



(FORM UPDATED: 08/11/2010)

WISCONSIN STATE LEGISLATURE ...
PUBLIC HEARING - COMMITTEE RECORDS

2005-06

(session year)

Senate

(Assembly, Senate or Joint)

Committee on Natural Resources and
Transportation...

COMMITTEE NOTICES ...

- Committee Reports ... **CR**
- Executive Sessions ... **ES**
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INFORMATION COLLECTED BY COMMITTEE FOR AND AGAINST PROPOSAL

- Appointments ... **Appt** (w/Record of Comm. Proceedings)
- Clearinghouse Rules ... **CRule** (w/Record of Comm. Proceedings)
- Hearing Records ... bills and resolutions (w/Record of Comm. Proceedings)
(**ab** = Assembly Bill) (**ar** = Assembly Resolution) (**ajr** = Assembly Joint Resolution)
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- Miscellaneous ... **Misc**

Senate

Record of Committee Proceedings

Committee on Natural Resources and Transportation

Clearinghouse Rule 01-156

Relating to safety responsibility and damage judgment suspension of operating privileges and vehicle registration.

Submitted by Department of Transportation.

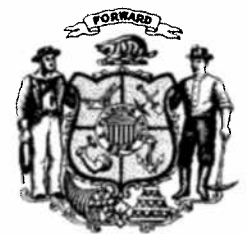
July 06, 2005 Referred to Committee on Natural Resources and Transportation.

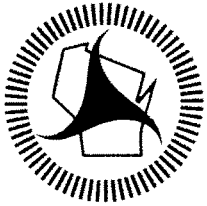
August 5, 2005 No action taken.

Matt Phillips
Committee Clerk



WISCONSIN STATE LEGISLATURE





Wisconsin Department of Transportation

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Governor

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The Honorable Senator Neal Kedzie
Chairman, Senate Transportation Committee
Room 313 South
State Capitol
Madison, Wisconsin 53707

July 5, 2005

The Honorable Representative John Ainsworth
Chairman, Assembly Transportation Committee
Room 309 North, State Capitol
Madison, Wisconsin 53702

RE: Proposed Administrative Rule **TRANS 100**
Notification of Legislative Standing Committees
CLEARINGHOUSE RULE 01-156

Dear Senator Leibham and Representative Ainsworth:

In accordance with the Department of Transportation's efforts to keep you informed of its ongoing rule making actions, enclosed is a courtesy copy of Final Draft rule **Trans 100**, relating to **safety responsibility and damage judgment suspension of operating privileges and motor vehicle registration**, which is being submitted to the Legislature for committee review.

Sincerely,

A handwritten signature in black ink that reads "Julie A. Johnson".

Julie A. Johnson
Paralegal

JAJ/dim

Enclosure

cc: Lynne B. Judd
Janet Huggins

CR 02-156

The Wisconsin Department of Transportation proposes an order to repeal TRANS 100.02(9), 100.14(2), 100.15(intro.) and 100.17(4)(c); renumber TRANS 100.02(5) and 100.15(1) and (3); renumber and amend TRANS 100.02(4), (6) and (8), 100.03(1), 100.09(intro.) and (1) to (3), 100.12(3), 100.14(1), 100.15(2), (5) and (6), and 100.19(1) and (2); amend TRANS 100.01(1) and (2), 100.02(intro.) and (1), 100.03(3), 100.04(3) to (7), 100.05(1), (2), (3)(intro.), (b), (c) and (note), 100.06(1)(intro.), (a) and (b), (2)(intro.), (a), (b) and (3), 100.08(1)(intro.) and (5), 100.13(1)(intro.), (a) to (d) and (2), 100.16(2), and 100.17(1), (2), (3)(intro.), (a), (b), (4)(intro.) and (b); repeal and recreate TRANS 100.02(3) and (7), 100.03(2), 100.07, 100.08(3), (4) and (6), 100.10, 100.11, 100.12(1), (2), (4) and (5), 100.15(4) and 100.18; and create TRANS 100.02(2), (4), (4m), (5), (6), (8), (12) and (14), 100.025, 100.03(1) and (2m), 100.04(1)(title) and (2)(title), 100.06(1)(d) to (h), (2)(c) to (f), 100.08(7) and (8), 100.09(1) to (3) and (6), 100.12(3), 100.13(1)(e) to (g) and (3), 100.15(1), (2), (3)(title), (intro.), (d) and (5), 100.16(4), 100.17(1m), (5) and (6), and 100.19(1), (4) and (5), relating to safety responsibility and damage judgment suspension of operating privileges and motor vehicle registration.

**REPORT OF THE DEPARTMENT OF TRANSPORTATION
ON THE FINAL RULE DRAFT**

This report is submitted to the presiding officers of the Senate and Assembly for referral to the appropriate standing committees. The report consists of the following parts:

Part 1--Analysis prepared by the Department of Transportation.

Part 2--Rule text in final draft form.

Part 3--Recommendations of the Legislative Council.

Part 4--Analysis prepared pursuant to the provisions of s. 227.19(3), Stats.

Submitted by:



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PART 1
Analysis Prepared by the Wisconsin Department of Transportation

Statutes interpreted: ss. 343.23(2), 344.01 to 344.48, and 346.70, Stats.

Statutory authority: ss. 85.16(1), 227.11 and 343.02, Stats.

Explanation of agency authority: Chapter 344, Stats., includes Wisconsin's Safety Responsibility and Damage Judgment laws. Both laws are administered by the Division of Motor Vehicles. The Safety Responsibility Law requires uninsured drivers and vehicle owners to post a bond sufficient to pay damages caused by them in motor vehicle accidents. If they do not have insurance and do not post a bond, drivers responsible for accidents are generally subject to suspension of their operating privileges. The vehicle owner's vehicles are subject to suspension of vehicle registration. Because of its involvement in determining the amount of bond required, whether a bond is required, and which operators and vehicles are subject to licensing action, the Department has adopted rules in Ch. Trans 100 for administration of these laws.

Under the Damage Judgment Law, the DMV suspends the operating privilege of any person who fails to pay a damage judgment resulting from a motor vehicle accident. The courts report such instances to the department and the department acts in accordance with those reports. This rule making describes the mechanisms used by the Department to administer this law.

Section 344.16(2), Stats, requires the Department to assess the applications for certificates of self-insurance and, if satisfied that the applicant is possessed and will continue to be possessed of ability to pay judgments obtained against them, to issue a certificate to them. Proposed s. Trans 100.16(4) establishes standards for making this determination.

Statutory authority for this rule making is found in ss. 227.10 and 227.11, Stats., which require each state agency to promulgate rules with regard to each statement of general policy and each interpretation of a statute which it specifically adopts to govern its enforcement or administration of that statute.

Related statute or rule: Ch. 344, Stats.

Plain language analysis. This proposed rule making rewrites much of Ch. Trans 100 to incorporate changes in procedures mandated by 1997 Wis. Act 84, and to bring the chapter up to current drafting standards. In general, this rule making codifies many DMV practices and procedures that are used in the administration of the safety responsibility laws.

The definition of "accident" changed to better describe the term. The former definition made clear that physical contact between vehicles is not necessary for a vehicle

to be considered as "involved" in an accident. This remains in the law but is now in proposed s. Trans 100.025(1)(b).

Section Trans 100.025 is created to clarify the circumstances under which the DMV will consider a vehicle to have been involved in an accident. These criteria have been applied by DMV for years in determining whether a vehicle or person was involved in an accident, and are codified in this rule making for clarity. Vehicles or persons are considered to have been involved in an accident if:

- They are injured or damaged in the accident.
- They contribute to causing the accident.
- They cause damage to another person or property.
- The vehicle is damaged because of a mechanical failure while being driven.
- Something falls from the vehicle and causes an accident.
- The vehicle moves to avoid debris or strikes debris and causes an accident.
- The vehicle moves without being driven, such as situations where parking brakes fail, and cause an accident.
- Where doors or a load extend from a parked vehicle into a traffic lane and an accident results.

Section Trans 100.03(2) is amended and 100.03(2m) created to separate two concepts contained in current s. Trans 100.03(2). First, how a person who is misidentified in a police report may correct the report so that they are not involved in a safety responsibility license action. Second, that the Department accepts filed police reports as accurate in the absence of any correspondence from the drivers involved in an accident.

Section Trans 100.03(3) is amended to better state the Department's practice with regard to records related to accidents that do not meet the reporting criteria of s. 346.70, Stats. The Department discards or returns reports which are neither subject to mandatory reporting requirements under statute nor could trigger a safety responsibility case. If the accident is later determined not to have met either standard, the Department does not include any reference to the accident or report in public abstracts of the driver's record from that point forward.

Section Trans 100.04(3) is amended to clarify that an apparently uninsured driver who would ordinarily be required to post security may avoid that requirement by proving that he or she was, in fact, insured, or proving that the accident is exempt from the safety responsibility law under s. 344.14(2), Stats.

Section Trans 100.06(2) is amended to clarify that the Department does consider investigator reports and payment claim notices in deciding whether no reasonable possibility of a judgment being entered against an uninsured driver exists. The term "shall not" is replaced by "may not" to conform to drafting standards expressing a complete prohibition. No substantive change is intended; the prohibition remains absolute.

Section Trans 100.10 is completely rewritten to more clearly lay out the procedural aspects of a safety responsibility hearing. No changes are contemplated with regard to the manner in which these hearings are conducted. Rather, this provision simply codifies the longstanding procedures used by DMV in conducting these hearings.

Section Trans 100.11 is similarly rewritten to clarify the procedures used in connection with the receipt of subrogation notices from subrogated parties. Again, these provisions codify the DMV's longstanding practices in a manner that should be easier for the legal community and public to use and understand.

Section Trans 100.12 provisions related to releases executed on behalf of a minor is amended to conform to the Department's practices and current law. Under s. 344.24(2)(h), Stats., parents are permitted to settle matters related to minor children if the claim is for \$5,000 or less; a legal guardian must be appointed to settle a claim valued in excess of \$5,000. This rule is amended to reflect those statutory requirements.

Section Trans 100.12 is also amended to include a section on bankruptcy. Federal bankruptcy laws preempt state law in some areas and not in others. The Department has developed a set of procedures for dealing with bankrupt uninsured persons over the years, and codifying those procedures should assist attorneys for uninsured drivers in understanding the repercussions of a bankruptcy filing on a petitioner.

Section 128.21, Stats., state wage earner voluntary debt reorganization, proceedings affect only executions, attachments or garnishments, and do not affect driver license revocations or suspensions. Because those proceedings are referred to commonly as "state bankruptcy proceedings," the Department occasionally deals with debtors under such plans who mistakenly believe a Ch. 344 suspension or revocation will be released if a safety responsibility indebtedness is treated under their s. 128.21, Stats., repayment plan. Under current law, a damage judgment suspension or revocation may only be affected under state law by a court order entered under s. 344.27, Stats.

Section Trans 100.13 is amended to clarify rules related to the circumstances under which accident claims of a minor may be settled by the minor's parents. In situations where a minor's parent is not authorized to settle a claim under s. 344.14(2)(h), Stats., because it involves a claim valued at more than \$5,000, a guardian must be appointed to settle the matter. Similarly, guardians must resolve settlements involving incompetent persons. Trans 100.13 is amended to concisely repeat these statutory and common law rules in a format that requires less general knowledge of the law to understand.

Section Trans 100.15 is amended to codify the policies and procedures related to reinstating a suspended or revoked operating privilege at the end of a safety responsibility or damage judgment suspension or revocation.

Section Trans 100.16 is amended to provide a consistent mechanism for determining whether to permit an organization or entity to self-insure. The primary standard employed is one suggested by the Insurance Industry Committee on Motor Vehicle Administration. The \$60,000 figure from s. 344.37(1), Stats., is used as the minimum dollar amount required and is multiplied by the square root of the number of vehicles owned by the self-insurance applicant. The "square root" rule recognizes a risk management mechanism known as the "law of large numbers" which postulates that the probability of all vehicles being involved in an accident (in a given year, for example) diminishes as the number of vehicles increases. In addition to meeting the capital amount requirements of this calculation, a self-insured must be making payments to creditors as its debts become due and not have any unpaid judgments of record.

Section 344.14(1g), Stats., requires the Secretary to refuse motor vehicle registration to persons whose registration is revoked for failure to deposit security under the safety responsibility law. DMV has long applied the rule that it would not honor a transfer of vehicle title for a vehicle subject to a registration suspension if the purpose of the transfer was to avoid the repercussions of that statute. Two standards DMV uses to determine whether a transfer was made for the purpose of avoiding the statute are whether a transfer was made without adequate consideration, such as a sale ostensibly for \$1, and whether the transferee shares the same address with the transferor. These criteria are now expressly set forth in the rule.

Section Trans 100.19 is amended to clarify that DMV generally purges information from the driver database twice annually. The language of the existing rule left the impression with some readers that the minute an accident meets the criteria for deletion from the public record that the computers somehow immediately purged the information. To the contrary, a special program is run to purge information from driver records twice per year. If the item is eligible for deletion on the date the purge program runs, the information is deleted at that time.

Trans 100.18 is repealed and recreated to provide guidance beyond the statutory provisions in Ch. 344, Stats., to clarify the procedures related to the suspension or revocation of driver licenses for failure to pay a damage judgment and license reinstatement procedures. Longstanding administrative practices with regard to acceptance of installment agreements and judgment debtor bankruptcies are codified.

Finally, a provision related to occupational licenses issued to commercial driver license holders in s. Trans 100.18 is repealed. CDL occupational licenses are no longer statutorily authorized. 2003 Wis. Act 33, section 2541, amending s. 343.10(2)(c), effective 9-30-05.

Summary of, and preliminary comparison with, existing or proposed federal regulation: There are no federal safety responsibility or damage judgment laws.

Comparison with rules in adjacent states: Despite the fact that Illinois, Iowa, Michigan and Minnesota all require insurance as a condition of driver licensing, all four states have safety responsibility laws and damage judgment laws suggesting that the problem of uninsured drivers exists in these states as it does in Wisconsin.

