



State of Wisconsin
2023 - 2024 LEGISLATURE

LRBs0204/1
EVM:cjs&wlj

**ASSEMBLY SUBSTITUTE AMENDMENT 1,
TO ASSEMBLY BILL 230**

January 10, 2024 - Offered by Representative KRUG.

1 **AN ACT to amend** 218.10 (8m), 218.11 (title), 218.15, 340.01 (6m), 340.01 (18m),
2 340.01 (48r), 341.25 (1) (i), 348.08 (1) (i) and 348.08 (1) (j); **to repeal and**
3 **recreate** 218.11 (7) (b); and **to create** 218.10 (1b), 218.10 (1c), 218.10 (1d),
4 218.10 (1i), 218.10 (1n), 218.10 (1o), 218.10 (1p), 218.10 (1q), 218.10 (1t), 218.10
5 (2), 218.10 (7m), 218.10 (7w), 218.10 (8u), 218.10 (8v), 218.10 (10), 218.10 (11),
6 218.11 (2) (e), 218.11 (4), 218.11 (6) (o), 218.161, 218.162, 218.163, 218.164,
7 218.165, 218.166, 218.167 and 348.07 (2) (L) of the statutes; **relating to:**
8 recreational vehicle manufacturers, distributors, and dealers and the
9 definition and operation of recreational vehicles.

Analysis by the Legislative Reference Bureau

This substitute amendment makes the following changes to the bill:

1. Requires recreational vehicle (RV) manufacturers and distributors to be licensed by the department of transportation.
2. Removes the administrative fine procedure created in the bill and provides instead that the license suspension and revocation procedures that apply to motor

vehicle dealers, manufacturers, and distributors apply to RV dealers, manufacturers, and distributors.

3. Requires recreational vehicle dealers to maintain a bond of not less than \$50,000 executed in the name of DOT.

4. Creates a definition of RV “distributor” such that the term means “a resident or nonresident who, in whole or in part, sells or distributes new recreational vehicles to recreational vehicle dealers or who maintains distributor representatives.”

5. Creates a new, and changes an existing, definition of “fifth-wheel recreational vehicle” such that the term means “a recreational vehicle that is mounted on wheels, that is of a size and weight such that a special highway movement permit is not required, and that is designed to be towed by a motor vehicle utilizing a king pin and fifth wheel coupling device mounted above or forward of the rear axle of the tow vehicle.”

6. Creates an exception to length limits for vehicles operated on a highway. Under current law, most vehicles may not be operated on a highway if they exceed 45 feet in length. Under the substitute amendment, towed recreational vehicles may be operated on a highway so long as they do not exceed 46 feet in length.

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

1 **SECTION 1.** 218.10 (1b) of the statutes is created to read:

2 218.10 (1b) “Area of sales responsibility” means the geographical area agreed
3 to by the dealer and the manufacturer or distributor in a dealer agreement within
4 which the dealer has the exclusive right to display or sell the manufacturer’s new
5 recreational vehicles of a particular line-make.

6 **SECTION 2.** 218.10 (1c) of the statutes is created to read:

7 218.10 (1c) “Camping trailer” means a vehicle with a collapsible or folding
8 structure designed to provide temporary living quarters for recreational, camping,
9 or travel use and to be towed upon a highway by a motor vehicle.

10 **SECTION 3.** 218.10 (1d) of the statutes is created to read:

11 218.10 (1d) “Component manufacturer” means a person, firm, corporation, or
12 business entity that engages in the manufacturing of components, accessories, or
13 parts used in manufacturing recreational vehicles.

1 **SECTION 4.** 218.10 (1i) of the statutes is created to read:

2 218.10 **(1i)** “Dealer agreement” means a written agreement or contract entered
3 into by a dealer and a manufacturer or distributor that fixes the rights and
4 responsibilities of the parties and pursuant to which the dealer sells new
5 recreational vehicles.

6 **SECTION 5.** 218.10 (1n) of the statutes is created to read:

7 218.10 **(1n)** “Distributor” means a resident or nonresident who, in whole or in
8 part, sells or distributes new recreational vehicles to recreational vehicle dealers or
9 who maintains distributor representatives.

10 **SECTION 6.** 218.10 (1o) of the statutes is created to read:

11 218.10 **(1o)** “Factory campaign” means an effort on the part of a warrantor to
12 contact recreational vehicle owners or dealers in order to address a part or equipment
13 issue.

14 **SECTION 7.** 218.10 (1p) of the statutes is created to read:

15 218.10 **(1p)** “Family member” means an individual’s spouse or an individual’s
16 child, grandchild, parent, sibling, niece, or nephew or the spouse of any of these.

