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Testimony in Support of Assembly Bill 679

Assembly Committee on Transportation

February 6, 2024

Madame Chair and members of the committee, thank you for holding a public hearing on Assembly Bill (AB) 679. I appreciate the opportunity to provide testimony in support of this proposal.

AB 679 fixes a problem in state statute that is negatively impacting insurance companies that do not have a physical location in our state. Years ago, when the current law was written, this was not an issue. However, as technology has advanced and companies shifted to more virtual models, we are left with few major insurance companies holding physical office locations in Wisconsin.

Because of this, these insurance carriers are unable to apply for a certificate of title or salvage title on the vehicles that qualify for them. They instead must sell them as 'junk,' the strictest brand in the state. This leads to over-branding and an uneven playing field amongst the insurance companies.

Our bill simply amends state statute to allow all insurance carriers to apply for the fitting title, regardless of whether or not the carrier has a physical location in Wisconsin.

Thank you again for hearing AB 679. I look forward to seeing your support on this legislation.



Testimony for Assembly Bill 679 – Support Copart

Madam Chair and members of the committee, thank you for the opportunity to speak in support of AB 679.

My name is Mark Binder and I am with Copart. Our company is a global leader in the auto auction industry and offers a range of services for processing vehicles and selling units over the internet through our online auction technology platform. Copart is proud to be part of the business community in Wisconsin and operates four facilities with approximately 60 employees with locations in Appleton, Madison and two in Milwaukee.

This bill is the kind you may like to see, it is simple and to the point. What it does is It expands the current eligibility of nonresident insurance companies that acquire ownership of a vehicle titled in Wisconsin through payment of a total loss claims to apply for any available Wisconsin title. The current law only applies the exemption to salvage titles.

Why is this bill needed? When the current statute was written, insurance carriers were mostly local and this limitation was not a concern. Over the last few decades, the industry has shifted to a more virtual model and local offices are no longer available with some carriers. Most major insurance companies now have no physical address in Wisconsin but still properly and effectively service their customers through the claim process. The current law requires vehicles acquired by these companies during a total loss settlement to all be sold on a branded title. Even when there are situations where they should not have been sold branded.

Consumers are negatively impacted by the overbranding of vehicles due to current law. This happens only because a local address is not available for an insurer and removes vehicles out of the marketplace that consumers need and want. It also reduces revenue to the state due to the inability of insurers to obtain certificate of titles which would be resolved by this bill.

Do other states have similar laws? To my knowledge, no other state requires this forced branding of insurance company vehicles without a local address. For full disclosure, Illinois did until last year when HB 3747 was enacted and accomplishes what we are trying to achieve in Wisconsin. Illinois had the same pain points with insurance carriers but we were able to get that resolved with legislation.

I encourage you to support this bill and ask that you vote in favor of its passage. Thank you for your time and I am available for any questions that you may have on this bill.