

Clearinghouse Rule 25-049

**STATE OF WISCONSIN
DEPARTMENT OF TRANSPORTATION
OFFICE OF THE SECRETARY
PROPOSED ORDER ADOPTING PERMANENT RULE**

The Wisconsin Department of Transportation proposes an order to:

Renumber Trans 154.02 (1);

Amend Trans 154.02 (10), 154.03 (1) (b), (2) (a), (3) (a) 1., (b), (c) 1., 154.04 (1), (2), (3), 154.07 (1), (2), 154.08 (1), (6), 154.11 (2) (e), (3), (4) (a) and (b), (6), 154.12 (1), (2), and 154.15 (1), (2);

Create Trans 154.02 (1), (5g), (5r), (7g), (7r) and (10m), 154.04 (7), 154.07 (3), 154.12 (5), and 154.16.

The Statement of Scope for this Permanent Rule, SS-042-23, was approved by the Governor on June 15, 2023, published in Register No. 810B on June 26, 2023, and approved by the Secretary of the State of Wisconsin Department of Transportation (department) Craig Thompson, as required by s. 227.135 (2), Stats., on May 2, 2023. The analysis below was prepared by the department.

ANALYSIS

Statutes Interpreted: Chapter 342, Stats.

Statutory Authority: Sections 85.16 (1); 137.15 (4); 227.11 (2) (a); 342.155 (1) (a), (b), and (c), Stats.

Explanation of Agency Authority: Section 342.155 (1) (b), Stats., permits the department to authorize vehicle mileage disclosures in an automated format, as defined in Section 342.01 (2) (ac) to mean: “generated or maintained in an electronic or digital form or medium.” Section 342.155 (c), Stats., provides authority for the department to promulgate such rules to establish the form and manner of the mileage disclosure. The department is also required to adopt rules consistent with federal odometer disclosure requirements, 49 U.S.C 32705; 49 CFR Part 580.

Related Statute or Rule: Chapters 340-349 and 351, Stats.; Chapter Trans 154, Wis. Admin. Code

Plain Language Analysis: National Highway Traffic Safety Administration regulations at 49 CFR Part 580 regulate Odometer Disclosure Requirements, and, more specifically, authorize the use of electronic signatures for odometer disclosure statements and provide technical requirements to ensure validity and security of the electronic signature. Because odometer disclosure statements are required and regulated by federal law, the department proposes to adopt practices that conform to those federal electronic signature requirements. This rulemaking will conform Wisconsin’s odometer disclosure statement signature requirements to those federal electronic signature requirements.

Current practice requires wet signatures for odometer statements for all non-exempt vehicles. The written signature is required on the conforming title, a separate odometer disclosure statement (DOT paper form with security features), or a conforming power of attorney form. The completed odometer disclosure must be physically delivered by the transferor to the transferee at the time ownership of the motor vehicle is transferred.

Electronic signatures would provide efficiencies for DMV, third party partners, motor vehicle dealers, lien holders, and our customers. The goal of this rulemaking is to facilitate a secure electronic odometer disclosure process that no longer relies on physical paper. Electronic disclosures creates opportunities to increase efficiency and accuracy, and to mitigate opportunities for odometer fraud. Electronic disclosures are also pandemic-friendly as it allows for remote transactions.

This chapter pertains to any person transferring ownership of a non-exempt vehicle with a Wisconsin title. This rulemaking conforms to the Wisconsin statutes and federal laws related to the electronic disclosure of vehicle mileage, including relevant portions of the Motor Vehicle and Highway Safety Improvement Act of 2012 and the Comprehensive Transportation and Consumer Protection Act of 2015. This rule proposes to authorize the electronic disclosure of motor vehicle mileage meeting the federal standards.

Section 1. Renumbers a definition section to allow creation of the term “access” as an alphabetically-prior definition.

