

1987 Senate Bill 437

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1987 Wisconsin Act 351

AN ACT to renumber and amend 218.20, 218.21 (4) and 218.21 (5); to amend 84.31 (9), 218.22 (3) (a) and 218.22 (5); and to create 218.20, 218.21 (4) (b) and 218.21 (5) (b) of the statutes, relating to licensing of certain motor vehicle salvage dealers.

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

SECTION 1. 84.31 (9) of the statutes is amended to read:

84.31 (9) OTHER LAWS. Nothing in this section shall be construed to abrogate or affect any law or ordinance which is more restrictive than this section. The provisions of this section are in addition to and do not supersede the requirements under ss. 59.07 (38), 144.435 to 144.44, 175.25 and ~~218.20~~ 218.205 to 218.23, or rules or ordinances adopted thereunder which apply to junkyards. Provisions of this section apply to any junkyard licensed or permitted by a local unit of government or another state agency.

SECTION 2. 218.20 of the statutes is renumbered 218.205, and 218.205 (1) of the statutes, as renumbered, is amended to read:

218.205 (1) No person may ~~purchase and resell motor vehicles for wrecking, processing, scrapping, recycling, or dismantling purposes and no person may carry on or conduct the business of wrecking, processing, scrapping, recycling, or dismantling any~~ a motor

~~vehicle or selling parts thereof~~ salvage dealer unless licensed to do so by the department. Any person violating this section may be fined not less than \$25 nor more than \$200 or imprisoned for not more than 60 days or both.

SECTION 3. 218.20 of the statutes is created to read:

218.20 Definitions. In this subchapter:

(1) "Motor vehicle salvage dealer" means a person who purchases and resells motor vehicles for wrecking, processing, scrapping, recycling or dismantling purposes or who carries on or conducts the business of wrecking, processing, scrapping or dismantling motor vehicles or selling parts of motor vehicles so processed.

(2) "Scrap metal processor" means a motor vehicle salvage dealer who sells no motor vehicles or motor vehicle parts and whose business is limited to a fixed location at which machinery and equipment are utilized for the processing and manufacturing of iron, steel or nonferrous metallic scrap into prepared grades and whose principal product is scrap iron, scrap steel

or nonferrous metal scrap for sale for remelting purposes.

SECTION 4. 218.21 (4) of the statutes is renumbered 218.21 (4) (a) and amended to read:

218.21 (4) (a) Unless the applicant furnishes a bond, or other adequate collateral as security, of not less than \$25,000 under conditions provided by s. 218.01 (2) (h), every application shall be accompanied by a current financial statement to determine the applicant's solvency as required under sub. (1). Except as provided in par. (b), this paragraph does not apply to the application of a scrap metal processor.

SECTION 5. 218.21 (4) (b) of the statutes is created to read:

218.21 (4) (b) Paragraph (a) does not preclude the department from requiring an applicant who is a scrap metal processor to provide information relating to the applicant's solvency or financial standing if the applicant does not furnish a bond or other collateral as specified in par. (a) and the department has reasonable cause to believe that the applicant is financially insolvent.

SECTION 6. 218.21 (5) of the statutes is renumbered 218.21 (5) (a) and amended to read:

218.21 (5) (a) ~~When~~ Except as provided in par. (b), when a motor vehicle salvage dealer has an established

place of business in more than one municipality in this state, he or she shall make separate application and submit a separate license fee remittance for each such municipality. A motor vehicle salvage dealer who fails to apply for each such separate license may be required to forfeit not more than \$200.

SECTION 7. 218.21 (5) (b) of the statutes is created to read:

218.21 (5) (b) A scrap metal processor with an established place of business in more than one municipality may make a single application listing all places of business to be licensed and pay a single fee for the licensing of the listed places of business.

SECTION 8. 218.22 (3) (a) of the statutes is amended to read:

218.22 (3) (a) Proof of financial insolvency or other unfitness.

SECTION 9. 218.22 (5) of the statutes is amended to read:

218.22 (5) No salvage dealer licensed under ss. ~~218.20~~ 218.205 to 218.23 shall be licensed as a dealer under s. 218.01 (2) at his salvage dealer location, provided that nothing herein shall prohibit licensing and transacting of both businesses at the same location where the salvage operations are physically separated.
