



State of Wisconsin  
1999 - 2000 LEGISLATURE

LRB-1086/03  
BH:cmh&ksh:jf  
stamp

~~PRELIMINARY DRAFT - NOT READY FOR INTRODUCTION~~

1

*Do Not  
Generate  
a Catalog; I've marked  
this area exactly as  
it should appear  
in the bill.  
kg*

1 AN ACT ~~to repeat 218.01 (title); to renumber 218.01 (1) (a), 218.01 (1) (ct), 218.01~~  
2 ~~(1) (df), 218.01 (1) (e), 218.01 (1) (f), 218.01 (1) (g), 218.01 (1) (gm), 218.01 (1) (h),~~  
3 ~~218.01 (1) (i), 218.01 (1) (j), 218.01 (1) (je), 218.01 (1) (jf), 218.01 (1) (jg), 218.01~~  
4 ~~(1) (jl), 218.01 (1) (jj), 218.01 (1) (jk), 218.01 (1) (Lm), 218.01 (1) (m), 218.01 (1)~~  
5 ~~(pt), 218.01 (1) (q), 218.01 (1) (qm), 218.01 (1) (qr), 218.01 (1) (qt), 218.01 (1) (r),~~  
6 ~~218.01 (1) (s), 218.01 (1) (w), 218.01 (1) (x), 218.01 (1) (xm), 218.01 (1a) (title),~~  
7 ~~218.01 (2) (title), 218.01 (2) (bd) 1g., 218.01 (2) (bm) 1. b., 218.01 (2) (bm) 1. c.,~~  
8 ~~218.01 (2) (bo) 1., 218.01 (2) (c) 2. a., 218.01 (2) (d) 2., 218.01 (2) (d) 3., 218.01~~  
9 ~~(2) (d) 5., 218.01 (2) (d) 6., 218.01 (2) (dr), 218.01 (2) (g), 218.01 (2) (k), 218.01~~  
10 ~~(2a) (title), 218.01 (2a) (a), 218.01 (2f), 218.01 (2g), 218.01 (2w) (title), 218.01~~  
11 ~~(2w) (b), 218.01 (2w) (d), 218.01 (3) (title), 218.01 (3) (a) (intro.), 218.01 (3) (a)~~  
12 ~~1., 218.01 (3) (a) 2., 218.01 (3) (a) 3., 218.01 (3) (a) 5., 218.01 (3) (a) 6., 218.01~~  
13 ~~(3) (a) 7., 218.01 (3) (a) 8., 218.01 (3) (a) 9., 218.01 (3) (a) 12., 218.01 (3) (a) 14.,~~  
14 ~~218.01 (3) (a) 19., 218.01 (3) (a) 25., 218.01 (3) (a) 27., 218.01 (3) (a) 29., 218.01~~  
15 ~~(3) (a) 30., 218.01 (3) (a) 36. (intro.), 218.01 (3) (a) 43., 218.01 (3) (f) 3., 218.01~~

1 (3) (f) 4. b., 218.01 (3) (f) 4. e., 218.01 (3) (fm), 218.01 (3a) (title), 218.01 (3a) (d),  
2 218.01 (3c) (title), 218.01 (3n) (title), 218.01 (3n) (b) 1., 218.01 (3n) (b) 2., 218.01  
3 (3n) (b) 4. (intro.), 218.01 (3n) (b) 4. a., 218.01 (3r) (title), 218.01 (3r) (a) 1.,  
4 218.01 (3r) (a) 2., 218.01 (3r) (b) 4., 218.01 (3r) (b) 5., 218.01 (3r) (d) 2., 218.01  
5 (3r) (d) 3., 218.01 (3r) (e) 1. a., 218.01 (3r) (e) 1. b., 218.01 (3r) (e) 1. c., 218.01  
6 (3r) (e) 1. d., 218.01 (3r) (e) 1. f., 218.01 (3x) (title), 218.01 (3x) (c), 218.01 (3x)  
7 (d) 1., 218.01 (3x) (d) 3. (intro.), 218.01 (3x) (d) 3. a., 218.01 (3x) (d) 4., 218.01  
8 (5) (title), 218.01 (5m) (title), 218.01 (6) (title), 218.01 (6) (a), 218.01 (6) (bp),  
9 218.01 (7a), 218.01 (7b) (title), 218.01 (7m) (title) and 218.01 (7m) (b); **to**  
10 **renumber and amend** 218.01 (1) (intro.), 218.01 (1) (b), 218.01 (1) (jm), 218.01  
11 (1) (k), 218.01 (1) (L), 218.01 (1) (n), 218.01 (1) (o), 218.01 (1) (p), 218.01 (1) (t),  
12 218.01 (1) (u), 218.01 (1) (v), 218.01 (1a), 218.01 (1b), 218.01 (2) (a), 218.01 (2)  
13 (am), 218.01 (2) (an), 218.01 (2) (b), 218.01 (2) (bb), 218.01 (2) (bc), 218.01 (2) (bd)  
14 1., 218.01 (2) (bd) 1r., 218.01 (2) (bd) 2., 218.01 (2) (bd) 3., 218.01 (2) (bf), 218.01  
15 (2) (bm) 1. (intro.), 218.01 (2) (bm) 1. a., 218.01 (2) (bm) 2., 218.01 (2) (bm) 3.,  
16 218.01 (2) (bo) (intro.), 218.01 (2) (bo) 2., 218.01 (2) (bs), 218.01 (2) (c) 1., 218.01  
17 (2) (c) 2. b., 218.01 (2) (cm), 218.01 (2) (d) (intro.), 218.01 (2) (d) 1., 218.01 (2) (d)  
18 4., 218.01 (2) (d) 8., 218.01 (2) (dm), 218.01 (2) (e), 218.01 (2) (f), 218.01 (2) (h)  
19 1., 218.01 (2) (h) 2., 218.01 (2) (h) 3., 218.01 (2) (i), 218.01 (2) (ie), 218.01 (2) (ig),  
20 218.01 (2) (j), 218.01 (2a) (b), 218.01 (2a) (c), 218.01 (2a) (d), 218.01 (2c), 218.01  
21 (2d), 218.01 (2w) (a), 218.01 (2w) (c), 218.01 (2w) (e), 218.01 (2w) (f), 218.01 (2w)  
22 (g), 218.01 (2x), 218.01 (3) (a) 4., 218.01 (3) (a) 10. and 11., 218.01 (3) (a) 13.,  
23 218.01 (3) (a) 15., 218.01 (3) (a) 16., 218.01 (3) (a) 17., 218.01 (3) (a) 18., 218.01  
24 (3) (a) 20., 218.01 (3) (a) 21., 218.01 (3) (a) 22., 218.01 (3) (a) 23., 218.01 (3) (a)  
25 24., 218.01 (3) (a) 26., 218.01 (3) (a) 28., 218.01 (3) (a) 31., 218.01 (3) (a) 32.,

