ASSEMBLY SUBSTITUTE AMENDMENT, TO 2005 ASSEMBLY BILL 594

AN ACT to repeal 425.204 (3); to renumber and amend 425.202 and 425.401; to amend 425.205 (1) (intro.), 425.206 (1) (intro.), 425.206 (1) (a), 425.206 (1) (b), 425.207 (2) and 427.105 (2); and to create 425.202 (2), 425.205 (1g), 425.206 (1) (d), 425.2065 and 425.401 (2) of the statutes; relating to: repossessions of motor vehicles and providing a penalty.

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

SECTION 1. 425.202 of the statutes is renumbered 425.202 (intro.) and amended to read:

- **425.202 Definition: "collateral" Definitions.** (intro.) For purposes of this chapter, "collaterate;
- (1) "Collateral" means goods subject to a security interest in favor of a merchant which secures a customer's obligations under a consumer credit transaction.

SECTION 2. 425.202 (2) of the statutes is created to read:

425.202 (2) "Motor vehicle" has the meaning given in s. 218.0101 (22).

SECTION 3. 425.204 (3) of the statutes is repealed.

SECTION 4. 425.205 (1) (intro.) of the statutes is amended to read:

425.205 (1) (intro.) Except as provided in s. 425.206, a creditor seeking to obtain possession of collateral other than motor vehicle collateral or goods subject to a consumer lease other than a motor vehicle lease shall commence, and, if the customer demands such an action in response to a notice given under sub. (1g), a creditor seeking possession of a motor vehicle collateral or goods under a motor vehicle lease shall commence, an action for replevin of the collateral or leased goods. Those actions shall be conducted in accordance with ch. 799, notwithstanding s. 799.01 (1) (c) and the value of the collateral or leased goods sought to be recovered, except that:

SECTION 5. 425.205 (1g) of the statutes is created to read:

425.205 (1g) (a) A merchant may not take possession of motor vehicle collateral or goods subject to a motor vehicle consumer lease under s. 425.206 (1) (d), unless the merchant gives, by mail, the customer a notice containing all of the following information:

- 1. The name, address, and telephone number of the merchant, a brief identification of the consumer credit transaction, and a brief description of the collateral or goods.
- 2. A statement that, as a result of the customer's default on the consumer credit transaction, the merchant may have the right to take possession of the collateral or goods without further notice or court proceeding.
- 3. A statement that if the customer is not in default or objects to the merchant's right to take possession of the collateral or goods, the customer may, no later than 15 days after the

merchant has given the notice, demand that the merchant proceed in court by notifying the merchant in writing.

- 4. A statement that if the merchant proceeds in court, the customer may be required to pay court costs and attorney fees.
- (b) The information required under par. (a) may be combined with any other notice, except that if the customer has a right to cure under s. 425.105, the information required under par. (a) shall be combined with the notice of right to cure under s. 425.104.
- (c) A merchant is presumed to have given notice under par. (a) if the merchant sent the notice by certified or registered mail. A merchant who fails to give notice under par. (a) by certified or registered mail is subject to the penalties specified in s. 425.302 (1), but such failure does not constitute a failure to comply with s. 425.206 (1) (d).

SECTION 6. 425.206 (1) (intro.) of the statutes is amended to read:

425.206 (1) (intro.) Notwithstanding any other provision of law, no merchant may take possession of collateral or goods subject to a consumer lease in this state by means other than legal process in accordance with this subchapter except when any of the following apply:

SECTION 7. 425.206 (1) (a) of the statutes is amended to read:

425.206 (1) (a) The customer has surrendered the collateral or leased goods.

SECTION 8. 425.206 (1) (b) of the statutes is amended to read:

425.206 **(1)** (b) Judgment for the merchant has been entered in a proceeding for recovery of collateral or leased goods under s. 425.205, or for possession of the collateral or leased goods under s. 425.203 (2); or.

SECTION 9. 425.206 (1) (d) of the statutes is created to read:

425.206 (1) (d) For motor vehicle collateral or goods subject to a motor vehicle lease, the customer has not made a demand as specified in s. 425.205 (1g) (a) 3. and, no sooner than 15 days after the merchant gives the notice specified in s. 425.205 (1g) (a), the merchant has taken possession of the collateral or goods in accordance with sub. (2).

SECTION 10. 425.2065 of the statutes is created to read:

425.2065 Notice to law enforcement. (1) In this section, "law enforcement agency" means the police department, combined protective services department under s. 61.66, or sheriff, that has primary responsibility for providing police protection services in the city, village, or town in which a repossession is expected to occur.

