

## 2003 SENATE BILL 420

February 3, 2004 – Introduced by Senators LEIBHAM, S. FITZGERALD, ROESSLER and SCHULTZ, cosponsored by Representatives AINSWORTH, ALBERS, BIES, FREESE, GOTTLIEB, HAHN, HINES, MCCORMICK, MILLER, MONTGOMERY, MUSSER, OTT, PETROWSKI, PLOUFF and TURNER. Referred to Committee on Transportation and Information Infrastructure.

1     **AN ACT** *to repeal* 342.10 (4) and 342.12 (2) (b); *to consolidate, renumber and*  
2             *amend* 342.12 (2) (intro.) and (a); and *to amend* 341.13 (2), 341.14 (6m) (a),  
3             341.145 (1) (b), 342.08 (intro.), 342.12 (3) (intro.) and (b) and 342.13 (1) of the  
4             statutes; **relating to:** issuance of motor vehicle certificates of title and special  
5             distinguishing registration plates that identify the bearer as a member of the  
6             national guard.

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

Under current law, the Department of Transportation (DOT) generally issues and delivers a certificate of title to the owner of a vehicle upon receipt of an application and the fee required for titling the vehicle, but must refuse issuance of a certificate of title if, among other things, DOT has reasonable grounds to believe the person alleged to be the owner of the vehicle is not the owner. If DOT is not satisfied as to the ownership of the vehicle, DOT may withhold issuance of the certificate of title until the applicant presents documents reasonably sufficient to satisfy DOT as to the applicant's ownership of the vehicle or, under specified circumstances, DOT may issue a distinctive certificate of title. With certain exceptions, DOT must issue a distinctive certificate of title, inscribed with a specified legend, for a vehicle that was last registered in another state if the law of that state does not require secured parties to be identified on the vehicle certificate of title to have a perfected security interest. If DOT does not receive notice within four months

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of a security interest in the vehicle, DOT must, upon application and surrender of the distinctive certificate of title, issue a certificate of title in ordinary form.

This bill repeals these special requirements related to issuance of certificates of title to vehicles last registered in another state. Under the bill, such vehicles would be subject to the same provisions as other vehicles relating to issuance of certificates of title, and DOT would no longer issue distinctive certificates of title.

Under current law, if a vehicle certificate of title is lost, stolen, mutilated, or destroyed, or becomes illegible, the vehicle owner must make application to DOT for a replacement certificate of title and furnish relevant information satisfactory to DOT. DOT may then issue a replacement certificate of title, which must bear this notice: “This is a replacement certificate and may be subject to the rights of a person under the original certificate.” This bill allows DOT to determine the precise wording of the notice on a replacement certificate of title.

Under current law, DOT must check an application for a certificate of title against the records of stolen vehicles in the Department of Justice (DOJ) before issuing a certificate of title for a vehicle last registered in another jurisdiction or upon receiving an application for a certificate of title showing a transfer of ownership of a vehicle. This bill eliminates the reference to DOJ, thereby allowing DOT to check the records of stolen vehicles through the most appropriate or cost-efficient database.

Under current law, members of authorized special groups may obtain special distinguishing registration plates for most motor vehicles that are owned or leased by members of these groups. Authorized special groups include active members and veterans of the U.S. army, navy, air force, coast guard, and marine corps. Members of these groups may obtain special distinguishing registration plates for automobiles, light trucks, motor homes, light farm trucks, light dual purpose motor homes, and light dual purpose farm trucks.

Also under current law, an active or retired member of the national guard may obtain for his or her automobile or light truck special distinguishing registration plates that identify the bearer as a Wisconsin guard member.

This bill allows a member of the national guard to obtain special distinguishing “Wisconsin guard member” registration plates for a motor home, light farm truck, light dual purpose motor home, or light dual purpose farm truck.

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

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

- 1           **SECTION 1.** 341.13 (2) of the statutes is amended to read:
- 2           341.13 (2) In addition to the matter specified in s. 341.12 (3), the registration
- 3           plates for a vehicle registered on the basis of gross weight except a motor truck

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1 registered under ~~s. 341.14 (6m) or 341.145 (1) (b)~~, a dual purpose motor home, or a  
2 motor home, motor truck, farm truck, or dual purpose farm truck registered under  
3 s. 341.14 (1), (1a), (1m), (1q), (1r) (a), (2), (6m), or (6r) or 341.145 (1) (a), (b), (c), (d),  
4 or (e) or a motor truck or dual purpose farm truck registered under s. 341.14 (6) shall  
5 indicate the weight class into which the vehicle falls in a manner prescribed by the  
6 department. The gross weight which determines the registration fee for ~~a motor~~  
7 ~~truck registered under s. 341.14 (6m) or 341.145 (1) (b)~~, a dual purpose motor home,  
8 or a motor home, motor truck, farm truck, or dual purpose farm truck registered  
9 under s. 341.14 (1), (1a), (1m), (1q), (1r) (a), (2), (6m), or (6r) or 341.145 (1) (a), (b),  
10 (c), (d), or (e) or a motor truck or dual purpose farm truck registered under s. 341.14  
11 (6) shall be shown on its certificate of registration.

