the person providing the information demonstrates that the release of the information would adversely affect the person's competitive position. At least 15 days before any information designated as a trade secret or as confidential business information is disclosed to any other person, the division of hearings and appeals or licensor shall notify the person providing the information. The person providing the information may seek a court order limiting or prohibiting the disclosure. ~~In such cases, in which case~~ the court shall weigh the need for confidentiality of the information against the public interest in disclosure. Confidentiality is waived if the person providing the information consents in writing to disclosure.

SECTION 253. 218.01 (5) (c) of the statutes is renumbered 218.0152 (3) and amended to read:

218.0152 (3) The licensor may ~~make promulgate~~ such rules and regulations as it shall ~~deem as it considers~~ necessary or proper for the effective administration and enforcement of ~~this section ss. 218.0101 to 218.0163~~, but no licensee shall be subject to examination or audit by the licensor except as provided in ~~sub. (3) (d) s. 218.0116 (5)~~.

SECTION 254. 218.01 (5m) (title) of the statutes is renumbered 218.0141 (title).

SECTION 255. 218.01 (5m) (a) of the statutes is renumbered 218.0141 and amended to read:

218.0141 No contract for the sale of a motor vehicle shall contain a clause which, upon nonacceptance of the vehicle by the buyer, would subject the buyer to a penalty greater than 5 ~~per cent~~ percent of the cash price of the vehicle.

SECTION 256. 218.01 (6) (title) of the statutes is renumbered 218.0142 (title).

SECTION 257. 218.01 (6) (a) of the statutes is renumbered 218.0142 (1).

SECTION 258. 218.01 (6) (b) of the statutes is renumbered 218.0142 (2) (a) (intro.) and amended to read:

218.0142 (2) (a) (intro.) Prior to or concurrent with any instalment sale, the seller shall deliver to the buyer a written statement clearly describing ~~clearly the~~ all of the following:

1. ~~The~~ motor vehicle sold to the buyer, ~~the~~
2. ~~The~~ cash sale price, ~~the~~
3. ~~The~~ cash paid down by the buyer, ~~the~~
4. ~~The~~ amount credited the buyer for any trade-in and a
5. ~~A~~ description of the trade-in, ~~the~~
- 5m. ~~The~~ cost to the retail buyer of any insurance, ~~the~~
6. ~~The~~ amount financed, which may include the cost of insurance, and sales and use taxes, ~~the~~
7. ~~The~~ amount of the finance charge, ~~the~~
8. ~~The~~ amount of any other charge specifying its purpose, ~~the~~
9. ~~The~~ total of payments due from the buyer, ~~the~~
10. ~~The~~ terms of the payment of such the total, ~~the~~ of payments due from the buyer.
11. ~~The~~ amount and date of each payment necessary ~~finally~~ to pay the total and a finally.
12. ~~A~~ summary of any insurance coverage to be effected.

(b) The division of banking may determine the form of the statement required under par. (a).

(c) If a written order is taken from a prospective purchaser in connection with any instalment sale, the written statement described in par. (a) shall be given to the purchaser prior to or concurrent with the signing of the order by the purchaser.

SECTION 259. 218.01 (6) (bp) of the statutes is renumbered 218.0142 (3).

SECTION 260. 218.01 (6) (c) of the statutes is renumbered 218.0142 (4) and amended to read:

218.0142 (4) An exact copy of the instalment sale contract and any note or notes given in connection ~~there-~~ with with the contract shall be furnished by the seller to the buyer at the time the buyer signs ~~such the~~ contract. The buyer's copy of the contract shall contain the signature of the seller identical with the signature on the original contract. No contract shall be signed in blank except that a detailed description of the motor vehicle including the serial number or other identifying marks of the vehicle sold which are not available at the time of execution of ~~such the~~ the contract may be filled in before final delivery of the motor vehicle.

SECTION 261. 218.01 (6) (d) of the statutes is renumbered 218.0142 (5) and amended to read:

218.0142 (5) A violation of ~~par. (a), (b) or (bp)~~ sub. (1), (2) or (3) bars recovery of any finance charge by the seller, or an assignee of the seller who, at the time of the assignment, had knowledge of the violation, in any suit

upon a sales contract arising from the sale where the violation occurred.

SECTION 262. 218.01 (6) (e) of the statutes is renumbered 218.0142 (6) (a) (intro.) and amended to read:

218.0142 (6) (a) (intro.) Prior to 30 days after acquisition of any retail instalment contract from a retail seller, every finance company shall ~~mail~~ do all of the following:

1. Mail or deliver to the retail buyer a written notice that ~~it~~ the finance company has acquired the retail instalment contract from the retail seller, ~~and shall also mail.~~

2. Mail or cause to be mailed with the notice ~~described in subd. 1.~~ a statement of the particulars of the retail instalment contract price required under ~~par. (b) sub. (2)~~ to be stated by the retail seller, in accordance with the finance company's records respecting ~~such~~ the particulars of the retail instalment contract, including the amount of the finance charge.

(b) Every finance company, if insurance is provided by ~~it~~ the finance company, shall also within ~~the~~ 30 days after acquisition of the retail instalment contract send or cause to be sent to the retail buyer a policy of insurance clearly setting forth the exact nature of the insurance coverage and the amount of the premiums, each stated separately, which shall be filed with the commissioner of insurance in accordance with ch. 625. The cancellation and rewriting of any ~~such~~ policy provided by the finance company shall comply with the requirements of s. 631.69.