State	Insurance Mandatory?	FR Law?	Minimum Reportable Property Damage	FR Limits (in thousands)
Illinois	Yes	Yes	\$500	20/40/15
<p>Differences in procedures between Illinois and Wisconsin: The Department has been unable to determine any significant differences between the financial responsibility laws for the two states. Illinois did not respond to questionnaires regarding its laws and procedures.</p>				
Iowa	Yes	Yes	\$1,000	20/40/15
<p>Differences in procedures between Iowa and Wisconsin: All accidents are entered into its accident database that is used for highway safety analyses. Only accidents with minimum reportable property damage or injuries go on the DMV driver record database. Intra-family transfers of vehicles with suspended registration are not prohibited.</p>				
Michigan	Yes	Yes	\$1,000	20/40/10
<p>Differences in procedures between Michigan and Wisconsin: The following are not included in the definition of accident: A person contributes to causing an accident; a vehicle is damaged because of a mechanical failure while being driven. Requirements of parents or guardians of minors involved in uninsured motorist accidents are decided by the courts. Michigan purges inactive cases from their database after 10 years. Wisconsin does so after 5 years.</p>				

State	Insurance Mandatory?	FR Law?	Minimum Reportable Property Damage	FR Limits (in thousands)
Minnesota	Yes	Damage Judgment Only	\$1,000	30/60/10
<p>Differences in procedures between Minnesota and Wisconsin: Minnesota did not respond to questionnaires regarding its laws and procedures. Minnesota appears to have a damage judgment law similar to Wisconsin's, but does not appear to have a safety responsibility law similar to ours. Accordingly, Minnesota would not have any regulations related to safety responsibility. None were found in searching their laws.</p>				
Wisconsin	No	Yes	\$1,000	25/50/10

Summary of factual data and analytical methodologies used and how the related findings support the regulatory approach chosen: The provisions of this rule are nearly all driven by state and federal statutory and case law.

Section Trans 100.16 was changed based upon recommendations of the Insurance Industry Commission on Motor Vehicle Laws and a review by the Department's risk management experts. The current law contains no objective standard for determining whether an entity should be permitted to self-insure.

Analysis and supporting documentation used to determine effect on small businesses effect or in preparation of economic impact report: Not applicable.

Effect on small business: This regulatory change has no impact on small business. This rule largely codifies existing DOT policy with regard to the administration of the safety responsibility and damage judgment laws. The Department does not anticipate any fiscal effect upon small businesses from this codification. The Department's Regulatory Review Coordinator may be contacted by e-mail at reggie.newson@dot.state.wi.us, or by calling (608) 264-6669.

Fiscal effect and anticipated costs incurred by private sector: This rule largely codifies existing DOT policy with regard to the administration of the safety responsibility and damage judgment laws. The Department does not anticipate any fiscal effect from this codification.

The proposed amendments to s. Trans 100.16 that propose solvency requirements for entities that self-insure could theoretically impact businesses. Only 12 companies currently self-insure in this state, and they are all utilities or rental car companies. The Department surveyed these entities and they indicated that they would meet or exceed the standard set forth in the rule. Moreover, none qualifies as a "small

business" under Wis. Stat. § 227.114. Accordingly, the Department concludes the amendment would have no fiscal impact upon small businesses.

Agency contact person and copies of proposed rule. Copies of the proposed rule may be obtained upon request, without cost, by writing to Janet Huggins, Traffic Accident Section, Room 804, P. O. Box 7919, Madison, WI 53707-7919, or by calling (608) 264-7315, or via e-mail at janet.huggins@dot.state.wi.us. Alternate formats of the proposed rule will be provided to individuals at their request.

PART 2 **TEXT OF PROPOSED RULE**

SECTION 1. Trans 100.01(1) and (2) are amended to read:

(1) **STATUTORY AUTHORITY.** As authorized by ss. 85.16(1) and, 227.11 and 343.02, Stats., the purpose of this chapter is to administratively interpret s. 343.23(2) Stats., relating to department records, ss. 344.01 to ~~344.22~~ 344.48, Stats., relating to financial responsibility in accidents, and s. 346.70, Stats., relating to accident reporting.

(2) **APPLICABILITY.** This chapter applies to any person involved in a motor vehicle accident in Wisconsin as specified in ss. 344.12, 344.25 and 346.70, Stats.

NOTE: For information on occupational licenses, see s. Trans 117.03(2)(k). Forms used in this chapter are ~~MV 3008 notice of suspension and possible vehicle impoundment, MV 3009 order of suspension, MV 3010 order of reinstatement, MV 3016 security deposit receipt, MV 3019 driver's report of accident, MV 3033 notice of suspension unless accident report filed, 3038 resolution authorizing power of attorney under ch. 344, Stats., MV 3039 minors release, MV 3041 release of liability, MV 3043 bond under chapter 344, Wisconsin Statutes, MV 3044 evaluation of property damage, MV 3045 evaluation of personal injuries, MV 3046 evaluation of motor vehicle damage, MV 3069 application for self-insurance, MV 3070 safety responsibility self-insurance certificate, MV 3100 notice of incomplete report, MV 3128 installment agreement to pay damages, MV 3343 compliance notification, MV 3347 emergency vehicle involvement, MV 3384 safety responsibility information, MV 3385 informational letter to injured party, and MV 3387 reinstatement instructions, MV 4000 Wisconsin motor vehicle accident report.~~ Forms may be obtained, free of charge, from Wisconsin Department of Transportation, ~~Uninsured Motorist Unit~~ Traffic Accident Section, P.O. Box 7919, Madison, WI 53707-7919.

SECTION 2. Trans 100.02(intro.) and (1) are amended to read:

Trans 100.02 Definitions. (intro.) The words and phrases defined in ss. 340.01, 343.01, 343.04 and 344.01(2), Stats., have the same meaning in this chapter

unless a different definition is specifically provided. Unless otherwise indicated, where terms are defined in more than one of those sections and in s. 344.01(2), the definition in s. 344.01(2) shall control. In this chapter:

(1) "Accident" means ~~an occurrence that originates or terminates on a traffic way, which involves at least one motor vehicle in transport and is reportable to the department under s. 346.70(1), Stats. "Accident" includes acts by the operators of motor vehicles which contribute to the cause of an accident regardless of physical contact and, for the purpose of ch. 344, Stats., includes~~ a happening involving a vehicle that results in damage or injury, including occurrences caused by "acts of God," negligence or intentional acts.

SECTION 3. Trans 100.02(2) is created to read:

Trans 100.02(2) "Damage judgment" means a judgment as defined in s. 344.01(2)(a), Stats., that is certified to the department as specified in s. 344.05, Stats.

SECTION 4. Trans 100.02(3) is repealed and recreated to read:

Trans 100.02(3) "Depositor" means a person who deposits security with the department under s. 344.17, Stats.

SECTION 5. Trans 100.02(4) is renumbered Trans 100.02(9) and amended to read:

Trans 100.02(9) "Legally parked" means a ~~motor~~ vehicle which is parked under ss. 346.03(2)(a) or 346.51 to s. 346.54, Stats., or is indicated in writing to be legally parked at the time of the accident by the investigating law enforcement agency or ~~other~~ the operators of other vehicles involved in the accident. ~~This definition does not include parked motor vehicles~~ A vehicle parked with doors open or any part of a load extending

into the traffic way or vehicle load extended into a traffic way an adjoining space intended for vehicular travel may not be considered "legally parked."

SECTION 6. Trans 100.02(4) and (4m) are created to read:

Trans 100.02(4) "Driver record" means the public record of a person's driver history maintained by the department in accordance with s. 343.23, Stats., or the records maintained by the department for a person who has been issued an identification card.

(4m) "Emergency medical technician" or "EMT" has the meaning in s. 146.50(1)(e), Stats.

SECTION 7. Trans 100.02(5) is renumbered Trans 100.02(10).

SECTION 8. Trans 100.02(5) is created to read:

Trans 100.02(5) "Fire fighter" has the meaning set forth in s. 102.475(8)(b), Stats.

SECTION 9. Trans 100.02(6) is renumbered Trans 100.02(11) and amended to read:

Trans 100.02(11) "Motor vehicle" has the meaning specified in s. 346.66, Stats., ~~for purposes of applicability and accident reporting, and the meaning specified in s. 344.01(2)(b), Stats., for purposes of financial responsibility.~~

NOTE: s. 344.01(2)(b), Stats.

SECTION 10. Trans 100.02(6) is created to read:

Trans 100.02(6) "First responder" has the meaning set forth in s. 146.53(1)(d), Stats.

NOTE: See s. 343.23(2)(a)3.

SECTION 11. Trans 100.02(7) is repealed and recreated to read:

Trans 100.02(7) "Injured party" means a person who suffers personal injury or whose property is damaged in an accident.

SECTION 12. Trans 100.02(8) is renumbered Trans 100.02(13) and, as renumbered, Trans 100.02(13)(note) is amended to read:

Trans 100.02(13)(note) Forms MV 4000--Wisconsin Motor Vehicle Accident Report and, MV 4002 Driver Report of Accident and MV 4004, Report Supplement, are available from the DOT Traffic Accident Section, P. O. Box 7919, Madison, WI 53707-7919.

SECTION 13. Trans 100.02(8) is created to read:

Trans 100.02(8) "Law enforcement officer" has the meaning set forth in s. 165.85(2)(c), Stats.,

NOTE: See s. 343.23(2)(a)1., Stats.

SECTION 14. Trans 100.02(9) is repealed.

SECTION 15. Trans 100.02(12) and (14) are created to read:

Trans 100.02(12) "Owner" or "vehicle owner" has the meaning set forth in ss. 340.01(42) and 344.01(2)(cm), Stats.

(14) "Winter highway maintenance worker" means a person involved in the types of winter highway maintenance described in s. 343.23(2)(a)2., Stats.

SECTION 16. Trans 100.025 is created to read:

Trans 100.025 Accident involvement. (1) A vehicle or person shall be considered to have been involved in an accident if any of the following conditions are met:

- (a) The person is injured by an accident.
- (b) The person or the vehicle's operator commits some act that contributes to cause an accident, regardless of physical contact.
- (c) The vehicle is damaged in an accident.
- (d) The vehicle makes contact with any other person or property and causes damage.
- (e) The vehicle is damaged by a failure of a mechanical or electrical system resulting in fire or accident when it is in use primarily for moving persons or property, including the vehicle itself, from one place to another and is in motion, or in readiness for motion, and is unattended and not legally parked in a designated parking area.
- (f) Property, parts or debris falls from the vehicle and causes an accident.
- (g) A vehicle contacts or avoids debris or property on a roadway that has fallen from another vehicle or is not ordinarily found in a roadway, and causes an accident.
- (h) The vehicle moves without an operator controlling its movements and causes an accident.
- (i) One or more doors or any part of the load of a parked vehicle extends into an adjoining space intended for vehicular travel and an accident occurs as a result of that extension.

NOTE: Accidents may be the result of "acts of God," or negligence or intentional acts. s. Trans 100.02(1).

- (2) Except as provided in sub. (1)(i), the operator of a vehicle shall be considered to not have been involved in an accident if the vehicle was legally parked at the time of any damage to the vehicle.

SECTION 17. Trans 100.03(1) is renumbered Trans 100.03(1m) and amended to read:

Trans 100.03(1m) A law enforcement agency investigating a reportable accident involving a vehicle under s. 346.70(1), Stats., shall report the accident to the department as required under s. 346.70(4), Stats. If a law enforcement agency does not investigate and report the accident within 10 days after the accident, the operators of the vehicles involved in the accident shall report the accident to the department as required under s. 346.70(2), Stats. The department may accept or require a report of the accident to be filed by the occupant or the owner in lieu of a report by the operator.

SECTION 18. Trans 100.03(1) is created to read:

Trans 100.03(1) In this section, "reportable" refers to an accident in which the minimum damage requirements of s. 346.70, Stats., are met or exceeded, and for which reporting the accident is mandatory under that section, or an accident to which the safety responsibility law applies under s. 344.12, Stats.

NOTE: Section 346.66, Stats., makes the accident reporting requirements of s. 346.70, Stats., applicable only as follows:

346.66 Applicability of sections relating to accidents and accident reporting. In addition to being applicable upon highways, ss. 346.67 to 346.70 are applicable upon all premises held out to the public for use of their motor vehicles, all premises provided by employers to employees for the use of their motor vehicles and all premises provided to tenants of rental housing in buildings of 4 or more units for the use of their motor vehicles, whether such premises are publicly or privately owned and whether or not a fee is charged for the use thereof. These sections do not apply to private parking areas at farms or single-family residences or to accidents involving only snowmobiles, all-terrain vehicles or vehicles propelled by human power or drawn by animals.

Section 344.12, Stats., makes the safety responsibility law apply as follows:

344.12 Applicability of provisions relating to deposit of security for past accidents. Subject to the exceptions contained in s. 344.14, the provisions of this chapter requiring deposit of security and requiring suspension for failure to deposit security apply to the operator and owner of every motor vehicle which is in any manner involved in an accident in this state which has resulted in bodily injury to

or death of any person or damage to property of any other person of \$1,000 or more.

SECTION 19. Trans 100.03(2) is repealed and recreated to read:

Trans 100.03(2) Persons misidentified as an operator in a law enforcement report may file a written report with the department regarding that fact. Upon receipt of such a report, the department shall require the person claiming to have been misidentified to do either of the following:

(a) Have the agency that filed the report file an amended law enforcement agency report with the department.

(b) Provide the department with a copy of court findings meeting any of the following criteria:

1. From any type of proceeding that identifies the true operator of the vehicle at the time of the accident.

2. From a criminal, traffic forfeiture or civil proceeding that concludes the person was not a vehicle operator involved in the accident.

3. From a civil court proceeding related to establishing liability issues related to the accident that the court cannot determine whether the person was the operator of a vehicle involved in the accident.