17 **SECTION 8.** 218.10 (1q) of the statutes is created to read:

18 218.10 **(1q)** “Fifth-wheel recreational vehicle” means a recreational vehicle
19 that is mounted on wheels, that is of a size and weight such that a special highway
20 movement permit is not required, and that is designed to be towed by a motor vehicle
21 utilizing a king pin and fifth wheel coupling device mounted above or forward of the
22 rear axle of the tow vehicle.

23 **SECTION 9.** 218.10 (1t) of the statutes is created to read:

1 218.10 (1t) “Line-make” means a specific series of recreational vehicle
2 products, the sale of which may be authorized by a dealer agreement, that satisfies
3 all of the following:

4 (a) Is targeted to a particular market segment, as determined by the decor,
5 features, equipment, size, weight, and price range.

6 (b) Has lengths and interior floor plans that distinguish the series of
7 recreational vehicle products from other series with substantially the same decor,
8 features, equipment, weight, and price.

9 (c) Belongs to a single, distinct classification of recreational vehicle product
10 type having a substantial degree of commonality in the construction of the chassis,
11 frame, and body.

12 **SECTION 10.** 218.10 (2) of the statutes is created to read:

13 218.10 (2) “Model” is a series of recreational vehicle products identified by a
14 common series trade name or trademark that is a subset of a line-make.

15 **SECTION 11.** 218.10 (7m) of the statutes is created to read:

16 218.10 (7m) “Park model recreational vehicle” means a recreational vehicle
17 that is all of the following:

18 (a) Designed and marketed as temporary living quarters for recreational,
19 camping, travel, or seasonal use.

20 (b) Not permanently affixed to real property for use as a permanent dwelling.

21 (c) Built on a single chassis mounted on wheels with a gross trailer area not
22 exceeding 400 square feet in the setup mode.

23 (d) Certified by the manufacturer as complying with the ANSI A119.5 Park
24 Model Recreational Vehicle Standard.

25 **SECTION 12.** 218.10 (7w) of the statutes is created to read:

1 218.10 (7w) “Proprietary part” means any part manufactured by or for and sold
2 exclusively by the manufacturer.

3 **SECTION 13.** 218.10 (8m) of the statutes is amended to read:

4 218.10 (8m) “Recreational vehicle” ~~has the meaning given in s. 340.01 (48r)~~
5 means a vehicle that is designed to be towed upon a highway by a motor vehicle, that
6 is equipped and used, or intended to be used, primarily for temporary or recreational
7 human habitation, and that does not exceed 46 feet in length. “Recreational vehicle”
8 includes a camping trailer, fifth-wheel recreational vehicle, park model recreational
9 vehicle, and travel trailer.

10 **SECTION 14.** 218.10 (8u) of the statutes is created to read:

11 218.10 (8u) “Transient customer” means a customer who is temporarily
12 traveling through a dealer’s area of sales responsibility.

13 **SECTION 15.** 218.10 (8v) of the statutes is created to read:

14 218.10 (8v) “Travel trailer” means a vehicle that is mounted on wheels, that
15 is designed to provide temporary living quarters for recreational, camping, or travel
16 use, and that is of a size or weight that a special highway movement permit is not
17 required when towed by a motor vehicle.

18 **SECTION 16.** 218.10 (10) of the statutes is created to read:

19 218.10 (10) “Warrantor” means a person, firm, corporation, or business entity
20 that gives a warranty in connection with a new recreational vehicle or parts,
21 accessories, or components of a new recreational vehicle.

22 **SECTION 17.** 218.10 (11) of the statutes is created to read:

23 218.10 (11) “Warranty” does not include service contracts, mechanical or other
24 insurance, or extended warranties sold for separate consideration by a dealer or
25 other person not controlled by a manufacturer.

1 **SECTION 18.** 218.11 (title) of the statutes is amended to read:

2 **218.11** (title) **Recreational vehicle dealers, manufacturers, and**
3 **distributors regulated.**

4 **SECTION 19.** 218.11 (2) (e) of the statutes is created to read:

5 **218.11 (2)** (e) A recreational vehicle dealer or an applicant for a recreational
6 vehicle dealer license shall provide and maintain in force a bond or irrevocable letter
7 of credit of not less than \$50,000. The bond or letter of credit shall be executed in the
8 name of the department of transportation for the benefit of any person who sustains
9 a loss because of an act of a recreational vehicle dealer that constitutes grounds for
10 the suspension or revocation of a license under sub. (6).

11 **SECTION 20.** 218.11 (4) of the statutes is created to read:

12 **218.11 (4)** (a) No manufacturer or distributor may engage in business as a
13 manufacturer or distributor in this state without a license.