- (2) A merchant who repossesses motor vehicle collateral or goods subject to a motor vehicle consumer lease under s. 425.206 (1) (d), or a person who repossess such collateral or goods on behalf of the merchant, shall notify, verbally or in writing, the law enforcement agency about the repossession. The notification shall include the names of the customer, merchant, and, if applicable, the person who repossesses the collateral or goods on behalf of the merchant. The notification shall also include a description of the collateral or goods. Notification under this subsection shall be made before the repossession occurs.
- (3) Failure to comply with this subsection does not constitute a failure to comply with s. 425.206 (1) (d).

SECTION 11. 425.207 (2) of the statutes is amended to read:

425.207 (2) A merchant who reasonably believes that a customer has abandoned collateral or goods subject to a consumer lease may take possession of such collateral or leased goods and preserve it. However, the customer may recover such collateral or leased goods upon

request unless at the time of request the the customer has surrendered the collateral or leased goods, or judgment for the merchant has been entered in a proceeding for recovery of collateral or leased goods under s. 425.205 or in a judgment described in s. 425.203 (2) perfected the right to possession under s. 425.206 (1) (a), (b), or (d). A merchant taking possession of collateral or leased goods pursuant to this section shall promptly send notification to the customer's lastknown address of such action and of the customer's right to recover such collateral or leased goods tinder this section. If the collateral or leased goods are recovered by the customer pursuant to this section, it shall be returned to the customer at the location where the merchant took possession of such collateral or leased goods pursuant to this section or, at the option of the merchant, at such other location designated by the customer; and any expense incurred by the merchant in taking possession of, holding and returning the collateral or leased goods to the customer shall be borne by the merchant. If after taking possession of collateral or leased goods pursuant to this subsection, the merchant perfects the right to possession through a surrender by the customer or a judgment under s. 425.203 (2) or 425.205 under s. 425.206 (1) (a), (b), or (d), the customer is liable for the expenses set forth in s. 409.615 (1). In determining such expenses, leased goods shall be considered collateral under s. 409.615 (1). However, a customer is not liable for expenses of holding the collateral or leased goods from the time the merchant takes possession until the merchant perfects the right to possession in the manner provided in this subsection.

SECTION 12. 425.401 of the statutes is renumbered 425.401 (1) and amended to read:

425.401 (1) A-Except as provided in sub. (2), a person who willfully and knowingly engages in any conduct or practice in violation of chs. 421 to 427 may be fined not more than \$2,000.

SECTION 13. 425.401 (2) of the statutes is created to read:

425.401 **(2)** A person who intentionally violates s. 425.2065 (2) may be fined not more than \$ 500.

SECTION 14. 427.105 (2) of the statutes is amended to read:

427.105 (2) If a customer establishes that the customer was induced to surrender collateral (as defined in s. 425.2024) (1), by conduct of the merchant which violates this chapter, the customer shall be entitled to a determination of the right to possession of the collateral pursuant to s. 425.205 (1) (e) in any action brought under this subchapter, and if the customer prevails on such issue, in addition to any other damages under this subchapter, the customer shall be entitled to recover possession of the collateral if still in the merchant's possession, together with actual damages for the customer's loss of use of the collateral.

(END)

2005 - 2006 LEGISLATURE

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ASSEMBLY SUBSTITUTE AMENDMENT,

TO 2005 ASSEMBLY BILL 594





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AN ACT to repeal 425.204 (3); to renumber and amend 425.202 and 425.401; to amend 425.205 (1) (intro.), 425.206 (1) (intro.), 425.206 (1) (a), 425.206 (1) (b), 425.207 (2) and 427.105 (2); and to create 425.202 (2), 425.205 (1g), 425.206 (1) (d), 425.2065 and 425.401 (2) of the statutes; relating to: repossessions of motor vehicles and providing a penalty.

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

SECTION 1. 425.202 of the statutes is renumbered 425.202 (intro.) and amended to read:

425.202 Definition: "collateral" Definitions. (intro.) For purposes of this chapter, "collateral":

(1) "Collateral" means goods subject to a security interest in favor of a merchant which secures a customer's obligations under a consumer credit transaction.