1 218.01 (3) (a) 35., 218.01 (3) (a) 36. a., 218.01 (3) (a) 36. b., 218.01 (3) (a) 36. c.,  
2 218.01 (3) (a) 36. d., 218.01 (3) (a) 37., 218.01 (3) (a) 38., 218.01 (3) (a) 39., 218.01  
3 (3) (a) 40., 218.01 (3) (a) 41., 218.01 (3) (a) 42., 218.01 (3) (ag), 218.01 (3) (am),  
4 218.01 (3) (b), 218.01 (3) (bf), 218.01 (3) (c), 218.01 (3) (d), 218.01 (3) (e), 218.01  
5 (3) (f) 1., 218.01 (3) (f) 2., 218.01 (3) (f) 4. (intro.), 218.01 (3) (f) 4. a., 218.01 (3)  
6 (f) 4. c., 218.01 (3) (f) 4. d., 218.01 (3) (g), 218.01 (3) (h), 218.01 (3a) (a), 218.01  
7 (3a) (b), 218.01 (3a) (c), 218.01 (3c) (b), 218.01 (3c) (c), 218.01 (3c) (d), 218.01 (3c)  
8 (e), 218.01 (3n) (a), 218.01 (3n) (b) (intro.), 218.01 (3n) (b) 3., 218.01 (3n) (b) 4.  
9 b., 218.01 (3n) (b) 4. c., 218.01 (3n) (b) 4. d., 218.01 (3n) (b) 4. e., 218.01 (3r) (a)  
10 (intro.), 218.01 (3r) (b) 1., 218.01 (3r) (b) 2., 218.01 (3r) (b) 3., 218.01 (3r) (c),  
11 218.01 (3r) (d) 1., 218.01 (3r) (d) 4., 218.01 (3r) (e) 1. (intro.), 218.01 (3r) (e) 1.  
12 e., 218.01 (3r) (e) 2., 218.01 (3r) (e) 3., 218.01 (3r) (e) 4., 218.01 (3r) (f), 218.01  
13 (3x) (a), 218.01 (3x) (b), 218.01 (3x) (d) (intro.), 218.01 (3x) (d) 2., 218.01 (3x) (d)  
14 3. b., 218.01 (3x) (d) 3. c., 218.01 (4), 218.01 (5) (a), 218.01 (5) (b) 1., 218.01 (5)  
15 (b) 2., 218.01 (5) (b) 3., 218.01 (5) (c), 218.01 (5m) (a), 218.01 (6) (b), 218.01 (6)  
16 (c), 218.01 (6) (d), 218.01 (6) (e), 218.01 (6) (em), 218.01 (6) (f), 218.01 (6) (g),  
17 218.01 (6) (h), 218.01 (6) (k), 218.01 (6m), 218.01 (6x), 218.01 (7), 218.01 (7b),  
18 218.01 (7m) (a), 218.01 (7m) (c), 218.01 (7m) (d), 218.01 (7r), 218.01 (7t), 218.01  
19 (8), 218.01 (8m), 218.01 (9), 218.015 and 218.017; **to amend** 49.857 (1) (d) 12.,  
20 49.857 (1) (d) 15., 73.03 (37), 73.0301 (1) (d) 6., 73.0301 (1) (d) 7., 77.53 (1m)  
21 (intro.), 100.45 (1) (ag), 100.45 (1) (ar), 135.07 (1), 138.04, 138.051 (8), 138.052  
22 (11), 138.09 (3) (e) 1. c., 218.12 (5), 218.12 (6), 218.205 (2) (a), 218.21 (1m), 218.21  
23 (4) (a), 218.21 (6), 218.22 (1) (intro.), 218.22 (3) (m), 218.22 (5), 218.40 (3),  
24 218.505, 220.285 (1), 227.43 (1) (bg), 340.01 (11) (d), 340.01 (28e), 340.01 (35e),  
25 340.01 (74t), 341.51 (6), 341.57 (1), 341.57 (2), 342.12 (3) (a), 342.18 (4) (a),

1 ~~344.572 (2), 345.11 (1g), 345.11 (5), 422.201 (3), 422.202 (3) (c), 425.301 (4),~~  
 2 ~~429.102 (1), 429.102 (2), 429.104 (13m), 429.104 (19), 429.104 (21), 429.104~~  
 3 ~~(21m), 429.301 (2), 553.235 (2) (a), 632.32 (2) (b) 1. and 779.85 (3); and to create~~  
 4 ~~218.0116 (1) (i) 1., 218.0116 (1) (im) 1. and 218.0116 (7) (d) 1d. of the statutes~~

5 **relating to:** certain statutes dealing with motor vehicle dealers, salespersons  
 6 and sales finance companies (Revision Bill).

### ***Analysis by the Legislative Reference Bureau***

This bill, drafted pursuant to s. 13.93 (2) (j), restructures section 218.01, the statute dealing with motor vehicle dealers, salespersons and sales finance companies, to divide that statute into more workable sections. Cross-references are changed accordingly. Language is modified to increase conformity with current drafting style, particularly to replace nonspecific references with specific references. Certain specific changes are further explained by NOTES inserted by the Revisor. *No substantive changes are intended.* A table showing the relationship between the new statutory numbering and the old statutory numbering follows:

<b>NEW NUMBER</b>	<b>TITLE</b>	<b>OLD NUMBER</b>
	<b>DEFINITIONS</b>	
218.0101	Definitions.	218.01 (1)
(1)		(a)
(3)		(b)
(4)		(ct)
(5) (a)		(df) 1.
(b)		2.
(c)		3.
(d)		4.
(e)		5.
(f)		6.
(6)		(e)
(7)		(f)
(8)		(g)

(9)		(gm)
(10)		(h)
(11)		(i)
(12)		(j)
(13)		(je)
(13m)		(jf)
(14)		(jg)
(15)		(ji)
(16)		(jj)
(17)		(jk)
(18)		(jm)
(19)		(k)
(20)		(L)
(21)		(Lm)
(22)		(m)
(23)	(a)1.	(n) 1.
	(a)2.	2.
	(b)1.	(o) 1.
	(b)2.	2.
	(b)3.	3.
	(b)4.	4.
	(b)5.	5.
(24)		(p)
(25)		(pt)
(26)		(q)
(27)		(qm)
(28)		(qr)
(29)		(qt)
(30)		(r)
(31)		(s)
(32)		(t)
(33)		(u)
(34)		(v)
(35)		(w)

(36)		(x)
(37)		(xm)
	<b>LICENSING AND REPORTING</b>	
218.0111	Authority of licensors.	218.01 (1a)
218.0113	Licenses for dealers, distributors, manufacturers or transporters of semitrailers and trailers.	218.01 (1b)
218.0114	Licenses, how granted; agreements, filing.	218.01 (2)
(1)		(a)
(2)		(am)
(2m)		(bd) 3.
(3)		(an)
(4)		(b)
(5) (a)		(bb) 1.
(b)		2.
(6)		(bc)
(7) (a)		(bd) 1.
(b)		1g.
(c)		1r.
(d)		2.
(8)		(bf)
(9) (a) (int.)		(bm)1.(int.)
(a)1.		1.a.
(a)2.		1.b.
(a)3.		1.c.
(b)1.		2.a.
(b)2.		2.b.
(c)		3.
(10) (int.)		(bo) (int.)
(a)		1.
(b)		2.
(11)		(bs)

(12) (a)		(c) 1.
(b)1.		2.a.
(b)2.		2.b.
(13) (a)		(cm) 1.
(b)		2.
(c)		3.
(d)		4.
(e)		5.
(14) (int.)		(d) (int.)
(a)		1.
(b)		2.
(c)		3.
(d)		4.
(e)		5.
(f)		6.
(g)1.		8.a.
(g)2.		8.b.
(15) (a)		(dm) 1.
(b)		2.
(16)		(dr)
(17)		(e)
(18)		(f)
(19)		(g)
(20) (a)		(h) 1.
(b)		2.
(c)		3.
(21)		(i)
(21e)		(ie)
(21g)		(ig)
(22)		(j)
(23) (int.)		(k) (int.)
(a)		1.
(b)		2.
(c)		3.

(d)		4.
(e)		5.
(f)		6.
218.0116	Licenses, how denied, suspended or revoked.	218.01 (3)
(1) (int.)		(a) (int.)
(a)		1.
(am)		2.
(b)		3.
(bm)		4.
(c)		5.
(cm)		6.
(d)		7.
(dm)		8.
(e)		9.
(em)		10.
(f)		11.
(fm)		12.
(g)		13.
(gm)		14.
(h)		15.
(hm)		16.
(i)		17.
(im)		18.
(j)		19.
(jm)		20.
(k)		21.
(km)		22.
(L)		23.
(Lm)		24.
(m)		25.
(mm)		26.
(n)		27.
(nm)		28.

