



1997 ASSEMBLY BILL 513

September 16, 1997 - Introduced by Representatives FOTI, F. LASEE, BAUMGART, DOBYNS, FREESE, GOETSCH, HANDRICK, HUBER, LADWIG, LAZICH, M. LEHMAN, MUSSER, OTT, PLALE, RYBA, SCHAFFER, STEINBRINK, UNDERHEIM, VANDER LOOP and OTTE, cosponsored by Senators SHIBILSKI, COWLES, DRZEWIECKI, FITZGERALD, JAUCH, MOEN, PLACHE, C. POTTER, RISSER, ROESSLER, WINEKE and ZIEN. Referred to Committee on Highways and Transportation.

1 **AN ACT to amend** 218.01 (2) (a), 218.01 (8), 218.205 (1) and 345.11 (1g) and (5)
2 of the statutes; **relating to:** the licensing of motor vehicle dealers and
3 salespersons, sales finance companies and motor vehicle salvage dealers and
4 providing a penalty.

Analysis by the Legislative Reference Bureau

Current law requires all motor vehicle dealers and salespersons to be licensed by the department of transportation (DOT). In addition, all sales finance companies are required to be licensed by the division of banking in the department of financial institutions. Failure to comply with any or these licensing requirements may result in a forfeiture of not less than \$25 nor more than \$500 for each violation.

Current law also requires all motor vehicle salvage dealers to be licensed by DOT. A motor vehicle salvage dealer is a person who purchases and resells motor vehicles for wrecking, processing, scrapping, recycling or dismantling purposes or who conducts the business of wrecking, processing, scrapping, recycling or dismantling motor vehicles or selling parts of those vehicles. An unlicensed motor vehicle salvage dealer may be fined not less than \$25 nor more than \$200 or imprisoned for not more than 60 days or both.

This bill changes the penalty that may be imposed on an unlicensed motor vehicle dealer or salesperson, sales finance company or motor vehicle salvage dealer to a fine of not less than \$500 nor more than \$5,000 or imprisonment for not more than 60 days or both. The bill also permits the uniform traffic citation form to be used for violations of the licensure requirement for motor vehicle salvage dealers.

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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.** 218.01 (2) (a) of the statutes is amended to read:

2 218.01 (2) (a) No motor vehicle dealer, motor vehicle salesperson or sales
3 finance company shall engage in business as such in this state without a license
4 therefor as provided in this section. If any motor vehicle dealer acts as a motor
5 vehicle salesperson, he or she shall secure a motor vehicle salesperson's license in
6 addition to a license for motor vehicle dealer. Every motor vehicle dealer shall be
7 responsible for the licensing of every motor vehicle salesperson in his or her employ.
8 Any person violating this paragraph may be fined not less than \$500 nor more than
9 \$5,000 or imprisoned for not more than 60 days or both.

10 **SECTION 2.** 218.01 (8) of the statutes is amended to read:

11 218.01 (8) PENALTIES. Except for sub. (3) (a) 1., 3., 6., 7., 11., 12., 13., 20., 25.,
12 29. and 30., and except for violations for sub. (2) (a), (2a), (3a) (c) or (7b), any person
13 violating this section may be required to forfeit not less than \$25 nor more than \$500
14 for each violation.

15 **SECTION 3.** 218.205 (1) of the statutes is amended to read:

16 218.205 (1) No person may carry on or conduct the business of a motor vehicle
17 salvage dealer unless licensed to do so by the department. Any person violating this
18 section may be fined not less than ~~\$25~~ \$500 nor more than ~~\$200~~ \$5,000 or imprisoned
19 for not more than 60 days or both.

20 **SECTION 4.** 345.11 (1g) and (5) of the statutes are amended to read:

