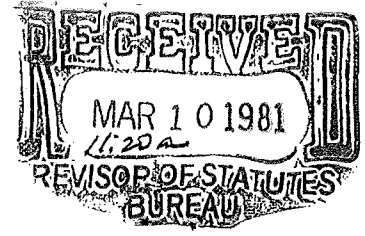


MVD 9

C E R T I F I C A T E



STATE OF WISCONSIN )  
DEPARTMENT OF TRANSPORTATION ) SS

TO ALL TO WHOM THESE PRESENTS SHALL COME, GREETINGS:

I, Lowell B. Jackson, Secretary of the Wisconsin Department of Transportation and custodian of the official records of the department, do hereby certify that the annexed rule TRANS 136, relating to Motor Vehicle Salvage Dealer Licensing, Facilities and Records, was duly approved and adopted by this department in accordance with s. 227.026(1), Stats.

I further certify that the annexed copy has been compared by me with the original on file in this department and that the same is a true copy thereof, and of the whole of such original.



IN TESTIMONY WHEREOF, I have hereunto set my hand and affixed the official seal of the Department of Transportation in the City of Madison, Wisconsin, this 10th day of March, 1981.



Lowell B. Jackson, P.E.  
Secretary

SECTION I

STATE OF WISCONSIN

DEPARTMENT OF TRANSPORTATION  
OFFICE OF THE SECRETARY

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In the Matter of The Proposed	:	
Renumbering and Amendment of	:	PROPOSED
Chapter MVD 9, <u>Wis. Admin.</u>	:	ORDER ADOPTING
Code, Relating to Motor	:	RULES
Vehicle Salvage Dealer	:	
Requirements.	:	

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Analysis by the Department of Transportation

This proposal involves the renumbering and amendment of Chapter MVD 9 to TRANS 136, as part of an overall restructuring and revision of departmental rules. In addition, the following substantive changes are being proposed:

1.) An addition to TRANS 136.01(1) codifies present practice requiring license applications be in the name of the business and not the personal name of the individual applicant.

2.) TRANS 136.01(3) provides that salvage dealers who do not have a salvage yard may not dismantle vehicles and sell parts. If there is no established yard, these dealers must have obtained the approval of local authorities required by s. 218.22(1)(b)2, Stats. to only transport salvage vehicles directly to salvage yards or salvage metal processors. This provision is being included because of concern expressed by local government that only salvage dealers who have an established yard in a properly zoned area be permitted to store and dismantle salvage vehicles.

3.) Under s. 218.23(1), Stats., either the title or bill of sale may be submitted to the department. TRANS 136.02(1) clarifies and codifies present procedures that salvage dealers must submit to the department either the title or bill of sale for each salvage vehicle purchased. Only the first salvage dealer obtaining a salvage vehicle is required to submit the title or bill of sale. Subsequent sales of salvage vehicles between licensed salvage dealers shall be by bill of sale only.

4.) The specific contents of the bills of sale are prescribed in TRANS 136.02(2) (forms will be furnished by the department at no cost).

5.) The method of entering salvage vehicle purchases in permanent records is prescribed in TRANS 136.03. Also, records must be kept for at least 5 years; at present, no time limit is set. This requirement is consistent with repair record requirements set by the Department of Agriculture, Trade and Consumer Protection and sales record retention requirements in MVD 13, Wis. Adm. Code.

6.) Standards for separating business activities involving combination salvage and regular dealer facilities are established in TRANS 136.04. This is a new provision to codify minimum physical separation of salvage vehicles and vehicles offered for sale for highway use, to help ensure consumers are not purchasing junked vehicles.

#### Fiscal Estimate

It is expected that the \$300-\$400 required annually to supply bill of sale forms to salvage dealers will be offset by increased efficiency in clearing title records as a result of specifying uniform procedures and forms. Thus, the amendments contained in this proposal will have no net fiscal effect on the Department of Transportation.

#### Forms

A bill of sale form for sale of a vehicle for salvage purposes is prescribed in the rule. The Department will provide these forms upon request at no cost. The form has not yet been printed but will contain the information and generally be in the format described in TRANS 136.02(2) and will be printed and available upon adoption of the rule.