(o)		29.
(om)		30.
(p)		31.
(pm)		32.
(q)		35.
(qm) (intro.)		36. (intro.)
(qm)1.		36.a.
(qm)2.		36.b.
(qm)3.		36.c.
(qm)4.		36.d.
(r)		37.
(rm)		38.
(s)		39.
(sm)		40.
(t)		41.
(tm)		42.
(u)		43.
(lg)		(ag)
(lm)		(am)
(2)		(b)
(3) (a)1.		(bf) 1.a.
(a)2.		1.b.
(b)		2.
(c)		3.
(4) (a)		(c) 1.
(b)		2.
(c)		3.
(5)		(d)
(6)		(e)
(7) (a)		(f) 1.
(b)1.		2.a.
(b)2.		2.b.
(b)3.		2.c.

(b)4.		2.d.
(b)5.		2.e.
(b)6.		2.f.
(b)7.		2.g.
(b)8.		2.h.
(c)		3.
(d) (intro.)		4. (intro.)
(d)1.		4.a
(d)2.		4.b.
(d)3.		4.c.
(d)4.		4.d.
(d)5.		4.e.
(8) (a)		(fm) 1.
(b) (intro.)		2. (intro.)
(b)1.		2.a.
(b)2.		2.b.
(b)3.		2.c.
(b)4.		2.d.
(b)5.		2.e.
(b)6.		2.f.
(c)		3.
(9)		(g)
(10)		(h)
218.0117	Revocation of license of dealer, distributor, manufacturer, or transporter.	218.01 (3a)
(1)		(a)
(2)		(b)
(3)		(c)
(4)		(d)
218.0119	Changes in places of business to be reported.	218.01 (2a)
(1)		(a)

(2)		(b)
(3)		(c)
(4)		(d)
	<b>MANUFACTURERS, IMPORTERS AND DISTRIBUTORS</b>	
218.0121	Factory stores.	218.01 (2c)
(intro.)		(intro.)
(1)		(a)
(2)		(b)
(3)		(c)
218.0122	Damages to delivered vehicles.	218.01 (2d)
(1)		(a)
(2)		(b)
(3)		(c)
218.0123	Vehicle allocations.	218.01 (2f)
218.0124	Performance standards.	218.01 (2g)
218.0125	Warranty reimbursement.	218.01 (2w)
(1)		(a)
(2)		(b)
(3)		(c)
(4)		(d)
(5)		(e)
(6)		(f)
(7)		(g)
218.0126	Promotional allowances.	218.01 (2x)
	<b>FRANCHISE AGREEMENTS AND LICENSEE DISPUTES</b>	
218.0131	Family member's right to succeed deceased or incapacitated dealer under existing franchise agreement.	218.01 (3c)
(1)		(b)
(2)		(c)

(3)		(d)
(4)		(e)
218.0132	Termination provisions.	218.01 (3n)
(1)		(a)
(2) (int.) (a)		(b) (int.) 1.
(b)		2.
(c)		3.
(d)		4.
(intro.)		(intro.)
(d) 1.		4.a.
(d) 2.		4.b.
(d) 3.		4.c.
(d) 4.		4.d.
(d) 5.		4.e.
218.0133	Agreement termination benefits.	218.01 (3r)
(1) (int.)		(a) (int.)
(a)		1.
(b)		2.
(2) (a)		(b) 1.
(b)		2.
(c)		3.
(d)		4.
(e)		5.
(3) (a)		(c) 1.
(b)		2.
(4) (a)		(d) 1.
(b)		2.
(c)		3.
(d)		4.
(5) (a) (int.)		(e) 1. (int.)
(a)1.		1.a.
(a)2.		1.b.
(a)3.		1.c.
(a)4.		1.d.

(a)5.		1.e.
(a)6.		1.f.
(b)		2.
(c)		3.
(d)		4.
(6) (a)		(f) 1.
(b)		2.
218.0134	Dealership changes.	218.01 (3x)
(1)		(a)
(2) (a)		(b) 1.
(b)		2.
(c)		3.
(3) (a) (int.)		(c) 1. (int.)
(a)1.		1.a.
(a)2.		1.b.
(a)3.		1.c.
(a)4.		1.d.
(a)5.		1.e.
(a)6.		1.f.
(b)		2.
(4) (int.)		(d) (int.)
(a)		1.
(b)		2.
(c)		3.
(intro.)		(intro.)
(c)1.		3.a.
(c)2.		3.b.
(c)3.		3.c.
(d)		4.
218.0136	Mediation of disputes between licensees.	218.01 (7m)
(1)		(a)
(2)		(b)
(3)		(c)
(4)		(d)

218.0137	Arbitration of disputes between licensees.	218.01 (7r)
218.0138	Immunity and presumption of good faith.	218.01 (7t)
	<b>RETAIL SALES AND LEASE</b>	
218.0141	Contract provisions.	218.01 (5m)(a)
218.0142	Instalment sales.	218.01 (6)
(1)		(a)
(2)		(b)
(3)		(bp)
(4)		(c)
(5)		(d)
(6)		(e)
(7)		(em)
(8)		(f)
(9)		(g)
(10)		(h)
(11)		(k)
218.0143	Notice of insurance to buyer under instalment sales contract.	218.01 (6m)
218.0144	Prelease agreements.	218.01 (6x)
(1)		(a)
(2) (int.)		(b) (int.)
(a)		(a)
(b)		2.
(3)		(c)
(4)		(d)
(5)		(e)
218.0145	Prohibited acts.	218.01 (7)
(1) (int.)		(a) (int.)
(a)		1.
(b)		2.
(c)		3.

(d)		4.
(2)		(b)
(3) (int.)		(c) (int.)
(a)		1.
(b)		2.
(c)		3.
(4)		(d)
(5)		(e)
(6)		(f)
218.0146	Motor vehicles.	218.01 (7a)
(1)		(a)
(2)		(b)
(3) (int.)		(c) (int.)
(a)		1.
(b)		2.
(c)		3.
(d)		4.
218.0147	Purchase or lease of motor vehicle by minor.	218.01 (7b)
	<b>POWERS OF REGULATORS</b>	
218.0151	Advisory committee.	218.01 (4)
218.0152	Rules and regulations.	218.01 (5)
(1)		(a)
(2) (a)		(b) 1.
(b)		2.
(c)		3.
(3)		(c)
	<b>REMEDIES</b>	
218.0161	Penalties.	218.01 (8)
218.0162	Commencement of action.	218.01 (8m)
218.0163	Civil damages.	218.01 (9)

(1) (int.)		(a) (int.)
(a)		1.
(b)		2.
(1m)		(am)
(2)		(b)
	<b>REPAIRS AND WARRANTIES</b>	
218.0171	Repair, replacement and refund under new motor vehicle warranties.	218.015
218.0172	Motor vehicle adjustment programs.	218.017

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

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

2           49.857 (1) (d) 12. A license or certificate of registration issued under s. ~~ss.~~  
3           138.09, 138.12, 217.06, ~~218.01~~ 218.0101 to 218.0163, 218.02, 218.04, 218.05 or  
4           224.72 or subch. III of ch. 551.

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

6           49.857 (1) (d) 15. A license, permit or registration issued under s. ~~218.01~~ ss.  
7           218.0101 to 218.0163, 218.11, 218.12, 218.22, 218.32, 218.41, 218.51, 341.51, 343.305  
8           (6), 343.61 or 343.62.

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

10           73.03 (37) To make refunds in connection with motor vehicles returned to the  
11           manufacturers by a consumer, as provided under s. 218.015 218.0171 (2) (e) and (f).

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

13           73.0301 (1) (d) 6. A license or certificate of registration issued by the  
14           department of financial institutions, or a division of it, under s. ss. 138.09, 138.12,

1 217.06, ~~218.01~~ 218.0101 to 218.0163, 218.02, 218.04, 218.05 or 224.72 or under  
2 subch. III of ch. 551.

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

4 73.0301 (1) (d) 7. A license described in s. ~~218.01 (2) (d) 1. and 8.~~ 218.0114 (14)  
5 (a) and (g), a license described in s. ~~218.01 (2) (d) 2., 3. or 5.~~ 218.0114 (14) (b), (c) or  
6 (e), a license issued under s. 218.11, 218.12, 218.22, 218.32, 218.41, 343.61 or 343.62,  
7 a buyer identification card issued under s. 218.51 or a certificate of registration  
8 issued under s. 341.51.