SECTION 263. 218.01 (6) (em) of the statutes is renumbered 218.0142 (7) and amended to read:

218.0142 (7) In the event that the dealer shall finance the instalment sale contract, the division of banking may permit the dealer to combine the information required by ~~pars. (b) and (e) last above subs. (2) and (6)~~ in one statement under ~~such rules and regulations as~~ that the division of banking may from time to time ~~prescribe~~ promulgate.

NOTE: Modernizes language in accordance with current drafting style and usage.

SECTION 264. 218.01 (6) (f) of the statutes is renumbered 218.0142 (8) and amended to read:

218.0142 (8) Any retail buyer of a motor vehicle, ~~resident in the state of Wisconsin, at the time of purchase,~~ under a retail instalment contract, who is a resident of this state at the time of purchase shall have a valid defense in any action or proceeding at law to enforce ~~said~~ the contract by any finance company that is not licensed ~~hereunder~~ and which has purchased or otherwise acquired ~~such~~ the contract, if ~~such~~ the finance company has wilfully failed or refused to comply with ~~par. (e) sub. (6)~~.

SECTION 265. 218.01 (6) (g) of the statutes is renumbered 218.0142 (9) (intro.) and amended to read:

218.0142 (9) (intro.) Any retail buyer of a motor vehicle, ~~resident of the state of Wisconsin at the time of purchase,~~ under a retail instalment contract made in this state, who is a resident of this state at the time of purchase

shall have a valid defense against the recovery of the principal, finance charge and other fees included in the contract, in any action or proceeding at law to enforce the contract by any person who has purchased or otherwise acquired the contract, if all of the following are true:

(a) The person who acquired the contract has failed or refused prior to the purchase or acquisition to be licensed as a sales finance company under ~~this section, and the ss. 218.0101 to 218.0163.~~

(b) The person who acquired the contract is actually engaged in business, in whole or in part as a sales finance company.

SECTION 266. 218.01 (6) (h) of the statutes is renumbered 218.0142 (10) and amended to read:

218.0142 (10) All transactions which constitute consumer transactions (s. 421.301 (13)) are subject to chs. 421 to 427, in addition to ~~this section ss. 218.0101 to 218.0163.~~

SECTION 267. 218.01 (6) (k) of the statutes is renumbered 218.0142 (11) and amended to read:

218.0142 (11) This ~~subsection~~ section does not apply to a retail instalment sale of a motor vehicle made on or after November 1, 1981, if the motor vehicle is to be used primarily for business or commercial purposes and not for the buyer's personal, family or household use.

SECTION 268. 218.01 (6m) of the statutes is renumbered 218.0143 and amended to read:

218.0143 Notice of insurance to buyer under instalment sales contract. (1) Whenever a person sells or agrees to sell any motor vehicle at retail under a retail instalment contract ~~wherein provision is made~~ provides for insurance coverage, or a charge is made ~~therefor, such~~ for insurance coverage, the policy so issued or provided for, shall include public liability coverage protecting the driver of ~~such~~ the motor vehicle against damages resulting from the negligent use ~~thereof, or of the vehicle.~~

(2) Whenever a person sells or agrees to sell any motor vehicle at retail under a retail instalment contract which does not provide for insurance coverage the seller shall, in writing, notify the buyer at the time of making ~~such~~ the retail instalment contract that the motor vehicle is not covered by public liability insurance protecting the driver against damages resulting from the negligent use ~~thereof of the vehicle.~~

(3) The seller shall obtain, on a form separate from the retail instalment contract, the signed acknowledgment of the buyer that he or she has been notified that the contract does or does not include ~~such~~ public liability insurance protecting the driver against damages resulting from the negligent use of the vehicle.

SECTION 269. 218.01 (6x) of the statutes is renumbered 218.0144, and 218.0144 (4), as renumbered, is amended to read:

218.0144 (4) A prospective lessor may cancel a pre-lease agreement that, with regard to the lease terms dis-

closed in the prelease agreement, is contingent upon approval of the prospective lessee's credit by a sales finance company to whom the prospective lessor intends to assign the consumer lease, if the prelease agreement contains a provision requiring the prospective lessor to give the prospective lessee written notice of ~~such~~ the cancellation within 10 business days of execution of the prelease agreement and the notice is given to the prospective lessee.

SECTION 270. 218.01 (7) of the statutes is renumbered 218.0145 and amended to read:

218.0145 Prohibited acts. (1) No manufacturer of ~~motor vehicles, no~~ wholesaler or distributor of ~~motor vehicles,~~ and no officer, agent or representative of ~~either a manufacturer, wholesaler or distributor,~~ shall induce or coerce, or attempt to induce or coerce, any retail motor vehicle dealer or prospective retail motor vehicle dealer in this state to sell, assign or transfer any retail instalment sales contract, obtained by ~~such~~ the dealer in connection with the sale by the dealer in this state of motor vehicles manufactured or sold by ~~such~~ the manufacturer, wholesaler or distributor, to a specified sales finance company or class of ~~such~~ sales finance companies, or to any other specified person, by any of the following acts or means hereinafter set forth, namely:

(a) By any express or implied statement, suggestion, promise or threat, made directly or indirectly, that ~~such~~ the manufacturer, wholesaler or distributor will in any manner benefit or injure ~~such~~ the dealer, ~~whether such statement, suggestion, threat or promise is express or implied, or made directly or indirectly.~~

(b) By any act that will benefit or injure ~~such~~ the dealer.

