

2003 ASSEMBLY BILL 821

1 **AN ACT** *to amend* 218.0111 (1) (intro.), 218.0114 (1), 218.0114 (13) (b) and (c),
2 218.0114 (18) and 218.33 (2) (a); and *to create* 218.0101 (22m), 218.0114 (14)
3 (fm) and 218.34 of the statutes; **relating to:** motor vehicle buyers, granting
4 rule-making authority, making an appropriation, and providing a penalty.

Analysis by the Legislative Reference Bureau

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

5 **SECTION 1.** 218.0101 (22m) of the statutes is created to read:
6 218.0101 (**22m**) “Motor vehicle buyer” means an individual who is employed
7 by or who has contracted with one or more motor vehicle dealers to bid on or purchase
8 a motor vehicle being held and offered for sale by a motor vehicle dealer or motor
9 vehicle auction.
10 **SECTION 2.** 218.0111 (1) (intro.) of the statutes is amended to read:

ASSEMBLY BILL 821**SECTION 2**

1 218.0111 (1) (intro.) The department of transportation shall issue the licenses
2 provided for in s. 218.0114 (14) (a) to ~~(f)~~ (fm) and have supervision over the licensees
3 in respect to all of the provisions of ss. 218.0101 to 218.0163, except that the division
4 of banking shall have jurisdiction and control over all of the following:

5 **SECTION 3.** 218.0114 (1) of the statutes is amended to read:

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

16 **SECTION 4.** 218.0114 (13) (b) and (c) of the statutes are amended to read:

17 218.0114 (13) (b) The department of transportation shall promulgate rules
18 establishing the license period for each type of license described in sub. (14) (a) to ~~(f)~~
19 (fm).

20 (c) The department of transportation may promulgate rules establishing
21 expiration dates for the various types of licenses described in sub. (14) (a) to ~~(f)~~ (fm).

22 **SECTION 5.** 218.0114 (14) (fm) of the statutes is created to read:

23 218.0114 (14) (fm) For motor vehicle buyers, \$6. Any motor vehicle buyer who
24 buys a motor vehicle on behalf of more than one dealership must hold a separate
25 motor vehicle buyer license for each employing dealership.

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SECTION 6. 218.0114 (18) of the statutes is amended to read:

26 218.0114 **(18)** Every salesperson, factory representative ~~or~~, distributor
27 representative, or motor vehicle buyer shall carry his or her license when engaged
28 in business, and display the license upon request. The license shall name the
29 licensee's employer or motor vehicle dealership for whom the motor vehicle buyer is
30 buying. Upon leaving an employer, or, in the case of a buyer, terminating a buying
31 relationship with a motor vehicle dealership, the licensee shall immediately
32 surrender the license to his or her employer or to the dealership, who shall mail the
33 license to the licensor. If during the license period the licensee again is employed or
34 acts as a salesperson or motor vehicle buyer, he or she shall make application for
35 reissue of a salesperson's or motor vehicle buyer license. There shall be no fee in
36 connection with the subsequent ~~applications~~ application for a salesperson's license.
37 The fee for a subsequent application for a motor vehicle buyer license is \$6.

SECTION 7. 218.33 (2) (a) of the statutes is amended to read:

39 218.33 **(2)** (a) Sales of motor vehicles shall be confined to those offered by
40 licensed motor vehicle dealers and shall be sold made only to ~~licensed motor vehicle~~
41 ~~dealers~~ a person who is qualified under s. 218.34 to purchase, or submit a bid for the
42 purchase of, a motor vehicle from a motor vehicle auction.

SECTION 8. 218.34 of the statutes is created to read:

44 **218.34 Purchases from a motor vehicle auction. (1)** No person may
45 purchase or submit a bid for the purchase of a motor vehicle from a motor vehicle
46 auction unless the following conditions are satisfied:

47 (a) The person holds a valid motor vehicle dealer, motor vehicle wholesaler, or
48 motor vehicle buyer license.

ASSEMBLY BILL 821**SECTION 8**

1 (b) If licensed as a motor vehicle buyer, the person bids on a vehicle for only one
2 motor vehicle dealer at a time, and uses that dealer's funds when purchasing the
3 vehicle.

4 (c) The person displays his or her valid motor vehicle dealer, motor vehicle
5 wholesaler, or motor vehicle buyer license to the motor vehicle auction and includes
6 his or her license number on each sheet of any bid submitted to a motor vehicle
7 auction for the purchase of a motor vehicle or other document evidencing the
8 purchase of a motor vehicle from a motor vehicle auction.

9 **(2)** No motor vehicle auction may accept a bid for the purchase of a motor
10 vehicle or complete the sale transaction unless the person who submits the bid or
11 offers to purchase a motor vehicle from the motor vehicle auction satisfies the
12 requirements of sub. (1) and the motor vehicle auction verifies that the motor vehicle
13 dealer license, motor vehicle wholesaler license, or motor vehicle buyer license
14 number displayed on the person's license and included on each sheet of that person's
15 bid or other document evidencing the purchase of a motor vehicle are identical.

16 **(3)** For each motor vehicle sold by a motor vehicle auction, the motor vehicle
17 auction shall enter on the certificate of title, or on the form or in the automated
18 format used to reassign the title, any information that the department requires to
19 indicate that ownership of the vehicle was transferred by a motor vehicle auction.

20 **SECTION 8m. Nonstatutory provisions.**

21 (1) Notwithstanding section 16.42 (1) (e) of the statutes, in submitting
22 information under section 16.42 of the statutes for purposes of the 2005–07 biennial
23 budget bill, the department of transportation shall submit a dollar amount for the
24 appropriation under section 20.395 (5) (cq) of the statutes that is \$44,000 less than
25 the total amount appropriated under section 20.395 (5) (cq) of the statutes for the

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1 2004–05 fiscal year, before submitting any information relating to any increase or
2 decrease in the dollar amount for that appropriation for the 2005–07 fiscal biennium.

3 **SECTION 8r. Appropriation changes.**

4 (1) In the schedule under section 20.005 (3) of the statutes for the appropriation
5 to the department of transportation under section 20.395 (5) (cq) of the statutes, as
6 affected by the acts of 2003, the dollar amount is increased by \$44,000 for fiscal year
7 2004–05 to increase funding for administering the buyer license card.

8 **SECTION 8x. Effective date.**

9 (1) This act takes effect on the first day of the 7th month beginning after
10 publication.

11 (END)