

2001 ASSEMBLY BILL 609

October 30, 2001 – Introduced by LAW REVISION COMMITTEE. Referred to Committee on Transportation.

1 **AN ACT** *to repeal* 348.185 and 348.21 (1); *to amend* 341.04 (1), 342.12 (4) (c) 1.
2 c., 342.30 (2) and 346.65 (6) (km); and *to create* 342.10 (3) (h) of the statutes;
3 **relating to:** the titling of motor vehicles that have been damaged; the sale of
4 a motor vehicle subject to a seizure for a crime related to driving while under
5 the influence of an intoxicant or other drug; displaying the empty weight on the
6 side of certain motor vehicles; vehicle identification numbers for motorcycles;
7 and operating a motor vehicle that is not registered (suggested as remedial
8 legislation by the department of transportation).

Analysis by the Legislative Reference Bureau

Under current law, the department of transportation (DOT) is required to record certain information about a motor vehicle on any new or duplicate certificate of title that it issues for the vehicle, including whether ownership of the vehicle has been transferred to an insurer upon payment of an insurance claim. This type of transfer may occur when a vehicle that is less than seven years old is damaged to the extent that the estimated or actual cost of repairing the vehicle exceeds 30%, but is less than 70%, of its fair market value. No person may transfer a motor vehicle without disclosing in writing to the transferee whether the vehicle has been so transferred.

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This bill requires DOT to record on any new or duplicate certificate of title that a vehicle was damaged by collision or other occurrence when it was less than seven years old to the extent that the estimated or actual cost, whichever is greater, of repairing the vehicle exceeded 30%, but was less than 70%, of its fair market value and the vehicle was self-insured by its owner at the time of the collision or other occurrence.

Under current law, if a person is convicted of a drunken driving violation, including a refusal to submit to testing to determine the presence of alcohol in his or her system, and the person has two or more prior suspensions, revocations, or convictions related to drunken driving within a ten-year period, a vehicle owned by the person is required to (beginning on January 1, 2002, may) be either seized, immobilized, or equipped with an ignition interlock device. In addition, the person, when notified by the district attorney, is required to submit the certificates of title to all of the motor vehicles that he or she owns to the clerk of circuit court. The clerk stamps on the title a notification that the motor vehicle may not be transferred without court approval (a transfer stop). DOT may not issue a new title transferring ownership of any vehicle that is subject to a transfer stop without court approval, except that DOT may issue a new title to a “good faith purchaser” under certain conditions.

Under current law, a person may qualify as a “good faith purchaser” if he or she submits a notarized affidavit to DOT attesting that he or she obtained a vehicle that is subject to a transfer stop without knowledge that the district attorney had commenced an action that would subject the vehicle to seizure, immobilization, or an ignition lock, and that the vehicle’s certificate of title was not stamped with a transfer stop when the person obtained the vehicle.

This bill provides that a “good faith purchaser” may submit a statement, rather than an affidavit, to DOT, with the person’s application for a new title.

Current law prohibits any person from operating a motor truck, truck tractor, motor bus, trailer, or semitrailer unless the vehicle’s empty weight is displayed on the side of the vehicle. This bill eliminates the requirement that a vehicle’s empty weight be displayed.

Current law directs DOT to specify, by rule, where a vehicle identification number should be placed on a vehicle. Current law also requires a vehicle identification number for a motorcycle to be stamped on the left side of the motorcycle, near the top of the engine casting just below the cylinder barrel. Under current law, the placement of a vehicle identification number must be supervised by a motor vehicle dealer, distributor, or manufacturer or by a peace officer. The motor vehicle dealer, distributor, or manufacturer or the peace officer must report his or her supervision of the placement to DOT.

This bill allows DOT to specify by rule, on a form provided to the owner of a vehicle, where a vehicle identification number should be placed on a vehicle. The bill also eliminates the specifications for the placement of a vehicle identification number for motorcycles, and eliminates the requirement that a vehicle identification number for a motorcycle be stamped onto the motorcycle. Under the bill, a motor vehicle dealer, distributor, or manufacturer or a peace officer or an employee of the

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division of motor vehicles need not supervise the placement of a vehicle identification number, but must confirm that the number has been properly placed and report his or her confirmation to DOT.

Current law prohibits any person from operating on a highway any motor vehicle, recreational vehicle, trailer, or semitrailer or any other vehicle for which a registration fee is specifically prescribed unless that vehicle is registered with the department of transportation or unless the vehicle is exempt from registration.

This bill clarifies that, unless exempt from registration, no motor vehicle, recreational vehicle, trailer, or semitrailer may be operated on a highway unless it is registered regardless of whether a specific registration fee is prescribed by law for that vehicle and that any other type of vehicle for which a specific registration fee is prescribed by law must be registered before it can be operated on a highway.

For further information, see the NOTES provided by the law revision committee of the joint legislative council.

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

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

LAW REVISION COMMITTEE PREFATORY NOTE: This bill is a remedial legislation proposal, requested by the department of transportation and introduced by the law revision committee under s. 13.83 (1) (c) 4., stats. After careful consideration of the various provisions of the bill, the law revision committee has determined that this bill makes minor substantive changes in the statutes, and that these changes are desirable as a matter of public policy.

