



“Nothing astonishes men so much as common sense and plain dealing.”

R.W. Emerson

LIEN FEE INCREASES

PLAIN DEALING

A policy and administrative bulletin for licensed dealers from the Dealer and Agent Section of the WisDOT Division of Motor Vehicles

Effective January 1, 2010, Wisconsin’s lien fee will increase from \$4 to \$10, as part of the 2009-2011 Biennial Budget, Wisconsin Act 28. This fee increase affects all liens, whether submitted electronically or on paper, dealer sale or private party. For dealer sales, the date of delivery determines whether the new or old lien fee applies.

In order to allow agents seven business days to complete these transactions electronically, the new fees apply to electronic title transactions started on or after January 15, 2010.

- ◆ If the lien transaction is started **before** January 15, 2010, the \$4 lien fee will apply, even if the application is completed after that date.
- ◆ Any lien transaction started **after** January 15, 2010, will be subject to the \$10 lien fee.
- ◆ If a transaction is canceled and restarted, the lien fee will be calculated based on the date the new transaction is started.

Any application mailed in for manual processing must be accompanied by the appropriate lien fee based on date of delivery, and a completed Mail to DOT form, listing a valid reason for not processing the transaction electronically. If the date of sale is prior to January 15, 2010, WisDOT will modify the fee as described above.

WisDOT—DMV record trumps all

Effective October 1, 2009, Wisconsin law, specifically Act 28; created language explicitly stating that DOT may maintain any title or other information in an automated format and regard this as the original and controlling record, notwithstanding the printed version of the same record. The electronic record maintained by DOT is the official vehicle title record. Stay tuned as this law opens the door for more electronic initiatives.

LISTSERV reminder

WisDOT uses electronic mailing lists to pass along updates, newsletters, law changes and other useful information. If you haven’t already, sign up for the dealer listserv at:

www.dot.wisconsin.gov/business/dealers/listserv.htm

A new listserv for lenders and third party agents can be found at:

www.dot.wisconsin.gov.business.dealers.financial-inst.htm#lenderlistserv

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Arbitration program—Porsche Cars North America—certified

The arbitration program for Porsche Cars North America, Inc. has been certified by WisDOT as meeting the requirements of the Wisconsin Lemon Law. The CAP—Motors Program, administered by DeMars & Associates, Ltd, of Waukesha, provides the informal dispute resolution service.

Facts about arbitration:

Arbitration is an informal way for consumers to resolve complaints without going to court. The consumer and manufacturer provide an arbitrator, often a volunteer from the community, with information about the ownership experience. With a certified program available, Porsche consumers must use it before suing under the Lemon Law. Non-certified programs are voluntary for the consumer. A consumer does not have to accept a decision made by the arbitrator, but it is binding upon the manufacturer.

Facts about the Lemon Law:

Wisconsin's Lemon Law applies to vehicles purchased or leased new and still under warranty. If the vehicle has a serious defect that the dealer can't fix in four attempts, or if it has one or more defects that prevent the consumer from using it for 30 or more days (does not have to be consecutive) within the first year, it may be found to be a lemon. Consumers may be eligible for a replacement vehicle or refund. For more information, go to: www.dot.wisconsin.gov/safety/consumer/rights/lemonlaw.htm.

No gifts please

From time to time dealers have sent gift baskets to a staff member as a token of appreciation for a job well done.



Although we are honored to be recognized for outstanding customer service, the code of ethics prevents a state employee from accepting such a gift. If you want to recognize someone for the job they did, a letter to the Dealer & Agent Section would be appreciated. The employee will be recognized which can lead to a Performance Plus Award for the employee.