Section 2. Creates definitions for “access,” “electronic,” “electronic title system,” “physical,” and “printed name.” The term “access” is used only once in this chapter, in s. Trans 154.16 (8) (b), when discussing the security of electronic titling systems. The definition is drawn from federal odometer regulations and is identical to that found at 49 CFR 580.3. The rule’s intent is to parallel the federal style and follow the federal electronic odometer requirements for security purposes. Though the Legislative Reference Bureau recommends only incorporating definitions when the definition is used more than once, (LRB Admin Rules Manual s. 1.07 (1)), “access” is intentionally created to mirror federal regulations. This term is necessary to understand the situations in which electronic titling systems must be secure. The term “electronic” incorporates Wis. Stat. Ch. 342’s definition of “automated format,” since Wis. Stat. S. 342.155 (1) (b) authorizes mileage disclosures to be made in an automated format authorized by the department. This definition also includes the 49 CFR 580 limitation that this term exclude physical documents converted to an image for electronic storage purposes. The definitions “physical” and “printed name” are intended to mirror the definitions in 49 CFR Part 580.

Section 3. Amends definition “separate conforming odometer disclosure statement” to mean either a physical or electronic statement issued or approved by the department which is separate from a certificate of title.

Section 4. Creates a definition for “sign” or “signature” that describes acceptable signatures in both physical and electronic formats, intended to mirror the definition in 49 CFR Part 580.

Section 5. Amends several sections discussing mileage disclosure requirements when transferring interest in a motor vehicle to allow for the disclosure to be made on a separate conforming odometer disclosure statement, which can be physical or electronic.

Section 6. Amends a section to remove a redundant requirement regarding separate conforming odometer disclosure statements. Amends a section and its subsection to clarify the ability to make odometer disclosures electronically and amends another section to add a 49 CFR Part 580 requirement to display certain information prior to execution of any electronic signatures.

Section 7. Creates a section to add the 49 CFR Part 580 requirement that the department must make electronic copies of mileage disclosure statements available to the transferee and transferor.

Section 8. Amends one section to add a 49 CFR Part 580 requirement to display certain information prior to execution of an electronic signature and amends one section and its subsection to clarify that odometer disclosure statements may be provided electronically.

Section 9. Creates a section to require any lessor that maintains its own electronic title system to comply with the requirements of the newly created section Trans 154.16(1).

Section 10. Amends two sections and a subsection to clarify that a consignor may complete and deliver to a consignee an electronic odometer disclosure.

Section 11. Amends several sections to clarify that odometer disclosure statements may be completed electronically in connection with the transfer of ownership of a motor vehicle through a power of attorney.

Section 12. Amends two sections to add the 49 CFR Part 580 requirement that electronic copies of odometer disclosure statements must be retained by dealers, wholesalers, and lessors in a format which cannot be altered and which indicates any unauthorized attempts to do so.

Section 13. Creates a section to require the department to retain electronic odometer statements for a minimum of five years in compliance with newly created section Trans 154.16 and 49 CFR Part 580, and that such electronic statements must be made available to dealers, wholesalers, lessors, auction pools, salvage pools, salvage dealers, and law enforcement officials.

Section 14. Amends two sections to clarify that odometer readings included with certificates of title may be in an electronic format.

Section 15. Creates a new section adding several requirements for electronic odometer disclosures in compliance with 49 CFR Part 580. First, any electronic title system used to create, store, or maintain electronic documents, including electronic odometer disclosure statements, must have certain features to ensure that such documents cannot be accessed or altered without appropriate authority. Second, any electronic odometer disclosures must be retained for a minimum of five years in a format which cannot be altered without the department's authority and so that such records may be systematically retrieved. Third, the section describes the appropriate party to electronically sign odometer disclosures. Fourth, clarifies that any notices required under Chapter Trans 154 in connection with an electronic odometer disclosure may be satisfied by electronic transmissions. Fifth, creates a requirement that if any physical documents used to comply with Chapter Trans 154 are converted to an electronic format by scanning or imaging must preserve

the features of the secure printing process used to create such physical documents, and that such documents must be made at a resolution of not less than 200 dpi.

Summary of, and Comparison with, Existing or Proposed Federal Statutes and Regulations:

Federal Statutes and Regulations. Congress passed the Motor Vehicle Information and Cost Savings Act of 1972, Title IV of which created laws prohibiting tampering with motor vehicle odometers and requiring disclosure of a motor vehicle's mileage as indicated on its odometer upon transfer of the vehicle. Subsequently, Congress passed the Motor Vehicle and Highway Safety Improvement Act of 2012 and the Comprehensive Transportation and Consumer Protection Act of 2015 which authorized odometer disclosures to be completed in an electronic format if all relevant laws and authentication and security measures are met.

