

Chapter MVD 27

MOTOR VEHICLE MANUFACTURER'S LICENSES

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MVD 27.01 Purpose. The purpose of this chapter is:

(1) To establish the administrative interpretation of the terms "manufacturer" as used in section 218.01 (1) (n), Wis. Stats., and "new motor vehicle" as used in section 218.01 (3) (a) 27, Wis. Stats., for the purposes of determining whether persons who are engaged in modifying or converting previously assembled or manufactured motor vehicles are eligible for motor vehicle manufacturer's licenses and are thereby authorized to issue certificates of dealer appointment for motor vehicle dealer licensing purposes under section 218.01 (2) (bc), Wis. Stats., and implementing the enforcement of section 218.01 (3) (a) 27, Wis. Stats.; and

(2) To prescribe procedures for issuing manufacturer's statements of origin (MSO's) and the titling and registration of modified or converted vehicles and of vehicles assembled or manufactured by final stage manufacturers.

History: Emerg. cr. eff. 4-7-77; cr. Register, November, 1977, No. 263, eff. 12-1-77.

MVD 27.02 Applicability. The provisions of this chapter relating to eligibility for motor vehicle manufacturer's licenses and motor vehicle dealers' licenses for the sale or distribution of new motor vehicles shall apply to all such licenses issued on or after the effective date of this rule and shall apply to any renewal of any such license that was issued prior to the effective date of this rule.

History: Emerg. cr. eff. 4-7-77; cr. Register, November, 1977, No. 263, eff. 12-1-77.

MVD 27.03 Definitions. In this chapter:

(1) "Complete motor vehicle" means a motor vehicle that requires no further manufacturing or assembly operations, other than the addition of readily attachable components such as mirrors, seats, or tire or rim assemblies, or minor finishing operations such as painting, to be legally operable on a public highway for the purpose of transporting persons or property. The term does not include a chassis unit with or without cab intended for completion as a motor home or as a motor truck with permanently installed equipment designed for non-transportation purposes such as, but not limited to, cranes, backhoes and the like.

(2) "Converter" means any person engaged in modifying or converting previously assembled or manufactured complete motor vehicles.

(3) "Final stage manufacturer" means a person who performs such manufacturing operations on an incomplete vehicle that it becomes a complete vehicle and who owns the completed vehicle.

(4) "Major manufacturing alteration" means:

(a) Any alteration or modification that substantially changes the original configuration, structure or specifications of basic components of a previously assembled or manufactured complete motor vehicle.

(b) The term also includes the permanent installation of special equipment designed for ambulance or mortuary purposes or for transportation of physically handicapped persons confined to wheelchairs.

(c) The term also includes conversion of motor vehicles for use as motor homes as defined in subsection (6).

(d) The term does not include alterations involving only:

1. The addition, substitution, or removal of readily attachable components such as mirrors, seats, or tire or rim assemblies;

2. Minor finishing operations such as painting, carpeting or other decorative trimming;

3. Installation of windows or skylights;

4. Installation in a vehicle, other than a motor home, of bed frames, cabinets, televisions, sound reproduction systems or other interior appliances designed for accommodating passengers;

5. Any combination of alterations enumerated in subsds. 1 to 4; or

6. Roof extensions.

(5) "Manufacturing" as applied to a converter means the installation on a previously assembled or manufactured complete vehicle of a special body or equipment that when installed forms an integral part of the motor vehicle and constitutes a major manufacturing alteration.

(6) "Motor home" means a motor vehicle designed to be operated upon a highway for use as a temporary or recreational dwelling and having the same internal characteristics and equipment as a mobile home, including:

(a) A water supply system including plumbing, a faucet and a sink, designed as either self-contained, or for connection with an external water supply, or both;

(b) Permanently installed cooking facilities;

(c) A permanently installed ice box or mechanical refrigeration unit;

(d) Dining facilities;

(e) Sleeping facilities;

(f) A permanently installed electrical system, either separate from the vehicle's engine electrical system or an external electrical power source, or both;

(g) A minimum of 6 feet of headroom within the interior living space provided by either a permanently installed rigid roof extension or a mechanically operated expandable roof extension.

(7) "New motor vehicle" means any motor vehicle that has not been privately titled and that has not been operated more miles than required for pre-delivery test, dealer exchange and delivery. For the purpose of this chapter and section 218.01 (3) (a) 27, Wis. Stats., "new motor vehicle" includes an "executive" motor vehicle, as defined in section MVD 24.01 (2) (a), and a "demonstrator" motor vehicle, as defined in section MVD 24.01 (2) (b).