14 (b) No manufacturers' or distributors' recreational vehicles may be sold in this
15 state unless either the manufacturer on direct dealerships of domestic vehicles or the
16 distributor on indirect dealerships of either domestic or foreign vehicles are licensed
17 under par. (a). The obtaining of a license under par. (a) shall conclusively establish
18 that a manufacturer or distributor is doing business in this state and shall subject
19 the licensee to all provisions of the Wisconsin statutes regulating manufacturers and
20 distributors.

21 **SECTION 21.** 218.11 (6) (o) of the statutes is created to read:

22 **218.11 (6)** (o) Being a dealer, manufacturer, or distributor that violates any
23 provision of s. 218.161 to 218.167.

24 **SECTION 22.** 218.11 (7) (b) of the statutes is repealed and recreated to read:

1 218.11 (7) (b) The provisions of s. 218.0116 (4) relating to the suspension and
2 revocation of a license applies to the suspension and revocation of the license of a
3 recreational vehicle dealer, manufacturer, or distributor, except that the provisions
4 s. 218.0116 (4) do not apply to the suspension or revocation of a license under sub.
5 (6m) and that no suspension or revocation under this paragraph may be predicated
6 on conduct related to mileage disclosure.

7 **SECTION 23.** 218.15 of the statutes is amended to read:

8 **218.15 Sale or lease of used recreational vehicles.** In the sale or lease of
9 any used recreational vehicle, the sales invoice or lease agreement shall contain the
10 point of manufacture of the used recreational vehicle, and the name of the
11 manufacturer ~~and the name and address of the previous owner.~~

12 **SECTION 24.** 218.161 of the statutes is created to read:

13 **218.161 Dealer agreement requirement. (1)** A manufacturer or
14 distributor may not sell a new recreational vehicle in this state to or through a dealer
15 without having first entered into a written dealer agreement with a dealer that has
16 been signed by both parties.

17 **(2)** The manufacturer shall designate the area of sales responsibility
18 exclusively assigned to a dealer in the dealer agreement and may not change the area
19 of sales responsibility or contract with another dealer for sale of the same model or
20 line-make, as specified in the agreement, in the designated area of sales
21 responsibility during the duration of the agreement.

22 **(3)** The terms of the dealer agreement, including the area of sales
23 responsibility, may not be reviewed or changed during the duration of the dealer
24 agreement without the written mutual consent of the parties. The duration of the
25 dealer agreement shall be stated in the dealer agreement.

1 (4) A dealer may not sell a new recreational vehicle in this state without having
2 first entered into a dealer agreement with a manufacturer or distributor and may not
3 sell outside the area of sales responsibility designated in the agreement under sub.
4 (2).

5 (5) A manufacturer may not unilaterally issue a policy or procedure that
6 violates or substantially alters a provision of the dealer agreement during the
7 duration of the agreement.

8 (6) A manufacturer shall distribute new recreational vehicles to its dealers in
9 a fair and equitable manner. If requested, a manufacturer shall provide information
10 on its manner of distribution.

11 (7) A manufacturer shall provide its dealer with adequate technical data to
12 perform proper service and repairs.

13 **SECTION 25.** 218.162 of the statutes is created to read:

14 **218.162 Termination of dealer agreement.** (1) (a) A manufacturer or
15 distributor, directly or through any officer, agent, or employee, may terminate,
16 cancel, or fail to renew a model, line-make, or entire dealer agreement only with good
17 cause, and, upon renewal, may not require additional inventory stocking
18 requirements or increased retail sales targets in excess of the market growth in the
19 dealer's area of sales responsibility.

20 (b) A manufacturer or distributor has the burden of showing good cause for
21 terminating, canceling, or failing to renew a model, line-make, or dealer agreement
22 with a dealer. For purposes of determining whether there is good cause for the
23 proposed action, any of the following factors may be considered:

24 1. The extent of the affected dealer's penetration in the relevant market area
25 for the relevant model or line-make.

- 1 2. The nature and extent of the dealer's investment in its business.
- 2 3. The adequacy of the dealer's service facilities, equipment, parts, supplies,
3 and personnel.
- 4 4. The effect of the proposed action on the community.
- 5 5. The extent and quality of the dealer's service under recreational vehicle
6 warranties.
- 7 6. The failure to follow agreed-upon, reasonable procedures or standards
8 related to the overall operation of the dealership consistent with the law and the
9 dealer agreement.
- 10 7. The dealer's performance under the terms of its dealer agreement.
- 11 (c) 1. Except as provided in this paragraph, a manufacturer or distributor shall
12 provide a dealer with at least 120 days' prior written notice of termination,
13 cancellation, or nonrenewal of a model, line-make, or entire dealer agreement.
- 14 2. The notice under subd. 1. shall state all reasons for the proposed termination,
15 cancellation, or nonrenewal and shall state that if, within 30 days following receipt
16 of the notice, the dealer provides to the manufacturer or distributor a written notice
17 of intent to cure all claimed deficiencies, the dealer will then have 120 days following
18 receipt of the notice to rectify the deficiencies. If the deficiencies are rectified within
19 120 days, the manufacturer's or distributor's notice is voided. If the dealer fails to
20 provide the notice of intent to cure the deficiencies in the prescribed period, the
21 termination, cancellation, or nonrenewal takes effect 30 days after the dealer's
22 receipt of the notice unless the dealer has new and untitled inventory on hand that
23 may be disposed of as provided under sub. (3).
- 24 3. The notice period under subd. 1. may be reduced to 30 days if the grounds
25 for termination, cancellation, or nonrenewal are due to any of the following:

1 a. A dealer or one of its owners being convicted of a felony.