12 **SECTION 2.** 341.14 (6m) (a) of the statutes is amended to read:

13 341.14 **(6m)** (a) Upon application to register an automobile or a motor home,  
14 or a motor truck, dual purpose motor home, or dual purpose farm truck which has  
15 a gross weight of not more than 8,000 pounds, or a farm truck which has a gross  
16 weight of not more than 12,000 pounds, by any person who is a resident of this state  
17 and a member or retired member of the national guard, the department shall issue  
18 to the person special plates whose colors and design shall be determined by the  
19 department and which have the words “Wisconsin guard member” placed on the  
20 plates in the manner designated by the department. The department shall consult  
21 with or obtain the approval of the adjutant general with respect to any word or  
22 symbol used to identify the national guard. An additional fee of \$15 shall be charged  
23 for the issuance or reissuance of the plates. Registration plates issued under this  
24 subsection shall expire annually.

25 **SECTION 3.** 341.145 (1) (b) of the statutes is amended to read:

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1           341.145 (1) (b) A registration plate of the same color and design as provided in  
2 s. 341.14 (6m) for ~~an owned automobile or motor truck having a gross weight of not~~  
3 ~~more than 8,000 pounds~~ a vehicle specified under s. 341.14 (6m), which displays a  
4 registration number composed of letters or numbers, or both, not exceeding 7  
5 positions and not less than one position, requested by the applicant.

6           **SECTION 4.** 342.08 (intro.) of the statutes is amended to read:

7           **342.08 Department to examine records.** (intro.) The department shall  
8 check the application for a certificate of title against ~~the records of stolen vehicles in~~  
9 ~~the department of justice:~~

10          **SECTION 5.** 342.10 (4) of the statutes is repealed.

11          **SECTION 6.** 342.12 (2) (intro.) and (a) of the statutes are consolidated,  
12 renumbered 342.12 (2) and amended to read:

13          342.12 (2) If the department is not satisfied as to the ownership of the vehicle  
14 or that there are no undisclosed security interests in it, the department, subject to  
15 sub. (3), shall ~~either: Withhold~~ withhold issuance of a certificate of title until the  
16 applicant presents documents reasonably sufficient to satisfy the department as to  
17 the applicant's ownership of the vehicle and that there are no undisclosed security  
18 interests in it; ~~or,~~

19          **SECTION 7.** 342.12 (2) (b) of the statutes is repealed.

20          **SECTION 8.** 342.12 (3) (intro.) and (b) of the statutes are amended to read:

21          342.12 (3) (intro.) Notwithstanding sub. (2), the department may issue a  
22 ~~nondistinctive~~ certificate of title if the applicant fulfills either of the following  
23 requirements:

24           (b) The applicant has filed with the department a bond in the form prescribed  
25 by the department and executed by the applicant, and either accompanied by the

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1 deposit of cash with the department or also executed by a person authorized to  
2 conduct a surety business in this state. The bond shall be in an amount equal to one  
3 and one-half times the value of the vehicle as determined by the department and  
4 conditioned to indemnify any prior owner and secured party and any subsequent  
5 purchaser of the vehicle or person acquiring any security interest in it, and their  
6 respective successors in interest, against any expense, loss or damage, including  
7 reasonable attorney fees, by reason of the issuance of the certificate of title for the  
8 vehicle or on account of any defect in or undisclosed security interest upon the right,  
9 title and interest of the applicant in and to the vehicle. Any such interested person  
10 has a right of action to recover on the bond for any breach of its conditions, but the  
11 aggregate liability of the surety to all persons shall not exceed the amount of the  
12 bond. The bond, and any deposit accompanying it, shall be returned at the end of 5  
13 years or prior thereto if, apart from this section, a nondistinctive certificate of title  
14 could then be issued for the vehicle, or if the vehicle is no longer registered in this  
15 state and the currently valid certificate of title is surrendered to the department,  
16 unless the department has been notified of the pendency of an action to recover on  
17 the bond.

18 **SECTION 9.** 342.13 (1) of the statutes is amended to read:

19 342.13 (1) If a certificate of title is lost, stolen, mutilated, or destroyed, or  
20 becomes illegible, the owner or legal representative of the owner named in the  
21 certificate, as shown by the records of the department, shall promptly make  
22 application for and may obtain a replacement upon furnishing information  
23 satisfactory to the department. The replacement certificate of title shall contain the  
24 legend "This is a notation, in a form determined by the department, identifying the  
25 certificate as a replacement certificate and that may be subject to the rights of a

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1 person under the original certificate”. If applicable under s. 346.65 (6), the  
2 replacement certificate of title shall include the notation “Per section 346.65 (6) of  
3 the Wisconsin statutes, ownership of this motor vehicle may not be transferred  
4 without prior court approval”.

5 (END)