STATE OF WISCONSIN

## DEPARTMENT OF TRANSPORTATION OFFICE OF THE SECRETARY

The Wisconsin Department of Transportation adopts an order to amend TRANS 154.01, 154.02(intro.) and 154.03(2)(a)1., Wisconsin Administrative Code, relating to vehicle odometer disclosure requirements

**ORDER ADOPTING RULE** 

## Analysis Prepared by the Wisconsin Department of Transportation

**STATUTORY AUTHORITY**: ss. 85.16(1), 218.0146(1), 218.0152(3), 227.11(2)(a), 342.155(1)(c), 342.156(5), 342.157 and 342.16(1)(c), Stats. **STATUTES INTERPRETED**: ss. 218.0146, 342.155, 342.156, 342.157 and 342.16(1g), Stats.

<u>General Summary of Rule</u>. Chapter Trans 154 establishes the Department of Transportation's interpretation of statutes relating to the implementation of the provisions of the federal odometer law, as they affect regulation of vehicle odometer disclosure.

When reassigning ownership of a new motor vehicle which has not been previously titled or registered, ch. Trans 154 currently requires the dealer to complete an odometer disclosure on a "conforming" odometer disclosure statement. This rule will amend s. Trans 154.03(2)(a) by replacing the existing requirement with the requirement that the odometer disclosure shall be recorded in the designated spaces provided on the manufacturer's document of origin when disclosing mileage that is actual. When the odometer reading is not "actual," a separate conforming document will be required. The odometer reading is not "actual" if that odometer reading differs from the vehicle's mileage. An odometer reading can be not actual for a variety of reasons, including an odometer calibration error, mileage in excess of the designed mechanical odometer limit, accident, fire, or fraud. However, most of these reasons for a not actual reading are uncommon to new cars.

The manufacturer's document of origin was specifically designed to facilitate ownership and odometer tracking in an effective and consistent manner. Adopting the policy of disclosing mileage on the manufacturer's document of origin, without requiring an additional "conforming" document, will increase interstate and intrastate consistency, will decrease redundancies created by recording the mileage on the manufacturer's document of origin and on a separate conforming document, will align the state law more closely with the federal law, 49 CFR 580.17, and will promote goodwill and efficiency.

**Fiscal Impact**. The Department estimates that there will be no fiscal impact on the liabilities or revenues of any county, city, village, town, school district, vocational, technical and adult education district, sewerage district, or federally-recognized tribes or bands. The Department estimates that there will be no fiscal impact on state revenues or liabilities.

<u>Final Regulatory Flexibility Analysis</u>. This rule will have no adverse impact on small businesses.

**Copies of Rule**. Copies of this rule can be obtained, without cost, by writing to Adam Boardman, Division of Motor Vehicles, Dealer Section, 4802 Sheboygan Avenue, Room 806, P. O. Box 7911, Madison, WI 53707-7911, or by calling (608) 264-9538. Alternate formats of the rule will be available to individuals upon request.

## TEXT OF RULE

Under the authority vested in the state of Wisconsin, department of transportation, by ss. 85.16(1), 218.0146(1), 218.0152(3), 227.11(2)(a), 342.155(1)(c), 342.156(5), 342.157 and 342.16(1)(c), Stats., the department of transportation hereby amends a rule interpreting ss. 218.0146, 342.155, 342.156, 342.157, 342.16(1g), Stats., relating to vehicle odometer disclosure requirements.

**SECTION 1**. Trans 154.01 is amended to read:

**Trans 154.01 Purpose and scope**. The purpose of this chapter is to establish the department's administrative interpretation of ss. 218.01(7a) 218.0146, 218.33, 218.52, 341.10, 342.01, 342.05, 342.06, 342.10, 342.11, 342.14, 342.15, 342.155, 342.156, 342.157, 342.16, 342.18, 342.23, 342.25, 342.255, 342.32 and 347.415, Stats., relating to the implementation of the provisions of the federal odometer law, 49 USC 32701 to 32711, as they affect regulation of vehicle odometers, odometer mileage disclosure, odometer record keeping requirements, and titling by distributors,

wholesalers, manufacturers, motor vehicle dealers, mobile home dealers, motor vehicle salvage dealers, motor vehicle auction dealers, moped dealers, motor vehicle salvage pools, and nonresidents.

**SECTION 2**. Trans 154.02(intro.) is amended to read:

**Trans 154.02 Definitions.** (intro.) The words and phrases defined in ch. 340, Stats., and ss. 342.01(2), 218.01(1) 218.0101, 218.10, 218.20, 218.30, 218.40 and 218.50, Stats., have the same meaning in this chapter unless a different definition is specifically provided. In this chapter:

SECTION 3. Trans 154.03(2)(a)1. is amended to read:

Trans 154.03(2)(a)1. If the document of origin does not include a conforming contain an odometer disclosure statement which includes a certification stating the mileage at the time of transfer, the name and address of the transferring dealer, the name and address of the purchasing dealer, the date of transfer, and that the odometer reading is actual, the odometer disclosure statement shall be completed on a separate conforming odometer disclosure statement which has been issued or approved by the department. The reassignment of ownership shall be completed on the manufacturer's document of origin.

(END OF RULE TEXT)

<u>Effective Date</u>. This rule shall take effect on the first day of the month following publication in the Wisconsin Administrative Register as provided in s. 227.22(2), Stats.

Signed at Madison, Wisconsin, this \_\_\_\_\_ day of May, 2002.

THOMAS E. CARLSEN, P.E. Acting Secretary Wisconsin Department of Transportation