

1993 Assembly Bill 537

Date of enactment: **March 17, 1994**  
Date of publication\*: **March 31, 1994**

# 1993 WISCONSIN ACT 159

AN ACT *to repeal* 342.16 (1m) and 342.16 (2m); *to renumber* 342.01 and 342.23 (2); *to renumber and amend* 341.10 (2), 342.10 (2), 342.11 (1) to (3) and 342.15 (1) (b); *to consolidate, renumber and amend* 347.415 (2) and (2m); *to amend* 218.01 (7a), 218.33 (2) (b), 341.10 (intro.) and (1), 341.10 (3), 341.10 (4), 342.05 (5), 342.06 (1) (intro.), 342.06 (1) (b), 342.10 (3), 342.11 (intro.), 342.14 (3m), 342.15 (1) (a), 342.15 (5), 342.16 (1) (a), 342.18 (4), 342.23 (4), 342.25 (1) (intro.), (a) and (b), 342.255 (3) and 347.415 (3) and (5); and *to create* 218.01 (7a) (c), 218.33 (2m), 218.52 (3) and (4), 340.01 (2q), 340.01 (35e), (35j) and (37m), 340.01 (71n) and (71p), 340.01 (74t), 341.10 (2) (a) and (b), 342.01 (2), 342.06 (1) (j), 342.10 (1) (dm), 342.10 (2) (a) 2 and 4, 342.11 (2) (a) and (b), (3) and (4), 342.155, 342.156, 342.157, 342.16 (1) (c) and (d), 342.16 (1g), 342.18 (4) (c), 342.23 (2) (b), 342.25 (1) (d) and 342.32 of the statutes, **relating to:** the transfer of ownership of motor vehicles, vehicle mileage disclosure requirements, vehicle titles and registrations, granting rule-making authority and providing penalties.

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

**SECTION 1.** 218.01 (7a) of the statutes is amended to read:

218.01 (7a) MOTOR VEHICLES. (a) ~~No~~ A motor vehicle ~~shall~~ may not be offered for sale by any motor vehicle dealer or motor vehicle salesperson unless the odometer reading thereon mileage on the motor vehicle is disclosed in writing by the ~~prior owners~~ transferor on the certificate of title or on a form authorized by the department to reassign the title to the dealer and the disclosure is subsequently shown to the retail purchaser by the dealer or salesperson prior to sale. ~~The disclosure requirement does not apply to a moped, motor bicycle, all-terrain vehicle, motor vehicle with a gross weight rating of more than 16,000 pounds, a vehicle 25 or more years old or a new vehicle obtained by the dealer directly from a manufacturer or distributor~~ department may promulgate rules to exempt types of motor vehicles from this mileage disclosure requirement and shall promulgate rules for making the disclosure requirement on a form other than the certificate of title.

(b) It shall be unlawful for any motor vehicle dealer or motor vehicle salesperson to fail to provide, upon request of a prospective purchaser, the name and address of the ~~prior~~ most recent titled owner and of all subsequent nontitled owners, unless exempted from this requirement by rule of the department, of any motor vehicle offered for sale. If the most recent titled owner of the motor vehicle is the motor vehicle dealer, the dealer or salesperson shall also provide the name and address of the previous titled owner.

**SECTION 2.** 218.01 (7a) (c) of the statutes is created to read:

218.01 (7a) (c) Except for motor vehicles obtained by involuntary transfer under s. 342.17, a person required to be licensed under this chapter may not sell, offer for sale or have possession of a motor vehicle if any of the following applies:

1. The certificate of title has been altered.
2. The mileage disclosure statement has been altered.
3. The mileage disclosure statement of the previous owner is not complete.
4. The assignment or reassignment of ownership by the previous owner is not complete.