SECTION 20. Trans 100.03(2m) is created to read:

Trans 100.03(2m) If a person filing a report under sub. (2) does not meet one of the requirements of sub. (2)(a) or (b), the department shall accept the identification of the operator in the original police report as correct. If all operators involved in an accident that was reported by a person other than a police agency and all owners of vehicles involved in that accident stipulate that a person was misidentified in an

accident report and identify another person as the actual operator, the department may accept the newly identified person as the actual operator of the vehicle and release the misidentified person from further responsibility under this chapter. In all other cases involving the identification of an operator in an accident report, the department shall make a determination of the accuracy of the identification of the operator based on the credibility of the evidence submitted at hearing.

SECTION 21. Trans 100.03(3) is amended to read:

Trans 100.03(3) The department shall assume that all accident reports it receives from enforcement agencies or operators meet the reporting criteria under of s. 346.70(1), Stats., or the minimum requirements for safety responsibility act under s. 343.12, Stats. An accident report filed by a police agency for an accident that is not reportable shall be returned to the reporting agency. A report from another source for an accident that is not reportable shall be discarded. If the department determines from credible evidence received, which could include property damage estimates or signed statements, that an accident ~~does not meet the minimum reporting criteria that has been abstracted as part of a driver's record is not reportable,~~ the department will not keep a record of the accident will not be included in a public abstract of the driver's driver record maintained under s. 343.23, Stats.

NOTE: On the current Wisconsin Motor Vehicle Accident Report form, MV4000, reporters indicate whether they believe an accident is reportable by so indicating in Box 1 of the form.

SECTION 22. Trans 100.04(1)(title) and (2)title are created to read:

Trans 100.04(1) ACCIDENT REPORT FORM REQUIRED.

(2) INCOMPLETE REPORTS.

SECTION 23. Trans 100.04(3) to (7) are amended to read:

Trans 100.04(3)(title) LACK OF INSURANCE REPORTED. ~~When the police, owner or operator indicates on the~~ any accident report or notice from a person or insurer filed with the department within one year of an accident indicates that an operator or motor vehicle involved in an accident had no liability insurance coverage was in effect at the time of the an accident, the department may require the operator or owner, or both, to do one of the following:

(a) deposit Deposit security under s. 344.13, Stats.

(b) Provide evidence that a policy was, in fact, in effect.

(c) Provide evidence that the accident is exempt from the requirements of s. 344.14(1) and (1m), Stats.

NOTE: See s. 344.14(2), Stats.

(4)(title) INCOMPLETE INSURANCE INFORMATION. ~~When~~ If the liability insurance company name or policy holder's name, or both, are absent from the accident report form, the department may contact the operator or owner, or both, to obtain additional insurance information. If the operator or owner provide complete insurance information, the department shall assume that the liability insurance policy specified by the owner or operator was in force at the time of the accident. ~~The department shall accept a written notice of non insurance for up to one year following the date of the accident except as provided in s. 344.15(4), Stats. Upon receipt of a written notice of non insurance, the department may require the operator or owner to deposit security under s. 344.13, Stats.~~

(5)(title) SELF INSURED PERSONS. ~~When the~~ If a motor vehicle owner is self-insured under s. 344.16, Stats., the department may mail notice of the self-insurance to the address furnished by the self-insured owner. The department shall assume that the operator of the motor vehicle is exempt under s. 344.14(2)(d), Stats., from the security requirements unless the self-insured person notifies the department otherwise within 30 days of mailing or other information is received by the department indicating that the self-insured certificate does not apply to the operator.

(6)(title) ABSENCE OF POLICY HOLDER NAME ON REPORT. ~~When the~~ If a liability insurance company name is listed on the accident report, but ~~the~~ a policy holder's name is not, and the operator and owner of the motor vehicle involved in the accident are the same person, the department will assume that a valid policy with the liability insurance company specified on the accident report form was in force at the time of the accident for the owner listed.

(7)(title) REQUESTING ADDITIONAL INFORMATION. The department may contact the operator of a motor vehicle involved in an accident, ~~or its~~ owner, or both persons, for additional insurance information at ~~the request of an insurer, operator or owner~~ any time. If the operator or owner provides ~~complete~~ insurance information, the department may verify the credibility of the information by contacting the insurance company listed. ~~When~~ If an insurer determines that the operator or owner who provided the insurance information is not insured, or denies coverage for the claim, the insurer shall immediately notify the department of the person's ~~non-insured~~ uninsured status.

SECTION 24. Trans 100.05(1), (2), (3)(intro.), (b), (c) and (note) are amended to read:

Trans 100.05(1) All ~~reportable~~ accidents in which the operator was involved shall be recorded identified on the operator's driving record a public driver record abstract prepared under s. 343.23(2), Stats., except unless any of the following apply :

(a) ~~when the~~ The vehicle was legally parked as described in s. Trans 100.025(2).

(b) The accident did not meet the criteria requiring reporting to the department under s. 346.70(1), Stats.

(2) ~~If an accident occurs in the course of a licensee's employment as a law enforcement officer, fire fighter, emergency medical technician-paramedic technician, first responder, or winter highway maintenance worker, the accident shall be recorded on the accident report, the on-duty notation shall be placed on the accident report, and then, upon receipt, the~~ is involved in an accident in the course of that employment, any person filing an accident report shall note that the person involved in the accident was on duty at the time of the accident. The department shall place an note that on-duty notation status on the licensee's driving record a public abstract of the on-duty operator's driver record with the entry related to the accident.

NOTE: See s. 343.23(2), Stats. See also s. Trans 100.02 for the definitions of law enforcement officer, EMT, first responder, winter highway maintenance worker and fire fighter.

(3) Notwithstanding sub. (1), a law enforcement officer, emergency medical technician-paramedic and technician, first responder or firefighter fire fighter may request a reportable accident not be removed from or not listed on their driving record reported on a public abstract of his or her driver record by submitting the approved

form. The licensee must show that one or more of the following conditions existed at the time of the accident:

(b) The ~~driver~~ operator of the emergency vehicle intentionally collided with the other vehicle.

(c) The ~~driver~~ operator of the other vehicle intentionally collided with the emergency vehicle.

NOTE: Form MV 3347--Emergency Vehicle Involvement. Highway maintenance workers are not eligible for suppression of an accident report under this subsection.

SECTION 25. Trans 100.06(1)(intro.), (a) and (b) are amended to read:

Trans 100.06(1)(intro.) The department may use any of the following sources of information to determine whether an uninsured operator or owner, based on a preponderance of evidence, is ~~exempted~~ exempt under s. 344.14(2)(k), Stats., from the security and ~~revocation~~ requirements under of ch. 344, Stats.:

(a) Operator reports of accidents.

(b) Law enforcement agency reports of accidents.

SECTION 26. Trans 100.06(1)(d) to (h) are created to read:

Trans 100.06(1)(d) Records of convictions or other information on file with the department.

(e) Accident reconstruction reports.

(f) Notices of payment of claims issued by insurance companies.

(g) Coroner reports, except blood test results received by the department under s. 346.71(2).

NOTE: Blood test results obtained from police reports or other sources may be considered by the Department.

(h) Investigator reports.

SECTION 27. Trans 100.06(2)(intro.), (a) and (b) are amended to read:

Trans 100.06(2)(intro.) An uninsured operator or owner ~~shall~~ may not be required to deposit security when there is no reasonable possibility of a judgment being rendered against the uninsured operator. The department ~~shall~~ may consider the following ~~factors to determine whether a person is exempt under s. 344.14(2)(k), Stats., from the security and revocation requirements under ch. 344, Stats.~~ in making that determination:

(a) ~~Violation~~ Whether the person committed a violation of any rule of the road set out in ch. 346, 347, 348 or 350, Stats.

(b) ~~Failure~~ Whether the person failed to exercise ordinary care, based on information from the sources listed in sub. (1).

SECTION 28. Trans 100.06(2)(c) to (f) are created to read:

Trans 100.06(2)(c) Notices of payment of claims from insurance companies.

(d) Investigator reports.

(e) Any other relevant evidence provided by witnesses or the parties.

(f) Coroner reports.

NOTE: See s. 344.14(2)(k), Stats.

SECTION 29. Trans 100.06(3) is amended to read:

Trans 100.06(3) If the department requires a person to deposit security under s. 344.13, Stats., and, after receiving additional information, determines that no reasonable possibility of a judgment ~~against~~ finding the person liable exists, the department ~~shall~~ may rescind the security requirement. ~~The additional information may~~

~~be in the form of notarized witness statements, enforcement agency reports, coroner reports or investigative reports from independent investigators or the injured party's insurance company~~ department may accept any evidence of probative value including the types of evidence identified in sub. (1). The department may not rescind the security requirement solely because the owner, operator or other person who posted the bond files a bankruptcy petition. In the event of a bankruptcy proceeding involving an owner, operator, or person who filed a bond, the department shall retain the bond pending determination of liability for the accident and damages caused, and the application of the bond proceeds toward the judgment amount, regardless of whether the bankrupt debtor remains personally liable for that debt.

NOTE: Where the Department has received a safety responsibility bond, it holds that bond in trust for the victims of the accident. No bond shall be released upon the filing of a bankruptcy, but shall be held in trust for the benefit of the injured parties. The injured parties may commence a suit to determine liability of the bankrupt debtor and to recover from the trust res.

SECTION 30. Trans 100.07 is repealed and recreated to read:

Trans 100.07 Determination of security amount. (1) **DEFINITIONS.** In this section, "evaluation report" means an evaluation of personal injury report, evaluation of property damage report or evaluation of motor vehicle damage report submitted by a person to the department to document the amount of a claim resulting from an accident.

NOTE: Forms **MV 3045** evaluation of personal injury report, **MV 3044** evaluation of property damage report and **MV 3046** evaluation of motor vehicle damage report, are provided to persons in appropriate cases by the Division of Motor Vehicles **Uninsured Motorist Accident Records** Unit, P. O. Box 7919, Madison, WI 53707-7919, (608) 266-1249 266-8753.

(2) **EVALUATION REPORTS.** (a) If the department determines that one or more people involved in an accident were uninsured, the department may mail evaluation

reports to all other persons involved in the accident. The date on which the department first mails evaluation reports to any person shall be considered the "mailing date" under this subsection. The department shall mail the evaluation reports to the address provided in the accident report.

(b) In determining the amount of security required:

1. The department shall consider evaluation reports filed with the department within 21 days of the mailing date.

2. The department may consider an evaluation report filed with the department more than 21 days after the mailing date if it meets all of the following requirements:

a. No final determination of the amount of security required has been made.

b. The report is received by the department within one year of the accident date.

(3) ELEMENTS OF A CLAIM. (a) The department may consider court costs, which are reasonably estimated or determined, but do not exceed \$500.00, when determining the amount of security to be deposited under s. 344.13(1) and (2), Stats.

(b) The department may consider the following documentation in support of a claim in setting the amount of security required under s. 344.13, Stats., for a personal injury:

1. A certification of personal injury, completed by a person skilled in the evaluation of personal injuries.

NOTE: Form MV 3045—Evaluation of Personal Injuries.

2. A certification of loss of wages as a result of the accident based on written information provided by the claimant's employer.

3. A computation of an amount sufficient to satisfy a court award for pain and suffering of the injured person. The department may consider the following factors when computing an amount for pain and suffering:

a. The location, permanency, and potential cost of cosmetic surgery of scars resulting from the accident.

b. The age of the injured person.

c. The occupation and lifestyle of the injured person, if the occupation or lifestyle of the injured person will be affected.

d. The duration and severity of pain, and degree of consciousness of the injured party.

e. The length and type of temporary or permanent disability.

f. The diagnosis of the injury.

(c) The department may consider the following documentation when determining the amount of security required under s. 344.13, Stats., for property damage:

1. A certification of motor vehicle damage, not to exceed the value of the vehicle prior to the accident, completed by an authorized representative of an insurance company or body shop. If the vehicle was a total loss, a salvage dealer may complete the certification.

NOTE: Form MV 3046—Evaluation of Motor Vehicle Damage.

2. A certification of property damage, not to exceed the value of the property prior to the accident, completed by a person skilled in the evaluation of damages to the type of property damaged.

NOTE: Form MV 3044—Evaluation of Property Damage.

3. Credible evidence that a claimant has incurred actual towing and replacement vehicle rental costs if damages excluding those under this subdivision equal or exceed the minimum damage amount under s. 344.12 or 344.14(2)(e), Stats.

NOTE: The minimum damage amount under s. 344.12, Stats., is currently \$1000.

(d) The department may consider whether a motor vehicle was being operated without permission of the owner at the time of an accident in the manner specified in s. Trans 100.09 in connection with any claim for damages to a vehicle that was allegedly operated without the owner's permission.

(4) The amount of security required when a death is involved shall be the minimum policy limits provided for under s. 344.15(1), Stats.

(5) The department shall make a determination of the amount of security required for an accident within 90 days of receiving an accident report, or at such later date as individual circumstances of an accident may require.

NOTE: Determinations made more than 90 days after receipt of an accident report by the Department are valid. See DOT v. Warner, 102 Wis. 2d 232 (Ct. App. 1981).

(6) After a final determination of the amount of security is made by the department, the amount of security required may be increased only under either of the following circumstances:

(a) To correct any administrative error on the part of the department.

(b) To include the claim of a person if all of the following criteria are met:

1. The claim is filed one year or less after the accident.

2. No evaluation report was mailed to the person under sub. (2)(a).

3. The department has not suspended the uninsured person's operating privilege.

4. The uninsured has not deposited security.

SECTION 31. Trans 100.08(1)(intro.) is amended to read:

Trans 100.08(1)(intro.) Acceptable forms of security required under ss. 344.14 and 344.17, Stats., ~~include~~ are any of the following:

SECTION 32. Trans 100.08(3) and (4) are repealed and recreated to read:

Trans 100.08(3) Security deposited with the department shall be held in trust for the benefit of any claimant involved in the accident. The department shall remit to the depositor any balance remaining after the termination of the security filing period and payments to claimants.

(4) No interest or dividends shall be paid to a depositor.

SECTION 33. Trans 100.08(5) is amended to read:

Trans 100.08(5) If the owner and operator are separate persons, the deposit may be made by one of them, or they may cooperate in depositing the security. The security ~~may~~ shall be applied to the payment of judgments or assignments for damages arising out of the accident rendered against either the operator or owner regardless of who made the deposit.