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

10 77.53 (1m) (intro.) For motor vehicles that are used for a purpose in addition  
11 to retention, demonstration or display while held for sale in the regular course of  
12 business by a dealer who is licensed under ~~s. 218.01~~ ss. 218.0101 to 218.0163, the  
13 base for the tax imposed under sub. (1) is the following:

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

15 100.45 (1) (ag) "Distributor" has the meaning given in s. ~~218.01 (1) (e)~~ 218.0101  
16 (6).

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

18 100.45 (1) (ar) "Manufacturer" has the meaning given in s. ~~218.01 (1) (L)~~  
19 218.0101 (20), except that, if more than one person satisfies the definition in s. ~~218.01~~  
20 (1) (L) 218.0101 (20) with respect to a motor vehicle, "manufacturer" means the  
21 person who installs the mobile air conditioner that is in the motor vehicle when the  
22 motor vehicle is distributed for sale in this state.

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

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

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

5           **138.04 Legal rate.** The rate of interest upon the loan or forbearance of any  
6 money, goods or things in action shall be \$5 upon the \$100 for one year and according  
7 to that rate for a greater or less sum or for a longer or a shorter time; but parties may  
8 contract for the payment and receipt of a rate of interest not exceeding the rate  
9 allowed in ss. 138.041 to 138.056, 138.09 to 138.12, ~~218.01~~ 218.0101 to 218.0163, or  
10 422.201, in which case such rate shall be clearly expressed in writing.

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

12           138.051 (8) The contract rate is not subject to rate limitations imposed under  
13 this chapter or s. ~~218.01~~ ss. 218.0101 to 218.0163 or under s. 422.201.

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

15           138.052 (11) The contract rate is not subject to rate limitations imposed under  
16 this chapter or s. ~~218.01~~ ss. 218.0101 to 218.0163 or under s. 422.201.

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

18           138.09 (3) (e) 1. c. A loan, finance or discount business under s. ~~218.01~~ ss.  
19 218.0101 to 218.0163.

20           **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.

21           **SECTION 15.** 218.01 (1) (intro.) of the statutes is renumbered 218.0101 (intro.)

22 and amended to read:

1           **218.0101 Definitions.** (intro.) In ~~this section ss. 218.0101 to 218.0163~~, unless  
2 the context requires otherwise ~~requires~~, the following words and terms shall have  
3 the following meanings:

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

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

7           218.0101 (3) “Cash price” means the retail seller’s price in dollars for the sale  
8 of the goods, and the transfer of unqualified title ~~thereto~~ to those goods, upon  
9 payment of ~~such~~ the retail seller’s price in cash or the a cash equivalent thereof.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

3           218.0101 (18) “License period” means the period during which a particular  
4 type of license described in ~~sub. (2) (d) s. 218.0114 (14)~~ is effective, as established by  
5 the department of transportation or division of banking under ~~sub. (2) (cm) 2. or 4.~~  
6 s. 218.0114 (13) (b) or (d).

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

9           218.0101 (19) “Licensor” means the body, either the division of banking or the  
10 department of transportation or both, issuing a license hereunder under ss. 218.0101  
11 to 218.0163.

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

14           218.0101 (20) (intro.) “Manufacturer” means any person, resident or  
15 nonresident, who ~~manufactures~~ does any of the following:

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

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

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

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

23           **SECTION 38.** 218.01 (1) (n) of the statutes is renumbered 218.0101 (23) (a), and  
24 218.0101 (23) (a) (intro.) and 2., as renumbered, are amended to read:

1           218.0101 (23) (a) (intro.) “Motor vehicle dealer” means any person, firm or  
2 corporation, not excluded by par. ~~(e)~~ (b) who:

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

6           **SECTION 39.** 218.01 (1) (o) of the statutes is renumbered 218.0101 (23) (b), and  
7 218.0101 (23) (b) 1. to 4., as renumbered, are amended to read:

8           218.0101 (23) (b) 1. Receivers, trustees, administrators, executors, guardians  
9 or other persons appointed by or acting under the judgment or order of any court; ~~or,~~

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

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

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

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

20           218.0101 (24) “Motor vehicle salesperson” means sales representative, sales  
21 manager, general manager or other person who is employed by a motor vehicle dealer  
22 for the purpose of selling or approving retail sales, or leasing or approving consumer  
23 leases, of motor vehicles. Any motor vehicle salesperson licensed ~~hereunder~~ under  
24 ss. 218.0101 to 218.0163 shall be licensed to sell or lease ~~only~~ for only one dealer at  
25 a time.

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

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

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

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

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

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

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

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

10       218.0101 (32) “Retail instalment contract” or “instalment contract” means and  
11 includes every contract to sell one or more motor vehicles at retail, in which the price  
12 thereof of the motor vehicle is payable in one or more instalments over a period of  
13 time and in which the seller has either retained title to the goods or has taken or  
14 retained a security interest in the goods under a form of contract designated either  
15 as a conditional sale, chattel mortgage or otherwise.

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

18       218.0101 (33) “Retail seller” means a person, firm or corporation selling or  
19 agreeing to sell one or more motor vehicles under a retail instalment contract to a  
20 buyer for the ~~latter’s~~ buyer’s personal use or consumption thereof.

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

23       218.0101 (34) (a) “Sales finance company” means ~~and includes~~ any person, firm  
24 or corporation engaging in the business, in whole or in part, of acquiring by purchase

1 or by loan on the security thereof, or otherwise, retail instalment contracts or  
2 consumer leases from retail sellers or lessors in this state, ~~including.~~

3 (b) “Sales finance company” includes any motor vehicle dealer who sells or  
4 leases any motor vehicle on an instalment contract or consumer lease or acquires any  
5 retail instalment contracts in the dealer’s retail sales or leases of motor vehicles.

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

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

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

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

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

12 218.0111 (1) (intro.) The department of transportation shall issue the licenses  
13 provided for in ~~sub. (2) (d) 1. to 6. s. 218.0114 (14) (a) to (f)~~ and have supervision over  
14 the licensees ~~thereunder~~ in respect to all of the provisions of this section ss. 218.0101  
15 to 218.0163, except only as to such matters as that the division of banking shall have  
16 jurisdiction and control over all of the following:

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

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

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

1           (2) Either licensor ~~hereunder~~ under sub. (1) shall, upon request, furnish the  
2 other licensor with any information it may have in respect to any licensee or  
3 applicant for license or any transaction in which such a licensee or applicant may be  
4 a party or be interested. No license shall be issued under ~~sub. (2) (d) 1. and 8. s.~~  
5 218.0114 (14) (a) and (g) until both licensors have approved the application. The  
6 suspension or revocation of either of ~~such licenses~~ the license issued under s.  
7 218.0114 (14) (a) or (g) shall automatically ~~likewise~~ suspend or revoke the other  
8 license; ~~and such.~~ Any suspension or revocation shall be certified by the licensor  
9 ordering it to the other licensor.

NOTE: Text order is changed for improved readability.

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

12           **218.0113 Licenses for dealers, distributors, manufacturers or**  
13 **transporters of semitrailers and trailers.** Subject to ch. 180 where applicable,  
14 any dealer, distributor, manufacturer or transporter of semitrailers or trailers  
15 designed for use in combination with a truck or truck tractor is ~~deemed~~ considered  
16 licensed under ~~this section~~ ss. 218.0101 to 218.0163 where for purposes of chs. 341  
17 and 342 a license under ~~this section~~ ss. 218.0101 to 218.0163 is required. This  
18 ~~subsection~~ section is enacted to remove an undue burden on interstate commerce  
19 from a class of commercial transactions in which the business character of the parties  
20 does not require the protection provided by ~~this section~~ ss. 218.0101 to 218.0163 and  
21 to promote the expansion of credit for truck operators who require banking and  
22 financing facilities throughout the United States.