Priority service option eliminated

WisDOT has eliminated the option for Priority Service issuance of title and registration products. Effective January 4, 2010, applications requiring manual processing should be mailed to the regular service address:

Wisconsin Department of Transportation
P.O. Box 7949
Madison, WI 53707-7949

WELCOME

The Dealer and Agent Section has named several new dealer investigators to replace outgoing investigative staff. Joining the Milwaukee office of the Field Investigation unit are Investigators Grace Oby and Alicia Gilmore-Bhatti. Grace and Alicia both serve dealers in Milwaukee County, along with Inv. James Bartnik. Inv. Jan Keyser joins the staff in the Madison Hill Farms office. She is currently working with dealers in Waukesha, Dodge, Jefferson, and Washington counties. The unit is also joined by Inv. Jody Ullman, who is responsible for running Wisconsin's odometer fraud program. For a listing of our field investigation offices and map, and contact information see:

<http://www.dot.wisconsin.gov/safety/consumer/rights/dealeroffices.htm>.

Emission changes

Wisconsin's vehicle inspection & maintenance (I/M) program has been reduced to nine stations. Burlington and Cedarburg stations closed October 1, 2009. All remaining stations are closed on Wednesdays.

The new station hours are:

| | |
|-----------------------------------|-----------------------|
| Monday, Tuesday, Thursday, Friday | 8:30 a.m. – 5:30 p.m. |
| Wednesday | CLOSED |
| Saturday | 8:00 a.m. – 1:00 p.m. |
| Sunday | CLOSED |

Also, the I/M program has begun issuing cost waivers for On-board Diagnostics (OBDII) vehicles. This change is due to a reinterpretation of state law, and we currently are modifying our administrative rule to harmonize it with the law. By and large, the waiver process remains unchanged.

Effective January 1, 2010, more vehicles will be subject to inspections. Biennial inspections will be required for model year 2007 and newer vehicles that:

- ◆ are powered by diesel fuel; and/or
- ◆ have a grossed vehicle weight rating (GVWR) between 8,501 pounds and 14,000 pounds

These vehicles will be able to receive inspection at any of the nine remaining inspection stations.



Help your customers meet their emissions inspection requirements conveniently

The recent Burlington and Cedarburg inspection station closures leave the Wisconsin Vehicle Inspection Program with nine stations none of which are located in Ozaukee County or in western Kenosha and Racine counties.

That's why we're informing motorists that they can drop by a remaining station on *their* schedule – even before they receive an inspection notice. Please help us get the word out.

From the WisDOT website:

Vehicles subject to emissions inspection may fulfill the inspection requirement up to 180 days prior to their license plate renewal date. You can determine whether your vehicle is due for inspection within the next 180 days by entering your license plate on WisDOT's *plate inquiry page*. If the inquiry result page includes the statement "**IM test is needed**," your vehicle's plate renewal date falls within the next 180 days. You do not need a renewal statement in order to receive your inspection – simply visit the station registration desk before entering an inspection lane.

Questions on this article? Please contact Steve Hirshfeld at 608-266-2267 or send an e-mail to Stephen.hirshfeld@dot.wi.gov.

Lien processing mandatory for lenders

As of July 1, 2010, non-individual lienholders will be required to electronically process lien add and release transactions for their Wisconsin customers. A financial institution may be exempt from this requirement if they added 48 or fewer liens in the previous calendar year. Newly established non-individual lienholders will have 30 days to comply with the processing requirement.

If a financial institution is exempt and chooses not to electronically process, there will be a manual processing fee per application submitted to WisDOT. A non-exempt financial institution will be assessed the processing fee, plus a surcharge for each application that could have been processed electronically. The manual processing fee and surcharge amounts will be established by rule.

Some transactions may be exempted, due to technology limitations. Liens added as part of a title transaction, such as a repossession or transfer of ownership, are not subject to the requirement, but may be processed electronically if the lienholder's processing system allows.



As motor vehicle dealers, retail sales transactions must still be processed for customers.

Salvage inspection requires WI salvage title

Wisconsin dealers must apply for a Wisconsin salvage title when holding the vehicle for resale if:

- ◆ The current Wisconsin title does not have a salvage title brand or:
- ◆ The out of state title has a salvage title brand or:
- ◆ The reassignments on the Wisconsin salvage title are full.