(c) By any contract, or any express or implied offer of contract, made directly or indirectly to ~~such~~ the dealer, for handling ~~such~~ motor vehicles manufactured or sold by the manufacturer, wholesaler or distributor, on the condition that ~~such~~ the dealer sell, assign or transfer the dealer's retail instalment ~~contract thereon~~ contracts on motor vehicles manufactured or sold by the manufacturer, wholesaler or distributor, in this state, to a specified sales finance company or class of ~~such~~ sales finance companies, or to any other specified person.

(d) By any express or implied statement or representation, made directly or indirectly, that ~~such~~ the dealer is under any obligation ~~whatsoever~~ to sell, assign or transfer any of the dealer's retail sales contracts, in this state, on motor vehicles manufactured or sold by ~~such~~ the manufacturer, wholesaler or distributor to ~~such~~ a sales finance company, or class of sales finance companies, or other specified person, because of any relationship or affiliation between ~~such~~ the manufacturer, wholesaler or distributor and ~~such~~ the sales finance company or companies or ~~such~~ the specified person or persons.

(2) Any ~~such~~ statements, threats, promises, acts, contracts or offers of contracts, set forth in ~~par. (a)~~ sub. (1) are

declared unfair trade practices and unfair competition and against the policy of this state, are unlawful and are prohibited.

(3) No sales finance company, and no officer, agent or representative ~~thereof~~ of a sales finance company, shall induce or coerce or attempt to induce or coerce any retail motor vehicle dealer to transfer to ~~such~~ the sales finance company any of the ~~dealer's~~ retail instalment sales contracts in this state ~~of such dealer~~ on any motor vehicle by any of the following acts or means, ~~namely:~~

(a) By any statement or representation, express or implied, made directly or indirectly, that the manufacturer, wholesaler or distributor of ~~such~~ the motor vehicles will grant ~~such~~ the dealer a franchise to handle ~~such~~ the ~~manufacturer's, wholesaler's or distributor's~~ motor vehicles if ~~such~~ the dealer ~~shall will~~ sell, assign or transfer all or part of such retail sales contracts to such sales finance company.

(b) By any statement or representation, express or implied, made directly or indirectly, that the manufacturer, wholesaler or distributor ~~of such motor vehicles~~ will in any manner benefit or injure ~~such~~ the dealer if ~~such~~ the dealer ~~shall does~~ or ~~shall does~~ not sell, assign or transfer all or part of ~~such~~ the dealer's retail sales contracts to ~~such~~ the sales finance company.

(c) By an express or implied statement or representation made directly or indirectly, that there is an express or implied obligation on the part of ~~such~~ the dealer to so sell, assign or transfer all or part of ~~such~~ the dealer's retail sales contracts on ~~such~~ the ~~manufacturer's, wholesaler's or distributor's~~ motor vehicles to ~~such~~ the sales finance company because of any relationship or affiliation between ~~such~~ the sales finance company and the manufacturer, wholesaler or distributor ~~of such motor vehicles.~~

(4) Any ~~such~~ statement statements or representations set forth in ~~par. (c)~~ sub. (3) are declared to be unfair trade practices ~~and,~~ unfair competition and against the policy of this state, ~~and~~ are unlawful and are prohibited.

(5) Any retail motor vehicle dealer who, pursuant to any inducement, statement, promise or threat ~~hereinbefore~~ declared unlawful under this section, shall sell, assign or transfer any or all of the dealer's retail instalment contracts shall not be guilty of any unlawful act and may be compelled to testify to each such unlawful act.

(6) No manufacturer shall directly or indirectly pay or give, or contract to pay or give, anything of service or value to any sales finance company licensee in this state, and no ~~such~~ sales finance company licensee in this state shall accept or receive or contract or agree to accept or receive directly or indirectly any payment or thing of service ~~of or~~ value from any manufacturer, if the effect of the payment or the giving of ~~any~~ such the thing of service or value by the manufacturer, or the acceptance or receipt ~~thereof of the payment or thing of service or value~~ by the sales finance company licensee, may be to lessen or elim-

inate competition or tend to grant an unfair trade advantage or create a monopoly in the sales finance company licensee who accepts or receives the payment, thing or service of value or contracts or agrees to accept or receive the same.

NOTE: Manufacturer, wholesaler and distributor are defined under s. 218.0101, as renumbered by this bill, as manufacturer, wholesalers and distributors of motor vehicles. Redundant and superfluous language is deleted.

SECTION 271. 218.01 (7a) of the statutes is renumbered 218.0146.

SECTION 272. 218.01 (7b) (title) of the statutes is renumbered 218.0147 (title).

SECTION 273. 218.01 (7b) of the statutes is renumbered 218.0147 (1) and amended to read:

218.0147 (1) No minor shall may purchase or lease any motor vehicle unless the minor, at the time of purchase or lease, submits to the seller or lessor a statement verified before a person authorized to administer oaths and made and signed by either parent of the purchaser or lessee, if such the signing parent has custody of the minor or, if neither parent has custody, then by the person having custody, setting forth that the purchaser or lessee has consent to purchase or lease the vehicle. The signature on the statement shall not impute any liability for the purchase price of the motor vehicle or for any payments under the consumer lease to the consenting person. The statement shall not adversely affect any other arrangement for the assumption of liability for the purchase price or any lease payments which the consenting person may make.

