

## **NOTICE OF PROPOSED GUIDANCE DOCUMENT**

Title for Lienholder – For Dealers

Pursuant to Wis. Stat. s. 227.112, the Wisconsin Department of Transportation is hereby seeking comment on Title for Lienholder – For Dealers s.218, 341, 342, Trans 154 a proposed guidance document.

### **PUBLIC COMMENTS AND DEADLINE FOR SUBMISSION**

Comments may be submitted to the Wisconsin Department of Transportation for 21 days by:

1. Department's website:

<https://appengine.egov.com/apps/wi/dot/guidance-docs?guidDocId=DMV338>

2. Mailing written comments to:

Division of Motor Vehicles  
Wisconsin Department of Transportation  
4822 Madison Yards Way  
PO Box 7336  
Madison, WI 53707-7336

### **WEBSITE LOCATION OF FINAL GUIDANCE DOCUMENT**

The final version of this guidance document will be posted at [wisconsindot.gov](http://wisconsindot.gov) to allow for ongoing comment.

### **AGENCY CONTACT**

[DOTDMVGuidanceDocs@DOT.WI.GOV](mailto:DOTDMVGuidanceDocs@DOT.WI.GOV)



## State of Wisconsin Department of Transportation

[DMV ONLINE SERVICES](#) ▼[DMV INFO](#) ▼[DOING BUSINESS](#) ▼[TRAVEL](#) ▼[SAFETY](#) ▼[PROJECTS AND STUDIES](#)[ABOUT WISDOT](#) ▼

# Title to lien holder – for dealers

[Online services](#)[Vehicles](#)[Titles](#)[Plate guide](#)[Special plates](#)[Motor carriers](#)[DMV customer service  
centers](#)[Forms](#)[Drivers](#)

On July 30, 2012, Wisconsin joined other states in becoming a title to lien holder (lender) state. This means that any title with a lien (loan) listed on or after July 30, 2012, will be sent to the lien holder rather than the owner. For dealers:

- Any title with a lien (loan) listed on or after July 30, 2012, will be sent to the lien holder rather than the owner. Lien holders may choose to receive either paper or electronic titles.
- Wisconsin motor vehicle dealers may still take vehicles on trade without the customer having a physical title in hand.
- Wisconsin and federal odometer laws allow the use of a secured Power of Attorney when the title is held by the lien holder (see [Trans Rule 154](#)).
- The Division of Motor Vehicles (DMV) will gradually publish more information on title to lien holder procedures. Please visit this page frequently for more details regarding how this affects

dealer title processing.

## Selling vehicles

Throughout the transition and implementation of title to lien holder laws, dealers can put a vehicle for sale on the lot if all of the following are true:

- You possess proper odometer and title transfer documentation.
- All liens on the vehicle are paid.
- You have verified that the lien holder has the title.
- You have access to the current DMV title record.

## Accepting trades

Wisconsin motor vehicle dealers may take vehicles on trade without the customer having a physical title in hand. Wisconsin and federal odometer laws allow the use of a secured Power of Attorney when the title is held by the lien holder. Contact your forms provider for information on form MV2690 availability (see [Trans Rule 154](#)).

## Electronic verification of vehicle ownership

- Dealers should verify that a customer's title is held by a lien holder. This can be done electronically whether the title is electronic or paper.
- All dealer processing systems, including vendors and eMV11, will indicate whether the title is held by the lien holder.

## Electronic title processing

Dealers that currently are not signed up to process titles electronically can choose from the following options:

- [eMV11](#)
- [CVR](#)
- [Dealertrack](#)

More information is available on the [Title and registration processing page](#).

## Dealer trade-in and resale of vehicles where the title is held by a lien holder

- Wisconsin dealers have been required to process applications electronically for many years.
- The same systems Wisconsin dealers use to process titles into a new owner's name give them access to the controlling electronic record, which can be viewed as the title when the paper or electronic version is held by a lien holder.
- Once a Wisconsin dealer has verified that the title is held by a lien holder, they may use a secure power of attorney form to disclose mileage and transfer ownership from a potential customer into their name.

## Wholesaling or retailing a vehicle

- If a Wisconsin dealer chooses to wholesale the vehicle, they should wait for a clear title to be issued and sent to them as the selling dealer is required to provide the paper title to the purchasing dealer within 14 days of sale.
- In the event that a Wisconsin dealer chooses to retail a vehicle, they may use the electronic

version of the title to put the vehicle up for retail sale.

## Items to keep in the deal jacket:

- A copy of the electronic record of the title as it appeared upon sale of the vehicle.
- A copy of the electronic record of the title as it appeared at the time of processing the vehicle, if this record differs from the record at time of sale.
- A copy of the secured Power of Attorney form with transfer of ownership and odometer disclosure statements.
- All other relevant materials kept in the deal jacket prior to title to lien holder implementation.

## Following a purchase, follow these steps to reassign ownership during the first phase of the title to lien holder implementation

- Recheck the electronic record to make sure the most current title record is still held by a lien holder.
- If title is held by a lien holder, pend or process the title transfer to the final purchaser using your electronic titling system, certifying the release of lien as you normally do.
- Send original POA, a copy of the electronic record, MV11 and any other pertinent information to DMV following the normal imaging requirements.
- If title has been released by lien holder, contact original seller who signed POA to the dealership to obtain clear, original title. The customer does not have to come back to the dealership, as the POA is still valid. The dealership will use the clear title to process electronically and will not be asked to certify the release of lien.
- Send paperwork to DMV following the normal imaging requirements.

## For more information:

- [Subscribe to the WisDOT motor vehicle dealer mailing list](#)

Questions about the content of this page:

Agent Partnership Unit, [vehicleliens@dot.wi.gov](mailto:vehicleliens@dot.wi.gov)

Call: (608) 266-3566

### Contact Information

[Contact Us](#)

[Support](#)

[Translate website](#)

[Traducir el sitio de web](#)

[翻譯網站](#)

[Website übersetzen](#)

[ترجمة الموقع](#)

[Txhais website](#)

[웹 사이트 번역](#)

[Перевести сайт](#)

### Forms/Notices

[Acceptable use policy](#)

[Forms](#)

[Legal notices](#)

[Privacy policy](#)

[Software information](#)

### WisDOT Employees

[Employee information](#)

[PTA web](#)

[HR Self-Service](#)

[Travel Expenses](#)

[WisDOT LearnCenter](#)