2 b. The abandonment or closing of the business operations of the dealer for 10
3 consecutive business days unless the closing is due to an act of God, strike, labor
4 difficulty, or other cause over which the dealer has no control.

5 c. A significant misrepresentation by the dealer materially affecting the
6 business relationship.

7 d. A suspension of, revocation of, or refusal to renew the dealer's license by the
8 department.

9 4. The notice provisions of this paragraph do not apply if the reason for
10 termination, cancellation, or nonrenewal is insolvency, the occurrence of an
11 assignment for the benefit of creditors, or bankruptcy.

12 **(2)** A dealer may terminate, cancel, or fail to renew a model, line-make, or
13 entire dealer agreement with a manufacturer or distributor with or without good
14 cause at any time by giving 30 days' written notice to the manufacturer. If the
15 termination, cancellation, or nonrenewal is for good cause, the dealer has the burden
16 of showing good cause. Any of the following items, among others, may be deemed
17 good cause for the proposed action by a dealer:

18 (a) A manufacturer being convicted of a felony.

19 (b) The business operations of the manufacturer have been abandoned or closed
20 for 10 consecutive business days, unless the closing is due to an act of God, strike,
21 labor difficulty, or other cause over which the manufacturer has no control.

22 (c) A significant misrepresentation by the manufacturer materially affecting
23 the business relationship.

24 (d) A material violation of this subchapter that is not cured within 30 days after
25 written notice by the dealer.

1 (e) A declaration by the manufacturer of insolvency, the occurrence of an
2 assignment for the benefit of creditors, or bankruptcy.

3 (f) A manufacturer's material violation of the dealer agreement that is not
4 cured within 120 days after written notice by the dealer.

5 (g) Manufacturer coercion of the dealer under s. 218.166.

6 (h) Manufacturer violation of area of sales responsibility protections or
7 allowing other dealers to violate these protections.

8 **(3)** If the dealer agreement is terminated, canceled, or not renewed by the
9 dealer for good cause, the manufacturer shall, at the election of the dealer and within
10 45 days after termination, cancellation, or nonrenewal, repurchase all of the
11 following:

12 (a) All new, untitled recreational vehicles that were acquired from the
13 manufacturer or distributor within 18 months before the date of the notice of
14 termination, cancellation, or nonrenewal that have not been used, except for
15 demonstration purposes, and that have not been altered or damaged, at 100 percent
16 of the net invoice cost, including transportation, less applicable rebates and
17 discounts to the dealer. If any of the recreational vehicles repurchased is damaged,
18 the amount due to the dealer shall be reduced by the cost to repair the damaged
19 recreational vehicle. Damage prior to delivery to the dealer will not disqualify
20 repurchase under this subsection. Any repurchased recreational vehicle must be
21 paid for in full before the recreational vehicle is removed from the dealer's premises.
22 Upon payment under this paragraph, recreational vehicles must be immediately
23 surrendered to the manufacturer.

24 (b) All undamaged accessories or proprietary parts sold to the dealer for resale
25 within the 12 months prior to termination, cancellation, or nonrenewal, if

1 accompanied by the original invoice, at 105 percent of the original net price paid to
2 the manufacturer or distributor to compensate the dealer for handling, packing, and
3 shipping the parts.

4 (c) Any properly functioning diagnostic equipment, special tools, current
5 signage, or other equipment and machinery at 100 percent of the dealer's net cost
6 plus freight, destination, delivery, and distribution charges and sales taxes, if any,
7 if the equipment, tools, signage, or machinery was purchased by the dealer within
8 5 years before termination, cancellation, or nonrenewal and upon the
9 manufacturer's or distributor's request and can no longer be used in the normal
10 course of the dealer's ongoing business.

11 (4) If a dealer agreement is terminated, canceled, or not renewed by the
12 manufacturer or distributor without good cause in violation of sub. (1), the
13 manufacturer or distributor shall repurchase dealer recreational vehicles,
14 accessories, and other equipment in the manner provided in sub. (3).