49 CFR part 580 regulates the requirements for electronic odometer disclosures. The proposed rule complies with all federal laws and regulations in connection with electronic odometer disclosures.

Comparison with Rules in Adjacent States: Illinois.

625 ILCS 5/3-112.1 requires all titles issued by the Illinois Secretary of State to provide for an odometer certification. Illinois does not have laws specifically related to the electronic disclosure of odometer motor vehicle mileage. Rather, Illinois relies on a general rule authorizing the use of electronic records, similar to Wisconsin's general statute titled "Electronic Transactions and Records," Wis. Stat. Ch. 137. As a result, Illinois' comparable laws are less restrictive than the proposed rule.

Illinois defines "electronic," "electronic record," and "electronic signature" as follows:

"Electronic" includes electrical, digital, magnetic, optical, electromagnetic, or any other form of technology that entails capabilities similar to these technologies.

"Electronic record" means a record generated, communicated, received, or stored by electronic means for use in an information system or for transmission from one information system to another.

"Electronic signature" means a signature in electronic form attached to or logically associated with an electronic record.

625 ILCS 5/3-100.1 then states that "[t]o the extent authorized by the [Illinois] Secretary of State and in accordance with standards and procedures prescribed by the Secretary of State," certifications, assignments, notices, documents, and other records may be created, received, and delivered in electronic form, and signatures may be made as electronic signatures.

Iowa.

Iowa Code § 321.71 and Iowa Admin. Code r. 761-400.52(321) prohibits issuance of a certificate of title for a motor vehicle equipped with an odometer by the manufacturer, unless an odometer statement in compliance with federal law and regulations has been made by the transferor of the vehicle and is furnished with the application for certificate of title, unless an exemption applies under 49 C.F.R. § 580.17.

Iowa does not appear to have a law specifically allowing odometer disclosure statements to be completed or signed electronically.

Iowa Code § 554D.119 states that a governmental agency “shall determine whether, and the extent to which, the governmental agency will create and retain electronic records and convert written records to electronic records.” Iowa Code § 554D.120 also states that if an Iowa governmental agency uses electronic records and electronic signatures, the office of the secretary of state and the department of administrative services, jointly, and in consultation with the office of the attorney general, giving due consideration to security, may specify by rule the requirements for electronic records.

Michigan.

Mich. Comp. Laws § 257.233a requires transferors of motor vehicles to present to the transferee before delivery of the vehicle, written disclosure of odometer mileage by means of the certificate of title or a written statement signed by the transferor.

Subsection (16) further clarifies that the department may accept an electronically signed odometer disclosure document that complies with all of the following: (a) is submitted on a form approved by the department; (b) is electronically signed using software that provides antitamper and identification verification technology and is approved for this use by the department; and, (c) is otherwise fully compliant with 49 CFR part 580.

Minnesota.

Minn. Stat. § 325E.15 prohibits any person from transferring a motor vehicle without disclosing to the transferee the true mileage registered on the odometer reading or that the actual mileage is unknown if the odometer reading is known by the transferor to be different from the true mileage. Minnesota’s statute also adopts 49 CFR 580.1 to 580.17 by reference, including the manner in which electronic or written disclosure must be made.

Summary of the Factual Data and Analytical Methodologies:

The factual data and methodologies were stated in the federal rulemaking notices published in the Federal Register at 84 FR 52664 (October 2, 2019) and at 84 FR 65017 (November 26, 2019). As stated above, a primary reason for authorizing the use of electronic signatures on odometer disclosure statements is to protect purchasers of motor vehicles from odometer fraud.

Analysis and supporting documents used to determine effect on small business or in preparation of an economic impact analysis.

Effect on Small Businesses. There are no known adverse economic impacts to the department, stakeholders, or customers.

The department estimates the use of electronic signatures will save money and expedite vehicle title transactions for those individuals and business that choose to use electronic signatures, for some or all of

the signatures required during vehicle title transactions. This rulemaking intends to retain the current use of handwritten signatures and allow—but not require—the use of electronic signatures, so the department anticipates no increase in costs as a result of this rule.

The agency contact person listed below is also the small business regulatory coordinator for this proposed rule. This proposed rule, fiscal estimate, and other related documents may be viewed at <https://health.wisconsin.gov/admrules/public/Home>.