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

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

3           218.0114 (1) No motor vehicle dealer, motor vehicle salesperson or sales  
4 finance company ~~shall~~ may engage in business as ~~such a motor vehicle dealer, motor~~  
5 vehicle salesperson or sales finance company in this state without a license therefor  
6 as provided in ~~this section~~ ss. 218.0101 to 218.0163. If any motor vehicle dealer acts  
7 as a motor vehicle salesperson, he or she shall secure a motor vehicle salesperson's  
8 license in addition to a ~~license for motor vehicle dealer~~ license. Every motor vehicle  
9 dealer shall be responsible for the licensing of every motor vehicle salesperson in his  
10 or her employ. Any person violating this ~~paragraph~~ subsection may be fined not less  
11 than \$500 nor more than \$5,000.

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

14           218.0114 (2) No manufacturer, importer or distributor ~~shall~~ may engage in  
15 business as ~~such a manufacturer, importer or distributor~~ in this state without a  
16 license therefor as provided in ~~this section~~ ss. 218.0101 to 218.0163.

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

19           218.0114 (3) No factory representative or distributor representative ~~shall~~ may  
20 engage in business as ~~such a factory representative or distributor representative~~ in  
21 this state without a license therefor as provided in ~~this section~~ ss. 218.0101 to  
22 218.0163.

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

1           218.0114 (4) Application for a license under this section shall be made to the  
2           licensor, at such time, in such form and with such information as the licensor shall  
3           require and shall be accompanied by the required fees. An applicant for a sales  
4           finance company license, other than a motor vehicle dealer, shall pay to the division  
5           of banking a nonrefundable \$300 investigation fee in addition to the license fee under  
6           ~~par. (d)~~ sub. (16). If the cost of an investigation exceeds \$300, the applicant shall,  
7           upon demand of the division of banking, pay the amount by which the cost of the  
8           investigation exceeds the nonrefundable fee. A licensee is not required to pay an  
9           investigation fee for the renewal of a license. The licensor may require the applicant  
10          to provide information relating to any pertinent matter that is commensurate with  
11          the safeguarding of the public interest in the locality in which the applicant proposes  
12          to engage in business, except that information relating to the applicant's solvency  
13          and financial standing may not be required for motor vehicle dealers except as  
14          provided in ~~par. (h) 1.~~ sub. (20)(a). The information provided may be considered by  
15          the licensor in determining the fitness of the applicant to engage in business as set  
16          forth in ~~this section~~ ss. 218.0101 to 218.0163.

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

19           218.0114 (5) (a) A motor vehicle dealer or an applicant for a motor vehicle  
20          dealer license shall provide and maintain in force a bond or irrevocable letter of credit  
21          of not less than \$25,000 or, if the dealer or applicant sells or proposes to sell  
22          motorcycles and not other types of motor vehicles, a bond or irrevocable letter of  
23          credit of not less than \$5,000. The bond or letter of credit shall be executed in the  
24          name of the department of transportation for the benefit of any person who sustains

1 a loss because of an act of a motor vehicle dealer that constitutes grounds for the  
2 suspension or revocation of a license under ~~this section~~ ss. 218.0101 to 218.0163.

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

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

13 218.0114 (6) Except as provided in this ~~subsection~~ section every dealer and  
14 distributor of new motor vehicles shall, at the time of application for a license, file  
15 with the department of transportation a certified copy of the applicant's written  
16 agreement and a certificate of appointment as dealer or distributor, respectively. The  
17 certificate of appointment shall be signed by an authorized agent of the  
18 manufacturer of domestic vehicles on direct manufacturer-dealer agreements; or,  
19 where the manufacturer is wholesaling through an appointed distributorship, by an  
20 authorized agent of the distributor on indirect distributor-dealer agreements. The  
21 certificate shall be signed by an authorized agent of the importer on direct  
22 importer-dealer agreements of foreign-made vehicles; or by an authorized agent of  
23 the distributor on indirect distributor-dealer agreements. The distributor's  
24 certificate of appointment shall be signed by an authorized agent of the

1 manufacturer; or by an agent of the manufacturer or importer of foreign  
2 manufactured vehicles.

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

5 218.0114 (7) (a) 1. (intro.) A written agreement need not be filed for each dealer  
6 or distributor if the manufacturer ~~on~~ or importer, for direct dealerships, or  
7 distributor ~~on, for~~ indirect dealerships ~~or importer on direct dealerships,~~ utilizes the  
8 identical basic agreement for all its dealers or distributors in Wisconsin and certifies  
9 all of the following in the certificate of appointment ~~that such:~~

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

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

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

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

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

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

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

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

8           ~~(e)~~ Agreements and certificates of appointment are ~~deemed~~ considered to be  
9 continuing unless the manufacturer, distributor or importer has notified the  
10 department of transportation of the discontinuation or cancellation of the agreement  
11 of any of its dealers or distributors, and annual renewal of certifications filed as  
12 provided in this ~~subsection~~ section is not necessary.

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

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

16           218.0114 (7) (c) (intro) The notice served upon a motor vehicle dealer under  
17 ~~subds. 1. and 1g. pars. (a) 3. and (b)~~ is not effective unless it conspicuously displays  
18 the following statement:

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

21           218.0114 (7) (d) Any dealer or distributor discontinued or canceled may, on or  
22 before the date on which the discontinuation or cancellation becomes effective, file  
23 with the department of transportation and division of hearings and appeals and  
24 serve upon the respondent manufacturer, distributor or importer a complaint for a  
25 determination of unfair discontinuation or cancellation under ~~sub. (3) (a) 17. s.~~

1 218.0116 (1) (i). Allowing opportunity for an answer, the division of hearings and  
2 appeals shall ~~thereafter~~ schedule a hearing on and decide the matter. Agreements  
3 and certificates of appointment shall continue in effect until final determination of  
4 the issues raised in ~~such~~ the complaint. If the complainant prevails ~~he or she~~ the  
5 complainant shall have a cause of action against the ~~defendant~~ respondent for  
6 reasonable expenses and attorney fees incurred by ~~him or her~~ the complainant in  
7 ~~such~~ the matter.

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

10 218.0114 (2m) No manufacturers', distributors' or importers' vehicles shall be  
11 sold in this state unless either the manufacturer on direct dealerships of domestic  
12 vehicles, the importer of foreign manufactured vehicles on direct dealerships or the  
13 distributor on indirect dealerships of either domestic or foreign vehicles are licensed  
14 under ~~s. 218.01 ss. 218.0101 to 218.0163~~. The obtaining of a license under ~~s. 218.01~~  
15 ~~ss. 218.0101 to 218.0163~~ shall conclusively establish that ~~such a~~ manufacturer,  
16 distributor or importer is doing business in this state and shall subject the licensee  
17 to all provisions of the Wisconsin statutes regulating manufacturers, importers and  
18 distributors.

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

21 218.0114 (8) Within 60 days after the department of transportation issues a  
22 declaratory ruling under s. 227.41 that an agreement is inconsistent with ~~par. (bm)~~  
23 sub. (9), a manufacturer, distributor or importer shall remove or revise any provision  
24 of the agreement declared to be inconsistent with ~~par. (bm)~~ sub. (9).

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

3           218.0114 (9) (a) (intro.) Except as provided in ~~par. (b)~~ sub. (10), provisions of  
4 an agreement which do any of the following are void and prohibited:

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

7           218.0114 (9) (a) 1. Waive a remedy or defense available to a distributor or dealer  
8 or other provision protecting the interests of a distributor or dealer under ~~this section~~  
9 ss. 218.0101 to 218.0163 or under rules promulgated by the department of  
10 transportation under ~~this section~~ ss. 218.0101 to 218.0163.

11           **SECTION 72.** 218.01 (2) (bm) 1. b. of the statutes is renumbered 218.0114 (9) (a)  
12 2.

13           **SECTION 73.** 218.01 (2) (bm) 1. c. of the statutes is renumbered 218.0114 (9) (a)  
14 3.