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**SECTION 3.** 218.33 (2) (b) of the statutes is amended to read:

218.33 (2) (b) ~~Every~~ For each motor vehicle offered for sale shall be sold with the understanding that a clear title will be furnished, or in lieu of such an agreement, the obtaining of title insurance on each motor vehicle sold. A dealer's reassignment form shall be filed on each motor vehicle sold at the auction ~~by a motor vehicle dealer, the transferring dealer shall provide the motor vehicle auction dealer with clear title or shall furnish title insurance at the time of the sale. For each motor vehicle sold at an auction, the motor vehicle auction dealer shall enter on the certificate of title, or on the form used to reassign the title, any information that the department requires to indicate that ownership of the vehicle was transferred through an auction sale.~~

**SECTION 4.** 218.33 (2m) of the statutes is created to read:

218.33 (2m) Section 342.157 applies to motor vehicle auction sales under this section.

**SECTION 5.** 218.52 (3) and (4) of the statutes are created to read:

218.52 (3) For each motor vehicle sold by a motor vehicle salvage pool, the motor vehicle salvage pool shall enter on the certificate of title, or on the form used to reassign the title, any information that the department requires to indicate that ownership of the vehicle was transferred by a motor vehicle salvage pool.

(4) Section 342.157 applies to motor vehicles sold by a motor vehicle salvage pool under this section.

**SECTION 6.** 340.01 (2q) of the statutes is created to read:

340.01 (2q) "Auction company" means any person who, for compensation, takes possession, whether on consignment or in the form of a bailment or any other arrangement, of a motor vehicle owned by a motor vehicle dealer and offers it for sale at an auction that is open only to motor vehicle dealers or wholesalers.

**SECTION 7.** 340.01 (35e), (35j) and (37m) of the statutes are created to read:

340.01 (35e) "Motor vehicle dealer" has the meaning given in s. 218.01 (1) (n).

(35j) "Motor vehicle salvage pool" has the meaning given in s. 218.50 (5).

(37m) "Odometer" means an instrument for measuring and recording the actual distance that a motor vehicle has traveled while in operation, but does not include any auxiliary instrument designed to be reset to zero to measure and record the actual distance that a motor vehicle has traveled on trips.

**SECTION 8.** 340.01 (71n) and (71p) of the statutes are created to read:

340.01 (71n) "Transferee" means any person, including the state and its political subdivisions, to whom ownership of a motor vehicle is transferred by purchase, gift or any means other than by creation of a security

interest or who, as agent, signs a mileage disclosure statement required under s. 342.155 for such person.

(71p) "Transferor" means any person, including the state and its political subdivisions, a dealer, an auction company acting as an agent, a motor vehicle salvage pool, an insurance company or a leasing or rental company with respect to motor vehicle sales, who transfers his or her ownership in a motor vehicle by sale, gift or any means other than by creation of a security interest or who, as agent, signs a mileage disclosure statement required under s. 342.155 for such person.

**SECTION 9.** 340.01 (74t) of the statutes is created to read:

340.01 (74t) "Wholesaler" has the meaning given in s. 218.01 (1) (e).

**SECTION 10.** 341.10 (intro.) and (1) of the statutes are amended to read:

**341.10 Grounds for refusing registration.** (intro.) The department shall refuse registration of a vehicle under any of the following circumstances:

(1) The required state fee and any municipal vehicle registration fee imposed by the town, village or city in which the vehicle is customarily kept has not been paid for the specific vehicle, and the department may refuse registration of a vehicle if such fees for the current period or for any previous period for which payment of a registration fee is required by law have not been paid on any other vehicles owned or leased by the applicant for registration; ~~or~~.

**SECTION 11.** 341.10 (2) of the statutes is renumbered 341.10 (2) (intro.) and amended to read:

341.10 (2) (intro.) The applicant has failed to furnish the any of the following:

(c) Other information or documents required by law or by the department pursuant to authority of law; ~~or~~.

**SECTION 12.** 341.10 (2) (a) and (b) of the statutes are created to read:

341.10 (2) (a) If applicable, the power of attorney required under 15 USC 1988 or rules of the department.

(b) Unless exempted by rule of the department, the mileage disclosure from the most recent titled owner and of all subsequent nontitled owners of the vehicle.

**SECTION 13.** 341.10 (3) of the statutes is amended to read:

341.10 (3) A certificate of title is a prerequisite to registration of the vehicle and the applicant does not hold a valid certificate of title and is not entitled to the issuance of a certificate of title; ~~or~~.