15 (5) (a) A dealer is not prohibited from selling any remaining in-stock inventory
16 of a particular model or line-make after a dealer agreement has been terminated,
17 cancelled, or not renewed by the manufacturer.

18 (b) If recreational vehicles of a model or line-make subject to a terminated
19 agreement are not repurchased or required to be repurchased by the manufacturer
20 or distributor, the dealer may continue to sell recreational vehicles that are subject
21 to the terminated dealer agreement and are currently in stock until those
22 recreational vehicles are no longer in the dealer's inventory.

23 (6) When taking on an additional line-make, a dealer shall notify in writing
24 any manufacturer with whom the dealer has a dealer agreement of the same

1 line-make at least 30 days prior to entering into a dealer agreement with the
2 manufacturer of the additional line-make.

3 **SECTION 26.** 218.163 of the statutes is created to read:

4 **218.163 Transfer of ownership. (1)** If a dealer desires to make a change in
5 ownership by the sale of business assets, stock transfer, or otherwise, the dealer shall
6 give the manufacturer or distributor written notice at least 10 business days before
7 the closing, along with all supporting documentation as may be reasonably required
8 by the manufacturer or distributor to determine if an objection to the sale may be
9 made. In the absence of a breach by the selling dealer of its dealer agreement or this
10 subchapter, the manufacturer or distributor may not object to the proposed change
11 in ownership unless any of the following applies to the prospective transferee:

12 (a) The transferee has previously been terminated for cause by the
13 manufacturer.

14 (b) The transferee has been convicted of a felony or any crime of fraud, deceit,
15 or moral turpitude.

16 (c) The transferee lacks any license required by law.

17 (d) The transferee does not have an active line of credit sufficient to purchase
18 a manufacturer's product.

19 (e) The transferee has undergone in the last 10 years bankruptcy, insolvency,
20 a general assignment for the benefit of creditors, or the appointment of a receiver,
21 trustee, or conservator to take possession of the transferee's business or property.

22 **(2)** If a manufacturer or distributor objects to a proposed change in ownership,
23 the manufacturer or distributor shall give written notice of its reasons to the dealer
24 within 7 business days after receipt of the dealer's notification and complete
25 documentation. The manufacturer or distributor has the burden of proof with regard

1 to its objection. If the manufacturer or distributor does not give timely notice of its
2 objection, the change, sale, or transfer shall be approved.

3 (3) (a) A manufacturer or distributor shall provide a dealer an opportunity to
4 designate, in writing, a family member as a successor to the dealership in the event
5 of the death, incapacity, or retirement of the dealer. A manufacturer or distributor
6 may not prevent or refuse to honor the succession unless the manufacturer or
7 distributor has provided to the dealer written notice of its objections within 10
8 business days after receipt of the dealer's modification of the dealer's succession
9 plan. In the absence of a breach of the dealer agreement, the manufacturer may
10 object to the succession only for any of the following reasons:

11 1. Conviction of the successor of a felony or any crime of fraud, deceit, or moral
12 turpitude.

13 2. Bankruptcy or insolvency of the successor during the past 10 years.

14 3. Prior termination by the manufacturer of the successor for breach of a dealer
15 agreement.

16 4. The lack of an active line of credit for the successor sufficient to purchase the
17 manufacturer's product.

18 5. The lack of any license for the successor required by law.

19 (b) The manufacturer or distributor has the burden of proof regarding its
20 objection. A family member may not succeed to a dealership if the succession
21 involves, without the manufacturer's or distributor's consent, a relocation of the
22 business or an alteration of the terms and conditions of the dealer agreement.

23 **SECTION 27.** 218.164 of the statutes is created to read:

24 **218.164 Warranty obligation.** (1) Each warrantor shall do all of the
25 following:

1 (a) Specify, in writing, to each of the warrantor's dealers, the dealer's
2 obligations, if any, for preparation, delivery, and warranty service on the warrantor's
3 products.

4 (b) Compensate the dealer for warranty service performed by the dealer that
5 is covered by the warrantor's own warranty.

6 (c) Provide the dealer with the schedule of compensation to be paid and the time
7 allowances for the performance of any work and service. The schedule of
8 compensation shall include reasonable compensation for diagnostic work as well as
9 warranty labor. If the schedule of compensation required by this paragraph does not
10 include a particular repair, the warrantor shall reimburse the dealer for warranty
11 service for the actual time expended unless the warrantor demonstrates that the
12 actual time was not reasonable. If the warrantor demonstrates that the actual time
13 was not reasonable, the dealer shall be paid a reasonable sum.

14 **(2)** Time allowances for the diagnosis and performance of warranty labor shall
15 be reasonable for the work to be performed. The compensation of a dealer for
16 warranty labor may not be less than the lowest retail labor rate actually charged by
17 the dealer in the ordinary course of business for like nonwarranty labor as long as
18 the rate is reasonable.