(2) If a motor vehicle is purchased by a minor, the signed statement described in sub. (1) shall accompany the application for a certificate of title and shall be filed by the department of transportation with the application. Failure to obtain the consent or to forward it, together with the application for a certificate of title in the event of the purchase of a motor vehicle, shall not void the contract of sale or consumer lease of a motor vehicle in the hands of an innocent holder, without notice, for value and in the ordinary course of business.

(3) Any person who sells or leases a motor vehicle to a minor with knowledge of such that fact without procuring such a the statement described in sub. (1) may be fined not more than \$200 or imprisoned for not more than 6 months or both.

SECTION 274. 218.01 (7m) (title) of the statutes is renumbered 218.0136 (title).

SECTION 275. 218.01 (7m) (a) of the statutes is renumbered 218.0136 (1) and amended to read:

218.0136 (1) A licensee may not file a complaint or petition with the division of hearings and appeals or bring an action under sub. (9) (a) s. 218.0163 (1), based on an alleged violation of this section ss. 218.0101 to 218.0163 by any other licensee or pursuant to sub. (3) (f) or (fm), (3e) or (3x) under s. 218.0116 (7) or (8), 218.0131 or

218.0134, unless the licensee serves a demand for mediation upon the other licensee before or contemporaneous with the filing of the complaint or petition or the bringing of the action. A demand for mediation shall be in writing and served upon the other licensee by certified mail at an address designated for that licensee in the licensor's records. The demand for mediation shall contain a brief statement of the dispute and the relief sought by the licensee filing the demand.

SECTION 276. 218.01 (7m) (b) of the statutes is renumbered 218.0136 (2).

SECTION 277. 218.01 (7m) (c) of the statutes is renumbered 218.0136 (3) and amended to read:

218.0136 (3) The service of a demand for mediation under par. (a) sub. (1) shall stay the time for the filing of any complaint or petition with the division of hearings and appeals or for bringing an action under sub. (9) (a) s. 218.0163 (1), based on an alleged violation of this section ss. 218.0101 to 218.0163 by the other licensee or pursuant to sub. (3) (f) or (fm), (3e) or (3x) under s. 218.0116 (7) or (8), 218.0131 or 218.0134, until the representatives of both licensees have met with a mutually selected mediator for the purpose of attempting to resolve the dispute. If a complaint or petition is filed before the meeting, the division of hearings and appeals or the court shall enter an order suspending the proceeding or action until the meeting has occurred and may, upon the written stipulation of all parties to the proceeding or action that they wish to continue to mediate under this subsection section, enter an order suspending the proceeding or action for as long a period as the division of hearings and appeals or court considers to be appropriate. A suspension order issued under this paragraph subsection may be revoked upon motion of any party or upon motion of the division of hearings and appeals or the court.

SECTION 278. 218.01 (7m) (d) of the statutes is renumbered 218.0136 (4) and amended to read:

218.0136 (4) The licensor shall encourage licensees under this subsection section to establish, maintain and administer a panel of mediators who have the character, ability and training to serve as mediators and who have knowledge of the motor vehicle industry.

SECTION 279. 218.01 (7r) of the statutes is renumbered 218.0137 and amended to read:

218.0137 Arbitration of disputes between licensees. A manufacturer, importer or distributor and a dealer may agree to submit a dispute arising under a franchise agreement or under this section ss. 218.0101 to 218.0163 to binding arbitration. Unless agreed otherwise in an agreement that complies with subs. (2) (bm) 2. and (3) (a) 36. d. ss. 218.0114 (9) (b) and 218.0116 (1) (qm) 4., any arbitration proceeding shall be voluntary, initiated by serving a written demand for arbitration on the other party, and shall be conducted under the provisions of the

state of Wisconsin arbitration plan administered by representatives of the licensees.

SECTION 280. 218.01 (7t) of the statutes is renumbered 218.0138 and amended to read:

218.0138 Immunity and presumption of good faith. A mediator or arbitrator is immune from civil liability for any good faith act or omission within the scope of the mediator's or arbitrator's performance of his or her powers and duties under ~~sub. (7m) s. 218.0136~~ or the arbitration plan referred to in ~~sub. (7r) s. 218.0137~~. Every act or omission of a mediator or arbitrator is presumed to be a good faith act or omission. This presumption may be overcome only by clear and convincing evidence.

SECTION 281. 218.01 (8) of the statutes is renumbered 218.0161 and amended to read:

218.0161 Penalties. Except for sub. (3) (a) 1., 3., 6., 7., 11., 12., 13., 20., 25., 29. and 30. s. 218.0116 (1) (a), (b), (cm), (d), (f), (fm), (g), (jm), (m), (o) and (om), and except for violations for sub. (2) (a), (2a), (3a) (e) or (7b) s. 218.0114 (1), 218.0117 (3), 218.0119 or 218.0147, any person violating ~~this section ss. 218.0101 to 218.0163~~ may be required to forfeit not less than \$25 nor more than \$500 for each violation.