**SECTION 14.** 341.10 (4) of the statutes is amended to read:

341.10 (4) The applicant's registration has been suspended or revoked and such suspension or revocation still is in effect; ~~or~~.

**SECTION 15.** 342.01 of the statutes is renumbered 342.01 (1).

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**SECTION 16.** 342.01 (2) of the statutes is created to read:

342.01 (2) In this chapter:

(a) "Leasing company" means any lessor who, within the preceding 12 months, has leased 5 or more vehicles for a period of at least 4 months.

(b) "Mileage" means the actual distance that a vehicle has traveled in miles.

(c) "Transfer" means to change ownership by purchase, gift or any other means.

**SECTION 17.** 342.05 (5) of the statutes is amended to read:

342.05 (5) A nonresident who purchases a motor owner of a vehicle that is not subject to registration in this state and who intends to title and register the vehicle in another state is not required to may not apply for a certificate of title under this chapter unless the vehicle is subject to a security interest or except as provided in s. 342.16 (1) (a). A nonresident who purchases a motor vehicle in this state may apply for a certificate of title under this chapter. A Notwithstanding any other provision of this section, a nonresident may purchase temporary operation plates under s. 341.09 (4), whether or not the nonresident applies for a certificate of title under this chapter. Any temporary operation permit or plate issued under s. 341.09 shall not be considered registration of the vehicle for purposes of this subsection.

**SECTION 18.** 342.06 (1) (intro.) of the statutes is amended to read:

342.06 (1) (intro.) An application for a certificate of title shall be made to the department upon a form prescribed by it and shall be accompanied by the required fee. Each application for certificate of title shall ~~contain~~ include the following information:

**SECTION 19.** 342.06 (1) (b) of the statutes is amended to read:

342.06 (1) (b) A description of the vehicle, including make, model, identification number and any other information ~~which or documentation that~~ the department may reasonably require for proper identification of the vehicle or for determination of the mileage of the vehicle as disclosed by prior transferors.

**SECTION 20.** 342.06 (1) (j) of the statutes is created to read:

342.06 (1) (j) For a motor vehicle of a model year less than 10 years old, the certificate of title of the person transferring the title to the applicant or, if applicable, the manufacturer's document of origin; the mileage disclosure statement required under s. 342.155 (1); and, if applicable, the power of attorney required under 15 USC 1988 or rules of the department.

**SECTION 21.** 342.10 (1) (dm) of the statutes is created to read:

342.10 (1) (dm) The mileage disclosure statement required under s. 342.155, and any notations or qualifying statements explaining the odometer reading specified by the department by rule.

**SECTION 22.** 342.10 (2) of the statutes is renumbered 342.10 (2) (a) (intro.) and amended to read:

342.10 (2) (a) (intro.) The certificate of title shall contain ~~forms for assignment~~ spaces for all of the following:

1. Assignment and warranty of title by the owner, ~~and for assignment.~~

3. Reassignment and warranty of title by a dealer, ~~or insurance company, and or wholesaler.~~

(b) The certificate of title may contain forms spaces for application for a certificate of title by a transferee and for the naming of a secured party and the assignment or release of a security interest.

**SECTION 23.** 342.10 (2) (a) 2. and 4. of the statutes are created to read:

342.10 (2) (a) 2. The mileage disclosure statement required by s. 342.155.

4. Any information required by the department when a motor vehicle is sold at a motor vehicle auction or motor vehicle salvage pool.

**SECTION 24.** 342.10 (3) of the statutes is amended to read:

342.10 (3) Before issuing a new or duplicate certificate of title for a motor vehicle previously licensed and used as a taxicab or for public transportation, the department shall ~~stamp~~ include on such certificate ~~the words "This a notation that specifies the prior use of the motor vehicle has previously been used as a taxicab or for public transportation".~~

**SECTION 25.** 342.11 (intro.) of the statutes is amended to read:

**342.11 Grounds for refusing issuance of certificate of title.** (intro.) The department shall refuse issuance of a certificate of title if any required fee ~~is not~~ has not been paid or if it for any of the following reasons:

(1) The department has reasonable grounds to believe that:

**SECTION 26.** 342.11 (1) to (3) of the statutes are renumbered 342.11 (1) (a) and (b) and (2) (intro.) and amended to read:

342.11 (1) (a) The person alleged to be the owner of the vehicle is not the owner; ~~or,~~

(b) The application contains a false or fraudulent statement; ~~or,~~

(2) (intro.) The applicant fails has failed to furnish ~~the~~ any of the following:

(c) Any other information or documents required by law or by the department pursuant to authority of law.

