CR 86-14

## CERTIFICATE

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APR 1 8 1986

**Revisor** of Statutes

Bureau

STATE OF WISCONSIN ss. DEPARTMENT OF TRANSPORTATION

TO ALL TO WHOM THESE PRESENTS COME, GREETINGS:

I, Lowell B. Jackson, Secretary of the Department of Transportation and custodian of the official records of the Department, do hereby certify that the annexed rule relating to motor vehicle trade practices was duly approved and adopted by this Department on April 18, 1986.

I further certify that this 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 hereonto set my hand and affixed the official seal of the Department at the Hill Farms State Office Building in the City of Madison, Wisconsin, this 18th day of April, 1986.

For LOWELL B. JACKSON, P.E. Secretary Wisconsin Department of Transportation

## STATE OF WISCONSIN DEPARTMENT OF TRANSPORTATION OFFICE OF THE SECRETARY

AN ORDER of the Department of Transportation amending Chapter TRANS 139,

Wisconsin Administrative Code, relating to motor vehicle manufacturer's

license and sales of new motor vehicles by dealers.

### CR 86-14

#### Analysis Prepared by the Wisconsin Department of Transportation

General summary of rule. The Federal Trade Commission codified a Used Motor Vehicle Trade Regulation Rule effective May 9, 1985. That federal rule requires used car dealers to post a window sticker on all used vehicles offered for sale.

Because Wisconsin already requires a window sticker, the Wisconsin Department of Transportation requested an exemption from the federal rule. The FTC granted Wisconsin a temporary stay exempting Wisconsin from the federal rule. Recently the FTC granted Wisconsin another stay of the effective date of the federal rule until June 3, 1986. In October 1985, FTC staff asked the Wisconsin Department of Transportation to make certain changes in its existing window sticker to more closely conform with the federal window sticker. These changes will enhance Wisconsin's chances of obtaining a permanent FTC exemption.

The changes in the Wisconsin disclosure law include provisions on spoken promises, pre-purchase inspection and specific warranty data.

<u>Initial Regulatory Flexibility Statement</u>. This rule does not have any appreciable burdensome effects upon any businesses, including small businesses.

Fiscal effect. This rule change will not have any appreciable fiscal effect upon the state, local governments or any private business or persons.

Person to contact for further information is Charles Supple, (608) 266-1425.

#### ORDER ADOPTING RULE

Pursuant to the authority vested in the state of Wisconsin, department

of transportation, by s. 218.01(5), Stats., the department of transportation

hereby amends ch. TRANS 139, Wis. Admin. Code, as follows:

SECTION 1. TRANS 139.04(6)(a)4, Wis. Admin. Code, is amended to read: Trans 139.04(6)(a)4. The basic terms and conditions of warranty, if offered, identifying the systems covered using such terms as engine, transmission, differential, cooling system or electrical system and specifying the duration of the warranty and the percentage of any repair costs to be paid by the consumer. Use of the terms "power train" or "drive train" to describe systems covered is prohibited.

SECTION 2. TRANS 139.04(6)(b), Wis. Admin. Code, is amended to read: Trans 139.04(6)(b) The used vehicle label required by par. (a) shall also include the following statement statements:

<u>1.</u> "All required safety equipment items below, except those marked "Not OK", are in legal operating condition. WARNING: Until all "Not OK" items are corrected, this vehicle cannot be legally operated on Wisconsin highways and may not be safe."

2. "Independent Inspection: Ask the dealer if you may have a more detailed inspection of this vehicle done by your mechanic on or off the display lot."

3. "IMPORTANT: Spoken promises are difficult to enforce. Ask the dealer to put all promises in writing."

SECTION 3. TRANS 139.06(1)(c), Wis. Admin. Code, is amended to read: Trans. 139.06(1)(c) Parts covered. <u>Use of the terms "power train" or</u> "drive train" to describe parts or systems covered is prohibited.

(End)

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This rule shall take effect upon publication as provided in sec. 227.026(1)(intro.), Stats.

Dated at Madison, Wisconsin, this  $18^{77}$  day of Port, 1986. Deputy Sax

For LOWELL B. JACKSON, P.E. Secretary Wisconsin Department of Transportation



State of Wisconsin \ DEPARTMENT OF TRANSPORTATION



April 17, 1986

DIVISION OF MOTOR VEHICLES 4802 Sheboygan Avenue P.O. Box 7949 Madison, WI 53707-7949

Mr. Gary Poulson Assistant Revisor of Statutes 30 On The Square Suite 904 Madison, Wisconsin 53702

Re: Clearinghouse Rule Relating to motor vehicle manufacturer's license and sales of new motor vehicles by dealers; Trans 139

Dear Mr. Poulson:

Enclosed for filing, pursuant to sec. 218.01(5), Wis. Stats., is a certified copy of CR 86-14, an administrative rule relating to motor vehicle manufacturer's license and sales of new motor vehicles by dealers. An additional, uncertified copy of CR 86-14 is enclosed to be used as a printer's copy. This rule is submitted by the Wisconsin Department of Transportation.

Sincerely, Lynnette M. Bollant

Lýnneťte M. BoIlant Program Assistant

Enclosures cc: Sue Gallagher DOT Office of Transportation Information Connie Keator