SECTION 282. 218.01 (8m) of the statutes is renumbered 218.0162 and amended to read:

218.0162 Commencement of action. Upon the request of the licensor, the department of justice or the district attorney may commence an action in the name of the state to recover a forfeiture under ~~sub. (8) s. 218.0161~~. An action under ~~sub. (8) s. 218.0161~~ shall be commenced within 3 years after the occurrence of the unlawful act or practice which is the subject of the action.

SECTION 283. 218.01 (9) of the statutes is renumbered 218.0163 and amended to read:

218.0163 Civil damages. (1) Without exhausting any administrative remedy available under an agreement or ~~this section ss. 218.0101 to 218.0163~~, except as provided in ~~sub. (3) (f) and (fm) s. 218.0116 (7) and (8)~~, a licensee may recover damages in a court of competent jurisdiction for pecuniary loss, together with actual costs including a reasonable attorney fee ~~fees~~, if the pecuniary loss is caused by any of the following:

(a) A violation by any other licensee of ~~sub. (3) (a) 4., 11., 15., 16., 17., 22., 23., 24., 26., 32., 35., 36., 37., 38., 39., 40., 41. or 43. s. 218.0116 (1) (bm), (f), (h), (hm), (i), (km), (L), (Lm), (mm), (pm), (q), (qm), (r), (rm), (s), (sm), (t) or (u).~~

(b) Any unfair practice found by a licensor or the division of hearings and appeals under ~~sub. (5) (a) s. 218.0152 (1).~~

(1m) If a court finds that a violation or practice described in ~~par. (a) 1. or 2. sub. (1) (a) or (b)~~ is wilful, a licensee shall recover damages in an amount equal to 3 times the pecuniary loss, together with actual costs including reasonable attorney fees.

(2) Any retail buyer, lessee or prospective lessee suffering pecuniary loss because of a violation by a licensee of ~~sub. (3) (a) 4., 5., 6., 8., 9., 10., 11., 18., 25. or 31. s. 218.0116 (1) (bm), (c), (cm), (dm), (e), (em), (f), (im), (m) or (p)~~ may recover damages for the loss in any court of competent jurisdiction together with costs, including reasonable attorney fees.

SECTION 284. 218.0116 (1) (i) 1. of the statutes is created to read:

218.0116 (1) (i) 1. (intro.) In this paragraph:

a. "Due regard to the equities" means treatment in enforcing an agreement that is fair and equitable to a motor vehicle dealer or distributor and that is not discriminatory compared to similarly situated dealers or distributors.

b. "Just provocation" means a material breach by a motor vehicle dealer or distributor, due to matters within the dealer's or distributor's control, of a reasonable and necessary provision of an agreement and the breach is not cured within a reasonable time after written notice of the breach has been received from the manufacturer, importer or distributor.

NOTE: Recreates definitions previously contained in s. 218.01 (3) (a) 17., for proper placement consistent with current style.

SECTION 285. 218.0116 (1) (im) 1. of the statutes is created to read:

218.0116 (1) (im) 1. In this paragraph, "bushing" means:

a. With respect to an order or contract of purchase, the practice of increasing the selling price of a motor vehicle above that originally quoted the purchaser as evidenced by a purchase order or contract which has been signed by both the purchaser and dealer licensee.

b. With respect to a consumer lease or prelease agreement, the practice of increasing the gross capitalized cost above that originally quoted the lessee or prospective lessee as evidenced by a consumer lease or prelease agreement which has been signed by both the lessee or prospective lessee and the dealer licensee.

NOTE: Recreates a definition previously contained in s. 218.01 (3) (a) 18., for proper placement consistent with current style. The former text referred to "this section", the only occurrence of the term "bushing" is in this statutory subunit. As a result, "section" is replaced by "paragraph".

SECTION 286. 218.0116 (7) (d) 1d. of the statutes is created to read:

218.0116 (7) (d) 1d. "Closed" means the effective date of the termination or expiration of a dealership's or outlet's license or franchise, whichever is earlier.

NOTE: Recreates a definition previously contained in s. 218.01 (3) (f) 4. a., for proper placement consistent with current style.

SECTION 287. 218.015 of the statutes is renumbered 218.0171, and 218.0171 (1) (c) and (e), as renumbered, are amended to read:

218.0171 (1) (c) "Manufacturer" means a manufacturer as defined in s. ~~218.01 (1) (L)~~ 218.0101 (20) and

agents of the manufacturer, including an importer, a distributor, factory branch, distributor branch and any warrantors of the manufacturer's motor vehicles, but not including a motor vehicle dealer.

(e) "Motor vehicle dealer" has the meaning given under s. ~~218.01 (1) (n)~~ 218.0101 (23) (a).

SECTION 288. 218.017 of the statutes is renumbered 218.0172, and 218.0172 (1) (b), (c), (d) and (e), as renumbered, are amended to read:

218.0172 (1) (b) "Consumer" has the meaning given in s. ~~218.015~~ 218.0171 (1) (b).

(c) "Manufacturer" has the meaning given in s. ~~218.015~~ 218.0171 (1) (c).

(d) "Motor vehicle" has the meaning given in s. ~~218.015~~ 218.0171 (1) (d).

(e) "Motor vehicle dealer" means a motor vehicle dealer, as defined in s. ~~218.01 (1) (n)~~ 218.0101 (23) (a), that sells new motor vehicles.

