



2005 ASSEMBLY BILL 909

January 3, 2006 – Introduced by Representatives TOWNS, VRUWINK, AINSWORTH, OWENS, GRONEMUS, VAN ROY, OTT, LAMB and DAVIS, cosponsored by Senators KEDZIE and BRESKE. Referred to Committee on Transportation.

1 **AN ACT to amend** 218.50 (1), 218.50 (6), 218.51 (2), 218.52 (1) (b) and 218.52 (2);
2 **and to create** 218.50 (4m) and 218.52 (1) (am) of the statutes; **relating to:** the
3 purchase of motor vehicles from motor vehicle salvage pools.

Analysis by the Legislative Reference Bureau

Under current law, a person may not purchase or bid upon a motor vehicle from a motor vehicle salvage pool unless the person holds a valid buyer identification (BID) card issued by the Department of Transportation (DOT), the person displays the BID card to the salvage pool, and the person includes the BID card number on any bid submitted to the salvage pool. The motor vehicle salvage pool may not accept a bid or complete the sales transaction unless the bidder satisfies these requirements and the salvage pool verifies that the BID card number displayed on the bidder's BID card matches the number included on each sheet of the bid. A "motor vehicle salvage pool" is defined as a person engaged primarily in the business of selling or distributing damaged motor vehicles at wholesale (generally, auctioning salvage vehicles to dealers only).

Also under current law, a motor vehicle salvage dealer's license entitles the license holder to conduct the business of a motor vehicle salvage dealer and, with certain exceptions, no person may conduct the business of a motor vehicle salvage dealer unless licensed to do so by DOT. A "motor vehicle salvage dealer" is defined as a person who purchases and resells motor vehicles for wrecking, processing, scrapping, recycling, or dismantling purposes or who carries on or conducts the business of wrecking, processing, scrapping, or dismantling motor vehicles or selling

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parts of motor vehicles so processed. DOT issues motor vehicle salvage dealers' licenses to persons who meet certain requirements, and license holders are also subject to certain requirements, particularly when acquiring motor vehicles for wrecking.

This bill requires that, in addition to all current BID card requirements, in order for a person to purchase or bid upon a junk vehicle or vehicle titled as a salvage vehicle from a motor vehicle salvage pool, the person must hold a valid motor vehicle salvage dealer's license, display the salvage dealer's license to the salvage pool, and include the salvage dealer number on any bid submitted to the salvage pool. The motor vehicle salvage pool may not accept a bid or complete the sales transaction for such a vehicle unless the bidder satisfies these requirements and the salvage pool verifies that the salvage dealer number displayed on the bidder's salvage dealer's license matches the number included on each sheet of the bid.

For further information see the *state* 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:

1 **SECTION 1.** 218.50 (1) of the statutes is amended to read:

2 218.50 (1) "Buyer identification card" means a card issued by the department
3 ~~authorizing that, by itself or in combination with a motor vehicle salvage dealer's~~
4 license, authorizes the cardholder to bid on and purchase motor vehicles being held
5 and offered for sale by a motor vehicle salvage pool and ~~containing that contains~~ the
6 full name, business and residence address and a brief description of the cardholder,
7 the buyer identification number assigned to the cardholder by the department,
8 either a facsimile of the cardholder's signature or a space upon which the cardholder
9 shall write his or her name immediately upon receipt of the card and such other
10 information as the department specifies.

11 **SECTION 2.** 218.50 (4m) of the statutes is created to read:

12 218.50 (4m) "Junk vehicle" has the meaning given in s. 340.01 (25j).

13 **SECTION 3.** 218.50 (6) of the statutes is amended to read:

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1 218.50 (6) “Qualified applicant” means a motor vehicle dealer, wholesaler, or
2 salvage dealer licensed under this chapter, a motor vehicle dealer, wholesaler, or
3 salvage dealer licensed in another jurisdiction, or an employee of a motor vehicle
4 dealer, wholesaler, or salvage dealer under this subsection.

5 **SECTION 4.** 218.51 (2) of the statutes is amended to read:

6 218.51 (2) ~~A~~ Subject to s. 218.52 (1), a buyer identification card entitles a
7 cardholder to purchase or submit bids for the purchase of a motor vehicle from a
8 motor vehicle salvage pool during the buyer identification card period.

9 **SECTION 5.** 218.52 (1) (am) of the statutes is created to read:

10 218.52 (1) (am) If the motor vehicle is a junk vehicle or is titled as a salvage
11 vehicle under s. 342.065, the person holds a valid motor vehicle salvage dealer
12 license.

13 **SECTION 6.** 218.52 (1) (b) of the statutes is amended to read:

14 218.52 (1) (b) The person displays his or her valid buyer identification card and,
15 if required under par. (am), valid motor vehicle salvage dealer’s license to the salvage
16 pool and includes his or her buyer identification number and, if applicable, salvage
17 dealer license number on each sheet of any bid submitted to a motor vehicle salvage
18 pool for the purchase of a motor vehicle or other document evidencing the purchase
19 of a motor vehicle from a motor vehicle salvage pool.

20 **SECTION 7.** 218.52 (2) of the statutes is amended to read:

21 218.52 (2) No motor vehicle salvage pool may accept a bid for the purchase of
22 a motor vehicle or complete the sales transaction unless the person who submits the
23 bid or offers to purchase a motor vehicle from the motor vehicle salvage pool satisfies
24 the conditions under sub. (1) (b) and the motor vehicle salvage pool verifies that the
25 buyer identification number displayed on the person’s buyer identification card and

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1 included on each sheet of that person's bid or other document evidencing the
2 purchase of a motor vehicle are identical and, if a motor vehicle salvage dealer license
3 is required under sub. (1) (am), that the motor vehicle salvage dealer license number
4 displayed on the person's salvage dealer's license and included on each sheet of that
5 person's bid or other document evidencing the purchase of a motor vehicle are
6 identical.

7 **SECTION 8. Initial applicability.**

8 (1) This act first applies to purchases of or bids upon vehicles occurring on the
9 effective date of this subsection.

10 (END)