1	Section 2. 425.202 (2) of the statutes is created to read:
2	425.202 (2) "Motor vehicle" has the meaning given in s. 218.0101 (22).
3	Section 3. 425.204 (3) of the statutes is repealed.
4	SECTION 4. 425.205 (1) (intro.) of the statutes is amended to read:
5	425.205 (1) (intro.) Except as provided in s. 425.206, a creditor seeking to
6	obtain possession of collateral or goods subject to a consumer lease shall may
7	commence, and, for a consumer credit transaction for the acquisition or use of a motor
8	vehicle, if the customer demands such an action in response to a notice given under
9	sub. (1g) shall commence, an action for replevin of the collateral or leased goods.
10	Those actions shall be conducted in accordance with ch. 799, notwithstanding s.
11	799.01 (1) (c) and the value of the collateral or leased goods sought to be recovered,
12	except that:
13	Section 5. 425.205 (1g) of the statutes is created to read:
14 (15)	425.205 (1g) (a) A merchant may not take possession of motor vehicle collateral goods subject to a motor vehicle consumer lease or a leased motor vehicle subject to a consumer credit transaction for the acquisition
16	or use of the motor vehicle under s. 425.206 (1) (d), unless the merchant gives, by
17	mail, the customer a notice containing all of the following information:
18	1. The name, address, and telephone number of the merchant, a brief
19	identification of the consumer credit transaction, and a brief description of the motor
20	vehicle Collateral or goods Collateral or good
21	2. A statement that, as a result of the customer's default on the consumer credit
22	transaction, the merchant may have the right to take possession of the motor vehicle
23	without further notice or court proceeding.
24	3. A statement that if the customer is not in default or objects to the merchant's
25	right to take possession of the motor vehicles the customer may, no later than 15 days
	collateral or goods

after the merchant has given the notice, demand that the merchant proceed in court 1 2 by notifying the merchant in writing. 3 4. A statement that if the merchant proceeds in court, the customer may be 4 required to pay court costs and attorney fees. 5 (b) The information required under par. (a) may be combined with any other 6 notice, except that if the customer has a right to cure under s. 425.105, the information required under par. (a) shall be combined with the notice of right to cure 7 8 under s. 425.104. 9 (c) A merchant is presumed to have given notice under par. (a) if the merchant 10 sent the notice by certified or registered mail. A merchant who fails to give notice under par. (a) by certified or registered mail is subject to the penalties specified in 11 12 s. 425.302 (1), but such failure does not constitute a failure to comply with s. 425.206 13 (1)(d).14 **Section 6.** 425.206 (1) (intro.) of the statutes is amended to read: 15 425.206 (1) (intro.) Notwithstanding any other provision of law, no merchant may take possession of collateral or goods subject to a consumer lease in this state 16 by means other than legal process in accordance with this subchapter except when 17 18 any of the following apply: 19 **SECTION 7.** 425.206 (1) (a) of the statutes is amended to read: 20 425.206 (1) (a) The customer has surrendered the collateral or leased goods; 21 **SECTION 8.** 425.206 (1) (b) of the statutes is amended to read: 425.206 (1) (b) Judgment for the merchant has been entered in a proceeding 22 for recovery of collateral or leased goods under s. 425.205, or for possession of the 23 24 collateral or leased goods under s. 425.203 (2); or.

SECTION 9. 425.206 (1) (d) of the statutes is created to read:

	SECTION 9
	motor vehicle collateral or goods subject to
1	425.206 (1) (d) For consumer credit transaction for the acquisition or use of
2	a motor vehicle, the customer has not made a demand as specified in s. 425.205 (1g)
3	(a) 3. and, no sooner than 15 days after the merchant gives the notice specified in s.
4	425.205 (1g) (a), the merchant has taken possession of the motor vehicle collateral
5	or leased motor vehicle in accordance with sub. (2).
6	SECTION 10. 425.2065 of the statutes is created to read:
7	425.2065 Notice to law enforcement. (1) In this section, "law enforcement
8	agency" means the police department, combined protective services department
9	under s. 61.66, or sheriff, that has primary responsibility for providing police
10	protection services in the city, village, or town in which a repossession is expected to
11	occur.
12	occur. (2) A merchant who repossesses motor vehicle collateral or a leased motor
13	vehicle that is subject to a consumer credit transaction for the acquisition or use of
14	the motor vehicle under s. 425.206 (1) (d), or a person who repossess the motor vehicle 54
15	on behalf of the merchant, shall notify, verbally or in writing, the law enforcement
16	agency about the repossession. The notification shall include the names of the
17	customer, merchant, and, if applicable, the person who repossesses the motor vehicle
18	on behalf of the merchant. The notification shall also include a description of the
19	motor vehicle. Notification under this subsection shall be made before the
20	repossession occurs.
21	(3) Failure to comply with this subsection does not constitute a failure to
22	comply with s. 425.206 (1) (d).
23	SECTION 11. 425.207 (2) of the statutes is amended to read:
24	425.207 (2) A merchant who reasonably believes that a customer has