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A copy of the proposed rule may be obtained upon request from the Wisconsin Department of Transportation, Division of Motor Vehicles, Room 255, Hill Farms State Office Building, 4802 Sheboygan Avenue, Madison, Wisconsin, 53702, (608) 266-2233.

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In the Matter of the Proposed	:	
Renumbering and Amendment of	:	TEXT OF
Chapter MVD 9 to TRANS 136,	:	PROPOSED
Wis. Admin. Code, Relating to	:	RULE
Motor Vehicle Salvage Dealer	:	
Requirements.	:	

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Pursuant to authority vested in the Department of Transportation by sections 110.06, 218.25 and 227.014, Stats., the Department proposes to renumber, amend and adopt rules interpreting sections 218.21, 218.22(4)(c) and (5), and 218.23, Stats., as follows:

RULE TEXT

SECTION 1. Chapter MVD 9, Wisconsin Administrative Code, is renumbered chapter TRANS 136.

SECTION 2. Section TRANS 136.01 of the Wisconsin Administrative Code, as renumbered, is amended to read:

Section TRANS 136.01 LICENSING OF MOTOR VEHICLE SALVAGE DEALERS.  
 (1) Applications. Any person, partnership or corporation applying to the ~~Division of Motor Vehicles~~ department for a motor vehicle salvage dealer's license under s. 218.20, Stats., shall make such application on the prescribed form MVD-2180; -"Application for Motor Vehicle Salvage Dealer License." Such application shall be made in the salvage business name and not in the personal name of the applicant.

(2) Transfer Or Discontinuance Of Business. When a motor vehicle salvage business is sold or otherwise discontinued, the current license for that business shall be returned immediately to the Division-of-Motor-Vehicles: department. Any new owner of the business must submit a new license application, with the annual license fee of-\$25, to the Division-of-Motor-Vehicles: department.

(3) Limited Operations By Dealers With No Salvage Yard. Salvage dealers who have no established salvage yard shall transport salvage vehicles directly to salvage yards or scrap metal processors and are prohibited from removing and selling reusable parts, except for tires, batteries and gas tanks which are normally removed prior to delivery to processors.

SECTION 3. Section TRANS 136.02(1) of the Wisconsin Administrative Code, as renumbered, is amended to read:

Section TRANS 136.02 TRANSFER OF VEHICLES. (1) Certificates of Title: Or Bills of Sale. ~~When-any-vehicle-is-purchased-for wrecking; Whenever a vehicle is first sold for salvage purposes to a licensed salvage dealer, such dealer shall mail the certificate of title thereto; or bill of sale if used, before-being-mailed to the DIVISION-OF-MOTOR-VEHICLES department within 30 days. in-compliance with-section-218:23(1);-Wis:-Stats:-; -shall-have-the-words-"JUNKED BY"-clearly-stamped;-printed-or-written-on-its-face.--The-name-of the-salvage-dealer-person;-firm-or-corporation-shall-be-shown-adjacent thereto: Such dealer shall clearly indicate on the title or bill of sale the words "JUNKED BY" and the name of the salvage dealer.~~

Subsequent sales of salvage vehicles between licensed salvage dealers shall be by bill of sale only and a copy shall be retained by the selling and purchasing dealer.

SECTION 4. Section TRANS 136.02(2) of the Wisconsin Administrative Code, as renumbered, is repealed and recreated to read:

Section TRANS 136.02(2) Bills Of Sale. (a) If a salvage dealer purchases a vehicle for salvage purposes and the seller is unable to furnish proper certificate of title, the salvage dealer shall, as a condition of purchase, require the seller to complete and furnish a bill of sale on such form as prescribed in par. (c).

(b) If a salvage dealer purchases a vehicle for salvage purposes and subsequently resells the entire vehicle, the salvage dealer shall furnish a bill of sale on such form as prescribed in par. (c).