Agency Contact Person:

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Place Where Comments Should Be Submitted and Deadline:

Comments may be submitted to the agency contact person listed above until the deadline given in the forthcoming notice of public hearing. The deadline for submitting comments and the notice of public hearing will be posted on the Wisconsin Administrative Rules Website at: <http://adminrules.wisconsin.gov> after the hearing is scheduled.

TEXT OF PERMANENT RULE

SECTION 1. Trans 154.02 (1) is renumbered Trans 154.02 (1m).

SECTION 2. Trans 154.02 (1g), (5g), (5k), (7g) and (7k) are created to read:

Trans 154.02 (1g) “Access” means the authorized entry to, and display of, a document, record, or other information in a manner allowing modification of previously stored data, even if the stored data is not modified at the time it is accessed. The term does not include a display of an electronic record for viewing purposes where modification of stored data is not possible, or where modification to the record is possible but results in a new, unique electronic document or record.

(5g) “Electronic,” when referring to any document, record, or other information, means in an automated format, as defined in s. 342.01(2) (ac), Stats., that is prescribed by the department and maintained in an electronic title system. For the purposes of this chapter, this term is limited to a document, record, or other information created electronically and does not include a physical document, record, or other information converted by scanning and imaging for storage in an electronic medium.

(5k) “Electronic title system” means any system employed to create, store, or maintain any electronic document, record, or other information subject to this chapter.

(7g) “Physical,” when referring to a document, record, or other information, means printed on paper by a secure printing process or other secure process that meets all the requirements of this chapter.

(7k) “Printed name” means either:

(a) For a physical document, the clear and legible name applied to the physical document of the signatory.

(b) For an electronic document, the clear, legible, visible, audible, recognizable, or otherwise understandable name of the electronic signatory recorded and stored electronically.

SECTION 3. Trans 154.02 (10) is amended to read:

Trans 154.02 (10) “Separate conforming odometer disclosure statement” means a physical or electronic statement issued or approved by the department which is separate from the certificate of title or any other document which is used to assign or reassign ownership and which includes odometer disclosure language required by federal and Wisconsin law.

SECTION 4. Trans 154.02 (10m) is created to read:

(10m) “Sign” or “signature” means either:

(a) For a physical document, a person’s name, or a mark representing it, as handwritten personally.

(b) For an electronic document, an electronic sound, symbol, or process that satisfies at least one of the following:

1. It uses a secure authentication system meeting at least the minimum identification standards for electronic odometer disclosures under 49 CFR 580.3.

2. It is completed in person before a bona fide employee of the department or statutory agent under a surety bond with the department.

SECTION 5. Trans 154.03 (1) (a), (b), (2) (a), (3) (a) 1., (b) (intro.), (c) 1., and (d) 1. are amended to read:

Trans 154.03 (1) (a) *Assignment of ownership and odometer disclosure when using a nonconforming title.* ~~If the~~ Any person who transfers a motor vehicle being transferred that is titled with a nonconforming title; shall complete the assignment of ownership shall be made of the vehicle in the designated spaces on the certificate of title. ~~The and shall complete the odometer disclosure statement shall be made on a separate conforming odometer disclosure statement which has been issued or approved by the department.~~

(1) (b) *Assignment of ownership and odometer disclosure when using a conforming title.* ~~If the~~ Any person who transfers a motor vehicle being transferred is that is titled with a conforming title shall complete; the assignment of ownership ~~and odometer disclosure shall be made of the vehicle~~ in the designated spaces on the certificate of title and shall complete the odometer disclosure in the designated spaces on the certificate of title or on a separate conforming odometer disclosure statement.

(2) (a) *Reassignments by Wisconsin dealer on a manufacturer's document of origin.* To reassign ownership, a dealer shall complete the reassignment of ownership ~~and odometer disclosure~~ in the designated spaces on the manufacturer's document of origin and shall complete the odometer disclosure in the designated spaces on the manufacturer's document of origin or on a separate conforming odometer disclosure statement.