**SECTION 27.** 342.11 (2) (a) and (b), (3) and (4) of the statutes are created to read:

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342.11 (2) (a) If applicable, the power of attorney required under 15 USC 1988 or rules of the department.

(b) Unless exempted by rule of the department, the mileage disclosure from the most recent titled owner and of all subsequent nontitled owners of the vehicle.

(3) The applicant is a motor vehicle dealer and is prohibited from applying for a certificate of title under s. 342.16 (1) (a) or (c).

(4) Except as provided in ss. 342.05 (5) and 342.16 (1) (a) for a certificate of title and registration for a vehicle owned by a nonresident, the applicant is a nonresident and the issuance of a certificate of title has not otherwise been authorized by rule of the department. Any temporary operation permit or plate issued under s. 341.09 shall not be considered registration of the vehicle for purposes of this subsection.

**SECTION 27m.** 342.14 (3m) of the statutes is amended to read:

342.14 (3m) Upon filing an application under sub. (1) or (3), a nonpoint source pollution fee of \$7.50 by the owner of the vehicle, except that this fee shall be waived with respect to an application under sub. (3) for transfer of a decedent's interest in a vehicle to his or her surviving spouse. The fee specified under this subsection is in addition to any other fee specified in this section.

**SECTION 28.** 342.15 (1) (a) of the statutes is amended to read:

342.15 (1) (a) If an owner transfers an interest in a vehicle, other than by the creation of a security interest, the owner shall comply with the requirements of s. 342.155 and, at the time of the delivery of the vehicle, execute an assignment and warranty of title to the transferee in the space provided therefor on the certificate, and cause the certificate to be mailed or delivered to the transferee, except that if the vehicle being transferred is a junk vehicle or has been junked, the owner shall return the certificate to the department in accordance with s. 342.34.

**SECTION 29.** 342.15 (1) (b) of the statutes is renumbered 342.155 (1) (a) and amended to read:

342.155 (1) (a) No person Unless exempted by rule of the department, no transferor may transfer ownership of a motor vehicle without disclosing the vehicle's mileage in writing to the transferee by specifying the odometer reading. The disclosure shall state either that the reading is known to be actual mileage, or that the reading is not the actual mileage and should not be relied upon, or that the reading reflects the mileage in excess of the designed mechanical limit of 99,999 miles or kilometers. ~~The disclosure shall further state that either the odometer was not altered, set back, disconnected, repaired or replaced, or that the odometer was altered for repair or replacement purposes and the mileage registered on the repaired or replacement odometer was identical to that before the service, or that the repaired or replacement odometer was incapable of registering the same mileage,~~

and was reset to zero and the mileage on the original odometer before repair or replacement was as stated by the transferor.

(2) No transferor shall may knowingly give make a false statement, including providing an odometer reading that is different from the actual reading on the odometer, in disclosing the vehicle's mileage to a transferee in making the disclosure. The department shall prescribe the manner in which the written disclosure shall be made and retained. ~~The transferor of a moped, motor bicycle, all-terrain vehicle, motor vehicle with a gross weight rating of more than 16,000 pounds or a vehicle 25 or more years old need not disclose odometer mileage as required by this subsection under this section.~~

**SECTION 30.** 342.15 (5) of the statutes is amended to read:

342.15 (5) Any owner of a vehicle for which a certificate of title has been issued, who upon transfer of the vehicle fails to execute and deliver the assignment and warranty of title required by sub. (1), ~~may~~ be required to forfeit not more than \$200 ~~\$500~~.