(c) Bills of sale shall contain all information as prescribed on a form provided by the department, a sample copy of which is provided below:

I, the owner \_\_\_\_\_  
whose address is \_\_\_\_\_  
do hereby sell to \_\_\_\_\_  
one 19\_\_ (make) \_\_\_\_\_ (Ident #) \_\_\_\_\_  
for the sum of \$ \_\_\_\_\_. (sales price is optional).

I, the owner, hereby affirm that there are no outstanding liens  
against the above described vehicle, that I have the legal right  
to sell such vehicle, and that the certificate of title has been  
either (check one):

Lost or destroyed, OR

Marked "JUNKED" and surrendered to the Department of Trans-  
portation.

Owner's identity verified by either:

Driver's license # \_\_\_\_\_, OR

Credit card # \_\_\_\_\_ with \_\_\_\_\_ company.

Owner (seller) Signature \_\_\_\_\_ date \_\_\_\_\_

Purchaser Signature \_\_\_\_\_ date \_\_\_\_\_

SECTION 5. Section TRANS 136.03 of the Wisconsin Administrative  
Code, as renumbered, is amended to read:

Section TRANS 136.03 RECORD KEEPING. (1) Type Of Records Re-  
quired. Records of vehicles purchased or acquired for salvage pur-  
poses shall be kept in a permanently bound book of not less than 8  
1/2" x 11" in size, containing consecutively pre-numbered pages with  
horizontal line ruling. Initial purchase entries shall be made  
immediately as each vehicle is acquired. When the title or bill of

sale is forwarded to the department, the date shall be entered on the same line. All entries shall be consecutively entered in ink and be legible. No blank horizontal lines will be allowed. Vertical dividing lines shall be provided, and may be manually drawn, to divide the following information as shown:

Date Acquired	Acquired from (Name and address)	Year-Make- <u>Eng. Ident. No.</u>	Date title or bill of sale <u>TomVD DOT</u>

~~All entries shall be legible and in ink. No entry shall be erased, obliterated or eradicated. If the entry is void, a single line drawn through the entry shall so indicate.~~

(2) Retention And Availability For Inspection. The record book or books shall be maintained for 5 years, shall be kept in the place of business during business hours and shall be open to inspection by any ~~authered~~ authorized representative of the ~~division of motor vehicles.~~ department.

SECTION 6. Section TRANS 136.04 of the Wisconsin Administrative Code is created to read:

Section TRANS 136.04 COMBINATION SALVAGE-MOTOR VEHICLE DEALER OPERATIONS. (1) The following physical separation and sign requirements apply only to combination salvage-motor vehicle dealer operations at the same business location.



(2) "Physical separation" as required by s. 218.22(5), Stats., means a physical separation by natural barrier, fence or wall, so designed that a vehicle may not enter. Issuance of license is subject to approval by the department after inspection by one of its agents.

(3) Where the physical separation is by natural barrier, including plantings of trees or shrubs, such barrier shall be not less than four (4) feet in height.

(4) Where the physical separation is by fence or wall, or a combination thereof, such barrier shall be constructed of rigid durable material and shall be not less than four (4) feet in height.

(5) The salvage yard area may be connected with the motor vehicle dealer area by means of gates or doors to be kept closed except when moving salvage vehicles or used parts into or from the salvage area. Any gate or door shall meet the construction specifications noted in sub. (4).

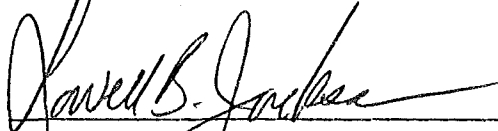
(6) To further identify the salvage yard, a sign shall be prominently displayed near the principal point of entrance to the salvage yard. Such sign shall be not less than 24" x 48", shall state "Salvage Yard" and shall be plainly visible.

(END)

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The rules contained in this order shall take effect upon publication as provided in s. 227.026(1) (intro.), Stats.

Signed at Madison, Wisconsin  
This 12<sup>th</sup> day of January, 1981



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Lowell B. Jackson, P.E.  
Secretary  
Wisconsin Department of Transportation