1 **SECTION 1.** 341.04 (1) of the statutes is amended to read:
2 341.04 (1) It is unlawful for any person to operate or for an owner to consent
3 to being operated on any highway of this state any motor vehicle, recreational
4 vehicle, trailer, or semitrailer, or any other vehicle for which a registration fee is
5 specifically prescribed, unless at the time of operation the vehicle in question either
6 is registered in this state, or, except for registration under s. 341.30 or 341.305, a
7 complete application for registration, including evidence of any inspection under s.
8 110.20 when required, accompanied by the required fee has been delivered to the
9 department, submitted to a dealer under s. 341.09 (2m) for transmittal to the
10 department, or deposited in the mail properly addressed with postage prepaid and,

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1 if the vehicle is an automobile or motor truck having a registered weight of 8,000
2 pounds or less, the vehicle displays a temporary operation plate issued for the vehicle
3 unless the operator or owner of the vehicle produces proof that operation of the
4 vehicle is within 2 business days of the vehicle's sale or transfer, or the vehicle in
5 question is exempt from registration.

****NOTE: This SECTION adds commas to clarify that unless exempt from registration, a motor vehicle, recreational vehicle, trailer or semitrailer, as well as any other vehicle for which a fee is specifically prescribed, must be registered before it can be operated on a highway.

6 **SECTION 2.** 342.10 (3) (h) of the statutes is created to read:

7 342.10 (3) (h) That the vehicle was damaged by collision or other occurrence
8 when it was less than 7 years old to the extent that the estimated or actual cost,
9 whichever is greater, of repairing the vehicle was at least 30% but not more than 70%
10 of its fair market value and at the time of the collision or other occurrence the vehicle
11 was registered by a person qualifying as a self-insurer under s. 344.16. This
12 paragraph does not apply to salvage vehicles.

****NOTE: This SECTION requires DOT to record on any new or duplicate certificate of title that the vehicle was damaged by a collision or other occurrence when it was less than seven years old to the extent that the estimated or actual cost, whichever is greater, of repairing the vehicle exceeded 30%, but was less than 70%, of its fair market value and the vehicle was self-insured by its owner at the time of the collision or other occurrence. Currently, a self-insurer is not explicitly subject to the requirements under s. 342.10 (3), Stats.

13 **SECTION 3.** 342.12 (4) (c) 1. c. of the statutes is amended to read:

14 342.12 (4) (c) 1. c. The person requesting the issuance of the certificate of title
15 files ~~an affidavit~~ a statement with the department attesting that the conditions
16 under subd. 1. a. and b. are met.

****NOTE: SECTIONS 3 and 5 change the type of written document a person is required to submit to DOT when requesting a certificate of title under specified circumstances. Currently, a person must submit an affidavit to DOT attesting that he or she obtained a vehicle that is subject to a "transfer stop" (a notation stamped on the certificate of title by the clerk of circuit court that the vehicle may not be transferred without court approval) without knowledge that the district attorney had commenced an action that would subject the vehicle to seizure, immobilization, or an ignition lock, and

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that the vehicle's certificate of title was not stamped with a transfer stop when the person obtained the vehicle. These SECTIONS change "affidavit", a notarized document, to "statement".

1 **SECTION 4.** 342.30 (2) of the statutes is amended to read:

2 342.30 **(2)** Except as provided in this subsection, an identification number
3 assigned by the department to a vehicle shall be permanently affixed to a location
4 on the vehicle that is readily visible when observed from outside the vehicle, as
5 specified by the department by rule. ~~Identification numbers assigned for cycles shall~~
6 ~~be stamped on the left side, near the top of the engine casting just below the cylinder~~
7 ~~barrel on a form provided to the owner as to the proper placement of the identification~~
8 ~~number.~~ Such stamping or affixing shall be done under the supervision of confirmed
9 by a dealer, distributor, or manufacturer registered under s. 341.51 or under the
10 supervision of by a peace officer or an employee of the division of motor vehicles. The
11 person supervising the stamping or confirming the affixing shall make a report
12 thereof to the department.

****NOTE: This SECTION authorizes DOT to specify by rule, on a form provided to the owner of a vehicle, where a vehicle identification number [VIN] should be placed on the vehicle; eliminates specifications for placement of a VIN for motorcycles, and eliminates the requirement that a VIN for a motorcycle be stamped onto the motorcycle; and authorizes a motor vehicle dealer, distributor, manufacturer, peace officer or division of motor vehicles' employee to confirm the placement of a VIN and report the confirmation to DOT. Currently, a motor vehicle dealer, distributor, manufacturer, peace officer or division of motor vehicles' employee must supervise the placement of a VIN.

13 **SECTION 5.** 346.65 (6) (km) of the statutes is amended to read:

14 346.65 **(6)** (km) If a person purchases a motor vehicle in good faith and without
15 knowledge that the motor vehicle was subject to immobilization or seizure or to
16 equipping with an ignition interlock device under this subsection and the
17 department has no valid reason for not issuing a certificate of title other than the
18 prohibition under par. (k), the department shall issue a new certificate of title in the
19 name of the person requesting the new certificate of title if at the time of the purchase

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1 of the motor vehicle the certificate of title did not contain the notation stamped on
2 the certificate of title by the clerk of circuit court under par. (a) 2m. and if the person
3 submits the ~~affidavit~~ statement required under s. 342.12 (4) (c) 1. c.

4 **SECTION 6.** 348.185 of the statutes is repealed.

****NOTE: SECTIONS 6 and 7 eliminate the prohibition against operating a motor truck, truck tractor, road tractor or motor bus, or a trailer or semitrailer used in connection with any of these vehicles unless the vehicle's empty weight is displayed on the side of the vehicle, and the penalty associated with that prohibition.

5 **SECTION 7.** 348.21 (1) of the statutes is repealed.

6 **SECTION 8. Initial applicability.**

7 (1) The treatment of sections 342.12 (4) (c) 1. c. and 346.65 (6) (km) of the
8 statutes first applies to certificates of title that are issued on the effective date of this
9 subsection.

10 (END)