Wisconsin inspectors may only accept a valid Wisconsin salvage title when performing a salvage inspection.

Wisconsin dealers cannot apply for a Wisconsin salvage title if the vehicle already has a Wisconsin salvage title unless the reassignments are full, or for another valid reason, such as a non-conforming title.

Wisconsin dealers may apply for a Title Only in the name of the dealership if the vehicle is salvage but has not already been issued a Wisconsin title.

Heavy vehicle registration reminders

- ◆ Heavy vehicle plates 10,000 lbs and over and the current registration stay with the vehicle upon transfer of ownership.
- ◆ Fees should be pro-rated for the first year of operation.
- ◆ If the customer is operating annually and applying in October, November or December you must include the following years registration fees with the pro-rated fee for the current year. This will allow the customer to have a valid registration from the date of sale through the following year. If the next year's registration fees are not included WisDOT may need to contact you for additional fees which may delay your products. For heavy vehicle registration questions please contact 608-266-1466.

DOT Enforcement Actions

A & A Scooter Inc., Dallas, TX – License renewal denied due to failure to provide adequate records required for renewal.

Auto Haus on Velp, Green Bay – License suspended for two days and Special Order issued for failure to pay off the liens on seven vehicles received on trade within the required 14 days.

Gibbons, Thomas, Junction City – Salesperson license application denied based on failure to disclose a prior criminal conviction.

Hagedorn, Timothy, Wausau – Salesperson license application denied due to issuance of unsatisfied bad checks to DOT as former owner of Tim's Auto Sales.

Rosen Nissan Inc, Milwaukee – Special Order issued enjoining dealership from employing unlicensed salespersons and engaging in bird-dogging.

Sanchez Auto Sales, Madison – Application for retail dealer license denied for unfitness and for failing to disclose prior criminal convictions on the dealer license application.

Sunshine Auto, Menasha – Special order and one-day license suspension for failure to inspect vehicles offered for sale and for violations of an existing special order. Conditional License issued.

Tairi, Bajram, Milwaukee – Special Order issued enjoining Mr. Tairi from participating in referral selling or facilitating motor vehicle sales by an unlicensed salesperson.

DOT Citations

Gilbertson, Terry, Holmen – Three counts of Operating as an Unlicensed Dealer. Pled guilty to one count and assessed a \$438.00 forfeiture. Two counts were dismissed.

Halimi, Danny, Oak Creek – Former F&I manager for Amato Cadillac (Milwaukee) indicted on six counts of bank fraud. Mr. Halimi was extradited from Florida and convicted in Federal Court of two counts of Mail/Wire Fraud and sentenced to 15 months in federal prison, four years probation and \$347,495.53 in restitution.

Herman, Chad, Francis Creek – Citations issued for Failure to Obtain Title, and Failure to Junk with Intent to Defraud. Default judgment entered and Mr. Herman ordered to pay \$160.80 on count 1 and \$249.00 on charge 2 as well as \$86.10 restitution to WisDOT .

Ochowicz, Tanner, Oshkosh – Former owner of Tanner's Custom Auto charged with five counts of counterfeiting certificates of title. Mr. Ochowicz pled no contest to one count and remaining four counts were reduced to Criminal Damage to Property, to which he also pled no contest. Ordered to pay \$1,986.65.

Wallace, William, Ontario – Cited on four counts of Operating as an Unlicensed Dealer and four counts of Failure to Transfer Title. Pled No Contest to one count of Operating as an Unlicensed Dealer and ordered to pay \$753.00 and two counts of Failure to Transfer Title and ordered to pay \$160.80 per count; five counts were dismissed.

Wilke, Daniel, Shawano – Charged with three counts of Acting as an Unlicensed Dealer; convicted of one count and ordered to pay \$750.00 forfeiture; remaining two counts were dismissed.