**SECTION 31.** 342.155 of the statutes is created to read:

**342.155 Mileage disclosure requirements of transferors and transferees.** (1) (b) The mileage disclosure statement required under par. (a) shall be made in the spaces provided on the certificate of title or on a form authorized by the department. The transferee shall print his or her name on the mileage disclosure statement, sign the statement and return a copy of the statement to the transferor. Except as authorized by rule of the department, no person may sign a mileage disclosure statement as both the transferor and transferee in the same transaction.

(c) The department shall promulgate rules that do all of the following:

1. Establish the form and manner of the mileage disclosure.
2. Identify which vehicles are exempt from the mileage disclosure requirements under this subsection.
3. Prescribe the mileage disclosure requirements applicable to leasing companies and their lessees.
4. Establish requirements relating to the creation, retention and inspection of mileage disclosure records of persons who acquire or consign motor vehicles for resale or lease, including motor vehicle salvage pools and auction dealers.
5. Establish the form content and format and procedures for any power of attorney disclosing a vehicle's mileage for purposes of this section.
6. Identify and define terms relating to the mileage disclosure requirement.

(3) No transferee, nor any other person, may alter, erase or obliterate any information, including the mileage disclosure, contained on any mileage disclosure statement.

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(4) (a) Except as provided in par. (b), any person who violates this section may be required to forfeit not more than \$1,000.

(b) Any person who violates this section with intent to defraud may be fined not more than \$5,000 or imprisoned for not more than 5 years or both.

**SECTION 32.** 342.156 of the statutes is created to read:

**342.156 Transfers of leased motor vehicles. (1)** Prior to transferring ownership of any leased motor vehicle, the lessor shall notify in writing the lessee of the vehicle that the lessee is required to provide the lessor with a written disclosure specifying the leased vehicle's mileage. The written notification shall include the mileage disclosure requirements applicable to the lessee under 49 CFR 580.7 and rules of the department and the penalties for failure to comply with those requirements.

(2) Upon termination of the lease after written notification from the lessor under sub. (1), the lessee shall disclose the vehicle's mileage in writing to the lessor. The mileage disclosure record under this section shall be signed by the lessee and include the information required under sub. (1) and rules of the department.

(3) The lessor shall retain and make available for inspection any mileage disclosure record required to be made by a lessee with respect to a leased motor vehicle.

(4) If a lessor transfers ownership of a leased motor vehicle without obtaining possession of the vehicle from the lessee, the lessor may, in making the mileage disclosure statement required under s. 342.155, indicate on the certificate of title or on a supplemental mileage disclosure statement approved by the department, the mileage disclosed by the lessee under this section unless the lessor has reason to believe that the lessee's mileage disclosure does not reflect the actual mileage of the vehicle.

(5) The department shall promulgate rules to do all of the following:

(a) Specify the information to be included in the lessee's mileage disclosure to the lessor.

(b) Establish the manner in which and the period of time for which mileage disclosure records under this section shall be retained and made available for inspection.

(6) (a) Except as provided in par. (b), any person who violates this section may be required to forfeit not more than \$1,000.

(b) Any person who violates this section with intent to defraud may be fined not more than \$5,000 or imprisoned for not more than 5 years or both.

**SECTION 33.** 342.157 of the statutes is created to read:

**342.157 Motor vehicle salvage pools and auction companies to maintain records.** For each motor vehicle sold by a motor vehicle salvage pool or auction company, the motor vehicle salvage pool or auction company shall establish and maintain a record of each sale, including the mileage disclosure of the transferor under s. 342.155. The department shall specify by rule the information that shall be included in such records and the manner in which

and the period of time for which the records shall be maintained.