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

17           218.0114 (9) (b) 1. Notwithstanding ~~subd. 1. b. par. (a) 2.~~ and subject to ~~sub. (3)~~  
18 ~~(a) 36. d. s. 218.0116 (1) (qm) 4.,~~ an agreement may provide for the resolution of  
19 disputes by arbitration, including binding arbitration, if both parties to the  
20 agreement voluntarily agree to an arbitration provision. An arbitrator acting under  
21 this ~~subd. 2. a. subdivision~~ shall be bound by the laws of this state, including ~~par. (b)~~  
22 ~~2. sub. (7) (d)~~ and other provisions of ~~this section~~ ss. 218.0101 to 218.0163.

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

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

3           218.0114 (9) (c) Notwithstanding ~~sub. 1. b. par. (a) 2.~~, an agreement may  
4 require a dealer or distributor to submit disputes to a nonbinding and reasonably  
5 prompt dispute resolution procedure before bringing an action in another forum.

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

8           218.0114 (10) (intro.) ~~Paragraph (bm)~~ Subsection (9) does not apply to any of  
9 the following:

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

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

13           218.0114 (10) (b) An agreement, made after a dealer receives notice under ~~sub.~~  
14 ~~(3) (f) 1. s. 218.0116 (7) (a)~~, which waives the dealer's right to file a complaint  
15 protesting the establishment or relocation of a dealership proposed in the notice.

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

18           218.0114 (11) A manufacturer, distributor or importer shall designate in  
19 writing the area of sales responsibility assigned to a motor vehicle dealer. A  
20 manufacturer, distributor or importer may not modify the area of sales responsibility  
21 to avoid the requirements of ~~sub. (3) (f) s. 218.0116 (7)~~.

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

1           218.0114 (12) (a) Except as provided in ~~subd. 2. par. (b)~~, all licenses shall be  
2 granted or refused within 60 days after the licensor receives the application for the  
3 license.

4           **SECTION 81.** 218.01 (2) (c) 2. a. of the statutes is renumbered 218.0114 (12) (b)  
5 1.

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

8           218.0114 (12) (b) 2. In cases where a complaint has been filed under ~~sub. (3)~~  
9 ~~(f) s. 218.0116 (7)~~ protesting the proposed establishment or relocation of a dealership  
10 in a relevant market area, no license may be issued until the division of hearings and  
11 appeals has rendered a decision permitting the issuance of the license.

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

14           218.0114 (13) (a) Licenses described in ~~par. (d) 8. sub. (16)~~ expire on December  
15 31 of the calendar year for which the licenses are granted.

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

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

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

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

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

3           218.0114 (14) (intro.) Subject to ~~par. (dm)~~ sub. (15), the fee for licenses  
4 described in this ~~paragraph~~ subsection equals the number of years in a license period  
5 multiplied by whichever of the following applies:

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

8           218.0114 (14) (a) For motor vehicle dealers, to the department of  
9 transportation, \$20 for each office or branch ~~thereof of the motor vehicle dealer~~, plus  
10 \$1 for a supplemental license for each used motor vehicle lot within the same  
11 municipality, but not immediately adjacent to the office or to a branch.

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

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

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

16           218.0114 (14) (d) Any person licensed under ~~subd. 2. or 3. next preceding, par.~~  
17 (b) or (c) may also operate as a motor vehicle dealer, without any additional fee.

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

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

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

22           218.0114 (14) (g) 1. Except as provided in subd. 8. b. 2., for motor vehicle  
23 dealers, to the division of banking, \$10.

24           2. For motor vehicle dealers that operate as a sales finance company or that  
25 carry or retain retail instalment contracts or consumer leases for more than 30 days,

1 to the division of banking, the same as for sales finance companies under ~~par. (dr)~~  
2 sub. (16).

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

5 218.0114 (15) (a) If the department of transportation or division of banking  
6 establishes a license period that is not evenly divisible into years, the department of  
7 transportation or division of banking shall prorate the remainder when determining  
8 the license fee under ~~par. (d)~~ sub. (14).

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

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

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

19 218.0114 (17) The licenses of dealers, manufacturers, factory branches,  
20 distributors, distributor branches and sales finance companies shall specify the  
21 location of the office or branch and must be conspicuously displayed ~~there~~ at that  
22 location. In case ~~such~~ the location be of the office or branch is changed, the licensor  
23 shall indorse the change of location on the license, without charge, if ~~it be~~ the new  
24 location is within the same municipality as the previous location. A change of

1 location to another municipality shall require a new license, except for sales finance  
2 companies.

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

5 218.0114 (18) Every salesperson, factory representative or distributor  
6 representative shall carry his or her license when engaged in business, and display  
7 the license upon request. The license shall name ~~his or her~~ the licensee's employer,  
8 ~~and in case of.~~ Upon leaving an employer, the ~~salesperson~~ licensee shall immediately  
9 surrender the license to his or her employer who shall mail the license to the licensor.  
10 If during the license period the ~~individual~~ licensee again is employed or acts as a  
11 salesperson, he or she shall make application for reissue of a salesperson's license.  
12 There shall be no fee in connection with ~~such~~ the subsequent applications.

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

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

16 218.0114 (20) (a) If the licensor has reasonable cause to doubt the financial  
17 responsibility of the applicant or licensee or the compliance by the applicant or  
18 licensee with ~~this section~~ ss. 218.0101 to 218.0163, the licensor may require the  
19 applicant or licensee to furnish information relating to the applicant's or licensee's  
20 solvency and financial standing.

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

23 218.0114 (20) (b) ~~Provided~~ If the licensor has reasonable cause to doubt the  
24 financial responsibility of the applicant or licensee or the compliance by the  
25 applicant or licensee with ~~this section~~ ss. 218.0101 to 218.0163, the licensor may

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

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

15 218.0114 (20) (c) An applicant or licensee furnishing information under ~~sub.~~  
16 ~~1-par. (a)~~ may designate the information as a trade secret, as defined in s. 134.90 (1)  
17 (c), or as confidential business information. The licensor shall notify the applicant  
18 or licensee providing the information 15 days before any information designated as  
19 a trade secret or as confidential business information is disclosed to the legislature,  
20 a state agency, as defined in s. 13.62 (2), a local governmental unit, as defined in s.  
21 605.01 (1), or any other person. The applicant or licensee furnishing the information  
22 may seek a court order limiting or prohibiting the disclosure. ~~In such cases,~~ in which  
23 case the court shall weigh the need for confidentiality of the information against the  
24 public interest in the disclosure. A designation under this ~~subdivision~~ paragraph  
25 does not prohibit the disclosure of a person's name or address, of the name or address

1 of a person's employer or of financial information that relates to a person when  
2 requested under s. 49.22 (2m) by the department of workforce development or a  
3 county child support agency under s. 59.53 (5).

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

6 218.0114 (21) Application for dealers' licenses shall be submitted to the  
7 department of transportation in duplicate and shall contain such information as the  
8 licensors require. Application for sales finance company licenses shall contain such  
9 information as the division of banking requires. No motor vehicle dealer or sales  
10 finance company, unless so licensed, shall be permitted to register or receive or use  
11 registration plates under ss. 341.47 to 341.57. The department of transportation  
12 shall transmit the duplicate copy of each application for a dealer's license to the  
13 division of banking with the fee required under ~~par. (d) 8. sub. (14) (g).~~ The division  
14 of banking may not refund the fee required under ~~par. (d) 8. sub. (14) (g).~~ The division  
15 of banking shall approve a sales finance company license for a dealer if no prior sales  
16 finance company license has been suspended or revoked, and if the applicant meets  
17 the requirements of ~~this section~~ ss. 218.0101 to 218.0163 relating to sales finance  
18 companies.