1. If the document of origin does not contain an odometer disclosure statement which includes a certification stating the mileage at the time of transfer, the name and address of the transferring dealer, the name and address of the purchasing dealer, the date of transfer, and that the odometer reading is actual, the dealer shall complete the odometer disclosure statement ~~shall be completed on a separate conforming odometer disclosure statement which has been issued or approved by the department. The and shall complete the~~ reassignment of ownership ~~shall be completed on the manufacturer's document of origin.~~

2. If the manufacturer's document of origin does not include available spaces for the reassignment of ownership, the dealer shall complete both the reassignment and odometer disclosure ~~shall be completed on a conforming supplemental reassignment and odometer disclosure statement which has been issued or approved by the department.~~

(3) (a) 1. If the transferor is a dealer or wholesaler licensed in Wisconsin or in another state and the vehicle is titled with a conforming Wisconsin title, the transferor shall complete the reassignment of ownership ~~and odometer disclosure shall be made~~ in the designated spaces on the certificate of title and shall complete the odometer disclosure in the designated spaces on the certificate of title or on a separate conforming odometer disclosure statement.

(b) *Reassignment of ownership by Wisconsin dealer or wholesaler when using a conforming title issued by another jurisdiction.* (intro.) If the transferor is a Wisconsin dealer or wholesaler and the vehicle is titled with a conforming title issued by another jurisdiction, the transferor shall complete the reassignment ~~and odometer disclosure shall be made~~ in the designated spaces on the certificate of title and shall complete the odometer disclosure in the designated spaces on the certificate of title or on a separate conforming odometer disclosure statement.

(c) 1. If the transferor is a dealer or wholesaler licensed in another state and the vehicle is titled with a conforming title issued by another jurisdiction, the transferor shall complete the reassignment of ownership ~~and odometer disclosure shall be completed~~ in the designated spaces on the certificate of title and shall

complete the odometer disclosure in the designated spaces on the certificate of title or on a separate conforming odometer disclosure statement.

(d) 1. If the transferor of a motor vehicle is a dealer or wholesaler licensed in Wisconsin or another state and the motor vehicle is titled with a nonconforming certificate of title which includes a conforming odometer disclosure statement and spaces for the reassignment of ownership by a dealer, the transferor shall complete the reassignment of ownership on the certificate of title and shall complete the odometer disclosure ~~shall be completed~~ on the certificate of title or on a separate conforming odometer disclosure statement.

SECTION 6. Trans 154.04 (1), (2) (intro.), (a) 4., and (3) are amended to read:

Trans 154.04 (1) TRANSFEROR TO DISCLOSE MILEAGE TO TRANSFeree. When transferring ownership of a motor vehicle, each transferor shall disclose the vehicle's mileage to the transferee in writing in the designated spaces on a conforming title, on a separate conforming odometer disclosure statement ~~which has been issued or approved by the department as prescribed in s. Trans 154.03,~~ or on the conforming power of attorney form as prescribed in s. Trans 154.11. The transferor shall deliver the completed odometer disclosure ~~shall be delivered by the transferor~~ to the transferee at the time ownership of the motor vehicle is transferred.

(2) **REQUIRED ODOMETER DISCLOSURE INFORMATION.** (intro.) The transferor shall complete all of the following information on the written or electronic odometer disclosure ~~shall include all of the following:~~

(a) 4. If, due to an accident, fire or other random occurrence, the odometer reading of the motor vehicle being transferred cannot be read, the transferor shall indicate ~~in the spaces designated for the odometer reading on a conforming the odometer disclosure~~ statement a reading of 0 (zero) or a recent reading that can be documented, such as on an odometer statement, emission inspection report or repair invoice, and shall certify that the odometer reading is not actual mileage. This statement shall alert the transferee that a discrepancy exists between the odometer reading and the actual mileage.

(3) **REFERENCE TO FEDERAL AND STATE REQUIREMENTS AND PENALTIES.** The disclosure statement shall state that the disclosure is required by federal and state law and that failure to complete the disclosure statement or providing false information may result in fines or imprisonment, or both, and may make the transferor liable for damages to the transferee. If the transferor provides the disclosure statement electronically, the transferor shall ensure that the information specified in this subsection is displayed to the transferee prior to the execution of any electronic signatures.

SECTION 7. Trans 154.04 (7) is created to read:

(7) **COPIES OF ELECTRONIC DISCLOSURE STATEMENT.** If an odometer disclosure is made electronically on a separate conforming odometer disclosure statement, the department shall make electronic copies of the completed statement available to the transferee and transferor.

