



2003 SENATE BILL 393

January 14, 2004 - Introduced by Senators LEIBHAM and BRESKE, cosponsored by Representatives AINSWORTH, ALBERS, GUNDERSON, HAHN, HINES, KRAWCZYK, LADWIG, M. LEHMAN, LEMAHIEU, OTT, OWENS, SERATTI and TOWNSEND. Referred to Committee on Transportation and Information Infrastructure.

1 **AN ACT** *to amend* 342.09 (2) (intro.) and 342.15 (3); and *to create* 342.40 (3) (f)
2 of the statutes; **relating to:** transfers of ownership of vehicles and the costs of
3 removing, impounding, and disposing of abandoned vehicles.

Analysis by the Legislative Reference Bureau

Current law requires the owner of a vehicle (owner), when transferring an interest in the vehicle, to record certain information on the vehicle's certificate of title and deliver the certificate of title to the person taking the interest in the vehicle (buyer). Upon receiving the certificate of title, the buyer must promptly complete an application for a new certificate of title and submit the application and the old certificate of title to the Department of Transportation (DOT). DOT then updates its records to show the new owner and issues a new certificate of title for the vehicle. Except as between the parties, a transfer is not effective until all requirements of the owner and buyer have been satisfied.

This bill provides that a transfer of a vehicle is effective, regardless of whether the buyer satisfies his or her obligations, if the owner satisfies his or her obligations and also notifies DOT of the transfer by submitting to DOT a completed notice of transfer form prescribed by DOT. The bill further requires DOT to keep records of notices of transfer received from owners.

Current law prohibits any person from abandoning a vehicle on a highway or on public or private property and subjects abandoned vehicles to, among other things, removal and impoundment. Any municipality or county may enact an ordinance related to abandoned vehicles. Upon discovery of an abandoned vehicle

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on a highway or public or private property, a law enforcement officer must cause the vehicle to be removed to a suitable place of impoundment. Except for a stolen vehicle, the vehicle owner is responsible for payment of all costs of removing, impounding, and disposing of an abandoned vehicle. Specified notice must be provided to the vehicle owner and lienholders related to impoundment and disposal of a vehicle.

This bill specifies that, for purposes of responsibility for the costs of, and notice related to, the removal, impoundment, or disposal of a vehicle, an "owner" includes the buyer of a vehicle regardless of whether the buyer has satisfied his or her obligation to apply for a new certificate of title and the transferor of the vehicle if the transferor has not submitted to DOT the notice of transfer form specified above and the buyer has not applied for a new certificate of title.

For further information see the *state and local* fiscal estimate, which will be printed as an appendix to this bill.

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

1 **SECTION 1.** 342.09 (2) (intro.) of the statutes is amended to read:

2 342.09 (2) (intro.) The department shall maintain a record of all applications
3 and, all certificates of title issued by it, and all notices of transfer received by it under
4 s. 342.15 (3):

5 **SECTION 2.** 342.15 (3) of the statutes is amended to read:

6 342.15 (3) Except as provided in ~~s. ss.~~ ss. 342.16 and 342.40 (3) (b) and as between
7 the parties, a transfer by an owner is not effective until the provisions of ~~this section~~
8 subs. (1), (2), and (4) have been complied with. An or, unless the vehicle is a junk
9 vehicle or has been junked, until the owner has complied with the provisions of subs.
10 (1) and (4) and has mailed or delivered to the department a notice of transfer on a
11 form prescribed by the department, which shall include the name and address of the
12 transferee, if the notice is delivered to the department or deposited in the mail
13 properly addressed to the department with postage prepaid within 7 business days
14 of delivery of the vehicle to the transferee. Subject to s. 342.40 (3) (b), an owner who
15 has delivered possession of the vehicle to the transferee and has complied with the

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1 provisions of ~~this section~~ subs. (1) and (4) is not liable as owner for any damages
2 thereafter resulting from operation of the vehicle.

3 **SECTION 3.** 342.40 (3) (f) of the statutes is created to read:

4 342.40 (3) (f) In this subsection, "owner" includes any transferor of a vehicle
5 required to comply with the provisions of s. 342.15 (1) and (4) who has not mailed or
6 delivered to the department the notice of transfer specified under s. 342.15 (3), unless
7 the transferee has complied with all requirements of s. 342.15 (2), and any transferee
8 regardless of whether the transferee has complied with the requirements under s.
9 342.15 (2).

10 **SECTION 4. Initial applicability.**

11 (1) This act first applies to transfers of vehicles occurring on the effective date
12 of this subsection.

13 **SECTION 5. Effective date.**

14 (1) This act takes effect on the first day of the 4th month beginning after
15 publication.

16 (END)