**SECTION 34.** 342.16 (1) (a) of the statutes is amended to read:

342.16 (1) (a) ~~If Except as provided in par. (c), if a dealer acquires a new or used vehicle which that is not a salvage vehicle and holds it for resale or accepts a vehicle for sale on consignment, the dealer need not send~~ may not submit to the department the certificate of title or application for original certificate to the department of title ~~naming the dealer as owner of the vehicle.~~ Upon transferring the vehicle to another person, the dealer shall immediately give the transferee on a form prescribed by the department a receipt for all title, registration, security interest and sales tax moneys paid to the dealer for transmittal to the department when required. The dealer 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 or sale on consignment, in the spaces provided therefor on the certificate or as the department prescribes, ~~and shall within.~~ Within 7 business days following the sale or transfer, the dealer shall mail or deliver the certificate or application for certificate to the department with the transferee's application for a new certificate. A nonresident who purchases a motor vehicle from a dealer in this state ~~is not required to have~~ may not, unless otherwise authorized by rule of the department, apply for a certificate of title issued for the vehicle in this state unless the dealer determines that a title is necessary to protect the interests of a secured party. The dealer is responsible for determining whether a title and perfection of security interest is required. The dealer is liable for any damages incurred by the department or any secured party for the dealer's failure to perfect a security interest which the dealer had knowledge of at the time of sale.

**SECTION 35.** 342.16 (1) (c) and (d) of the statutes are created to read:

342.16 (1) (c) Except when all available spaces for a dealer's or wholesaler's reassignment on a certificate of title have been completed or as otherwise authorized by rules of the department, a dealer or wholesaler who acquires a new or used vehicle that is not a salvage vehicle and holds it for resale or accepts a vehicle for sale on consignment may not apply for a certificate of title naming the dealer or wholesaler as owner of the vehicle. The rules may regulate the frequency of application by a dealer or wholesaler for transfer of registration or credits for registration from a previously registered vehicle to another vehicle that the dealer or wholesaler intends to register in his or her own name.

(d) Unless exempted by rule of the department, a dealer or wholesaler who acquires a new or used vehicle that is not a salvage vehicle and holds it for resale shall make application for a certificate of title naming the

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dealer or wholesaler as owner of the vehicle when all of the available spaces for a dealer's or wholesaler's reassignment on the certificate of title for such vehicle have been completed.

**SECTION 36.** 342.16 (1g) of the statutes is created to read:

342.16 (1g) No transferee who, for the purpose of resale, accepts a motor vehicle on consignment or acquires ownership of a motor vehicle may accept any mileage disclosure required under s. 342.155 or rules of the department if the mileage disclosure has been altered or is incomplete.

**SECTION 37.** 342.16 (1m) of the statutes is repealed.

**SECTION 38.** 342.16 (2m) of the statutes is repealed.

**SECTION 39.** 342.18 (4) of the statutes is amended to read:

342.18 (4) Under each of the following circumstances only, the department shall issue a certificate of title for a transferred vehicle without requiring registration of the vehicle:

(a) ~~Application~~ Whenever application therefor accompanied by the required fee is made by a ~~dealer licensed under s. 218.01 or 218.11,~~ a finance company licensed under s. 138.09 or 218.01, a bank organized under the laws of this state, or a national bank located in this state, and the vehicle in question is a used vehicle for which the department had issued a certificate of title to the previous owner or a vehicle previously registered in another jurisdiction or is a mobile home; ~~or~~

(b) ~~Application~~ Whenever application therefor accompanied by the required fee is made by any other person and the vehicle in question is a vehicle for which the department had issued a certificate of title to the previous owner or is a vehicle previously registered in another jurisdiction or is a mobile home and the department is satisfied that the present owner has not operated or consented to the operation of the vehicle since it was transferred to that owner and that he or she understands that the certificate of title merely is evidence of ownership of the vehicle and does not authorize operation of the vehicle on the highways of this state.

**SECTION 40.** 342.18 (4) (c) of the statutes is created to read:

342.18 (4) (c) Whenever application therefor accompanied by the required fee is made by a dealer or wholesaler to comply with the requirements of s. 342.16 (1) (d).

**SECTION 41.** 342.23 (2) of the statutes is renumbered 342.23 (2) (a).

**SECTION 42.** 342.23 (2) (b) of the statutes is created to read:

342.23 (2) (b) No secured party may take possession of any certificate of title except as provided in par. (a). Any person who violates this paragraph may be required to forfeit not more than \$1,000.