19 **(3)** The warrantor shall reimburse the dealer for any warranty part at actual
20 wholesale cost plus a minimum 30 percent handling charge and the cost, if any, of
21 freight to return such part to the warrantor. If a part is sent to the dealer at no cost,
22 the dealer is entitled to payment of 30 percent of the wholesale cost of the part from
23 warrantor as a handling charge. The maximum handling charge for a part shall not
24 exceed \$300. If the warrantor requires the dealer to return a warranty part,

1 accessory, or complete component, the warrantor shall reimburse the dealer the cost
2 of freight to return the part, accessory, or component.

3 (4) Warranty audits of dealer records may be conducted by the warrantor on
4 a reasonable basis, and dealer claims for warranty compensation may not be denied
5 except for cause, including performance of nonwarranty repairs, material
6 noncompliance with the warrantor's published policies and procedures, lack of
7 material documentation, fraud, or misrepresentation.

8 (5) A dealer shall submit warranty claims within 45 days after completing
9 work.

10 (6) A dealer shall notify the warrantor as soon as is reasonably possible,
11 verbally or in writing, if the dealer is unable or unwilling to perform material or
12 repetitive warranty repairs.

13 (7) A warrantor shall disapprove warranty claims in writing within 45 days
14 after the date of submission by the dealer in the manner and form prescribed by the
15 warrantor. Claims not specifically disapproved in writing within 45 days shall be
16 construed to be approved and must be paid within 60 days.

17 (8) No warrantor may do any of the following:

18 (a) Fail to perform any of its warranty obligations with respect to its warranted
19 products.

20 (b) Fail to include, in written notices of factory campaigns to recreational
21 vehicle owners and dealers, the expected date by which necessary parts and
22 equipment, including tires and chassis or chassis parts, will be available to dealers
23 to perform the factory campaign work. A warrantor may ship parts to the dealer to
24 affect the factory campaign work, and, if parts provided are in excess of the dealer's

1 requirements, the dealer may return unused parts to the warrantor for credit after
2 completion of the campaign.

3 (c) Fail to compensate any of its dealers for authorized repairs effected by the
4 dealer of merchandise damaged in manufacture or transit to the dealer if the carrier
5 is designated by the warrantor, factory branch, distributor, or distributor branch.

6 (d) Fail to compensate any of its dealers for authorized warranty service in
7 accordance with the time allowances set forth in the schedule of compensation under
8 sub. (1) (c) if performed in a timely and competent manner.

9 (e) Intentionally misrepresent in any way to purchasers of recreational
10 vehicles that warranties with respect to the manufacture, performance, or design of
11 the vehicle are made by the dealer as warrantor or co-warrantor.

12 (f) Require the dealer to make warranties to customers in any manner related
13 to the manufacture of the recreational vehicle.

14 **(9)** No dealer may do any of the following:

15 (a) Fail to perform predelivery inspection functions, as specified by the
16 warrantor, in a competent and timely manner.

17 (b) Fail to perform warranty service work authorized by the warrantor in a
18 reasonably competent and timely manner on any transient customer's vehicle of the
19 same line-make unless the dealer determines that the customer is acting in a
20 manner detrimental to its business.

21 (c) Fail to track actual time expended to perform warranty work not governed
22 by time allowances in the schedule of compensation under sub. (1) (c).

23 (d) Claim an agency relationship with the warrantor or manufacturer.

24 (e) Misrepresent the terms of any warranty.

1 **(10)** Notwithstanding the terms of any dealer agreement, all of the following
2 apply:

3 (a) A warrantor shall indemnify, defend, and hold harmless its dealer against
4 any losses or damages to the extent such losses or damages are caused by the
5 negligence or willful misconduct of the warrantor. A dealer may not be denied
6 indemnification or a defense for failing to discover, disclose, or remedy a defect in the
7 design or manufacturing of the recreational vehicle. A dealer shall provide to the
8 warrantor a copy of any suit in which allegations are made under this section within
9 10 days after receiving the suit. This paragraph shall continue to apply even after
10 the recreational vehicle is titled. Indemnification shall include court costs,
11 reasonable attorney fees, and expert witness fees incurred by the dealer.

12 (b) A dealer shall indemnify, defend, and hold harmless its warrantor against
13 any losses or damages to the extent such losses or damages are caused by the
14 negligence or willful misconduct of the dealer. The warrantor shall provide to the
15 dealer a copy of any suit in which allegations are made under this section within 10
16 days after receiving the suit. This paragraph shall continue to apply even after the
17 recreational vehicle is titled. Indemnification must include court costs, reasonable
18 attorney fees, and expert witness fees incurred by the warrantor.