SECTION 8. Trans 154.07 (1), (2) (intro.), and (b) 4. are amended to read:

Trans 154.07 (1) LESSOR'S NOTICE TO LESSEE. Prior to transferring ownership of any motor vehicle, the lessor of a leased motor vehicle shall notify the lessee in writing that the lessee is required to provide a written or electronic odometer disclosure to the lessor. This notice shall state that the disclosure is required by federal and state law and that failure to complete the disclosure statement or providing false information may result in fines or imprisonment, or both, and may make the lessee liable for damages to the lessor. If

the notice is provided electronically, the lessor shall ensure that the information specified in this subsection is displayed to the lessee prior to, or at the time of, the execution of any electronic signatures.

(2) REQUIREMENTS RELATING TO LESSEE'S ODOMETER DISCLOSURE TO LESSOR. In connection with the transfer of ownership of a leased motor vehicle, the lessee shall furnish to the lessor a written or electronic statement regarding the mileage of the vehicle. ~~This~~ The lessee shall sign this statement shall be signed by the lessee and, in addition to the information required by sub. (1), the lessee shall contain complete all of the following information on the statement:

(b) 4. If, due to an accident, fire or other random occurrence, the odometer reading of the motor vehicle being transferred cannot be read, the lessee shall indicate ~~in the spaces designated for the odometer reading~~ on ~~a conforming~~ the odometer disclosure statement a reading of 0 (zero) or a recent reading that can be documented, such as on an odometer statement, emission inspection report or repair invoice, and shall certify that the odometer reading is not actual mileage. This statement shall alert the lessor that a discrepancy exists between the odometer reading and the actual mileage.

Section 9. Trans 154.07 (3) is created to read:

(3) REQUIREMENTS FOR ELECTRONIC TITLE SYSTEMS MAINTAINED BY LESSOR. If the lessor of a leased motor vehicle maintains any electronic title system for the purpose of complying with the requirements of this section, the lessor shall ensure that the system meets the requirements of s. Trans 154.16 (1).

SECTION 10. Trans 154.08 (1) (intro.), (a) 4., and (6) are amended to read:

Trans 154.08 (1) REQUIRED ODOMETER DISCLOSURE FROM CONSIGNOR TO DEALER CONSIGNEE. When a motor vehicle is offered for sale under a consignment agreement, as specified under s. Trans 138.04 (1) (b), the consignor shall complete and deliver to the dealer consignee a separate conforming odometer disclosure statement ~~which has been issued or approved by the department~~. The consignor shall complete all of the following information on the written or electronic odometer disclosure shall include all of the following:

(a) 4. If, due to an accident, fire or other random occurrence, the odometer reading of the motor vehicle being transferred cannot be read, the consignor shall indicate ~~in the spaces designated for the odometer reading~~ on ~~a conforming~~ the odometer disclosure statement a reading of 0 (zero) or a recent reading that can be documented, such as on an odometer statement, emission inspection report or repair invoice, and shall certify that the odometer reading is not actual mileage. This statement shall alert the dealer consignee that a discrepancy exists between the odometer reading and the actual mileage.

(6) CONSIGNOR'S AND DEALER CONSIGNEE'S RESPONSIBILITY UPON SALE OF THE CONSIGNED MOTOR VEHICLE. Upon sale of a consigned motor vehicle, the consignor shall complete ~~the odometer disclosure statement~~ and the assignment of ownership to the dealer consignee on the conforming certificate of title for the vehicle and the odometer disclosure on the conforming certificate of title for the vehicle or on a separate conforming odometer disclosure statement. If a consigned motor vehicle is titled with a nonconforming title, the consignor shall complete the assignment of ownership to the dealer consignee on the certificate of title and the vehicle's odometer disclosure statement on a separate conforming odometer disclosure statement. The dealer consignee shall complete the dealer reassignment, including the odometer disclosure statement, to the purchaser and shall, as required in s. 342.16 (1) (a), Stats., submit the purchaser's application for certificate of title to the department. If the purchaser is not a resident of this state, or is not required to register the motor vehicle in this state, the dealer consignee shall, in lieu of submitting the purchaser's application for title to the department, deliver the documents to the purchaser.

