
Wisconsin Legislative Council

AMENDMENT MEMO



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2019 Assembly Bill 696

Assembly Amendments 1 and 2

ASSEMBLY AMENDMENT 1

Current law generally requires any person who operates a motor vehicle in Wisconsin to carry a motor vehicle liability insurance policy. However, current law provides exceptions to that requirement in certain circumstances.

Assembly Amendment 1 adds such an exception for a religious sect that has received a certificate of self-insurance under this amendment. This amendment authorizes the Department of Transportation (DOT) to issue a certificate of self-insurance to a religious sect whose members have collectively registered 25 vehicles, if the sect applies for the certificate within one year after this amendment takes effect, and the DOT secretary determines that the sect has at least a 25-year history of mutual financial assistance in times of need to the extent that they share in financial obligations of other members who would otherwise be unable to meet their obligations.

A certificate issued under this amendment does not expire and need not be renewed. This amendment does not affect a provision of current law that allows the DOT secretary, following notice and a hearing, to cancel a certificate for self-insurance upon reasonable grounds, such as failure to pay a judgment. [See s. 344.16 (3), Stats.]

2019 ASSEMBLY BILL 696 AND ASSEMBLY AMENDMENT 2

2019 Assembly Bill 696 makes various changes to state law regarding penalties for operating a motor vehicle without proper licensure, the circumstances in which an operator is required to maintain motor vehicle liability insurance, and penalties for failure to maintain motor vehicle liability insurance.

As relevant to Assembly Amendment 2, the bill also addresses: (1) motor vehicle registration requirements; and impoundment of a vehicle whose driver was cited or arrested for operating it with a suspended or revoked operator's license.

Motor Vehicle Registration

Current law does not require a person, when applying to register a motor vehicle, to possess a valid operator's license.

2019 Assembly Bill 696 instates a requirement that a person applying to register a motor vehicle possess a valid operator's license.

Assembly Amendment 2 deletes this requirement from the bill.

Impoundment

Current law prohibits a person from operating a motor vehicle upon a highway with a suspended or revoked operator's license. Current law also prohibits a person from operating a motor vehicle upon a highway if the person does not possess a valid operator's license.

In addition to other penalties that may be imposed on a person operating a motor vehicle with a suspended or revoked operator's license, current law grants a court **discretion** to impound the motor vehicle if owned by the person who was operating it. The court determines the manner and period of impoundment. The cost of keeping the vehicle constitutes a lien on the vehicle.

2019 Assembly Bill 696 establishes a new procedure for the **mandatory** impoundment of a motor vehicle by a law enforcement officer if the driver is arrested or cited either for operating without a valid operator's license or for operating with a suspended or revoked operator's license.

As relevant to Assembly Amendment 2, the impoundment procedure involves the following elements:

- The law enforcement officer must make an inventory of any property contained in the impounded vehicle.
- The law enforcement officer is not required to impound the vehicle if both of the following are true:
 - The operator's license of the driver of the vehicle had expired in the six months before the violation.
 - The driver had not previously been charged with operating without a valid operator's license or with a suspended or revoked operator's license.
- The owner of the vehicle must pay certain costs related to the impoundment, unless the driver of the vehicle is found not guilty of the violation for which the driver was arrested or cited.
- The impounding law enforcement agency may sell or junk an impounded vehicle that is not reclaimed after a specified period of time.

Assembly Amendment 2 changes several aspects of the procedure established by the bill for the mandatory impoundment of a motor vehicle, as follows:

- The law enforcement agency may use a contractor to carry out the impoundment, in lieu of the agency performing the impoundment itself.
- The law enforcement officer is not required to make an inventory of property contained in the impounded vehicle.
- The law enforcement officer is not required to impound the vehicle if the operator has zero or one previous conviction of operating without a valid operator's license or with a suspended or revoked operator's license.
- In addition to the exception in the bill--that a driver who is found not guilty of the violation does not have to pay certain costs related to the impoundment--the amendment adds the following two exceptions:
 - The citation upon which the impoundment was based is dismissed.
 - No citation is issued because the operator is determined to have been properly licensed at the time of citation or arrest.
- The impounding law enforcement agency may assign its authority to sell or junk an impounded vehicle that is not reclaimed after the specified period of time, in lieu of the agency performing the task itself.

BILL HISTORY

2019 Assembly Bill 696 was introduced by Representative Sanfelippo and others on December 23, 2019. Assembly Amendment 1 was introduced by Representatives Kulp and Sanfelippo on January 23, 2020. Assembly Amendment 2 was introduced by Representative Sanfelippo on January 31, 2020. On February 4, 2020, the Assembly Committee on Transportation recommended adoption of Assembly Amendment 1 and Assembly Amendment 2 by votes of Ayes 10; Noes, 0, and recommended passage of the bill, as amended, by a vote of Ayes, 8; Noes, 4.

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