

Chapter Trans 156

AUTOMATED PARTNERSHIP PROCESSING SYSTEM PROGRAM

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Trans 156.01 Purpose and scope. (1) **PURPOSE.** This chapter establishes the department's administrative interpretation of ss. 341.21 and 341.255(4), Stats., which authorizes the department to contract with any person for services relating to processing or distribution of original and renewal vehicle registrations under ch. 341, Stats., or certificates of title under ch. 342, Stats.

(2) **SCOPE.** This chapter governs administration of the automated partnership processing system, or APPS, program, authorized by s. 341.21, Stats.

(3) **APPLICABILITY.** This chapter applies to any person performing either title and original registration services, or registration renewal services, who uses automated transmittal of transactions to the DMV. This chapter also applies to any vendor providing automated interface between agents and the DMV in the APPS program. This chapter does not apply to persons who issue temporary registration plates under ch. Trans 132.

History: Cr. Register, January, 2001, No. 541, eff. 2-1-01.

Trans 156.02 Definitions. The words and phrases defined in s. 340.01, Stats., have the same meaning in this chapter unless a different definition is specifically provided. In this chapter:

(1) "Agent" means a person, business or an organization that contracts with the DMV to access and update vehicle records of the DMV via an approved vendor system.

(2) "APPS" means the "automated processing partnership system" program established by the DMV, in which the division contracts with agents and vendors to provide vehicle registration and titling services.

(3) "Contractor" has the meaning provided in s. 341.21(1m), Stats., and includes agents and vendors.

(4) "Department" means the department of transportation.

(5) "DMV" means the Wisconsin department of transportation, division of motor vehicles.

(6) "Financial institution" has the meaning provided in s. 710.05 (1) (c), Stats.

(7) "Program standards" means the technical and operational standards incorporated into vendor and agent contracts.

(8) "Vendor" means a person, business or organization that contracts with the DMV to provide a host computer system by which agents may obtain access to specified information services of the DMV in order to process registration and title transactions.

History: Cr. Register, January, 2001, No. 541, eff. 2-1-01.

Trans 156.03 Selection of vendors. (1) DMV shall approve vendors to provide an interface between agents and the DMV. An application to be a vendor shall include all of the following:

(a) A request to participate as a vendor submitted to the Wisconsin Department of Transportation, DMV Bureau of Vehicle Services, Third Party Programs Section, P. O. Box 7909, Madison WI 53707-7909.

(b) The company name, address, telephone and fax number, and the names of key personnel and a contact person.

(c) The number of years the company has been in business and the number of years of experience providing electronic filing of title and registration, or other comparable services.

(d) A description of the product and services that will be provided if the organization is approved as a vendor.

(e) A description of any relevant experience in other states and the names of references.

(f) A written signature in ink with the name typed below the signature. If the business or organization is a corporation, the request shall be signed by an employee or officer authorized to bind the corporation. Below the signature shall be typed the name, corporate title, name of corporation and state of incorporation.

(g) Financial statements or other information showing the current financial status of the organization.

(h) A statement certifying that the applicant agrees to meet DMV program standards.

(2) Before approving a vendor, DMV may consider the items listed in subs. (1) and (4) and all of the following:

(a) The type of business the vendor is in.

(b) The vendor's familiarity with and relationship to Wisconsin motor vehicle titling and registration.

(c) The vendor's past practice, reliability and record of customer service.

(d) The amount of technical support the vendor is likely to need from DMV to competently develop and maintain a public interface software, to train and manage agent needs, to maintain security of data, and to accurately and securely provide for electronic transfer of funds.

(e) The anticipated benefit to DMV and DMV customers, such as the projected volume of title and registration or renewal transactions, and the location in the state. DMV may require a prospective vendor to develop a business plan to demonstrate that the organization has assessed the business venture and projects adequate volume to maintain a viable business.

(f) The results of background checks on the vendor and its owners, employees and subcontractors including arrest and conviction records.

(3) After DMV receives and reviews the application to participate as a vendor, the DMV project manager shall notify the applicant of the DMV decision approving or disapproving the vendor.

(4) If approved, the vendor shall submit a specific implementation plan and begin working with DMV to develop an automated interface software application. The application shall meet the automated interface specifications prescribed by DMV.

(5) Before an approved vendor may obtain access to DMV information systems, the vendor shall execute a contract with DMV.

History: Cr. Register, January, 2001, No. 541, eff. 2-1-01.

Trans 156.04 Selection of agents. (1) A person, business or organization desiring to contract with the DMV as an agent under s. 341.21(2), Stats., shall comply with all of the following:

(a) The applicant shall enter into an agreement with a vendor. An agent may request service from and enter into an agreement with only one vendor.