SECTION 289. 218.12 (5) of the statutes is amended to read:

218.12 (5) The provision of s. ~~218.01 (3)~~ 218.0116 relating to the denial, suspension and revocation of a motor vehicle salesperson's license shall apply to the denial, suspension and revocation of a mobile home salesperson's license so far as applicable, except that such provision does not apply to the denial, suspension or revocation of a license under sub. (3m).

SECTION 290. 218.12 (6) of the statutes is amended to read:

218.12 (6) The provisions of s. ~~218.01 (3) (g) and (5) ss. 218.0116 (9) and 218.0152~~ shall apply to this section, mobile home sales practices and the regulation of travel trailer or mobile home salespersons, as far as applicable.

SECTION 291. 218.205 (2) (a) of the statutes is amended to read:

218.205 (2) (a) Motor vehicle dealers licensed under s. ~~218.01 (2)~~ 218.0114 who remove, but do not sell, as such, parts of motor vehicles prior to sale of such vehicles to motor vehicle salvage dealers or scrap metal processors.

SECTION 292. 218.21 (1m) of the statutes is amended to read:

218.21 (1m) The department may not require information relating to the applicant's solvency or financial standing if the applicant provides a bond in the amount provided in sub. (4) and under conditions specified in s. ~~218.01 (2) (h) 2.~~ 218.0114 (20) (b).

SECTION 293. 218.21 (4) (a) of the statutes is amended to read:

218.21 (4) (a) Unless the applicant furnishes a bond, or other adequate collateral as security, of not less than \$25,000 under conditions provided by s. ~~218.01 (2) (h) 2.~~ 218.0114 (20) (b), every application shall be accompanied by a current financial statement to determine the applicant's solvency as required under sub. (1). Except

as provided in par. (b), this paragraph does not apply to the application of a scrap metal processor.

SECTION 294. 218.21 (6) of the statutes is amended to read:

218.21 (6) A bond may be required under conditions as provided by s. ~~218.01 (2) (h) 2.~~ 218.0114 (20) (b).

SECTION 295. 218.22 (1) (intro.) of the statutes is amended to read:

218.22 (1) (intro.) The department shall issue a license to the applicant for a motor vehicle salvage dealer's license upon the receipt of a properly completed application form accompanied by the fee required under sub. (2) (c) or (d), upon being satisfied that the applicant is financially solvent or that the applicant has furnished a bond, or other adequate collateral as security, of not less than \$25,000 under conditions provided by s. ~~218.01 (2) (h) 2.~~ 218.0114 (20) (b), and of good character and:

SECTION 296. 218.22 (3) (m) of the statutes is amended to read:

218.22 (3) (m) Having sold a retail instalment contract to a sales finance company not licensed under s. ~~218.01 ss. 218.0101 to 218.0163.~~

SECTION 297. 218.22 (5) of the statutes is amended to read:

218.22 (5) No salvage dealer licensed under ss. 218.205 to 218.23 shall be licensed as a dealer under s. ~~218.01 (2)~~ 218.0114 at his or her salvage dealer location, provided that nothing herein shall prohibit licensing and transacting of both businesses at the same location where the salvage operations are physically separated.

SECTION 298. 218.40 (3) of the statutes is amended to read:

218.40 (3) "Moped dealer" means any person, firm or corporation, who is engaged wholly or in part in the business of selling mopeds. ~~Provided, however, except~~ that a person, firm or corporation who is also a motor vehicle dealer under s. ~~218.01 ss. 218.0101 to 218.0163~~ shall be governed and regulated by the provisions of s. ~~218.01 ss. 218.0101 to 218.0163~~ and not this section.

SECTION 299. 218.505 of the statutes is amended to read:

218.505 Salvage pools to be licensed as wholesalers. No motor vehicle salvage pool may engage in business as such unless licensed as a wholesaler under s. ~~218.01 ss. 218.0101 to 218.0163.~~

SECTION 300. 220.285 (1) of the statutes is amended to read:

220.285 (1) Any state bank, trust company bank, licensee under s. ~~ss. 138.09, 138.12, 218.01~~ 218.0101 to 218.0163, 218.02, 218.04 or 218.05 or ch. 217 may cause any or all records kept by such bank or licensee to be recorded, copied or reproduced by any photostatic, photographic or miniature photographic process or by optical imaging if the process employed correctly, accurately and permanently copies, reproduces or forms a medium

for copying, reproducing or recording the original record on a film or other durable material. A bank or licensee may thereafter dispose of the original record after first obtaining the written consent of the division. This section, excepting that part of it which requires written consent of the division, is applicable to national banking associations insofar as it does not contravene federal law.