SECTION 34. Trans 100.08(6) is repealed and recreated to read:

Trans 100.08(6) If notice has been filed with the secretary by any claimant that a court action has been commenced by any party in interest, the security deposit shall be retained until one of the following conditions is met:

(a) A judgment is entered and the court orders the department to apply the security deposit to the judgment.

(b) The case is dismissed on the merits and with prejudice and the operator or owner is determined not to be liable.

(c) The case is dismissed for any reason, has not been refiled, and more than one year from the date of deposit or the date the person's operating privilege was suspended, whichever is later, has passed.

(d) A judgment is entered, and a satisfaction of the judgment is filed with the department.

SECTION 35. Trans 100.08(7) and (8) are created to read:

Trans 100.08(7) A security deposit may be returned only after one of the following conditions is met:

(a) All judgments or assignments filed with the department related to the accident have been paid and all legal actions related to the accident of which the department has received notice have been resolved.

(b) More than one year after the date of deposit or date of suspension, whichever is later, has passed and no notice of the commencement of a court action has been filed by a party in interest. In calculating the time period under this subsection, any period of time a claimant was stayed from commencing an action against the owner, operator or bond because of a bankruptcy proceeding may not be considered.

(8) Final disposition of security deposits shall be made in accordance with s. 344.20, Stats. Unless otherwise specified in writing by all depositors, any security deposit remaining may be returned to any depositor by check made jointly payable to all depositors.

SECTION 36. Trans 100.09(intro.) and (1) are renumbered Trans 100.09(4)(intro.) and (a) and amended to read:

Trans 100.09(4)(intro.) The owner of a motor vehicle involved in an accident is ~~exempted under s. 344.14(2)(g), Stats.,~~ exempt from depositing security under s. 344.14(2)(g), Stats., if the owner or the owner's insurer produces uncontroverted proof that the motor vehicle was operated or parked without permission at the time of the accident. Acceptable proof ~~includes~~ shall be in one of the following forms:

(a) ~~A letter~~ Written notice from the law enforcement agency where the offense occurred stating that the motor vehicle was reported stolen prior to the accident or that the law enforcement agency investigated the report and found it to be a stolen motor vehicle, ~~or,~~

SECTION 37. Trans 100.09(1) is created to read:

Trans 100.09(1) A person operating a motor vehicle shall be presumed to have done so with the express or implied permission of the owner. Any owner contesting this presumption has the burden of proving the driver did not have permission to operate the vehicle.

SECTION 38. Trans 100.09(2) is renumbered Trans 100.09(4)(b) and (c) and amended to read:

Trans 100.09(4)(b) ~~A letter~~ Written notice from the a district attorney that the owner has filed a complaint against the operator and that the operator is being charged with operating without the owner's consent, ~~or an~~ or another crime indicating the operator's involvement in the theft of the motor vehicle.

(c) An affidavit signed by the operator stating that the motor vehicle was being operated without the owner's expressed or implied consent is filed with the department.
~~An affidavit~~ This paragraph does not exempt apply to an owner who is the sponsor of an the operator, as defined in under s. 343.15, Stats., or

NOTE: See Plevin v. WisDOT, 267 Wis. 2d 281 (Ct. App. 2003).

SECTION 39. Trans 100.09(2) is created to read:

Trans 100.09(2) A person who operates a motor vehicle with the express permission of a person who has control of a motor vehicle has the implied consent of the owner to operate the vehicle.

SECTION 40. Trans 100.09(3) is renumbered Trans 100.09(5) and amended to read:

Trans 100.09(5) ~~Under s. 344.15(4), Stats., an~~ An affidavit, filed by an insurer under s. 344.15(4), Stats., that is signed by the owner and attests that the operator did not have permission to operate the motor vehicle at the time of the accident. In a lease situation the department may accept an affidavit signed by the lessee as agent of the owner of the vehicle.

SECTION 41. Trans 100.09(3) and (6) are created to read:

Trans 100.09(3) Any affidavit, police report or statement of a person other than the owner contending the motor vehicle was parked or operated with the owner's permission shall result in an initial determination that the operator did have permission to operate the vehicle.

(6) Any affidavit made under sub. (4)(c) or (5) with respect to a leased motor vehicle shall be made by the vehicle lessee rather than the vehicle owner, unless the

vehicle owner affirms that possession and control over the vehicle had transferred from the lessee to the owner by repossession or other operation of law at the time of the accident.

NOTE: A lessee is considered an "owner" under s. 344.01(2)(cm). Because the lessee ordinarily has direct control of a leased vehicle, the lessee should ordinarily provide an affidavit under sub. (4)(c) or (5) rather than the lessor or titled owner.

SECTION 42. Trans 100.10 and 100.11 are repealed and recreated to read:

Trans 100.10 Hearing and suspension procedure. (1) If proof of damages has been filed under s. Trans 100.07, and the department has determined that a reasonable possibility of a judgment being entered against an uninsured operator or owner exists, the department shall mail a notice to the last known address on file with the department for the uninsured operator and motor vehicle owner. The notice shall require the uninsured operator or owner, or both, to deposit security with the department. The amount of security shall be that sum that is sufficient in the secretary's judgment to satisfy any judgment for damages resulting from the accident that may be recovered against either the operator or motor vehicle owner. The notice shall require security be deposited by a certain date, and advise the uninsured operator that his or her operating privilege will be suspended or advise the motor vehicle owner that his or her motor vehicle registration will be suspended if security is not deposited by the date required in the notice. The notice shall advise the uninsured operator or motor vehicle owner of actions they may take to avoid operating privilege or motor vehicle registration suspension. It shall also notify them that they may request a hearing on the department's determination before the suspension date established in the notice.

(2) Prior to the suspension date specified in the notice, the uninsured operator or motor vehicle owner may request one 20-day extension of time to deposit security.

(3) If no hearing is requested and none of the safety responsibility compliance requirements set forth in the notice have been met by the suspension date, or the extended suspension date, the department shall issue an order suspending the uninsured person's operating privilege and suspending registration of all the owner's motor vehicles.

(3m) The department may grant a hearing on the propriety of a suspension order issued under sub. (3) to any person requesting a hearing within 14 days of the mailing date indicated on the suspension order.

(4) A request for a hearing will not affect the uninsured person's operating privilege or motor vehicle registration status. Operators and owners who request a hearing prior to the department issuing a suspension order will not have their operating privileges or motor vehicle registrations suspended for failure to deposit security until the conclusion of hearing procedures. Operators who request a hearing after the department issues an operating privilege suspension order shall remain subject to the order unless the suspension is overturned as a result of the hearing. Motor vehicle registrations that are suspended before a request for a hearing is received by the department shall remain suspended unless the suspension is overturned as a result of the hearing.

(5) If a hearing is requested, the division of motor vehicles shall notify the interested parties of the date, time and place of the hearing. A person may request one postponement or rescheduling of a hearing for any reason if the request is made within

8 calendar days of the mailing date indicated on the notice of hearing. Subsequent requests for postponement or rescheduling may be granted only where an emergency makes attendance unduly burdensome on a party.

(6) The department may dismiss an operator's or owner's request for a hearing if the operator or owner fails to appear for the hearing at the time and place designated in the notice. A hearing dismissed under this subsection may be reopened upon motion of the operator or owner and for good cause shown.

NOTE: s. 344.02(1), Stats.

(7) Hearings shall be informal. Hearsay and documentary evidence may be received by the hearing examiner and relied upon as the basis for a decision. A telephone testimony of persons involved in the accident may not be permitted.

(8) Hearings shall be tape recorded for the purpose of preserving a record. Copies of recorded hearings may be purchased by a party for the cost to the department of copying the tape.

NOTE: The current cost for copying a tape is \$7.00 per tape.

(9) The hearing examiner shall have all the duties and powers available to a hearing examiner under ch. 227, Stats.

(10) All parties and their counsel shall be respectful of the hearing examiner and behave in a professional manner. A hearing examiner may exclude a person or attorney from a hearing for engaging in disrespectful, contemptuous, or disruptive conduct. An attorney who is repeatedly excluded from hearings for the conduct may be barred from participating in administrative hearings before the department.

(11) An examiner may hold the record open at the end of a hearing to receive additional evidence not available at the hearing.

(12) The department shall enter a decision within 30 days of the date of the hearing, or as soon as practicable thereafter.

(13) A person may request a rehearing as provided for in s. 227.49, Stats.

(14) Appeals of decisions under this section shall be made in accordance with s. 344.03, Stats.

Trans 100.11 Notice of subrogation. (1) An insurer may file a notice of subrogation with the department at any time.

(2) Acceptable notice of subrogation is any of the following:

(a) A copy of a subrogation receipt signed by the insured.

(b) Proof of payment made as follows:

1. A copy of the insurer's cancelled check endorsed by the insured or a third party that provided services to the insured for damages resulting from the accident, such as an automobile repair facility.

2. If a copy of the endorsement is not readily available, a written certification of the insurer that payment was accepted by the payee named on the check.

3. If a copy of the check is not readily available, an insurer may submit a copy of a corporate payment record together with a certification that the payment was accepted by the insured party or a third party that provided services to the insured for damages resulting from the accident, such as an automobile repair facility.

(3) If a person deposits security with the department, the department shall provide notice of the filing to any person that has filed a notice of subrogation with the department at the address set forth in the subrogation notice or, if the subrogee is an insurer, at the address on file with the department for correspondence with the insurer.

(4) Disposition of any deposited security shall be made in accordance with s. Trans 100.08 and s. 344.20, Stats.

(5) Releases and installment agreements filed after the filing of a subrogation notice with the department will not have any effect unless each subrogated party and insured has joined in or filed a release or installment agreement.

(6) Releases or installment agreements received before notice of subrogation is received and filed by the department will not be affected by the filing of the subrogation notice.

SECTION 43. Trans 100.12(1) and (2) are repealed and recreated to read:

Trans 100.12(1) EFFECT OF RELEASE. The department may not suspend the operating privilege of an operator or motor vehicle registrations of a vehicle owner under s. 344.14, Stats., if that person has been released from liability by all persons on whose behalf a security deposit has been required by the department under s. Trans 100.07 or s. 344.13, Stats., and all persons who have filed subrogation notices with the department for such claims.

NOTE: See ss. 344.14(2)(h) and 344.18(1)(b), Stats.

(2) VALIDITY OF RELEASE. A release shall be considered valid under ss. 344.14(2)(h) and 344.18(1)(b), Stats., if it meets all of the following criteria:

(a) *Written release required.* A release shall be made in writing.

(b) *Consideration required.* A release shall state that it is made for consideration, such as an exchange of money or something that has money value.

NOTE: Forms MV 3039—Minors Release, and MV 3041—Release of Liability.

(c) *Competent approval.* 1. 'Injured parties.' If a party sustains property damage or personal injuries, the release shall include the witnessed or notarized

signature of each subrogated party and the witnessed or notarized signature of the injured party, except as provided in subds. 2. to 4.

2. 'Minors with claims \$5,000 or less.' If an injured party is less than 18 years old and the amount of deposit required by the department under s. 344.13, Stats., does not exceed \$5,000, the witnessed or notarized signature of that injured party's parent or legal guardian, and if any personal injury to the injured party occurred, a doctor's certification that the injury is not permanent is required.

NOTE: s. 344.14(2)(h), Stats.

3. 'Minors with claims exceeding \$5,000, or permanent injuries.' If an injured party is less than 18 years old and either a doctor certifies that the injury is permanent or the amount of deposit required by the department under s. 344.13, Stats., exceeds \$5,000, a witnessed or notarized legal guardian's signature in his or her capacity as guardian is required, together with a court order authorizing the guardian for the injured party to execute the release.

NOTE: ss. 807.10, 344.14(2)(h) and 344.18(1)(b), Stats. Parents are not "legal guardians" unless appointed by a court.

4. 'Incompetents.' If an injured party is incompetent, a witnessed or notarized guardian's signature in his or her representative capacity is required together with a court order authorizing the guardian to execute the release.

SECTION 44. Trans 100.12(3) is renumbered Trans 100.12(2)(c)5. and amended to read:

Trans 100.12(2)(c)5. 'Deceased parties.' If the injured party died as a result of the accident, the release shall include one of the following:

(a) a. The witnessed or notarized signature of the personal representative or administrator of the estate of the deceased, accompanied by a copy of the court order appointing the personal representative or administrator.

(b) b. The witnessed or notarized signature of parents with legal custody or the legal guardian of the deceased when the deceased was a minor at the time of the accident.

(c) c. The witnessed or notarized signature of the primary heir of the estate of the deceased, accompanied by an affidavit of heirship from the releasing party and assurance that the estate will be settled without appointment of a personal representative. ~~Acceptable assurance shall be:~~

1. ~~A The department may accept a copy of a petition filed under ch. 867, Stats.,~~
or

2. ~~A a court order assigning property under ch. 867, Stats., as assurance under this subd.~~

(d) d. The witnessed or notarized signature of the primary heir of the estate of the deceased, accompanied by an affidavit of heirship from the releasing party and a certified medical statement attesting that the deceased had no pain and suffering.

SECTION 45. Trans 100.12(3) is created to read:

Trans 100.12(3) DISMISSAL OF CLAIMS. A final judgment on the merits and with prejudice dismissing all claims against the uninsured operator or owner shall be treated as a release of liability for that uninsured operator or owner as to all parties to that court action.

SECTION 46. Trans 100.12(4) and (5) are repealed and recreated to read:

Trans 100.12(4) SATISFACTION OF JUDGMENT. A satisfaction of judgment against the uninsured operator or owner for claims arising out of the accident shall be treated as a release of liability for that uninsured operator or owner as to all parties to the court action.

(5) BANKRUPT UNINSURED PERSONS UNDER SAFETY RESPONSIBILITY LAW. (a) *Effect on deposited security.* Notwithstanding the imposition of a stay at the commencement of a bankruptcy proceeding or the issuance of an order of discharge in a bankruptcy proceeding, any security that is deposited with the department shall be held in trust by the department for the benefit of any injured party on whose behalf a security deposit has been required under s. Trans 100.07 or s. 343.13, Stats.