(b) The applicant shall submit to the DMV a letter on company letterhead requesting appointment as a provider of processing or distribution services for vehicle registration or certificates of title. The letter shall include the legal business name and address of the physical location of the business.

(c) The applicant shall provide a surety bond or letter of credit along with the request for appointment in a form prescribed by the DMV. The bond or letter of credit shall be \$10,000 for an agent doing renewal transactions and \$25,000 for an agent doing title transactions and original registration. The bond shall indemnify the department against claims arising from the acts or omissions of agents under the contract including, but not limited to, missing or stolen license plates, stickers, and temporary certificate of registration paper stock. The requirement for a bond does not apply to units of government, or to dealers which are bonded and regulated by the department, or to financial institutions.

(d) The applicant shall submit a signed agent contract to the DMV.

(e) The applicant shall be in compliance with all applicable laws governing the applicant's industry and not be under investigation by any regulatory or enforcement agency for suspected violations of applicable laws or regulations.

(f) The applicant shall employ at least one primary processing person and have at least one other employee trained as a back-up in order to ensure adequate service during business hours and that reports and documentation of registration and titling Transactions are submitted to DMV within required time limits.

(2) Before entering a contract with an agent, DMV may consider all of the following:

(a) The type of business the vendor [agent] is in.

(b) The vendor's [agent's] familiarity with and relationship to Wisconsin motor vehicle titling and registration.

(c) The vendor's [agent's] past practice, reliability, and record of customer service.

(d) The amount of technical support the vendor [agent] is likely to need from DMV to competently process title or registration Transactions.

(e) The anticipated benefit to DMV and DMV customers, such as the projected volume of title and registration or renewal transactions and the location of the agent in the state. DMV may require a prospective agent to develop a business plan to demonstrate that the person, organization or company has assessed the business venture and projects adequate volume to maintain a viable business.

(f) The results of background checks on the vendor [agent] and its owners and employees including arrest and conviction records.

Note: It was the intent of the department to use the word agent rather than vendor in sub. (2).

History: Cr. Register, January, 2001, No. 541, eff. 2-1-01.

Trans 156.05 Termination of contracts. (1) DMV may terminate a contract or refuse to renew a contract with any vendor or agent on the following grounds:

(a) DMV has reasonable cause to doubt the accuracy or timeliness of the title and registration Transactions performed by the agent or vendor.

(b) Failure of the agent or vendor to provide any documents or information required to complete a Transaction.

(c) DMV has reasonable cause to doubt the compliance of the agent or vendor with any provisions of the written agreements used for the APPS program or the performance of any obligations under the written agreements of the APPS program, including the contract between DMV and the agent or vendor.

(d) Lack of compliance with performance evaluation and progressive intervention procedures contained in the contract.

(2) DMV may terminate a contract or refuse to renew a contract with an agent who is a motor vehicle dealer on the following grounds:

(a) Failure to provide information requested by DMV relating to the motor vehicle dealer's financial standing, solvency or compliance with motor vehicle related laws.

(b) DMV has reasonable cause to doubt the financial responsibility of the dealer licensee as prescribed in ch. Trans 140.

(c) DMV has reasonable cause to doubt the dealer's compliance with s. 218.01, Stats., or rules interpreting s. 218.01, Stats., where the violation constitutes grounds for denial, suspension or revocation of the dealer's license, stipulation to a conditional license or special order, the assessment of civil forfeitures or fines, or criminal prosecution.

(3) Reasonable cause under sub. (2) includes, but is not limited to, situations in which any dealer licensee has been found by the department, the division of hearings and appeals, or a court of law, to have violated ch. 218, Stats., or rules interpreting ch. 218, Stats., during the current or immediately preceding licensing period, or when the dealership has not given sufficient assurance that it has taken reasonable steps to prevent the recurrence of similar violations in future licensing periods.

(4) If an agent's or vendor's actions warrant termination of the agent or vendor from the program, DMV shall invoke termination provisions which are stated in the contract between DMV and the agent or vendor.

History: Cr. Register, January, 2001, No. 541, eff. 2-1-01.

Trans 156.06 Fees. (1) The maximum fees that an agent may charge a customer shall be specified in the contract.

(2) An agent may charge a customer any amount less than the maximum fee.

(3) The fee submitted to DMV pursuant to s. 341.255(4), Stats., does not apply to transactions which add or release a lien with no change of ownership, title corrections with no change of ownership, or to registration renewal transactions.

History: Cr. Register, January, 2001, No. 541, eff. 2-1-01.

Trans 156.08 Records. All records required to be kept by contractors under s. 341.21 (2) (c), Stats., shall be retained in electronic format by the vendor for itself and for each agent which uses the vendor for completing registration or titling transactions with DMV.

History: Cr. Register, January, 2001, No. 541, eff. 2-1-01.