SECTION 301. 227.43 (1) (bg) of the statutes is amended to read:

227.43 (1) (bg) Assign a hearing examiner to preside over any hearing or review under ss. 84.30 (18), 84.31 (6) (a), 85.013 (1), 86.073 (3), 86.16 (5), 86.195 (9) (b), 86.32 (1), 114.134 (4) (b), 114.135 (9), 114.20 (19), 175.05 (4) (b), 194.145 (1), 194.46, ~~218.01 (2) (bd) 2. and (c) 2., (3) (b), (c), (f) 1., (fm) 1. and (h) and (3c) (d) 218.0114 (7) (d) and (12) (b), 218.0116 (2), (4), (7) (a), (8) (a) and (10), 218.0131 (3), 218.11 (7) (a) and (b), 218.22 (4) (a) and (b), 218.32 (4) (a) and (b), 218.41 (4), 218.51 (5) (a) and (b), 341.09 (2m) (d), 342.26, 343.69 and 348.25 (9).~~

SECTION 302. 340.01 (11) (d) of the statutes is amended to read:

340.01 (11) (d) A finance company licensed under s. ~~ss. 138.09 or 218.01 218.0101 to 218.0163~~ who sells or offers for sale motor vehicles repossessed or foreclosed by it under the terms of a security contract.

SECTION 303. 340.01 (28e) of the statutes is amended to read:

340.01 (28e) "Manufacturers buyback vehicle" means a motor vehicle repurchased by its manufacturer, or by an authorized distributor or dealer with compensation from the manufacturer, because of a nonconformity that was not corrected after a reasonable attempt to repair the nonconformity under s. ~~218.045 218.0171~~ or under a similar law of another state.

SECTION 304. 340.01 (35e) of the statutes is amended to read:

340.01 (35e) "Motor vehicle dealer" has the meaning given in s. ~~218.01 (1) (n) 218.0101 (23) (a).~~

SECTION 305. 340.01 (74t) of the statutes is amended to read:

340.01 (74t) "Wholesaler" has the meaning given in s. ~~218.01 (1) (e) 218.0101 (6).~~

SECTION 306. 341.51 (6) of the statutes is amended to read:

341.51 (6) A person licensed under s. ~~218.04 ss. 218.0101 to 218.0163~~ or 218.41 as a dealer, distributor or manufacturer of only mopeds may, but need not, apply for registration under this section.

SECTION 307. 341.57 (1) of the statutes is amended to read:

341.57 (1) Any motor vehicle owned or being repossessed by a finance company licensed under s. ~~ss. 138.09 or 218.01 218.0101 to 218.0163~~, by a credit union licensed under ch. 186, by a savings bank organized under ch. 214, by a savings and loan association orga-

nized under ch. 215 or by a state bank or a national bank with offices in this state, may be operated on the highways of this state for any necessary purpose in repossessing, reconditioning or reselling such vehicle without such vehicle being registered if the vehicle has displayed upon it a valid registration plate issued to such licensee pursuant to this section.

SECTION 308. 341.57 (2) of the statutes is amended to read:

341.57 (2) A finance company licensed under s. ~~ss. 138.09 or 218.01 218.0101 to 218.0163~~, a credit union licensed under ch. 186, a savings bank organized under ch. 214, a savings and loan association organized under ch. 215 or a state bank or a national bank with offices in this state may apply to the department for registration on such form as the department provides. Upon receipt of the application together with a registration fee of \$75, the department shall register the applicant and shall issue one registration plate containing the registration number assigned to the applicant. The department, upon receiving a fee of \$5 for each additional plate desired by the applicant, shall issue additional plates as the applicant orders. Section 341.52 applies to the design of the plates. The registration and plates are valid only during the calendar year for which issued. A plate is transferable from one motor vehicle to another. The department may charge a fee of \$2 per plate for replacing lost, damaged or illegible plates issued under this subsection.

SECTION 309. 342.12 (3) (a) of the statutes is amended to read:

342.12 (3) (a) The applicant is a dealer licensed under s. ~~218.04 ss. 218.0101 to 218.0163~~ or 218.11 and is financially responsible as substantiated by the last financial statement on file with the licensor, a finance company licensed under s. ~~ss. 138.09 or 218.01 218.0101 to 218.0163~~, a bank organized under the laws of this state, or a national bank located in this state; or

SECTION 310. 342.18 (4) (a) of the statutes is amended to read:

342.18 (4) (a) Whenever application therefor accompanied by the required fee is made by a finance company licensed under s. ~~ss. 138.09 or 218.01 218.0101 to 218.0163~~, a bank organized under the laws of this state, or a national bank located in this state, and the vehicle in question is a used vehicle for which the department had issued a certificate of title to the previous owner or a vehicle previously registered in another jurisdiction or is a mobile home.

SECTION 311. 344.572 (2) of the statutes is amended to read:

344.572 (2) Sections 344.574, 344.576 and 344.578 do not apply to a rental agreement under which a person rents from a motor vehicle dealer licensed under s. ~~218.04 ss. 218.0101 to 218.0163~~ a private passenger vehicle owned by the dealer if the private passenger vehicle is rented only for use while a vehicle owned or

leased by the person or which the person has agreed to purchase is being serviced, repaired, manufactured or delivered.

SECTION 312. 345.11 (1g) of the statutes is amended to read:

345.11 (1g) The uniform traffic citation may be used for violations of ~~ss. 218.01 (2) (a) 218.0114 (1) and 218.205 (1)~~. The report of conviction shall be forwarded to the department.

SECTION 313. 345.11 (5) of the statutes is amended to read:

345.11 (5) Notwithstanding any other provision of the statutes, the use of the uniform traffic citation promulgated under sub. (4) by any peace officer in connection with the enforcement of any state traffic laws, any local traffic ordinances in strict conformity with the state traffic laws or ~~s. 218.01 (2) (a) 218.0114 (1) or 218.205 (1)~~ shall be deemed adequate process to give the appropriate court jurisdiction over the person upon the filing with or transmitting to the court of the uniform traffic citation.