abandoned collateral or goods subject to a consumer lease may take possession of

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such collateral or leased goods and preserve it. However, the customer may recover such collateral or leased goods upon request unless at the time of request the customer has surrendered the collateral or leased goods, or judgment for the merchant has been entered in a proceeding for recovery of collateral or leased goods under s. 425.205 or in a judgment described in s. 425.203 (2) perfected the right to possession under s. 425.206 (1) (a), (b), or (d). A merchant taking possession of collateral or leased goods pursuant to this section shall promptly send notification to the customer's last-known address of such action and of the customer's right to recover such collateral or leased goods under this section. If the collateral or leased goods are recovered by the customer pursuant to this section, it shall be returned to the customer at the location where the merchant took possession of such collateral or leased goods pursuant to this section or, at the option of the merchant, at such other location designated by the customer; and any expense incurred by the merchant in taking possession of, holding and returning the collateral or leased goods to the customer shall be borne by the merchant. If after taking possession of collateral or leased goods pursuant to this subsection, the merchant perfects the right to possession through a surrender by the customer or a judgment under s. 425.203 (2) or 425.205 under s. 425.206 (1) (a), (b), or (d), the customer is liable for the expenses set forth in s. 409.615 (1). In determining such expenses, leased goods shall be considered collateral under s. 409.615 (1). However, a customer is not liable for expenses of holding the collateral or leased goods from the time the merchant takes possession until the merchant perfects the right to possession in the manner provided in this subsection.

SECTION 12. 425.401 of the statutes is renumbered 425.401 (1) and amended to read:

more than \$500.

425.401 (1) -A Except as provided in sub. (2), a person who willfully and
knowingly engages in any conduct or practice in violation of chs. 421 to 427 may be
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425.401 (2) A person who intentionally violates s. 425.2065 (2) may be fined not

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427.105 (2) If a customer establishes that the customer was induced to surrender collateral (, as defined in s. 425.202) (1), by conduct of the merchant which violates this chapter, the customer shall be entitled to a determination of the right to possession of the collateral pursuant to s. 425.205 (1) (e) in any action brought under this subchapter, and if the customer prevails on such issue, in addition to any other damages under this subchapter, the customer shall be entitled to recover possession of the collateral if still in the merchant's possession, together with actual damages for the customer's loss of use of the collateral.

(END)



DRAFTER'S NOTE FROM THE LEGISLATIVE REFERENCE BUREAU

LRBs0335/3dn MDK:...:...

(date)

Rep. Hundertmark:

This version makes the changes you requested, except that this version does not affect s. 425.205 (1) (intro.). After reviewing the issue, I concluded that it is not necessary to affect s. 425.205 (1) (intro.) to satisfy your intent.

Under current law, there are 3 options for a merchant to get possession of collateral or leased goods: 1) the consumer can voluntarily surrender them; 2) the merchant can obtain a judgment in a replevin action under s. 425.205 or in an action for a money judgment under s. 425.203 (2); 5r 3) if the consumer has abandoned the collateral or goods, the merchant can take possession under s. 425.207 (2). √

This version adds a 4th option: self-help repossession. However, the 4th option applies only to motor vehicle collateral or goods subject to a motor vehicle consumer lease. In addition, a merchant can use the 4th option only if the merchant sends the consumer a notice and the consumer does not subsequently demand that the merchant proceed in court. If the consumer fails to make the demand, the merchant may use the 4th option and repossess. However, if the consumer makes the demand, the merchant is limited to the 3 options under current law described above. Furthermore, if the consumer has not abandoned the collateral or goods, the merchant is limited to the first 2 options described above: 1) voluntary surrender; or 2) judgment in a replevin action or action for a money judgment.

There is no need to amend s. 425.205 (1) (intro.) to accomplish the above. Please let me know if this is okay. \checkmark

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DRAFTER'S NOTE FROM THE LEGISLATIVE REFERENCE BUREAU

LRBs0335/3dn MDK:lmk:rs

December 12, 2005

Rep. Hundertmark:

This version makes the changes you requested, except that this version does not affect s. 425.205 (1) (intro.). After reviewing the issue, I concluded that it is not necessary to affect s. 425.205 (1) (intro.) to satisfy your intent.