SECTION 11. Trans 154.11 (2) (e), (3), (4) (a) and (b), and (6) are amended to read:

Trans 154.11 (2) (e) The power of attorney form shall include language certifying that the transferee who is exercising a power of attorney has disclosed on the certificate of title or any supplemental reassignment documents the vehicle's mileage as it was provided to the person exercising power of attorney on the power of attorney form and, in addition, a statement to the effect that the person exercising the power of attorney has examined the certificate of title and any reassignment documents and that the odometer disclosure statement made on the certificate of title or a separate conforming odometer disclosure statement pursuant to the power of attorney is at least as great as that previously stated on the certificate of title and any reassignment documents. The certification shall also include spaces for each of the following:

(3) RESPONSIBILITIES OF TRANSFEROR. In connection with the transfer of ownership of a motor vehicle, a transferor whose certificate of title is physically held by a secured party and who elects to give the transferee power of attorney for the purpose of mileage disclosure and transfer of ownership shall appoint the transferee as the attorney-in-fact for such purpose and disclose the vehicle's mileage on a conforming power of attorney form issued by the department. The transferor shall sign the written or electronic odometer disclosure ~~shall be signed by the transferor~~, and ~~include~~ provide the transferor's printed name in the spaces provided on the statement. In addition, the transferor shall complete the following information in the designated spaces provided on the power of attorney form and deliver it to the transferee:

(4) (a) Complete the space for odometer disclosure on the certificate of title or separate conforming odometer disclosure statement exactly the same as the vehicle's mileage which was disclosed by the transferor on the power of attorney form. If the certificate of title does not include a conforming odometer disclosure statement, the transferee shall complete the odometer disclosure statement ~~shall be completed~~ on a separate conforming odometer disclosure statement.

(4) (b) Complete a certification disclosing on the certificate of title the vehicle's mileage as it was provided on the power of attorney form, and that upon examination of the certificate of title and any reassignment documents, the odometer disclosure statement made on the certificate of title or separate conforming odometer disclosure statement pursuant to the power of attorney is at least as great as that previously stated on the certificate of title and reassignment documents. The transferee shall complete the certification ~~shall be completed~~ in the designated space on the same form as that on which the power of attorney was executed and shall include each of the following:

(6) SHOWING POWER OF ATTORNEY TO PROSPECTIVE PURCHASER. Prior to the sale of a motor vehicle, a transferor who was granted a power of attorney by the previous owner and who holds title to the motor vehicle in the transferor's own name shall show to a prospective purchaser the copy of the previous owner's certificate of title and power of attorney form. If the transferor continues to hold the previous owner's certificate of title, the transferor shall show the certificate of title to a prospective purchaser, including the odometer disclosure statement which was completed on the certificate of title or separate conforming odometer disclosure statement by the transferor as power of attorney for the previous owner, and the completed power of attorney form.

SECTION 12. Trans 154.12 (1) and (2) are amended to read:

Trans 154.12 (1) REQUIREMENTS FOR DEALERS AND WHOLESALERS. Dealers and wholesalers who are required to execute an odometer disclosure statement upon transferring ownership of a motor vehicle shall retain for 5 years a photostat, electronic, carbon or other facsimile copy of each odometer disclosure statement which they issue and receive. They shall retain any electronic copies in a format that cannot be altered and that indicate any attempts to alter them. They shall retain all odometer disclosure statements at their primary place of business in a manner that is appropriate to business requirements and that permits

systematic and prompt retrieval, and they shall make the records ~~shall be made~~ available for inspection and copying by the department during reasonable business hours.

(2) REQUIREMENTS FOR LESSORS OF MOTOR VEHICLES. Lessors shall retain for 5 years following the day they transfer ownership of the leased motor vehicle each odometer disclosure statement which they receive from a lessee. They shall retain any electronic copies in a format that cannot be altered and that indicate any attempts to alter them. They shall retain all odometer disclosure statements at their primary place of business in a manner that is appropriate to business requirements and that permits systematic and prompt retrieval and the records shall be made available for inspection and copying by the department during reasonable business hours.

SECTION 13. Trans 154.12 (5) is created to read:

(5) DEPARTMENT REQUIREMENTS FOR ELECTRONIC ODOMETER DISCLOSURE. The department shall retain any electronic odometer disclosure statement for a minimum of 5 years in compliance with the requirements of s. Trans 154.16 and shall make the statement available upon request to dealers, wholesalers, lessors, auction pools, salvage pools, and salvage dealers for retrieval at their primary place of business and inspection on demand by law enforcement officials. Dealers, wholesalers, lessors, auction pools, salvage pools, and salvage dealers are not required to, but may, retain a copy of an electronic odometer disclosure statement.