(b) *Bankruptcy that precedes safety responsibility suspension.* In any case in which the department is notified of a pending bankruptcy proceeding and applicability of a stay under 11 U.S.C. s. 362, the department may not suspend the operating privilege or motor vehicle registration of the debtor until the stay is no longer in effect and the department is notified by an injured party or their subrogated insurer that the debt was not discharged and that suspension under s. 343.14 or 343.18, Stats., is appropriate.

NOTE: 11 U.S.C. s. 362 is the bankruptcy code's automatic stay provision.

(c) *Effect on operating privilege and motor vehicle registration.*

1. 'Reinstatement.' An uninsured operator or vehicle owner whose operating privilege or motor vehicle registration is suspended under s. 344.14 or 344.18, Stats., who files a petition in bankruptcy, and from whom collection of a pre-bankruptcy debt arising from an accident occurring prior to the filing of the petition is stayed under 11 U.S.C. s. 362, or whose liability for damages resulting from an accident is discharged under United

States bankruptcy laws may reinstate his or her operating privilege or motor vehicle registration. The person shall be subject to all the same reinstatement, filing and fee requirements as any other person seeking license reinstatement who has obtained a release from the injured party.

NOTE: See Holder v. DOT, 40 BR 847 (E.D. Wisc., 1984) regarding the Department's authority to require proof of financial responsibility for the future of a bankruptcy debtor. Tort liability is not "consumer debt" under 11 USC 101 (7). Therefore, Ch. 13 co-debtor stay does not prohibit collection against non-bankrupt persons. In re ALVAREZ, 57 BR 65 (S.D. Fla., 1985).

2. 'Release of suspension ordered in violation of automatic stay.' If the department is notified that a stay prohibiting action against a debtor under 11 U.S.C. s. 362 was in effect at the time the department ordered revocation or suspension of the debtor's operating privilege or motor vehicle registration under ss. 344.14, Stats., the department shall release the s. 344.14, Stats., revocation or suspension and, if the debtor is otherwise eligible to be licensed, reinstate the bankruptcy debtor's operating privilege and motor vehicle registration without any reinstatement fee.

NOTE: 11 U.S.C. § 362 is the bankruptcy code's Automatic Stay provision.

3. 'Reimposition of suspension.' The department may suspend a debtor's operating privilege or motor vehicle registration that was released under subd. 1. or 2. upon a showing by an injured party that the debt for damages resulting from the accident was not discharged or satisfied within the bankruptcy proceeding and that the bankruptcy stay is not in effect or upon notification that the case has been dismissed.

4. 'Proof.' The department may require satisfactory proof that the debtor's liability to all injured parties and their subrogated insurers have been discharged in a bankruptcy proceeding in any case where a debtor seeks to reinstate an operating privilege or motor vehicle registration after the case is closed or dismissed, a discharge

has been granted, or the automatic stay has been lifted, terminated, annulled or modified. Acceptable proof may include copies of the schedules for the bankruptcy case listing the injured party as a claimant in the bankruptcy, proof of the filing date, such as the notice of bankruptcy filing mailed by the bankruptcy court or a copy of the petition containing the clerk's file stamp showing the date the petition was filed, and an affidavit that the debt is dischargeable under 11 U.S.C. s. 523 and has been discharged.

5. 'Disputes.' In any case where a debtor uninsured operator or motor vehicle owner and an injured party dispute whether a discharge has affected the injured party's claim, the department may require one or both parties to obtain a court order that decides whether the claim is discharged.

6. 'Court determinations.' The department shall accept court findings or orders regarding discharge of a claim in an action between the debtor uninsured operator or motor vehicle owner and an injured party as determinative, and may impose or release a suspension under ch. 344 in accordance with the determination of the court.

NOTE: While the Department does not have authority to require debtors to provide a certain type of notice of bankruptcy filing to it under federal law, debtors who are subject to financial responsibility filing requirements will find that the Department's reaction to a bankruptcy filing is faster and more predictable under this section if the Department is listed on the mailing matrix for the proceeding with an address of Wisconsin Department of Transportation, Uninsured Motorists Unit, P.O. Box 7919, Madison, WI 53707-7919.

(d) The department may not release a safety responsibility or damage judgment suspension or revocation based solely upon a court order entered under s. 128.21, Stats.

NOTE: Voluntary wage earner proceedings affect only executions, attachments or garnishments, and do not affect suspensions and revocations of operating privileges. s. 128.21(1), Stats. Debtors using state procedures to reorganize debts

may use a s. 344.27, Stats., process to obtain a court ordered repayment plan for an unpaid damage judgment.

SECTION 47. Trans 100.13(1)(intro.) and (a) to (d) are amended to read:

Trans 100.13(1)(intro.) For the purpose of s. 344.14(2)(h) or 344.25(2), Stats., the a written agreement providing for payment in installments of an agreed amount for all claims for injury or damage resulting from the accident shall contain all of the following:

(a) ~~An~~ A promise by the uninsured person to pay an amount of money or to transfer ownership of something that has money value agreed to by all parties to the agreement an injured party as settlement for all claims by the ~~parties~~ party for damages or injuries arising out of the accident,

(b) ~~At least 2~~ The date of the first installment payments payment, the frequency of payments if payments are to be made other than on a monthly basis, and the calculated date final payment is due under the payment plan.

(c) The notarized or duly acknowledged signature of the uninsured operator or owner making the payments, ~~and~~ If that person is less than 18 years of age, a parent or sponsor under s. 343.15, Stats., shall co-sign the installment agreement as a person responsible for making the payments, or a legally appointed guardian may sign on behalf of the minor pursuant to court authorization of their signing the agreement as guardian.

(d) The witnessed signatures of all other parties ~~who are accepting the agreed amount in~~ the installment payments agreement.

SECTION 48. Trans 100.13(1)(e) to (h) are created to read:

Trans 100.13(1)(e) The names and addresses of all parties to the agreement.

(f) If an injured party to the agreement is less than 18 years old and the amount of deposit required by the department under s. 344.13, Stats., does not exceed \$5,000, the witnessed or acknowledged signature of the injured party's parent or legal guardian, and if any personal injury to the injured party occurred, a doctor's certification that the injury is not permanent.

NOTE: s. 344.14(2)(h), Stats.

(g) If an injured party to the agreement is less than 18 years old and the amount of deposit required by the department under s. 344.13, Stats., exceeds \$5,000, or a doctor's certification that the injury is not permanent is not filed with the department, a guardian's signature in his or her capacity as guardian is required, together with a court order authorizing the guardian for the injured party to enter into the agreement.

(h) If an injured party to the agreement is incompetent, a guardian's signature in his or her capacity as guardian is required, together with a court order authorizing the guardian for the injured party to enter into the agreement.

NOTE: ss. 807.10, 344.14(2)(h) and 344.18(1)(b), Stats.

NOTE: Form MV 3128--Installment Agreement to Pay Damages.

SECTION 49. Trans 100.13(2) is amended to read:

Trans 100.13(2) An amended agreement shall be accepted if the original agreement filed is valid and, the amended agreement is signed by all parties to the original agreement, and any required court approval under sub. (1)(g) is filed. Parties who have released their claims prior to the amendment may not be required to join in any amendment.

SECTION 50. Trans 100.13(3) is created to read:

Trans 100.13(3) Notwithstanding s. 344.18(3), Stats., a person who has been released from liability for debts arising from an accident may not be subjected to operating privilege or motor vehicle registration suspension based upon a default in a written installment agreement for the liability that has been released.

SECTION 51. Trans 100.14(1) is renumbered Trans 100.03(4) and amended to read:

Trans 100.03(4) The department ~~shall~~ may not ~~revoke~~ suspend a person's operating privileges privilege or motor vehicle registration for failure to file an accident report, under s. 344.08, Stats., if no further information is needed from the person who failed to file the report.

SECTION 52. Trans 100.14(2) is repealed.

SECTION 53. Trans 100.15(intro.) is repealed.

SECTION 54. Trans 100.15(1) is renumbered Trans 100.15(3)(a).

SECTION 55. Trans 100.15(1) is created to read:

Trans 100.15(1) FEE REQUIREMENTS. Except as provided in sub. (3), a person shall pay the following fees as a condition of reinstating an operating privilege or motor vehicle registration that is suspended or revoked under ch. 344, Stats.:

(a) A person whose motor vehicle registration has been suspended or revoked under ch. 344, Stats., shall pay the reinstatement fee specified in s. 341.36(1m), Stats.

(b) A person whose operating privilege has been suspended or revoked under ch. 344 shall pay the reinstatement fee specified in s. 343.21(1)(j), Stats.

(c) Persons subject to both motor vehicle registration and operating privilege suspensions shall pay all fees required under pars. (a) and (b).

SECTION 56. Trans 100.15(2) is renumbered Trans 100.15(3)(b) and amended to read:

Trans 100.15(3)(b) The person submits written verification to the department that an insurance policy or bond meeting the requirements of s. 344.15, Stats., was in effect at the time of the accident. ~~This~~ The written verification shall must be submitted during the revocation period prior to the person reinstating his or her operating privilege or motor vehicle registration.

SECTION 57. Trans 100.15(2) is created to read:

Trans 100.15(2) **PROOF OF FINANCIAL RESPONSIBILITY REQUIREMENT.** Except as provided in sub. (3), a person reinstating his or her operating privilege or motor vehicle registration shall satisfy the following proof of financial responsibility for the future requirements:

(a) If the person's operating privilege or motor vehicle registration was suspended or revoked for failing to deposit security, the person shall meet the proof of financial responsibility for the future requirements of s. 344.18(1m), Stats., for 3 years from the date the person meets one of the requirements under sub. (4).

(b) If the person's operating privilege or motor vehicle registration was suspended or revoked for failure to pay a damage judgment, the person shall meet the proof of financial responsibility for the future requirements of s. 344.26(1), Stats. If the department imposed the revocation or suspension before September 1, 2000, and 3 years have not passed since the entry of judgment, the person shall keep proof of financial responsibility for the future on file with the department until 3 years have elapsed from the date of the entry of judgment. If the revocation or suspension was

imposed by the department on or after September 1, 2000, and the judgment has been stayed, satisfied or discharged, the person shall keep proof of financial responsibility for the future on file with the department until 3 years have elapsed from the date the judgment was stayed, satisfied or discharged. If the revocation or suspension was imposed by the department on or after September 1, 2000, and a court has ordered that the judgment debtor be allowed to pay the judgment in installments under s. 344.27(2), Stats., the person shall keep proof of financial responsibility for the future on file with the department until 3 years have elapsed from the date that order is filed with the department. In the event the person defaults on the installment agreement and is subjected to another operating privilege or motor vehicle registration suspension, and the judgment is stayed, satisfied or discharged, the person will be required to post proof of financial responsibility for the future for a 3 year period from the date the judgment was stayed, satisfied or discharged.

NOTE: See 1999 Wis. Act 80, s. 9348, for authority on provisions involving the date September 1, 2000.

SECTION 58. Trans 100.15(3) is renumbered Trans 100.15(3)(c).

SECTION 59. Trans 100.15(3)(title), (intro.) and (d) are created to read:

Trans 100.15(3)(title) FEES AND PROOF OF FINANCIAL RESPONSIBILITY FOR THE FUTURE NOT REQUIRED. (intro.) No operating privilege or motor vehicle registration reinstatement fee or future proof of insurance is required when any of the following occur:

(d) A stay imposed under United States bankruptcy laws prohibited suspension or revocation of the person's operating privilege or motor vehicle registration at the time the department suspended or revoked the person's operating privilege.

SECTION 60. Trans 100.15(4) is repealed and recreated to read:

Trans 100.15(4) **RESOLVING CLAIM IN SAFETY RESPONSIBILITY CASES.** A person whose operating privilege or motor vehicle registration is suspended or revoked for failure to deposit security under s. 344.14 or 344.18(3), Stats., shall meet one of the following conditions as a prerequisite to reinstating the operating privilege or motor vehicle registration:

(a) Deposit security as required by s. 344.18(1)(a), Stats., in the amount and form required under ss. Trans 100.07 and 100.08.

(b) File evidence with the department that the person has been released from liability or adjudicated not to be liable as required by s. 344.18(1)(b), Stats., in a form acceptable under s. Trans 100.12.

(c) File a written agreement with the department as required by s. 344.18(1)(c), Stats., in the form and manner required by s. Trans 100.13.

(d) Be subject to an operating privilege or motor vehicle registration suspension or revocation for a period of more than one year, provided that no notice is filed with the department by an injured party or claimant in interest that an action has been commenced in the form and manner required by s. 344.18(1)(d), Stats.

SECTION 61. Trans 100.15(5) and (6) are renumbered Trans 100.15(3)(e) and (f) and amended to read:

Trans 100.15(3)(e) The ~~revocation~~ suspension is a result of administrative error on the part of the department.

(f) A person ~~revoked~~ suspended under ch. 344, Stats., petitions the department and a hearing examiner determines there is no reasonable possibility of a judgment against a person.

SECTION 62. Trans 100.15(5) is created to read:

Trans 100.15(5) RESOLVING CLAIM IN DAMAGE JUDGMENT CASES. A person whose operating privilege or motor vehicle registration was suspended or revoked for failure to pay a damage judgment shall meet one of the following conditions as a prerequisite to reinstating the operating privilege or motor vehicle registration:

(a) File with the department a court stamped or certified copy of a satisfaction of judgment.

(b) File with the department a copy of a court order entered under s. 344.27(2), Stats., permitting the judgment debtor to pay the judgment in installments.

NOTE: Section 128.21, Stats., voluntary proceeding orders do not stay Ch. 344 license suspension or revocation actions, and are therefore inadequate to resolve a damage judgment suspension or revocation under sub. (5)(b).

(c) Provide proof to the department that the judgment debtor is released from liability on the judgment, or that enforcement of the judgment is stayed, by operation of law.

