

## Chapter Trans 136

### MOTOR VEHICLE SALVAGE

Trans 136.01 Licensing of motor vehicle salvage dealers.  
Trans 136.02 Transfer of vehicles.

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Trans 136.04 Combination salvage—motor vehicle dealer operations.

**Trans 136.01 Licensing of motor vehicle salvage dealers. (1) APPLICATIONS.** Any person, partnership or corporation applying to the department for a motor vehicle salvage dealer's license under s. 218.20, Stats., shall make such application on the prescribed form. 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 department. Any new owner of the business must submit a new license application, with the annual license fee to the 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.

**History:** 1-2-56; am. (1) Register, August, 1957, No. 20, eff. 9-1-57; am. (1) Register, September, 1963, No. 93, eff. 10-1-63; am. (1) and (2), Register, February, 1969, No. 158, eff. 3-1-69; renum. from MVD 9.01 and am. (1) and (2), cr. (3), Register, April, 1981, No. 304, eff. 5-1-81.

**Trans 136.02 Transfer of vehicles. (1) CERTIFICATES OF TITLE OR BILLS OF SALE.** Whenever a vehicle is first sold for salvage purposes to a licensed salvage dealer, such dealer shall mail the certificate of title, or bill of sale if used, to the department within 30 days. 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.

**(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 Transportation.

Owner's identity verified by either:

Driver's license # \_\_\_\_\_

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

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

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

**History:** 1-2-56; am. (1) Register, August, 1957, No. 20, eff. 9-1-57; am. (1) Register, September, 1963, No. 93, eff. 10-1-63; am. (1) and (2), Register, February, 1969, No. 158, eff. 3-1-69; renum. from MVD 9.02 and am. (1), r. and recr. (2), Register, April, 1981, No. 304, eff. 5-1-81.

**Trans 136.03 Record keeping. (1)** (a) The following information shall be kept on motor vehicles acquired for salvage purposes:

1. Date of acquisition of the vehicle.
2. Name and address of the person from whom the vehicle was acquired.
3. The year, make and vehicle identification number, or VIN, of the vehicle.
4. The date the title or bill of sale is forwarded to the department.

**(b)** Persons requiring a license who do not maintain their records in an electronic data processing record keeping system shall maintain the information required in sub. (1) (a) in a permanently bound book of not less than 8½" × 11" in size, containing consecutively prenumbered 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-VIN	Date title or bill of sale to DOT

**(c)** Persons requiring a license who maintain their records in an electronic data processing record keeping system shall maintain the information required in par. (a) in compliance with the following requirements:

1. One record shall contain all of the information specified in par. (a).
2. Initial purchase entries shall be made immediately as each vehicle is acquired.
3. The information shall be accessible for inspection and shall be retrievable electronically by the date acquired and VIN.
4. All records shall be retrievable during the inspection and a printer shall be kept on site to provide hard copy if requested. Hard copy shall include all information in the same format specified in par. (b). Horizontal and vertical lines are not required.
5. There is an employee of the person requiring a license available to retrieve the records during the hours of operation of the business.

(d) Records of odometer and odometer chip sales and exchanges shall be kept as required by s. Trans 154.12 (4).

**(2) RETENTION AND AVAILABILITY FOR INSPECTION.** The information specified in sub. (1) (a) 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 authorized representative of the department. Persons requiring a license who maintain their used vehicle records as specified in sub. (1) (c) in an electronic data processing record keeping system can keep a hard copy of their records when memory limitations of the electronic system prohibit electronic storage for the specified period. Hard copy shall meet the following requirements:

(a) Hard copy shall include only those records of vehicles that have been disposed of. Incomplete records of vehicles acquired and still in inventory must be maintained on the electronic system until disposed of and the record is completed.

(b) Hard copy shall include all information in the same format as specified in sub. (1) (b). Horizontal and vertical line ruling shall not be required.

(c) Hard copy shall be printed in the order of the date acquired and each report shall contain at least 12 consecutive months of vehicle acquisitions.

(d) Hard copy shall contain system generated page numbers and the current date on every page.

**History:** 1-2-56; am. (2) Register, February, 1969, No. 158, eff. 3-1-69; renum. from MVD 9.03 and am., Register, April, 1981, No. 304, eff. 5-1-81; renum. (1) to be (1) (b) and am., cr. (1) (a), (c) and (d), (2) (a) to (d), am. (2), Register, January, 1996, No. 481, eff. 2-1-96.

**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 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 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" × 48", shall state “Salvage Yard” and shall be plainly visible.

**History:** Cr. Register, April 1981, No. 304, eff. 5-1-81; reprinted to correct error in (6), Register, February, 1997, No. 494.