19 **SECTION 28.** 218.165 of the statutes is created to read:

20 **218.165 Inspection of recreational vehicles. (1)** Whenever a new
21 recreational vehicle is damaged prior to transit to the dealer or is damaged in transit
22 to the dealer when the carrier or means of transportation has been selected by the
23 manufacturer or distributor, the dealer shall notify the manufacturer or distributor
24 of the damage within the time frame specified in the dealer agreement and do any
25 of the following:

1 (a) Request from the manufacturer or distributor authorization to replace the
2 components, parts, and accessories damaged or otherwise correct the damage.

3 (b) Reject the vehicle within the time frame set forth in sub. (4).

4 (2) If a manufacturer or distributor refuses or fails to authorize repair of
5 damage described under sub. (1) within 10 days after receipt of notification under
6 sub. (1) or if the dealer rejects the recreational vehicle because of damage, ownership
7 of the new recreational vehicle reverts to the manufacturer or distributor.

8 (3) A dealer shall exercise due care in custody of a damaged recreational
9 vehicle, but the dealer shall have no other obligations, financial or otherwise, with
10 respect to that recreational vehicle.

11 (4) The time frame for inspection and rejection by the dealer shall be part of
12 the dealer agreement and may not be less than 2 business days after the physical
13 delivery of the recreational vehicle.

14 **SECTION 29.** 218.166 of the statutes is created to read:

15 **218.166 Coercion.** (1) In this section, “coerce” includes threatening to
16 terminate, cancel, or not renew a dealer agreement without good cause or
17 threatening to withhold product lines or delay product delivery as an inducement to
18 amending the dealer agreement.

19 (2) A manufacturer or distributor may not coerce or attempt to coerce a dealer
20 to do any of the following:

21 (a) Purchase a product that the dealer did not order.

22 (b) Enter into an agreement with the manufacturer or distributor.

23 (c) Take any action that is unfair or unreasonable to the dealer.

1 (d) Enter into an agreement that requires the dealer to submit its disputes to
2 binding arbitration or otherwise waive rights or responsibilities provided under this
3 subchapter.

4 (e) Forego exercising a right authorized by a dealer agreement or any law
5 governing the manufacturer-dealer relationship.

6 **(3)** A dealer bears the burden of proof regarding the prohibited acts described
7 in sub. (2).

8 **SECTION 30.** 218.167 of the statutes is created to read:

9 **218.167 Dispute resolution.** (1) A dealer, manufacturer, distributor, or
10 warrantor injured by a violation of this subchapter by another dealer, manufacturer,
11 distributor, or warrantor may bring a civil action in circuit court to recover actual
12 damages. The court shall award attorney fees and costs to the prevailing party in
13 an action under this section. Venue for any civil action authorized by this section
14 shall be exclusively in the county in which the dealership is located. In an action
15 involving more than one dealer, venue may be in any county in which a dealer who
16 is party to the action is located.

17 **(2)** (a) Before bringing suit under this section, the party bringing suit for an
18 alleged violation shall serve a written demand for mediation upon the offending
19 party. This paragraph does not apply to a proceeding for injunctive relief.

20 (b) A demand for mediation under this subsection shall be served upon the
21 offending party by certified mail at the address stated within the dealer agreement
22 between the parties or, if the address is not contained in the agreement or the address
23 is no longer valid, the address on the offending party's license filed with this state.
24 In the event of a civil action between 2 dealers, the demand shall be mailed to the
25 address on the dealer's license filed with this state.

1 (c) A demand for mediation under this subsection shall contain a brief
2 statement of the dispute and the relief sought by the party filing the demand.

3 (d) Within 20 days after the date a demand for mediation is served under par.
4 (b), the parties shall mutually select an independent mediator and meet with the
5 mediator for the purpose of attempting to resolve the dispute. The meeting place
6 shall be in this state in a location selected by the mediator. The mediator may extend
7 the date of the meeting for good cause shown by either party or upon stipulation of
8 both parties.

9 (e) The service of a demand for mediation under this subsection stays the time
10 for the filing of any complaint, petition, protest, or action under this subchapter until
11 representatives of both parties have met with a mutually selected mediator for the
12 purpose of attempting to resolve the dispute. If a complaint, petition, protest, or
13 action is filed before that meeting, the court shall enter an order suspending the
14 proceeding or action until the meeting has occurred and may, upon written
15 stipulation of all parties to the proceeding or action that they wish to continue to
16 mediate under this subsection, enter an order suspending the proceeding or action
17 for as long a period as the court considers appropriate. A suspension order issued
18 under this paragraph may be revoked by the court.

19 (f) The parties to a mediation under this subsection shall bear their own costs
20 for attorney fees and divide equally the cost of the mediator.