NOTE: See s. Trans 100.18 regarding the effect of a bankruptcy on a damage judgment revocation.

(d) Provide proof to the department that action upon the judgment is barred by passage of more than 20 years under s. 893.40, Stats.

(e) File with the department an original installment agreement between the judgment debtor and judgment creditor meeting the requirements of s. 344.14(2)(h), Stats., and s. Trans 100.13.

NOTE: Judgment creditors may not seek to re-suspend the operating privilege or motor vehicle registration of a judgment debtor within 6 months of filing an installment agreement. s. 344.25(2), Stats.

SECTION 63. Trans 100.16(2) is amended to read;

Trans 100.16(2) Self-insurance certificates shall be issued for a period of ~~3 years~~
one year.

SECTION 64. Trans 100.16(4) is created to read:

Trans 100.16(4)(a) A person shall be considered to have the ability to pay judgments arising out of motor vehicle accidents if the person has unencumbered assets of at least \$60,000 times the square root of the total number of motor vehicles owned by the person and operated on Wisconsin highways, is paying creditors as the person's debts become due, and does not have any judgment, fine or forfeiture that has remained unpaid more than 30 days.

(b) In this subsection:

1. "Unencumbered assets" means the net worth of the person less the sum of all contingencies and reserved capital.

NOTE: Unencumbered Assets = Net Worth – (Contingencies + Reserved Capital).

2. "Contingencies" means events that have occurred, or that are likely to occur, that if included in the financial statements of the person, would have a material effect on the financial position of that person.

NOTE: Examples of contingencies include a lawsuit that could result in the payment of damages, fines or forfeitures that have not been reflected or disclosed on the financial statements or investment losses not yet realized and not reflected or disclosed on the financial statements.

3. "Reserved capital" means any amount reserved by management as required by contract or reserved for a specific activity.

NOTE: Examples of reserved capital include established reserves required by loan agreements, planned purchases of company stock, and planned distributions of capital.

(c) Evidence that a person has the ability to pay judgments shall be provided in the form of audited financial statements or on a United States securities and exchange commission form 10K filing.

NOTE: The provisions of sub. (4) are drawn from the Insurance Industry Committee on Motor Vehicle Administration's recommendations to the American Association of Motor Vehicle Administrators.

SECTION 65. Trans 100.17(1) is amended to read:

Trans 100.17(1) A transfer of ownership of any motor vehicle ~~whose~~ that has its registration is suspended or revoked or is subject to suspension or revocation under s. 344.14, Stats., shall may not be allowed ~~if the~~ under any of the following circumstances:

(a) The owner whose registration is suspended, revoked or subject to ~~revocation~~ suspension continues to have possession of, use of, or receive any benefit from the operation of the motor vehicle.

(b) The transferee resides at the same address as the transferor.

(c) The transferee is unable to prove that adequate consideration was paid for the motor vehicle.

SECTION 66. Trans 100.17(1m) is created to read:

Trans 100.17(1m) The department may not issue a title in the name of a purported purchaser for a motor vehicle if the transaction is impermissible under sub. (1).

SECTION 67. Trans 100.17(2), (3)(intro.), (a) and (b), and (4)(intro.) and (b) are amended to read:

Trans 100.17(2) A person's registration shall be considered subject to suspension or revocation under s. 344.14, Stats., when written notice of a security requirement under s. 344.13, Stats., is issued by the department.

NOTE: ~~Form MV 3008—Notice of Suspension and Possible Vehicle Impoundment.~~

(3)(intro.) An application for transfer of ownership shall may be accepted and a title may be issued in the name of the purchaser, when either of the following occur:

(a) The motor vehicle is repossessed by a person who, pursuant to the terms or conditions of any written instrument, is given a right of repossession; ~~or,~~

(b) The purchaser does not reside at the same address as the seller and the full value of the motor vehicle has been paid to the seller. The department may require proof of payment ~~or,~~ an affidavit from the buyer or seller as or other evidence that the proposed transfer is in good faith.

(4) If the department refuses to ~~allow a~~ acknowledge an alleged transfer of ownership and to issue a title in the name of the alleged purchaser, the department shall do all of the following:

(b) Return all fees submitted by with the application to the purchaser with an explanation as to why the transfer of ownership was refused. ~~If the title and registration were issued after the written notice of security was issued to the seller but prior to the revocation of registrations, the fees shall be returned only after the purchaser complies with the department request for return of the title and any registration plates issued.~~

SECTION 68. Trans 100.17(4)(c) is repealed.

SECTION 69. Trans 100.17(5) and (6) are created to read:

Trans 100.17(5) If the department issues a title in violation of s. 344.46, Stats., after it issues a notice of security requirement under s. Trans 100.10(1), the department shall suspend any outstanding title and registration, shall notify the transferee and transferor of that fact, and shall demand return of the mistakenly issued title. Upon return of the title to the department, the department shall provide a duplicate title to the transferor, without fee. A vehicle that is transferred as a gift, is sold for inadequate consideration, that remains in the possession of the transferor, that continues to be used by the transferor, or that is transferred to a spouse, parent, child, spouse's parent, child's spouse, step parent, step child, or any person residing at the same address as the transferor, shall be presumed to have been transferred for the purpose or with the effect of defeating the purpose of ch. 344, Stats.

(6) The department may notify any lien holders of record or appearing on alleged purchaser's title application of the department's actions under this section and the reasons for those actions and may provide copies of any materials sent by the department to the alleged purchaser or seller.

SECTION 70. Trans 100.18 is repealed and recreated to read:

Trans 100.18 Damage judgments. (1) **SUSPENSION.** Upon receipt of a certified damage judgment from a Wisconsin court, the department shall immediately suspend the judgment debtor's operating privilege and the registration of the judgment debtor's motor vehicles. The suspension shall remain in effect until the person pays all fees required for operating privilege and motor vehicle registration reinstatement, files any required proof of financial responsibility for the future, and until one of the following conditions is met:

(a) The person files with the department a certified or court stamped copy of a satisfaction of judgment.

(b) The person files with the department a court ordered installment payment schedule meeting the requirements of s. 344.27, Stats.

(c) The person files with the department an installment agreement complying with sub. (3).

(d) The person's suspension or revocation is temporarily or permanently affected under sub. (4) because of a bankruptcy.

(e) More than 20 years from the entry date of the judgment have elapsed.

(2) OUT OF STATE AND TRIBAL COURT JUDGMENTS. (a) *Out-of-state judgments.* Upon receipt of a certified damage judgment naming a Wisconsin resident or licensed operator as judgment debtor from a court or driver licensing authority in another jurisdiction, the department shall provide notice of the receipt of the certification to the judgment debtor. The department shall suspend the operating privilege and motor vehicle registrations of the judgment debtor unless, within 30 days of the issuance of the notice by the department, the person satisfies one of the requirements of sub. (1)(a) to (e) or, files a letter of clearance from the driver licensing authority in the other jurisdiction.

NOTE: s. 344.25(5), Stats.

(b) *Tribal judgments.* Upon receipt of a certified damage judgment naming a Wisconsin resident or licensed driver as judgment debtor from an Indian tribal court in Wisconsin, the department shall provide notice of the receipt of the certification to the judgment debtor. The department shall suspend the operating privilege and motor

vehicle registrations of the judgment debtor unless, within 30 days of the issuance of the notice by the department, the person satisfies one of the requirements of sub. (1)(a) to (e).

NOTE: Where notice of a judgment debt is sent to the Department by a licensing authority in another state, obtaining a release letter may be required as a precondition to obtaining or keeping a Wisconsin driver license. If the judgment debtor has moved to Wisconsin from the other state, the Department is prohibited from issuing the person a license if the person's operating privilege is suspended or revoked in the other state. s. 343.38(4), Stats. If the person has been issued a license, it will be cancelled. s. 343.25, Stats.

(3) **INSTALLMENT AGREEMENTS.** (a) If a judgment creditor consents to allow a judgment debtor to retain or reinstate the debtor's operating privilege or motor vehicle registration under s. 344.25(2), Stats., the parties shall file a copy of the written installment agreement between the parties. The agreement shall meet the requirements of s. Trans 100.13. In applying the requirements of s. Trans 100.13, the term "injured party" shall mean the judgment creditor, and the term "uninsured person" shall mean the judgment debtor. The installment agreement shall provide that upon payment of the sums specified in the agreement, the judgment will be satisfied.

(b) If the department is notified that a judgment debtor has defaulted on a written installment agreement filed under s. 344.25, Stats., and 6 months have not elapsed from the date of the agreement, the department shall advise the person notifying the department of the default that no action may be taken until 6 months have elapsed and take no further action. If 6 months have elapsed from the date of the agreement, the department shall immediately suspend the person's operating privilege and motor vehicle registration. The suspension shall remain in effect until the person pays all fees required for operating privilege and motor vehicle registration reinstatement, files any required proof of financial responsibility for the future, and meets one of the following:

1. Files with the department a certified or court stamped copy of a satisfaction of judgment.

2. Files with the department a copy of a court ordered installment agreement ordered under s. 344.27, Stats.

NOTE: Section 344.25(2), Stats., provides that a reinstatement following filing of a repayment agreement is for a minimum of 6 months. Courts do not have authority to order operating privilege or motor vehicle registration reinstatement in voluntary wage earner debt amortization proceedings under s. 128.21, Stats. Amortization orders entered under s. 128.21 will not result in a debtor being able to immediately reinstate his or her operating privilege or motor vehicle registration. In cases where a s. 128.21 proceeding is considered, bringing a parallel s. 344.27 motion to amortize a judgment debt should be considered.

3. Applies for operating privilege or motor vehicle registration reinstatement more than 20 years after the entry date of the judgment.

NOTE: See s. 893.40, Stats.

(4) PERSONS UNDER DAMAGE JUDGMENT LAW. (a) A person whose operating privilege or motor vehicle registration is suspended or revoked under s. 344.25, Stats., who files a petition in bankruptcy, and from whom collection of a pre-bankruptcy damage judgment debt is stayed under 11 USC s. 362, or whose personal liability for the damage judgment debt is discharged under U. S. bankruptcy laws, may reinstate his or her operating privilege or motor vehicle registrations. The person shall be subject to all the same vehicle reinstatement, filing and fee requirements as any other person seeking operators license or registration reinstatement who has obtained a satisfaction of judgment following a damage judgment suspension.

NOTE: See Holder v. DOT, 40 BR 847 (E.D. Wisc., 1984) regarding the Department's authority to require proof of financial responsibility for the future of a bankruptcy debtor. Tort liability is not "consumer debt" under 11 USC 101 (7). Therefore, Ch. 13 co-debtor stay does not prohibit collection against non-bankrupt persons. In re ALVAREZ, 57 BR 65 (S.D. Fla., 1985).

(b) If a judgment creditor notifies the department that the automatic stay has been lifted to permit collection of the debt evidenced by the damage judgment, the department shall suspend the person's motor vehicle registration and operating privilege.

(c) If the debtor's bankruptcy case closes or the automatic stay is lifted and the debt is not dischargeable under United States bankruptcy law, the department shall suspend the debtor's operating privilege and motor vehicle registration upon receipt of one of the following:

1. If a hearing is required to determine dischargeability of the judgment debt under 11 U.S.C. s. 523(c)(1), a copy of the court order finding the debt to be non-dischargeable.

2. If no hearing is required to determine dischargeability of the judgment debt under 11 U.S.C. s. 523(c)(1), then an affidavit of the claimant that the judgment is not dischargeable under bankruptcy law, citing the appropriate exception to discharge applicable to the judgment debt under 11 U.S.C. s. 523(a), and affirming that the debt was not discharged in the debtor's bankruptcy proceeding, or a court order making a determination that the debt was not discharged by the bankruptcy proceeding.

(d) The department may not permit a person whose operating privilege or motor vehicle registration was suspended under par. (c) to reinstate the operating privilege or motor vehicle registration unless the person provides a court order or findings to the department from a proceeding to which the judgment debtor and creditor were parties concluding that the debt was, in fact, discharged by the bankruptcy proceeding or the person meets the reinstatement requirements of sub. (1)(a) to (e).

(e) A debtor who alleges a damage judgment was entered and certified to the department in violation of the automatic stay in violation of 11 U.S.C. s. 362 shall be required to provide evidence that the judgment is void or has been vacated or satisfied as a condition of license reinstatement.

SECTION 71. Trans 100.19(1) is renumbered Trans 100.19(2) and amended to read:

Trans 100.19(2) ~~The~~ An accident entry shall ~~may~~ be ~~purged~~ removed from the a driver record ~~after~~ if more than 4 years from the date of the accident have elapsed when the purge is conducted.

SECTION 72. Trans 100.19(1) is created to read:

Trans 100.19(1) The department may purge references to accidents from the department's online database of driver records twice per year or with such increased frequency as the secretary deems appropriate.

SECTION 73. Trans 100.19(2) is renumbered Trans 100.19(3) and amended to read:

Trans 100.19(3) ~~The~~ A safety responsibility suspension or revocation case entry shall ~~may~~ be ~~purged~~ removed from the a driver record ~~after~~ if 5 years from the effective date of the suspension or revocation, or 3 years from the operator's reinstatement eligibility date, whichever is longer, have elapsed at the time the purge is conducted.

SECTION 74. Trans 100.19(4) and (5) are created to read:

Trans 100.19(4) After a damage judgment is satisfied or discharged, the damage judgment suspension or revocation case entry may be removed from a driver record at the time a purge is conducted if 3 years from the date the person meets one of the

criteria in s. Trans 100.18(1)(a) or (e), or 5 years from the date of the suspension or revocation, whichever is longer, have elapsed.

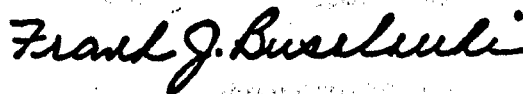
(5) After a damage judgment debt is discharged in a bankruptcy proceeding, the damage judgment suspension or revocation case entry may be removed from the debtor's driver record at the time a purge is conducted if 3 years from the date the debtor is discharged from liability for the accident in a bankruptcy proceeding, or 5 years from the date of the suspension or revocation, whichever is longer, have elapsed.