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

21 218.0114 (21e) (a) In addition to any other information required under this  
22 ~~subsection~~ section, an application by an individual for the issuance or renewal of a  
23 license described in ~~par. (d) sub. (14)~~ shall include the individual's social security  
24 number and an application by a person who is not an individual for the issuance or  
25 renewal of a license described in ~~par. (d) 1., 2., 3. or 5. sub. (14) (a), (b), (c) or (e)~~ shall

1 include the person's federal employer identification number. The licensor may not  
2 disclose any information received under this ~~subdivision~~ paragraph to any person  
3 except the department of ~~industry, labor and job development~~ workforce  
4 development for purposes of administering s. 49.22 or the department of revenue for  
5 the sole purpose of requesting certifications under s. 73.0301.

6 (b) The licensor shall deny an application for the issuance or renewal of a  
7 license if the information required under ~~subd. 1. par. (a)~~ is not included in the  
8 application.

9 **SECTION 102.** 218.01 (2) (ig) of the statutes is renumbered 218.0114 (21g), and  
10 218.0114 (21g) (a) (intro.) and (b), as renumbered, are amended to read:

11 218.0114 (21g) (a) (intro.) In addition to any other information required under  
12 this ~~subsection~~ section, an application for a license described in ~~par. (d)~~ sub. (16)  
13 shall include the following:

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

16 1. The licensor may disclose information under ~~subd. 1. par. (a)~~ to the  
17 department of revenue for the sole purpose of requesting certifications under s.  
18 73.0301.

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

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

1           218.0114 (22) A motor vehicle dealer licensed in accordance with the provisions  
2 of ~~this section ss. 218.0101 to 218.0163~~ shall make reports to the licensor at such  
3 intervals and showing such information as the licensor may require.

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

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

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

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

9           218.0119 (2) Whenever a licensed dealer, distributor, manufacturer or  
10 transporter opens a new place of business, the licensee shall promptly report ~~such~~  
11 that fact, including the address thereof of the new place of business, to the  
12 department of transportation.

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

15           218.0119 (3) Whenever a licensed dealer, distributor or manufacturer  
16 discontinues or disposes of his or her business, ~~such person that dealer, distributor~~  
17 or manufacturer shall promptly report ~~such that~~ fact to the department of  
18 transportation and return the license and registration plates issued. Whenever a  
19 licensed dealer, distributor or manufacturer discontinues business due to license  
20 suspension or revocation, ~~such person that dealer, distributor or manufacturer~~ shall  
21 surrender the licenses and registration plates to the department of transportation  
22 for ~~such the~~ suspension or revocation period.

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

1           218.0119 (4) Any dealer, distributor, manufacturer or transporter who fails to  
2 comply with the requirements of this ~~subsection~~ section may be fined not more than  
3 \$200 or imprisoned for not more than 6 months or both.

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

6           **218.0121 Factory stores.** A manufacturer, importer or distributor, or a  
7 subsidiary ~~thereof of a manufacturer, importer or distributor~~, shall not own, operate  
8 or control a motor vehicle dealership in this state. This ~~subsection~~ section does not  
9 prohibit any of the following:

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

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

22           (3) The ownership, operation or control of a dealership by a manufacturer,  
23 importer or distributor, or subsidiary ~~thereof of a manufacturer, importer or~~  
24 distributor, which does not meet the conditions under ~~par. (a) or (b)~~ sub. (1) or (2), if  
25 the division of hearings and appeals determines, after a hearing on the matter at the

1 request of any party, that there is no prospective independent dealer available to own  
2 and operate the dealership in a manner consistent with the public interest and that  
3 meets the reasonable standard and uniformly applied qualifications of the  
4 manufacturer, importer or distributor.

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

7 **218.0122 Damages to delivered vehicles.** (1) A manufacturer, importer or  
8 distributor shall disclose in writing to a motor vehicle dealer, at or before delivery to  
9 the dealer, any damage and repair to a new motor vehicle occurring after the  
10 manufacturing process is complete but before delivery to the dealer, if the cost of the  
11 repair exceeds 6% of the manufacturer's suggested retail price, as measured by retail  
12 repair costs. Replacement of glass, tires, bumpers, fenders, moldings, audio  
13 equipment, instrument panels, hoods and deck lids with identical manufacturer's  
14 original equipment is not considered damage and repair under this ~~paragraph~~  
15 subsection. If a manufacturer, importer or distributor fails to make a disclosure of  
16 damage and repair under this ~~paragraph~~ subsection, it shall be liable to the dealer  
17 for any liability imposed on the dealer for a failure on the part of the dealer to disclose  
18 that damage and repair.

19 (2) If the cost of repairing damage to a new motor vehicle that occurs before  
20 delivery to the dealer's location exceeds 6% of the manufacturer's suggested retail  
21 price, as measured by retail repair costs, the dealer may reject or, if title has passed  
22 to the dealer, require the manufacturer, importer or distributor who delivered the  
23 vehicle to repurchase the vehicle within 10 business days after delivery, unless the  
24 damage occurred during shipment and the method of transportation, carrier or  
25 transporter of the motor vehicle was designated by the motor vehicle dealer. Upon

1 repurchase, the manufacturer, importer or distributor shall be subrogated to all of  
2 the dealer's rights against the carrier or transporter of the motor vehicle regarding  
3 damage. The cost of repairing glass, tires, bumpers, moldings and audio equipment  
4 with identical manufacturer's original equipment shall not be included in  
5 determining the cost of repairing damage under this ~~paragraph~~ subsection.

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

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

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

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

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

13 218.0125 (1) In this ~~subsection~~ section, "dealer cost" means the wholesale cost  
14 for a part as listed in the manufacturer's, importer's or distributor's current price  
15 schedules or, if the part is not so listed, the dealer's original invoice cost for the part.

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

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

19 218.0125 (3) To be eligible for compensation for parts under ~~par. (b) sub. (2)~~,  
20 a dealer shall notify the manufacturer, importer or distributor in writing of the  
21 amounts that the dealer charges its other retail service customers for parts and  
22 request that it be paid for parts in accordance with this ~~subsection~~ section. The notice  
23 may be limited to the dealer's average markup over dealer cost that the dealer  
24 charges its other retail service customers for parts used to perform similar work. The  
25 notice shall be served upon the manufacturer, importer or distributor not less than

1 30 days before the date on which the dealer requests that the manufacturer, importer  
2 or distributor begin paying the dealer for parts at the stated amounts. The  
3 manufacturer, importer or distributor shall pay the dealer, as provided in this  
4 ~~subsection~~ section, at the amounts stated in the dealer notice for parts used in work  
5 performed on and after the beginning date stated in the notice.

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

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

9 218.0125 (5) A manufacturer, importer or distributor who fails to compensate  
10 a dealer for parts at an amount not less than the amount the dealer charges its other  
11 retail service customers for parts used to perform similar work shall not be found to  
12 have violated this ~~subsection~~ section if the manufacturer, importer or distributor  
13 shows that the amount is not reasonably competitive to the amounts charged to retail  
14 service customers by other similarly situated franchised motor vehicle dealers in this  
15 state for the same parts when used by those dealers to perform similar work.

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

18 218.0125 (6) If a manufacturer, importer or distributor furnishes a part to a  
19 dealer at no cost for use by the dealer in performing work for which the manufacturer,  
20 importer or distributor is required to compensate the dealer under this ~~subsection~~  
21 section, the manufacturer, importer or distributor shall compensate the dealer for  
22 the part at an amount not less than the amount the dealer charges its other retail  
23 customers for parts when used to perform similar work less the wholesale cost for  
24 such the furnished part as listed in the manufacturer's current price schedules. A  
25 manufacturer, importer or distributor may pay the dealer a reasonable handling fee

1 instead of the compensation otherwise required by this ~~subsection~~ section for special  
2 high-performance complete engine assemblies furnished to the dealer at no cost,  
3 provided that the manufacturer, importer or distributor excludes special  
4 high-performance complete engine assemblies in determining whether the amounts  
5 requested in the dealer's notice are consistent with the amounts that the dealer  
6 charges its other retail service customers for parts used by the dealer to perform  
7 similar work.