SECTION 314. 422.201 (3) of the statutes is amended to read:

422.201 (3) For licensees under s. 138.09 and under ~~s. 218.01 ss. 218.0101 to 218.0163~~, the finance charge, calculated according to those sections, may not exceed the maximums permitted in ss. 138.09 and ~~218.01 218.0101 to 218.0163~~, respectively.

SECTION 315. 422.202 (3) (c) of the statutes is amended to read:

422.202 (3) (c) A merchant may not, in the same transaction, be subject to the penalty in s. 138.09 (9) (b), ~~218.01 (8) 218.0161 or 425.305 and the penalty in s. 425.304~~, based on the assessment of the same additional charges.

SECTION 316. 425.301 (4) of the statutes is amended to read:

425.301 (4) The liability of a merchant under chs. 421 to 427 is in lieu of and not in addition to any liability under the federal consumer credit protection act and ~~s. ss. 138.09 or 218.01 218.0101 to 218.0163~~. An action by a person alleging a violation under chs. 421 to 427 may not be maintained if a final judgment has been rendered for or against that person with respect to the same violation under the federal consumer credit protection act or ~~s. ss. 138.09 or 218.01 218.0101 to 218.0163~~. If a final judgment is entered against any merchant under chs. 421 to 427 and the federal consumer credit protection act or ~~s. ss. 138.09 or 218.01 218.0101 to 218.0163~~ for the same violation, the merchant has a cause of action for appropriate relief to the extent necessary to avoid double liability.

SECTION 317. 429.102 (1) of the statutes is amended to read:

429.102 (1) To the extent that ~~s. 218.01 ss. 218.0101 to 218.0163~~ and chs. 411 and 421 to 427 are inconsistent with this chapter, the provisions of this chapter shall apply.

SECTION 318. 429.102 (2) of the statutes is amended to read:

429.102 (2) Unless superseded by the particular provisions of this chapter, parties to a motor vehicle consumer lease have all of the obligations, duties, rights and remedies provided in ~~s. 218.01 ss. 218.0101 to 218.0163~~ and chs. 411 and 421 to 427 that apply to the transaction.

SECTION 319. 429.104 (13m) of the statutes is amended to read:

429.104 (13m) "Gross capitalized cost" means the sum of all amounts capitalized in the consumer lease that, after subtracting the capitalized cost reduction, amortizes to the residual value by the depreciation portion of the periodic lease payments over the scheduled term of the lease or, for a single-payment lease, the single payment. These amounts may include taxes; fees for registration, license, acquisition, administration and assignment; other fees; charges for insurance, service contracts and extended warranties; and charges for a waiver of the contractual obligation to pay the gap amount, for accessories and their installation, for other services and benefits incidental to the consumer lease, and for delivering, servicing, repairing or improving the vehicle. With respect to a vehicle or other property traded in connection with a consumer lease, the term may include the outstanding unpaid balance of the amount financed under a consumer loan, as defined in s. 421.301 (12), or a retail instalment contract, as defined in ~~s. 218.01 (4) (t) 218.0101 (32)~~, or the unpaid balance of any early termination costs under a lease or other obligation of the lessee. The term does not include any rent charge.

SECTION 320. 429.104 (19) of the statutes is amended to read:

429.104 (19) "Motor vehicle" has the meaning given in ~~s. 218.01 (4) (m) 218.0101 (22)~~.

SECTION 321. 429.104 (21) of the statutes is amended to read:

429.104 (21) "Prospective lessee" means a natural person who enters into a prelease agreement under ~~s. 218.01 (6x) 218.0144~~ with a prospective lessor, or who otherwise intends to become a lessee.

SECTION 322. 429.104 (21m) of the statutes is amended to read:

429.104 (21m) "Prospective lessor" means a person regularly engaged in the business of leasing or selling vehicles who enters into a prelease agreement under ~~s. 218.01 (6x) 218.0144~~ with a prospective lessee, or who otherwise intends to become a lessor.

SECTION 323. 429.301 (2) of the statutes is amended to read:

429.301 (2) If a party to a consumer lease recovers damages or penalties under this chapter for an act or omission, the party may not recover any damages or penalties for the same act or omission under ~~s. 218.01 ss. 218.0101 to 218.0163~~ or chs. 411 and 421 to 427.

1999 Senate Bill 99

1999 Wisconsin Act 31

SECTION 324. 553.235 (2) (a) of the statutes is amended to read:

553.235 (2) (a) The exemption under sub. (1) is not available for the sale of a franchise in which the franchisee would be a motor vehicle dealer or a motor vehicle distributor or wholesaler, as defined in s. ~~218.01(1)~~ 218.0101.

SECTION 325. 632.32 (2) (b) 1. of the statutes is amended to read:

632.32 (2) (b) 1. A motor vehicle dealer, as defined in s. ~~218.01(1)(n)~~ 218.0101 (23) (a).

SECTION 326. 779.85 (3) of the statutes is amended to read:

779.85 (3) “Goods” has the meaning set forth in s. 402.105 (1) (c) except that this term does not include a “motor vehicle” as defined in s. ~~218.01(1)(m)~~ 218.0101 (22).