Under current law, there are 3 options for a merchant to get possession of collateral or leased goods: 1) the consumer can voluntarily surrender them; 2) the merchant can obtain a judgment in a replevin action under s. 425.205 or in an action for a money judgment under s. 425.203 (2); or 3) if the consumer has abandoned the collateral or goods, the merchant can take possession under s. 425.207 (2).

This version adds a 4th option: self-help repossession. However, the 4th option applies only to motor vehicle collateral or goods subject to a motor vehicle consumer lease. In addition, a merchant can use the 4th option only if the merchant sends the consumer a notice and the consumer does not subsequently demand that the merchant proceed in court. If the consumer fails to make the demand, the merchant may use the 4th option and repossess. However, if the consumer makes the demand, the merchant is limited to the 3 options under current law described above. Furthermore, if the consumer has not abandoned the collateral or goods, the merchant is limited to the first 2 options described above: 1) voluntary surrender; or 2) judgment in a replevin action or action for a money judgment.

There is no need to amend s. 425.205(1) (intro.) to accomplish the above. Please let me know if this is okay.

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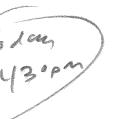


State of Misconsin 2005 - 2006 LEGISLATURE



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ASSEMBLY SUBSTITUTE AMENDMENT, TO 2005 ASSEMBLY BILL 594



A

AN ACT to repeal 425.204 (3); to renumber and amend 425.202 and 425.401;

to amend 425.206 (1) (intro.), 425.206 (1) (a), 425.206 (1) (b), 425.207 (2) and

427.105 (2); and to create 425.202 (2), 425.205 (1g), 425.206 (1) (d), 425.2065

and 425.401 (2) of the statutes; relating to: repossessions of motor vehicles and providing a penalty.

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

SECTION 1. 425.202 of the statutes is renumbered 425.202 (intro.) and amended to read:

425.202 Definition: "collateral" <u>Definitions</u>. (intro.) For purposes of this chapter, "collateral":

(1) "Collateral" means goods subject to a security interest in favor of a merchant which secures a customer's obligations under a consumer credit transaction.

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under s. 425.104.

1	Section 2. 425.202 (2) of the statutes is created to read:
2	425.202 (2) "Motor vehicle" has the meaning given in s. 218.0101 (22).
3	Section 3. 425.204 (3) of the statutes is repealed.
4	Section 4. 425.205 (1g) of the statutes is created to read:
5	425.205 (1g) (a) A merchant may not take possession of motor vehicle collateral
6	or goods subject to a motor vehicle consumer lease under s. 425.206 (1) (d), unless the
7	merchant gives, by mail, the customer a notice containing all of the following
8	information:
9	1. The name, address, and telephone number of the merchant, a brief
10	identification of the consumer credit transaction, and a brief description of the
11	collateral or goods.
12	2. A statement that, as a result of the customer's default on the consumer credit
13	transaction, the merchant may have the right to take possession of the collateral or
14	goods without further notice or court proceeding.
15	3. A statement that if the customer is not in default or objects to the merchant's
16	right to take possession of the collateral or goods, the customer may, no later than
17	15 days after the merchant has given the notice, demand that the merchant proceed
18	in court by notifying the merchant in writing.
19	4. A statement that if the merchant proceeds in court, the customer may be

(b) The information required under par. (a) may be combined with any other

notice, except that if the customer has a right to cure under s. 425.105, the

information required under par. (a) shall be combined with the notice of right to cure

required to pay court costs and attorney fees.

1	(c) A merchant is presumed to have given notice under par. (a) if the merchant
2	sent the notice by certified or registered mail. A merchant who fails to give notice
3	under par. (a) by certified or registered mail is subject to the penalties specified in
4	s. 425.302 (1), but such failure does not constitute a failure to comply with s. 425.206
5	(1) (d).
6	SECTION 5. 425.206 (1) (intro.) of the statutes is amended to read:
7	425.206 (1) (intro.) Notwithstanding any other provision of law, no merchant
8	may take possession of collateral or goods subject to a consumer lease in this state
9	by means other than legal process in accordance with this subchapter except when
.0	any of the following apply:
.1	Section 6. 425.206 (1) (a) of the statutes is amended to read:
.2	425.206 (1) (a) The customer has surrendered the collateral or leased goods;
.3	SECTION 7. 425.206 (1) (b) of the statutes is amended to read:
4	425.206 (1) (b) Judgment for the merchant has been entered in a proceeding
5	for recovery of collateral or leased goods under s. 425.205, or for possession of the
6	collateral or leased goods under s. 425.203 (2) ; or .
7	SECTION 8. 425.206 (1) (d) of the statutes is created to read:
8	425.206 (1) (d) For motor vehicle collateral or goods subject to a motor vehicle
9	consumer lease, the customer has not made a demand as specified in s. 425.205 (1g)
0	(a) 3. and, no sooner than 15 days after the merchant gives the notice specified in s.
1	425.205 (1g) (a), the merchant has taken possession of the collateral or goods in
2	accordance with sub. (2).
3	Section 9. 425.2065 of the statutes is created to read:
4	425.2065 Notice to law enforcement. (1) In this section, "law enforcement
5	agency" means the police department, combined protective services department