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

10 218.0125 (7) A claim made by a franchised motor vehicle dealer for  
11 compensation under this ~~subsection~~ section shall be either approved or disapproved  
12 within 30 days after the claim is submitted to the manufacturer, importer or  
13 distributor in the manner and on the forms the manufacturer, importer or distributor  
14 reasonably prescribes. An approved claim shall be paid within 30 days after its  
15 approval; ~~and, if,~~ If a claim is not specifically disapproved in writing or by electronic  
16 transmission within 30 days after the date on which the manufacturer, importer or  
17 distributor receives it, the claim shall be considered to be approved and payment  
18 shall follow within 30 days. A manufacturer, importer or distributor retains the right  
19 to audit claims for a period of one year after the date on which the claim is paid and  
20 to charge back any amounts paid on claims that are false or unsubstantiated. If there  
21 is evidence of fraud, this ~~paragraph~~ subsection does not limit the right of the  
22 manufacturer to audit for longer periods and charge back for any fraudulent claim,  
23 subject to the limitations period under s. 893.93 (1) (b).

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

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

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

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

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

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

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

22           **SECTION 128.** 218.01 (3) (a) 4. of the statutes is renumbered 218.0116 (1) (bm)

23 and amended to read:

1           218.0116 (1) (bm) Wilful failure to comply with any provision of ~~this section ss.~~  
2           218.0101 to 218.0163 or any rule or regulation promulgated by the licensor under  
3           ~~this section ss. 218.0101 to 218.0163.~~

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

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

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

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

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

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

11           218.0116 (1) (em) Employment of fraudulent devices, methods or practices in  
12          connection with compliance with the statutes with respect to the retaking of goods  
13          under retail instalment contracts or consumer leases and the redemption and resale  
14          or subsequent lease of ~~such~~ the retaken goods.

15           (f) Having ~~indulged~~ engaged in any unconscionable practice relating to ~~said the~~  
16          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.

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

18           **SECTION 136.** 218.01 (3) (a) 13. of the statutes is renumbered 218.0116 (1) (g)

19          and amended to read:

20           218.0116 (1) (g) Having sold a retail instalment contract or consumer lease to  
21          a sales finance company that is not licensed hereunder under ss. 218.0101 to  
22          218.0163.

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

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

3           218.0116 (1) (h) Being a manufacturer, importer or distributor who has coerced  
4 or attempted to coerce any motor vehicle dealer to order any commodity or service  
5 or to accept delivery of or pay for any commodity or service that the motor vehicle  
6 dealer has not ordered. This ~~subdivision~~ paragraph does not modify or prohibit  
7 reasonable requirements in a franchise agreement that require a dealer to market  
8 and service a representative line of new motor vehicles that the manufacturer,  
9 importer or distributor is publicly advertising.

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

12           218.0116 (1) (hm) Being a manufacturer of motor vehicles, factory branch,  
13 distributor, field representative, officer, agent or any representative ~~whatsoever~~ of  
14 ~~such a~~ motor vehicle manufacturer or factory branch, who has attempted to induce  
15 or coerce, or has induced or coerced, any motor vehicle dealer to enter into any  
16 agreement with ~~such~~ the manufacturer, factory branch or representative thereof of  
17 the motor vehicle manufacturer or factory branch, or to do any other act unfair to said  
18 the dealer, by threatening to cancel any franchise existing between ~~such~~ the  
19 manufacturer, factory branch or representative thereof of the motor vehicle  
20 manufacturer or factory branch and said the dealer.

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

23           218.0116 (1) (i) 2. Subject to ~~sub. (3n)~~ s. 218.0132, being a manufacturer,  
24 importer or distributor who has unfairly, without due regard to the equities or  
25 without just provocation, directly or indirectly canceled or failed to renew the

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

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

17 **SECTION 141.** 218.01 (3) (a) 18. of the statutes is renumbered 218.0116 (1) (im)  
18 2. and amended to read:  
19 218.0116 (1) (im) 2. Having accepted an order or contract of purchase from a  
20 buyer or a consumer lease or prelease agreement from a lessee or prospective lessee  
21 if such the arrangement results in the practice of bushing. ~~For the purpose of this~~  
22 ~~section, "bushing" means, with respect to an order or contract of purchase, the~~  
23 ~~practice of increasing the selling price of a motor vehicle above that originally quoted~~

1 ~~the purchaser as evidenced by a purchase order or contract which has been signed~~  
2 ~~by both the purchaser and dealer licensee and, with respect to a consumer lease or~~  
3 ~~prelease agreement, the practice of increasing the gross capitalized cost above that~~  
4 ~~originally quoted the lessee or prospective lessee as evidenced by a consumer lease~~  
5 ~~or prelease agreement which has been signed by both the lessee or prospective lessee~~  
6 ~~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.

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

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

10 218.0116 (1) (jm) Having set up, promoted or aided in the promotion of a plan  
11 by which motor vehicles are sold or leased to a person for a consideration and upon  
12 the further consideration that the purchaser or lessee agrees to secure one or more  
13 persons to participate in the plan by respectively making a similar purchase or lease  
14 and in turn agreeing to secure one or more persons likewise to join in ~~said~~ the plan,  
15 each purchaser or lessee being given the right to secure money, credits, goods or  
16 something of value, depending upon the number of persons joining in the plan.

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

19 218.0116 (1) (k) Being a dealer who keeps open the dealer's place of business  
20 on Sunday for the purpose of buying, leasing or selling motor vehicles; but nothing  
21 in this ~~subdivision~~ paragraph shall apply to any person who conscientiously believes  
22 that the 7th day of the week, from sunset Friday to sunset Saturday, should be  
23 observed as the Sabbath and who actually refrains from conducting or engaging in

1 the business of buying, leasing, selling or offering for lease or sale motor vehicles, or  
2 performing other secular business on that day.

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

5 218.0116 (1) (km) Being a manufacturer, importer or distributor who violates  
6 sub. ~~(2e), (2d), (2f), (2g) or (2w)~~ s. 218.0121, 218.0122, 218.0123, 218.0124 or  
7 218.0125.

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

10 218.0116 (1) (L) Being a motor vehicle dealer who, in breach of an agreement,  
11 voluntarily changes its ownership or executive management, transfers its  
12 dealership assets to another person, adds another franchise at the same location as  
13 its existing franchise, or relocates a franchise without first complying with the  
14 procedures in sub. ~~(3x)~~ s. 218.0134.

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

17 218.0116 (1) (Lm) Being a manufacturer, importer or distributor who fails to  
18 comply with the procedures in sub. ~~(3x)~~ s. 218.0134 regarding a dealer's request for  
19 approval of a change of ownership or executive management, transfer of its  
20 dealership assets to another person, adding another franchise at the same location  
21 as its existing franchise, or relocation of a franchise or who fails to comply with an  
22 order of the division of hearings and appeals issued under sub. ~~(3x)~~ s. 218.0134.

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

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

1           218.0116 (1) (mm) Being a manufacturer, factory branch, distributor, field  
2 representative, officer, agent or any representative of ~~such a~~ manufacturer, factory  
3 branch or distributor who, notwithstanding the terms of any agreement, refuses to  
4 honor the succession to the ownership or operation of a dealership under an existing  
5 franchise agreement by a designated family member of a deceased or incapacitated  
6 dealer, except in the manner prescribed by ~~sub. (3e)~~ s. 218.0131, or who unreasonably  
7 withholds its approval of a change of ownership or executive management of the  
8 dealership after the dealer's death or incapacity.

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

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

12           218.0116 (1) (nm) Wilful failure to provide and maintain facilities and business  
13 records as required by ~~this section~~ ss. 218.0101 to 218.0163 or by any rule  
14 promulgated by the licensor pertaining to facility and business records.

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

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

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

19           218.0116 (1) (p) Having violated an order issued under ~~par. (h)~~ sub. (10).

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

22           218.0116 (1) (pm) Being a manufacturer, factory branch or distributor who  
23 enters into a franchise agreement establishing or relocating a motor vehicle  
24 dealership, parts outlet or service outlet in a relevant market area without first  
25 complying with the procedure in ~~par. (f) 1.~~ sub. (7) (a).