NOTE: The Department conducts system wide "purges" of its driver database once or twice per year, usually over weekends around the 1st of the year and the 1st of July. A record entry is removed if it meets purge criteria on the date a purge is conducted. Entries are not removed on anniversary dates, but rather, in the first purge conducted after the appropriate anniversary date.

(END OF RULE TEXT)

Effective Date. This rule shall take effect on the first day of the month following publication in the Wisconsin Administrative Register as provided in Wis. Stat. § 227.22(2).

Signed at Madison, Wisconsin, this 30th day of June, 2005.



FRANK J. BUSALACCHI
Secretary
Wisconsin Department of Transportation



WISCONSIN LEGISLATIVE COUNCIL RULES CLEARINGHOUSE

Ronald Sklansky
Clearinghouse Director

Richard Sweet
Clearinghouse Assistant Director

Terry C. Anderson
Legislative Council Director

Laura D. Rose
Legislative Council Deputy Director

PART 3 CLEARINGHOUSE REPORT TO AGENCY

[THIS REPORT HAS BEEN PREPARED PURSUANT TO S. 227.15, STATS. THIS IS A REPORT ON A RULE AS ORIGINALLY PROPOSED BY THE AGENCY; THE REPORT MAY NOT REFLECT THE FINAL CONTENT OF THE RULE IN FINAL DRAFT FORM AS IT WILL BE SUBMITTED TO THE LEGISLATURE. THIS REPORT CONSTITUTES A REVIEW OF, BUT NOT APPROVAL OR DISAPPROVAL OF, THE SUBSTANTIVE CONTENT AND TECHNICAL ACCURACY OF THE RULE.]

CLEARINGHOUSE RULE 01-156

AN ORDER to repeal Trans 100.02 (9), 100.14 (2), 100.15 (intro.), 100.17 (4) (c) and 100.18; to renumber Trans 100.02 (5) and (8), 100.15 (1) and (3) and 100.19; to renumber and amend Trans 100.02 (4) and (6), 100.09 (3), 100.12 (3), 100.14 (1), 100.15 (2), (5) and (6) and 100.20 (1) and (2); to amend Trans 100.01 (1) and (2) Note, 100.02 (intro.) and (1), 100.03 (1) and (3), 100.04 (3) to (7), 100.05 (1), (2) and (3) (intro.) and Note, 100.06 (1) (intro.), (a) and (b), (2) (intro.), (a) and (b) and (3), 100.08 (1) (intro.) and (5), 100.09 (intro.), (1) and (2), 100.13 (1) (intro.), (a) to (d) and (2), 100.16 (2) and 100.17 (1), (2), (3) (intro.), (a) and (b) and (4) (intro.) and (b); to repeal and recreate Trans 100.02 (3) and (7), 100.03 (2), 100.07, 100.08 (3), (4) and (6), 100.10, 100.11, 100.12 (1), (2), (4) and (5), and 100.15 (4); and to create Trans 100.02 (2), (4), (5), (6), (8), (12) and (14), 100.025, 100.03 (2m), 100.04 (1) (title) and (2) (title), 100.06 (1) (d) to (h) and (2) (c) to (e), 100.08 (7) and (8), 100.12 (3), 100.13 (1) (e) to (g) and (3), 100.15 (1), (2), (3) (title), (intro.) and (d) and (5), 100.16 (4), 100.17 (1m), (5) and (6), 100.19, 100.20 (1), (4) and (5) and 117.03 (2) (k), relating to safety responsibility and damage judgment suspension of operating privileges and vehicle registration.

Submitted by **DEPARTMENT OF TRANSPORTATION**

12-20-01 RECEIVED BY LEGISLATIVE COUNCIL.

01-24-02 REPORT SENT TO AGENCY.

RNS:JLK:ksm;tlu

LEGISLATIVE COUNCIL RULES CLEARINGHOUSE REPORT

This rule has been reviewed by the Rules Clearinghouse. Based on that review, comments are reported as noted below:

1. STATUTORY AUTHORITY [s. 227.15 (2) (a)]
Comment Attached YES NO
2. FORM, STYLE AND PLACEMENT IN ADMINISTRATIVE CODE [s. 227.15 (2) (c)]
Comment Attached YES NO
3. CONFLICT WITH OR DUPLICATION OF EXISTING RULES [s. 227.15 (2) (d)]
Comment Attached YES NO
4. ADEQUACY OF REFERENCES TO RELATED STATUTES, RULES AND FORMS [s. 227.15 (2) (e)]
Comment Attached YES NO
5. CLARITY, GRAMMAR, PUNCTUATION AND USE OF PLAIN LANGUAGE [s. 227.15 (2) (f)]
Comment Attached YES NO
6. POTENTIAL CONFLICTS WITH, AND COMPARABILITY TO, RELATED FEDERAL REGULATIONS [s. 227.15 (2) (g)]
Comment Attached YES NO
7. COMPLIANCE WITH PERMIT ACTION DEADLINE REQUIREMENTS [s. 227.15 (2) (h)]
Comment Attached YES NO



WISCONSIN LEGISLATIVE COUNCIL RULES CLEARINGHOUSE

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CLEARINGHOUSE RULE 01-156

Comments

[NOTE: All citations to “Manual” in the comments below are to the Administrative Rules Procedures Manual, prepared by the Revisor of Statutes Bureau and the Legislative Council Staff, dated September 1998.]

2. Form, Style and Placement in Administrative Code

a. In the second sentence of s. Trans 100.02 (9), the stricken-through material should immediately precede the inserted underscored material. [See s. 1.06 (1), Manual.] Thus, “open” should immediately precede “or any part of a load extending”.

b. In the first sentence of s. Trans 100.06 (2) (intro.), “will” should be changed to “may”. [See s. 1.01 (2), Manual.]

c. In the last sentence of s. Trans 100.06 (3), the phrase “form ø” should be changed to “form of”.

d. In s. Trans 100.07 (2) (a), the last sentence should be written in the active voice; i.e., “The department shall mail” Also see s. Trans 100.08 (3).

e. In s. Trans 100.10 (1), “Secretary’s” should not be capitalized. [See s. 1.01 (4) (a), Manual.]

f. Section Trans 100.10 (10) includes provisions relating to a hearing under ch. Trans 100 or “any administrative hearing before the department.” If the Department of Transportation (DOT) intends to apply rules relating to behavior in administrative hearings generally, rather than to behavior in administrative hearings under ch. Trans 100, these provisions should not be buried in ch. Trans 100. Also, in the last sentence, “the” should replace “such”.

g. In s. Trans 100.11 (2) (b) 3., "said payment" should be changed to "the payment". [See s. 1.01 (9) (c), Manual.]

h. Section Trans 100.12 (2) (c) 4. c. may not be further divided as set forth in the proposed order. [See s. 1.03 (6), Manual.] The last sentence of that subdivision paragraph should be revised to avoid this problem.

i. SECTIONS 67 and 69 include very confusing renumbering. For example, SECTION 67 indicates that s. Trans 100.20 (1) is renumbered s. Trans 100.20 (2) and then SECTION 69 indicates that s. Trans 100.20 (2) is renumbered s. Trans 100.20 (3). It may be useful to not renumber s. Trans 100.19 as s. Trans 100.20.

If the purpose of the proposed renumbering is to ensure that the material in SECTION 71 is inserted in the administrative code immediately preceding the material in current s. Trans 100.19, one approach would be to provide that SECTION 66 would repeal and recreate s. Trans 100.18 and s. Trans 110.18 could include the material in SECTION 71. Another alternative would be to retain SECTION 66 and provide that the material in SECTION 71 is created as s. Trans 100.185. Any pertinent cross-references should be adjusted.

j. Section Trans 100.19 (1) includes two pars. (a). It appears that the first "(a)" should be eliminated as it is actually sub. (1) (intro.).

3. Conflict With or Duplication of Existing Rules

a. Because "motor vehicle" and "vehicle" have different meanings, the proposed order should be carefully reviewed to make sure that each term is properly used. For example, in s. Trans 100.02 (9) [SECTION 5], the reference in the first sentence to "motor vehicle" apparently should be changed to "vehicle" in light of the provision in s. 344.14 (2) (f), Stats., referring to a "vehicle" that is legally parked. The use of the phrase "motor vehicle" also appears to be inaccurate in ss. Trans 100.025 (6) and (7) and 100.03 (1). Again, these are examples only; the entire rule should be carefully reviewed with respect to this issue.

b. In s. Trans 100.06 (2) (intro.), it appears that the phrase "or owner" should be added at the end of the first sentence inasmuch as the beginning of the sentence refers both to owners and operators.

c. Section Trans 100.13 (3) indicates that it is "Notwithstanding s. 344.18 (3), Stats." It is not clear that s. 344.18 (3), Stats., is being overridden. If a statute is being overridden, the statutory authority for the DOT to make an exception to this statute is unclear.

Would it be more accurate to eliminate the phrase "Notwithstanding s. 344.18 (3), Stats." and explain in a note that s. 344.18 (3), Stats., is not applicable to instalment agreements if there has been a release from liability?

d. Section Trans 100.12 (5) (c) 2. provides that if DOT is notified that a stay prohibiting action under 11 U.S.C. s. 362 was in effect at the time DOT ordered revocation or suspension of

the debtor's operating privilege or vehicle registration, DOT must release the revocation or suspension and must reinstate the debtor's operating privilege without any reinstatement fee. Was omission of a reference to a waiver of a reinstatement fee for registration intentional? Also, was a reference to the person's registration privilege intentionally omitted from s. Trans 100.15 (3) (d)?

Similarly, was the omission of charging a fee for registration reinstatement under s. Trans 100.19 (4) (a) intentional?

4. Adequacy of References to Related Statutes, Rules and Forms

a. The notice of hearing, statutes interpreted provision of the analysis, the introductory language on page 6 of "Text of Proposed Rule," and s. Trans 100.01 (1) all indicate that the statutes being interpreted include ss. 344.01 to 344.27, Stats. However, the reference to s. 344.27, Stats., is inaccurate as subsequent provisions of the statutes are also interpreted. It would appear to be more accurate to indicate that the statutes interpreted include ss. 344.01 to 344.48, Stats., or, at a minimum, ss. 344.01 to 344.42, Stats.

b. In s. Trans 100.07 (3) (c) 3., the reference to "excluding those under this paragraph" should be changed to "excluding those under this subdivision". This change would make the provision consistent with s. 344.12, Stats., which refers to damage to property of \$1,000 or more.

c. In s. Trans 100.09 (3), the reference in the last sentence to "this paragraph" should be changed to "this subsection".

d. In s. Trans 100.12 (1), the reference to "s. 343.13, Stats." should be changed to "s. 344.13, Stats."

e. Sections Trans 100.12 (2) (c) 3. and 100.13 (1) (g) both refer to the necessity of a guardian's signature for a minor when the claim exceeds \$5,000. However, s. 344.14 (2) (h), Stats., also provides that, in case of personal injury, a guardian's signature is required if the minor received permanent injury. A clause referring to this statutory requirement should be included in ss. Trans 100.12 (2) (c) 3. and 100.13 (1) (g) (for example, both could include the phrase "exceeds \$5,000 or any personal injury to the minor is permanent"). This would make these provisions complement ss. Trans 100.12 (2) (c) 2. and 100.13 (1) (f).

f. In s. Trans 100.12 (2) (c) 4. c., the reference to "under this paragraph" should be changed to "under this subd. 4. c." [See s. 1.07 (2), Manual.]

g. In s. Trans 100.12 (5) (c) 2., the reference to "under the financial responsibility law" should be changed to cite the statutory provisions or administrative rule provisions. This would especially be useful in light of the fact that the title of ch. Trans 100, ss. Trans 100.12 (5) (title), and 344.22, Stats., refer to the "safety responsibility law."

h. It is not clear why s. Trans 100.03 (4) [SECTION 46] does not also refer to a prohibition against suspending a person's registration privileges inasmuch as registration privileges are also referred to in s. 344.08 (1), Stats.

Similarly, in s. Trans 100.19 (2), it is not clear why there is no reference to suspension of the registration privilege inasmuch as s. 344.25 (5), Stats., includes reference to registration privileges.

i. In s. Trans 100.20 (4), it appears that the reference to "s. Trans 100.19 (1) (a) or (e)" should be changed to "s. Trans 100.19 (1) (a) to (e)".

j. In SECTION 72, it appears that the provision should be creating s. Trans 117.03 (3) (k), rather than s. Trans 117.03 (2) (k). Also, a hyphen should be inserted after "CDL".

k. Sections 344.14 (1m) and 344.185, Stats., refer to possible impoundment of a motor vehicle, in addition to suspension of registration privileges and operating privileges. It is unclear why ch. Trans 100 does not address impoundment. This is especially confusing in light of the fact that s. Trans 100.17 (2) (note) continues to refer to a form "Notice of Suspension and Possible Vehicle Impoundment." Was the failure to address impoundment in ch. Trans 100 intentional? Even if DOT does not intend to use impoundment on a regular basis, should impoundment be referred to in connection with bankruptcy proceedings?

5. Clarity, Grammar, Punctuation and Use of Plain Language

a. In the second paragraph of the initial regulatory flexibility analysis, a reference is made to the fact that only 12 companies "currently self-insure with the state." Should this indicate that the companies self-insure *in* the state?

b. In ss. Trans 100.02 (5) and 100.05 (3), "firefighter" is written as one word. In contrast, it is written as two separate words in s. Trans 100.05 (2). A consistent approach should be used, perhaps the approach in s. 102.475 (8) (b), Stats., which uses two separate words.

c. In s. Trans 100.025 (5), the phrase "is not legally parked and unattended in a designated parking area," is not clear. Does "not" modify both "legally parked" and "unattended" or only modify "legally parked"? If the latter, the phrase "is unattended and not legally parked" would be clearer.

d. In s. Trans 100.03 (2m), the first clause could be clarified by adding the phrase "to the department's request for information" following "does not respond."