SECTION 14. Trans 154.15 (1) and (2) (intro.) are amended to read:

Trans 154.15 (1) TITLE TO INCLUDE ODOMETER READING. ~~Each~~ The department shall not issue a certificate of title issued to a transferee by the department shall include unless it includes a printed or electronic odometer reading to reflect the odometer reading which was disclosed by the transferor in conjunction with the transferor's assignment or reassignment of ownership and odometer disclosure to the transferee. If there is no transfer of ownership involved and the department is issuing the certificate of title to the same owner as named on the previous title, the odometer reading and the associated date which is ~~printed~~ provided on the certificate of title shall be the same as that ~~printed~~ provided on the previous title, unless the odometer information is being corrected by the department.

(2) TITLE TO INCLUDE NOTATION WHICH CLARIFIES ODOMETER READING. (intro.) ~~Each~~ The department shall not issue a certificate of title issued by the department shall include unless it includes, in conjunction with the printed or electronic odometer reading, a notation which clarifies the odometer reading. The notation shall be based on the transferor's odometer disclosure to the transferee, the notation printed on a certificate of title issued by another jurisdiction or from information gained as the result of an investigation of the vehicle's odometer history and shall be limited to the following:

SECTION 15. Trans 154.16 is created to read:

Trans 154.16 Additional requirements for electronic odometer disclosure. (1) ELECTRONIC TITLE SYSTEM REQUIREMENTS. No person may employ any electronic title system to create, store, or maintain an electronic document, record, or other information subject to this chapter that does not do all of the following:

(a) Record the dates and times when any person creates, signs, or accesses the electronic document, record, or other information.

(b) Record the dates and times when any person makes an unauthorized attempt to alter or modify the electronic document, record, or other information.

(c) Record any unauthorized alterations or modifications made to the electronic document, record, or other information.

(2) ELECTRONIC RETENTION. Any electronic odometer disclosure described in this chapter shall be retained in accordance with all of the following requirements:

(a) In a format which cannot be altered unless such alterations are made as authorized by the department, and which indicates any unauthorized attempts to alter it.

(b) In an order that permits systematic retrieval.

(c) For a minimum of 5 years following conversion to a physical form or record, issuance of a subsequent title by the department or another jurisdiction, or permanent destruction of the vehicle; otherwise, the record shall be retained pursuant to any applicable records retention schedule.

(3) ELECTRONIC ODOMETER DISCLOSURE SIGNATURE REQUIREMENT. No person shall execute an electronic signature on an odometer disclosure without identifying an individual, regardless of whether the person is signing on behalf of an organization. If the individual executing the electronic signature is acting in a business capacity or otherwise on behalf of another individual or entity, the individual shall also identify the business or other individual or entity when the signature is made. Any person who executes an electronic signature on an odometer disclosure made in connection with a transfer by a licensed dealer or at an auction sale need only identify the individual executing the signature and the dealer transferring the vehicle or auction entity conducting the sale.

(4) ELECTRONIC NOTIFICATION. Any person required under this chapter to disclose, issue, return, notify, or otherwise provide information to another person in the course of an electronic odometer disclosure satisfies that requirement by electronically transmitting the required information or otherwise making the required information available electronically to the party required to review or receive it.

(5) ELECTRONIC COPIES OF PHYSICAL RECORDS. No person may convert physical documents employed to comply with any of the requirements of this chapter by scanning or imaging to an electronic format unless the resulting electronic format satisfies all of the following:

(a) It maintains and preserves the security features incorporated in the physical document so that any alterations or modifications to the physical document can be detected in the electronic format.

(b) If converted by scanning, the scan is made at a resolution of not less than 200 dpi.

SECTION 16. EFFECTIVE DATE. This rule shall take effect on the first day of the month following publication in the Wisconsin Administrative Register as provided in s. 227.22 (2) (intro.), Stats.

(END OF RULE TEXT)

Signed this ____ day of _____ 2025.

Kristina Boardman
Secretary
State of Wisconsin Department of Transportation