(8) "Privately titled" means a vehicle titled by a private individual or any party other than a licensed motor vehicle manufacturer, distributor, wholesaler, or dealer.

(9) "Used motor vehicle" means any motor vehicle other than a new motor vehicle.

History: Emerg. cr. eff. 4-7-77; cr. Register, November, 1977, No. 263, eff. 12-1-77.

MVD 27.04 Issuance of motor vehicle manufacturer's licenses to converters. (1) A converter is eligible for a motor vehicle manufacturer's license only if the converter is engaged in manufacturing as defined in section MVD 27.03 (5) and the converter owns the completed unit on which the converter's manufacturing operations were performed.

(2) A converter is not required to possess a valid motor vehicle manufacturer's license in order to perform manufacturing operations on motor vehicles owned by another manufacturer, distributor, licensed dealer or other person.

History: Emerg. cr. eff. 4-7-77; cr. Register, November, 1977, No. 263, eff. 12-1-77.

MVD 27.05 Issuance of motor vehicle wholesaler's licenses to converters. (1) A converter is eligible for a motor vehicle wholesaler's license if:

(a) The converter modifies or converts new complete motor vehicles;

(b) The conversion work does not constitute manufacturing as defined in section MVD 27.03 (5); and

(c) The converter owns the completed unit on which the converter's conversion operations were performed.

(2) A converter operating under a valid motor vehicle wholesaler's license may:

(a) Be assigned and may reassign original manufacturer's statements of origin (MSO's); and

(b) Operate the converted vehicles on a public highway with distributor plates assigned to the converter.

(3) A converter operating under a valid motor vehicle wholesaler's license may not:

(a) Engage in retail sales of the vehicles without a motor vehicle dealer's license and without being franchised by the original manufacturer to sell new motor vehicles of that type and make;

(b) Issue its own manufacturer's statements of origin; or

(c) Appoint as its own franchised dealers any dealer that is not already franchised to sell new motor vehicles of the same make and type as the converted vehicle.

History: Emerg. cr. eff. 4-7-77; cr. Register, November, 1977, No. 263, eff. 12-1-77.

MVD 27.06 Titling and registration procedures. (1) (a) New motor vehicles that are modified or converted under a valid motor vehicle manufacturer's license shall be initially titled and registered with the vehicle name and vehicle identification number assigned by the converter-manufacturer. The converter shall issue a secondary manufacturer's statement of origin (MSO) and shall assign the MSO to its own franchised motor vehicle dealer offering the converted vehicle for sale to retail purchasers.

(b) The department may also require the filing of the original MSO issued by the primary manufacturer as a prerequisite to titling and registration of particular converted vehicles and may include the original vehicle name and vehicle identification number on the certificate of title if it determines that:

1. Notwithstanding the manufacturing alterations performed on the vehicle, the vehicle's general appearance may create confusion with respect to its actual identification; or

2. The retention of the original manufacturer's assigned vehicle name and vehicle identification number on the certificate of title and registration record will assist law enforcement agencies in enforcing the vehicle titling and anti-theft law or will serve to protect the public by assisting the original manufacturer's vehicle recall safety campaigns.

(2) New motor vehicles that are not modified or converted under a valid motor vehicle manufacturer's license shall be initially titled and registered with the vehicle name and vehicle identification number assigned by the original manufacturer. The department may also include on the certificate of title such information relating to the identity of the converter as it deems necessary to protect the interests of the buying public and to assist the law enforcement agencies.

(3) New motor vehicles that are manufactured or assembled by a final stage manufacturer under a valid motor vehicle manufacturer's license shall be initially titled and registered with the vehicle name and vehicle identification number assigned by the final stage manufacturer. The department may also include on the certificate of title such information relating to the identity of the original manufacturer as it deems necessary to protect the interests of the buying public and to assist law enforcement agencies.

(4) Used motor vehicles that are modified or converted under a valid motor vehicle manufacturer's license and modified or converted used vehicles, such as semi-trailers, that are required to be registered by law, shall be initially titled and registered with the vehicle name

and vehicle identification number assigned by the converter-manufacturer. The department shall also require information relating to the converted vehicle's previous title and registration, including the vehicle's original vehicle name and vehicle identification number, and shall include such information on the title certificate and in the registration files.

History: Emerg. cr. eff. 4-7-77; cr. Register, November, 1977, No. 263, eff. 12-1-77.