21 **(3)** In addition to the remedies provided in this section, and notwithstanding
22 the existence of any additional remedy at law, a dealer or manufacturer may apply
23 to a circuit court for the grant, upon a hearing and for cause shown, of a temporary
24 or permanent injunction, or both, restraining any person from acting as a dealer,
25 manufacturer, or distributor without being properly licensed under this chapter,

1 from violating or continuing to violate any of the provisions of this subchapter, or
2 from failing or refusing to comply with the requirements of this subchapter. An
3 injunction under this subsection shall be issued without bond. A single act in
4 violation of any of the provisions of this subchapter is sufficient to authorize the
5 issuance of an injunction.

6 **SECTION 31.** 340.01 (6m) of the statutes is amended to read:

7 340.01 **(6m)** “Camping trailer” means a vehicle with a collapsible or folding
8 structure designed ~~for human habitation and to provide temporary living quarters~~
9 for recreation, camping, or travel use and to be towed upon a highway by a motor
10 vehicle.

11 **SECTION 32.** 340.01 (18m) of the statutes is amended to read:

12 340.01 **(18m)** “Fifth-wheel recreational vehicle” means a recreational vehicle
13 ~~that is towed by a vehicle with a flatbed frame so the trailer hitch of the recreational~~
14 ~~vehicle is bolted to the flatbed frame of the towing vehicle~~ that is mounted on wheels,
15 that is of a size and weight such that a special highway movement permit is not
16 required, and that is designed to be towed by a motor vehicle utilizing a king pin and
17 fifth wheel coupling device mounted above or forward of the rear axle of the tow
18 vehicle.

19 **SECTION 33.** 340.01 (48r) of the statutes is amended to read:

20 340.01 **(48r)** “Recreational vehicle” means a vehicle that is designed to be
21 towed upon a highway by a motor vehicle, that is equipped and used, or intended to
22 be used, primarily for temporary or recreational human habitation, ~~that has walls~~
23 ~~of rigid construction,~~ and that does not exceed 45 46 feet in length. “Recreational
24 vehicle” includes a camping trailer, fifth-wheel recreational vehicle, park model

1 recreational vehicle, as defined in s. 218.10 (7m), and travel trailer, as defined in s.
2 218.10 (8v).

3 **SECTION 34.** 341.25 (1) (i) of the statutes is amended to read:

4 341.25 (1) (i) For each recreational vehicle, ~~and for each camping trailer,~~ a fee
5 of \$15.

6 **SECTION 35.** 348.07 (2) (L) of the statutes is created to read:

7 348.07 (2) (L) Forty-six feet for a towed recreational vehicle.

8 **SECTION 36.** 348.08 (1) (i) of the statutes is amended to read:

9 348.08 (1) (i) A 3-vehicle combination consisting of a towing vehicle and, in
10 order by weight, with the lighter of the towed vehicles as the 3rd vehicle in the
11 3-vehicle combination unless not structurally possible, a recreational vehicle ~~or~~
12 ~~camping trailer~~ as the 2nd vehicle, and a recreational vehicle, ~~camping trailer,~~ or
13 trailer carrying any vehicle for recreational use or carrying no load as the 3rd vehicle
14 may, without a permit, be operated on a highway if the overall length of the
15 combination of vehicles does not exceed 65 feet and, if the total weight, including any
16 load, of all towed vehicles exceeds 3,000 pounds, one of the towed vehicles is equipped
17 with brakes. No 3-vehicle combination may operate under this paragraph if
18 highway or weather conditions include heavy snow, freezing rain, icy roads, high
19 winds, limited visibility, or upon a highway that is closed or partially closed by the
20 department due to highway conditions.

21 **SECTION 37.** 348.08 (1) (j) of the statutes is amended to read:

22 348.08 (1) (j) A 3-vehicle combination not exceeding 70 feet in overall length
23 may, without a permit, be operated on a highway if the towing vehicle serving as the
24 power unit is equipped with a 5th wheel and kingpin connection by which the 2nd
25 vehicle in the 3-vehicle combination is drawn, the 2nd vehicle in the 3-vehicle

1 combination is a recreational vehicle ~~or camping trailer~~, including any combination
2 camping-horse trailer, the 3rd vehicle in the 3-vehicle combination is a recreational
3 vehicle ~~or camping trailer~~ or a trailer carrying any vehicle for recreational use,
4 carrying equestrian equipment and equestrian supplies for recreational purposes,
5 or carrying no load, and, if the total weight, including any load, of all towed vehicles
6 exceeds 3,000 pounds, one of the towed vehicles is equipped with brakes. No
7 3-vehicle combination may operate under this paragraph if highway or weather
8 conditions include heavy snow, freezing rain, icy roads, high winds, limited visibility,
9 or upon a highway that is closed or partially closed by the department due to highway
10 conditions.

11 **SECTION 38. Effective date.**

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

14 (END)