- under s. 61.66, or sheriff, that has primary responsibility for providing police protection services in the city, village, or town in which a repossession is expected to occur.
- (2) A merchant who repossesses motor vehicle collateral or goods subject to a motor vehicle lease under s. 425.206 (1) (d), or a person who repossess such collateral or goods on behalf of the merchant, shall notify, verbally or in writing, the law enforcement agency about the repossession. The notification shall include the names of the customer, merchant, and, if applicable, the person who repossesses the collateral or goods on behalf of the merchant. The notification shall also include a description of the collateral or goods. Notification under this subsection shall be made before the repossession occurs.
- (3) Failure to comply with this subsection does not constitute a failure to comply with s. 425.206(1)(d).

Section 10. 425.207 (2) of the statutes is amended to read:

425.207 (2) A merchant who reasonably believes that a customer has abandoned collateral or goods subject to a consumer lease may take possession of such collateral or leased goods and preserve it. However, the customer may recover such collateral or leased goods upon request unless at the time of request the customer has surrendered the collateral or leased goods, or judgment for the merchant has been entered in a proceeding for recovery of collateral or leased goods under s. 425.205 or in a judgment described in s. 425.203 (2) perfected the right to possession under s. 425.206 (1) (a), (b), or (d). A merchant taking possession of collateral or leased goods pursuant to this section shall promptly send notification to the customer's last-known address of such action and of the customer's right to recover such collateral or leased goods under this section. If the collateral or leased

goods are recovered by the customer pursuant to this section, it shall be returned to
the customer at the location where the merchant took possession of such collateral
or leased goods pursuant to this section or, at the option of the merchant, at such
other location designated by the customer; and any expense incurred by the
merchant in taking possession of, holding and returning the collateral or leased
goods to the customer shall be borne by the merchant. If after taking possession of
collateral or leased goods pursuant to this subsection, the merchant perfects the
right to possession through a surrender by the customer or a judgment under s.
425.203(2) or 425.205 under s. 425.206(1)(a), (b), or (d), the customer is liable for 125.205(1)(a)
the expenses set forth in s. $409.615(1)$. In determining such expenses, leased goods
shall be considered collateral under s. $409.615(1)$. However, a customer is not liable
for expenses of holding the collateral or leased goods from the time the merchant
takes possession until the merchant perfects the right to possession in the manner
provided in this subsection.

SECTION 11. 425.401 of the statutes is renumbered 425.401 (1) and amended to read:

425.401 (1) —A Except as provided in sub. (2), a person who willfully and knowingly engages in any conduct or practice in violation of chs. 421 to 427 may be fined not more than \$2,000.

SECTION 12. 425.401 (2) of the statutes is created to read:

425.401 (2) A person who intentionally violates s. 425.2065 (2) may be fined not more than \$500.

SECTION 13. 427.105 (2) of the statutes is amended to read:

427.105 (2) If a customer establishes that the customer was induced to surrender collateral (, as defined in s. 425.202) (1), by conduct of the merchant which

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violates this chapter, the customer shall be entitled to a determination of the right to possession of the collateral pursuant to s. 425.205 (1) (e) in any action brought under this subchapter, and if the customer prevails on such issue, in addition to any other damages under this subchapter, the customer shall be entitled to recover possession of the collateral if still in the merchant's possession, together with actual damages for the customer's loss of use of the collateral.

(END)

DRAFTER'S NOTE FROM THE LEGISLATIVE REFERENCE BUREAU

LRBs0335/4dn MDK:...:...

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(date)

Rep. Hundertmark:

This version is identical to the previous version, except that it corrects a reference to "motor vehicle consumer leases".

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DRAFTER'S NOTE FROM THE LEGISLATIVE REFERENCE BUREAU

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December 13, 2005

Rep. Hundertmark:

This version is identical to the previous version, except that it corrects a reference to "motor vehicle consumer lease."

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