In the second sentence, the use of the word "its" is unclear in the phrase "its accident reports." Is this intended to refer to the accident reports received by DOT? If so, this should be rephrased. Also, the second use of the word "its" is unclear in the phrase "its authenticity." Does this refer to the authenticity of the accident report? This should be clarified.

In general, the second sentence in s. Trans 100.03 (2m) is ambiguous because the meaning of "all other cases involving the integrity of information on its accident reports" is unclear. Does this phrase refer to when the integrity of information is questioned? If so, by whom?

e. In the second sentence of s. Trans 100.03 (3), should there also be a provision for returning a report to an operator inasmuch as the first sentence provides that operators may submit reports?

f. Section Trans 100.04 (3) (intro.) refers to a "driver." Other provisions in ch. Trans 100 also refer to a driver. In contrast, most provisions refer to an "operator." The term "operator" is defined in s. 344.01 (2) (c), Stats., for purposes of ch. Trans 100. Unless the distinction is intentional, it appears that references to "driver" should be changed to "operator". The entire rule should be reviewed with respect to this issue.

g. Section Trans 100.05 (1) indicates that all "reportable" accidents must be reported on a public abstract of the operator's driving record with certain exceptions, including if the accident did not meet the criteria requiring reporting. It is contradictory to refer to "reportable" accidents that did not require reporting. Also, use of the word "reported" to refer to the abstract of the driving record is confusing when reporting of the accidents is a separate function.

It appears that s. Trans 100.05 (1) (intro.) would be more understandable if it indicated that all reported accidents shall be recorded on the abstract unless an exception applies. This approach would be consistent with s. Trans 100.05 (1) (b) which indicates that one of the exceptions for recording would be if the accident did not meet criteria requiring reporting.

h. In s. Trans 100.05 (1) (intro.), an introductory clause to pars. (a) and (b) would be useful, such as "except if any of the following apply:".

i. Section Trans 100.05 (1) (intro.) refers to a "public abstract of the operator's driving record"; s. Trans 100.05 (2) refers to "public driver record abstract"; and s. Trans 100.05 (3) (intro.) refers to "public abstract of their driving record." It would be useful if a uniform phrase were used to refer to this document.

j. In s. Trans 100.05 (3) (intro.), "technician-first" should be changed to "technician, first".

k. In s. Trans 100.06 (2) (e), the reference to the "parties" is unclear. Is this intended to be the parties involved in the accident?

l. Section Trans 100.06 (3) indicates that if DOT determines that there is no reasonable possibility of judgment against a person, DOT "may" rescind the security requirement imposed by DOT. Current rules require that DOT rescind the security requirement in these cases. Under what circumstances would DOT refuse to rescind the security requirement if there is a determination of no reasonable possibility of a judgment?

m. In s. Trans 100.08 (7) (intro.), “are” should be changed to “is” because the subject is “one.”

n. In the first sentence of s. Trans 100.10 (1), “proof of damages have been filed” should be changed to “proof of damages has been filed” because the subject is “proof.” Also in that sentence, was the omission of the vehicle owner in the phrase “uninsured driver exists” intentional?

o. In s. Trans 100.10 (1), it should be made clear that the operating privilege suspension applies to the uninsured operator and the vehicle registration suspension applies to the vehicle owner. [See s. 344.14 (1), Stats.] As currently drafted, the operating privilege and vehicle registration privilege suspension could apply to both the operator and owner, even if they are not the same person.

p. In the first sentence of s. Trans 100.10 (4), it appears that the phrase “uninsured drivers license or vehicle registration status” should be changed to “uninsured operator’s license or vehicle owner’s registration status”.

q. In s. Trans 100.10 (5), it is not clear whether the “8 calendar days of the date of the notice of hearing” begins on the date the notice is sent or the date the notice is received.

r. In s. Trans 100.11 (2) (intro.), “are” should be changed to “is”.

s. In s. Trans 100.11 (3), the phrase “uninsured” is unclear. Should this refer to “an uninsured operator or vehicle owner”?

t. Section Trans 100.12 (1) indicates that DOT may not suspend the license of an owner or operator who has been released from liability if certain conditions are met. Should this also include reference to not suspending the registration privileges of an owner?

Also, if other unrelated reasons exist for suspension of a license (for example, because of a poor driving record), this provision apparently would preclude suspension. Thus, it may be useful to indicate that DOT may not suspend the license (or registration privileges) *under this chapter* if these conditions are met.

u. In s. Trans 100.12 (2) (a), a shorter title which parallels the titles for the other paragraphs could be considered, for example, “*Written release*”.

v. Several provisions, including ss. Trans 100.12 (2) (c) 2. and 3. and 100.13 (1) (f) and (g) refer to \$5,000 or \$5000. A consistent approach to punctuation should be used, preferably by inserting the comma.

w. In s. Trans 100.12 (2) (c) 2., the comma following the phrase “18 years old” should be deleted. This comment also applies to s. Trans 100.13 (1) (f).

x. In s. Trans 100.12 (2) (c) 3., the title should be changed to include reference to incompetent persons for example, by changing it to something such as "Minors with claims exceeding \$5,000 and claims of incompetent persons."

y. In s. Trans 100.12 (2) (c) 4. a., c., and d., it would be helpful to insert a comma preceding the word "accompanied".

z. It may be useful to change the title of s. Trans 100.12 (5) to simply refer to "BANKRUPT UNINSURED PERSONS", especially since the title refers to the safety responsibility law and s. Trans 100.12 (5) (c) 2. refers to the "financial responsibility law."

aa. In the first sentence of s. Trans 100.12 (5) (c) 4., the phrase "an operating privilege or vehicle registration or operating privilege" should be changed to refer to "an operating privilege or vehicle registration". Also, in the last sentence, "clerks" should be changed to "clerk's".

ab. Should s. Trans 100.12 (5) (c) 5. and 6. also include reference to a debtor vehicle owner?

ac. Section Trans 100.15 (2) (a) and (b) should begin: "If the person's operating privilege or vehicle registration . . .".

ad. It appears that the title of s. Trans 100.15 (2) should be changed to "PROOF OF FINANCIAL RESPONSIBILITY REQUIREMENT", rather than referring to "PROOF OF INSURANCE REQUIREMENT" inasmuch as financial responsibility may be established by means other than insurance.

ae. In the second sentence of s. Trans 100.15 (2) (b), "3 years has" should be changed to "3 years have".

Also in the last sentence, "proof of responsibility for the future" should be changed to "proof of financial responsibility for the future".

af. In s. Trans 100.15 (3) (intro.), it appears that "No fee or future proof of insurance" should be changed to "No reinstatement fee or proof of financial responsibility for the future".

ag. In s. Trans 100.16 (4) (b) 2., the references to an "entity" should be changed to "person" to be consistent with s. Trans 100.16 (4) (a) and (b) 1.

ah. In the note following s. Trans 100.16 (4) (b) 2., should a reference to payment of forfeitures be included?

ai. In the last sentence of s. Trans 100.17 (5), the phrase "for the purpose or with the effect of defeating the purpose of s. 344.46, Stats." could be changed to "for the purpose or with the effect of defeating s. 344.46, Stats."

aj. In s. Trans 100.17 (6), the comma should be deleted. Also, the phrase "any and all" should be changed to "any".

ak. It appears that s. Trans 100.19 (4) (b) and (c) should refer to suspension of the person's vehicle registration and operating privilege, rather than referring to suspension of the person's vehicle registration or operating privilege, or both. This change would make the provisions consistent with s. 344.25, Stats., and s. Trans 100.19 (1).

al. In s. Trans 100.19 (4) (d), a period should be inserted following the reference to "sub".

PART 4
CR 02-156

ANALYSIS OF FINAL DRAFT OF TRANS 100

(a) **Basis and Purpose of Rule.** This proposed rule making rewrites much of Ch. Trans 100 to incorporate changes in procedures mandated by 1997 Wis. Act 84, and to bring the chapter up to current drafting standards. In general, this rule making codifies many DMV practices and procedures that are used in the administration of the safety responsibility laws.

(b) **Modifications as a Result of Testimony at Public Hearing.** The public hearing was held in Madison on January 28, 2002. No modifications were made to the proposed rule as a result of testimony at the hearing as no one appeared or registered at the hearing. Changes to the rule draft are the result of the helpful and thorough review conducted by the Legislative Council and repeated internal DMV reviews of the proposed regulation.

(c) **List of Persons who Appeared or Registered at Public Hearing.** None.

(d) **Summary of Public Comments and Agency Response to those Comments:** There were no public comments received on the proposed rule.

(e) **Explanation of any Changes Made to the Plain Language Analysis or Fiscal Estimate:** Changes to the analysis were made to reflect changes made for the provisions of the proposed rule.

(d) **Response to Legislative Council Recommendations.** The Legislative Council Clearing House report contained numerous comments. Those comments are addressed as follows:

2 a. to e. Accepted.

2f. "Such" is simply deleted.

2g. to j. Accepted.

3.a. The Council's recommendation was adopted. Accident reporting applies to motor and unmotorized vehicles. s. 346.70, Stats. Safety responsibility law only applies to motor vehicles. s. 344.12, Stats. Damage judgment suspensions only apply to judgments arising from motor vehicle accidents. s. 344.25, Stats. The term "vehicle" was substituted for "motor vehicle" where appropriate.

3.b. The suggestion was not adopted. While owners are responsible for posting a bond to protect those injured by drivers who commit torts in their vehicles, they are generally not liable for such torts at law. It is the vehicle operator who is determined to be negligent or non-negligent. The owner posting security is more akin to an "insurer" for the uninsured driver than a co-tortfeasor.

3.c. The suggestion is not adopted. The Department believes that general administration of the safety responsibility law gives the agency authority to interpret s. 344.18(3), Stats., in the manner set forth in proposed s. Trans 100.13(3). The provision is intended to deal with circumstances where a person technically defaulted on an installment payment agreement, but has been completely released from liability for the accident. The purpose of a s. 344.18(3), Stats., suspension is to induce the person to pay the damages from an accident. At the point where the liability is completely discharged, there is no point or reason to suspend the driver's operating privileges. The provision is drafted to make clear that the law will not be administered by the Department in a fashion that does not make any sense.

3.d. The suggestions are adopted. The omissions of registration references were unintentional and are corrected.

4.a. and b. The suggestions are adopted.

4.c. The suggestion was correct. However, by virtue of other amendments, s. Trans 100.09(3) is renumbered sub. (1)(c), and therefore "paragraph" is now the correct term to be used.

4.e. and f. The suggestions are adopted.

4.g. The reference is changed to the particular statute involved, s. 344.14, Stats.

4.h. The suggestion is adopted; reference to registration is included.

4.i. The suggestion is not adopted. The reference to s. Trans 100.19(1)(a) or (e) is intentional, as the judgment may or may not be invalidated by the actions described in pars. (b) to (d). For example, a bankruptcy discharge does not terminate or invalidate a claim for damages resulting from an accident in which the bankruptcy debtor caused damages while operating a vehicle while intoxicated. The Department seeks to avoid inadvertent or improper removal of information from a driver record.

4.j. Section 72 is withdrawn from the rule. The statutory basis for this provision was repealed in 2001 Wis. Act 33.

4.k. Ch. Trans 100 does not address vehicle impoundment because the department does not impound motor vehicles.

5.a. to c. The suggestions are adopted.

5.d. The suggestions are adopted. The provision is rewritten to eliminate confusion.

5.e. The suggestion is not adopted. Department practice is to discard reports received from sources other than police agencies for accidents that do not meet the reporting requirements of s. 346.70(1), Stats., or cannot result in a safety responsibility case. The Department does not abstract or otherwise track such accidents, and returning the forms simply raises additional questions and correspondence for staff regarding an accident that the Department will not track or otherwise use. Reports are returned to police agencies primarily to remind them not to submit reports for such accidents.

5.f. The term "operator" or "person" is substituted for driver throughout the rule.

5.g. and h. The suggestions are adopted.

5.i. The suggestion is adopted. The phrase, "a public abstract of the operator's driving record" is used.

5.j. The suggestion is adopted.

5.k. The suggestion is noted. The term "parties" is changed to "witnesses."

5.L. The suggestion is noted. Even when a bankruptcy discharge makes a judgment against an operator impossible, it remains possible for a victim to bring an action to determine liability and recover from any bond on file with the Department.

5.m. The suggestion is adopted.

5.n. The suggestions are adopted. The vehicle owner is included.

5.o. The suggestions are adopted.

5.p. The suggestion is adopted. The phrase "uninsured person's operating privilege or motor vehicle registration" is substituted.

5.q. The suggestion is noted and the rule clarified to provide 8 calendar days from the mailing date indicated on the notice.

5.r. The suggestion is adopted.

5.s. The term "uninsured" is replaced with "person," since any person may file a bond on behalf of an uninsured operator or vehicle owner.

5.t. The suggestion is adopted. Vehicle owners are included. The fact that the suspension is under s. 344.14, Stats., is added to the provision.

5.u. The title is changed to "written release required."

5.v. The proposed rule is changed to use "\$5,000" consistently throughout the rule.

5.w. The suggestions are adopted.

5.x. The provision 100.12(3)(c)3. is divided into 3. and 4. for clarity, and the suggestions of the Legislative Council are incorporated. The provision related to deceased parties originally proposed as (c)4. is now numbered (c)5.

5.y. The suggestion is adopted.

5.z. The suggestion is noted, but the Department chooses to have the title refer to the safety responsibility law in order to distinguish the provision from bankruptcy provisions related to damage judgments in s. Trans 100.19.

5.aa. The suggestions are adopted.

5.ab. The suggestions are adopted and reference to vehicle owners is made.

5.ac. to ah. The suggestions are adopted.

5.ai. The suggestion is not adopted. The language used in the draft mirrors the language of s. 344.46(1), Stats.

5.aj. to aL. The suggestions are adopted.

(e) **Final Regulatory Flexibility Analysis**. This regulatory change has no impact on small business. This rule making largely codifies existing DOT policy with regard to the administration of the safety responsibility and damage judgment laws. The Department does not anticipate any fiscal effect upon small businesses from this codification.