

CHAPTER 351, Laws of 1975

AN ACT to amend 341.04 (1) and 342.16 (1) and (3); and to create 341.09 (2m) and 342.16 (2m) of the statutes, relating to temporary operation permits, acceptable vehicle registration applications, delivering of titles and applications to the division of motor vehicles and providing a penalty.

The people of the state of Wisconsin, represented in senate and assembly, do enact as follows:

SECTION 1. 341.04 (1) of the statutes is amended to read:

341.04 (1) It is unlawful for any person to operate or for an owner to consent to being operated on any highway of this state any motor vehicle, mobile home, trailer or semitrailer or any other vehicle for which a registration fee is specifically prescribed unless at the time of operation the vehicle in question either is registered in this state, or an application for registration accompanied by the required fee has been delivered to the division or deposited in the mail properly addressed with postage prepaid, or is exempt from registration.

SECTION 2. 341.09 (2m) of the statutes is created to read:

341.09 (2m) A receipt issued under s. 342.16 (1) by a dealer licensed in this state shall constitute a permit under this section if it complies with the requirements of this section.

SECTION 3. 342.16 (1) of the statutes is amended to read:

342.16 (1) If a dealer ~~buys~~ acquires a new or used vehicle and holds it for resale ~~and procures the certificate of title from the owner~~ he need not send the certificate of title or application for original certificate to the division. Upon transferring the vehicle to another person he shall immediately give such person on a form prescribed by the division a receipt for all title, registration, security interest and sales tax moneys paid to the dealer for transmittal to the division when required. He shall promptly execute the assignment and warranty of title, showing the name and address of the transferee and of any secured party holding a security interest created or reserved at the time of the resale and the date of his security agreement, in the spaces provided therefor on the certificate or as the division prescribes, and ~~mail or deliver the certificate~~ shall within 4 business days following the sale or transfer mail or deliver the certificate or application for certificate to the division with the transferee's application for a new certificate.

SECTION 4. 342.16 (2m) of the statutes is created to read:

342.16 (2m) (a) Notwithstanding the provisions of s. 342.13, upon the application of a dealer for the issuance of a certificate of title naming the dealer as owner of a vehicle purchased by the dealer and held for resale, the division shall issue the certificate of title to the dealer as soon as practicable after receipt of the application. If the original certificate of title is unavailable to the dealer at the time he obtains possession of the vehicle for resale because of any of the reasons stated in s. 342.13, the dealer shall obtain from the prior owner, on a form prescribed by the division, such prior owner's certification of the security interests presently existing in the vehicle and submit such certification to the division with the application. The dealer shall be liable to any person who shall incur damages by reason that a certificate of title issued pursuant to this subsection fails to disclose a presently existing security interest.

(b) The dealer shall have a cause of action against a prior owner for damages incurred by the dealer by reason of the owner's failure to accurately list all security interests on the certification form required by par. (a). Any person who wilfully fails to disclose an existing security interest on such certification form may further be required to forfeit not more than \$200.

SECTION 5. 342.16 (3) of the statutes is amended to read:

342.16 (3) Any dealer who fails to comply with ~~the requirements of sub. (2)~~ this section may be required to forfeit not more than \$200.