**SECTION 43.** 342.23 (4) of the statutes is amended to read:

342.23 (4) Any owner who fails to deliver the certificate of title to a secured party requesting it pursuant to sub. (2) (a) shall be liable to such secured party for any loss caused to the secured party thereby and may be required to forfeit not more than \$200.

**SECTION 44.** 342.25 (1) (intro.), (a) and (b) of the statutes are amended to read:

342.25 (1) (intro.) The department shall suspend or revoke a certificate of title if it finds any of the following:

(a) The certificate of title was fraudulently procured, erroneously issued or prohibited by law; ~~or~~

(b) The vehicle has been scrapped, dismantled or destroyed; ~~or~~

**SECTION 45.** 342.25 (1) (d) of the statutes is created to read:

342.25 (1) (d) The vehicle's odometer has been subjected to tampering and return of the certificate of title to the department is considered necessary to make a notation of that information on the certificate.

**SECTION 46.** 342.255 (3) of the statutes is amended to read:

342.255 (3) It is subsequently discovered that the issuance or possession of a title or registration is prohibited by law or that the odometer of a vehicle for which a certificate of title has been issued by the department has been subjected to tampering and return of the certificate of title to the department is considered necessary to make a notation of that information on the certificate.

**SECTION 47.** 342.32 of the statutes is created to read:

**342.32 Counterfeiting and unlawful possession of certificate of title.** (1) No person may counterfeit, possess, sell, offer for sale or supply a forged, fictitious, counterfeit, stolen or fraudulently or unlawfully obtained certificate of title or registration, manufacturer's document of origin, instrument or other document that is or may be used as evidence of ownership, the transfer of ownership or the mileage disclosure of a motor vehicle.

(2) Unless authorized by the department, no person may possess, sell, offer for sale or supply any blank certificates of title or registration, manufacturers' documents of origin, instruments or other documents that may be used as evidence of ownership or registration of a motor vehicle.

(3) Whoever violates sub. (1) or (2) may be fined not more than \$5,000 or imprisoned for not more than 5 years, or both, for each violation.

**SECTION 48.** 347.415 (2) and (2m) of the statutes are consolidated, renumbered 347.415 (2) and amended to read:

347.415 (2) No person may, ~~with intent to defraud,~~ operate a motor vehicle subject to registration under ch. 341 on any street or highway knowing with knowledge that the odometer ~~or alternate instrument for measuring vehicle mileage of the motor vehicle~~ is removed, disconnected or nonfunctional. ~~(2m) No person may operate a motor vehicle subject to registration under ch. 341 on any~~

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street or highway knowing that the odometer or alternate instrument for measuring vehicle mileage of the motor vehicle is removed, disconnected or nonfunctional with intent to defraud another. An exemption will may be provided if parts are on back order to correct a nonfunctional odometer or alternate instrument for measuring vehicle mileage.

**SECTION 49.** 347.415 (3) and (5) of the statutes are amended to read:

347.415 (3) No person shall may advertise for sale, sell, use, install, or have installed any device which causes an odometer to register any mileage other than the true mileage driven. For purposes of this subsection, "true mileage driven" means that mileage traveled by the vehicle as measured and recorded by the odometer within the manufacturer's design tolerance.

(5) Nothing in this section shall prevent the service, repair or replacement of an odometer, provided the mileage indicated thereon remains the same as before the service, repair or replacement. Where the odometer is incapable of registering the same mileage as before such

service, repair or replacement, the odometer shall be adjusted to read zero, and a written notice shall be attached, by the owner or an agent, to the left door frame of the vehicle, or other location as prescribed by the department, specifying the mileage prior to service, repair or replacement of the odometer and the date on which it was serviced, repaired or replaced. No person shall may, with intent to defraud, remove or alter such a notice so affixed. No person who services, repairs or replaces an odometer that is incapable of registering the same mileage as before such service, repair or replacement may fail to adjust the odometer to read zero or fail to attach the notice required by this subsection.

**SECTION 49m. Initial applicability.** The treatment of section 342.14 (3m) of the statutes first applies to applications for vehicle titles and title transfers submitted to the department of transportation on the effective date of this SECTION.

**SECTION 49r. Effective date.** This act takes effect on the day after publication.