



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

Ralph Waldo Emerson



Title and Registration Fees Increase

Effective January 1, 2008, title and registration fees will increase. This was a provision of the 2007-2009 Biennial Budget, Wisconsin Act 20. The new fees apply to vehicles:

- With registrations that expire on or after January 1, 2008
- Delivered to the owner by a dealer on or after January 1, 2008
- First operated in Wisconsin on or after January 1, 2008

Electronic processing dealers—For processing purposes, new title fees apply to electronic title transactions started on or after January 14, 2008. The delay provides time to submit transactions within the seven business days allowed by law.

The new state budget is in place, and that means changes to fees and policies. This special issue is devoted to letting you know the changes.

You may continue to use older versions of the MV11 form if you write in the corrected amounts.

	Current Fee	New Fee
Title Fee	\$45	\$69.50 if delivered on or after 01/01/08
Registration Fees		
Automobile	\$55	\$75
Light Truck 4,500 pounds	\$48.50	\$75
Light Truck 6,000 pounds	\$61.50	\$84
Light Truck 8,000 pounds	\$77.50	\$106

Truck, bus, trailer and truck tractor fees increase by 30%. For more information please go to: www.dot.wisconsin.gov/drivers/vehicles/veh-fees.htm.

- No change to registration fees for farm trucks at 12,000 pounds or motorcycles and mopeds.

This issue:

Fees increase	1
Electronic processing update & news	2
Disclosing “material” history	3
St. Croix sales tax & APU # merges	3
DOT citation and criminal actions	4
DOT enforcement actions	4

Plain Dealing is published by the Wisconsin Department of Transportation, Division of Motor Vehicles, Bureau of Vehicle Services, Dealer and Agent Section.

Lynne Judd, Administrator
Anna Biermeier, Director
Chuck Supple, Section Chief

We welcome your questions and comments. Contact Nancy Passehl, Editor, Plain Dealing, DOT Dealer and Agent Section, P.O. Box 7909, Madison, WI 53707-7909, (608) 266-1425; fax (608) 267-0323; dealers.dmv@dot.state.wi.us.

Electronic Processing Update



Congratulations! Third quarter reports show 76% of all dealer transactions were processed electronically. WisDOT appreciates your efforts and looks forward to the numbers growing even more.

TIPS to avoid mandatory dealer processing fees

When mailing applications to DOT for processing:

- Complete the Mail to DOT form available to all electronic dealers and mail it with your application.
- Write a valid reason (be specific) for mailing the application to DOT for processing.
- When possible include a copy of the error message you received or make a print of the screen.
- If in doubt, please call 608-266-3566 for assistance.

New mopeds or mopeds with an out-of-state title can be processed electronically when new moped plates are issued.

Applications subject to processing fees

You will be charged processing fees if you mail these types of applications to DOT:

- No record of the plate to transfer. You must contact your customer for plate information.
- Customer not found because of missing identifier, such as Social Security Number (SSN), Driver License Number (DL), Wisconsin State ID Number or Federal Employer Identification Number (FEIN). You must contact your customer to get an identifier.
- Customer does not want electronic processing service. Electronic processing is required by law and is not an option.

Dealers using electronic processing services such as T-Reg or Redi-Reg must provide the same information to the processing service that DOT requires. If you have any questions please call 608-266-3566.



Use the yellow mailing labels to mail applications that have been processed electronically.

News

Trans 138 changes off-premise sales for recreational vehicle (RV) dealers

Wisconsin Trans Rule 138 dealing with the off-premise sales of recreational vehicles (RVs) took effect on September 1, 2007. This rule revision resulted in a change that balances the interests of the RV community and economic development with the legitimate concerns of Wisconsin businesses which have invested greatly in this state.

The rule as revised:

- Allows established RV associations to obtain sponsorship of rallies and shows in Wisconsin on an occasional basis.
- Allows an out-of-state dealer to participate in an off-premise sale once every four years.
- Protects Wisconsin businesses from more frequent participation by dealers who haven't invested in this state.
- Protects consumers by making clear that an out-of-state dealer must be licensed by Wisconsin DMV, bonded and must comply with all applicable rules and regulations affecting dealers.
- Clarifies that other motor vehicle dealers are not eligible for this special provision.

For any additional information please contact Rick Soletski at 608-267-3635.

Disclosing “Material” History

Since 1997, Trans 139 of the Wisconsin Administrative Code has required dealers to disclose “all material history” of a motor vehicle on the Wisconsin Buyer’s Guide. This is in addition to the “Prior Use” and “Title Brands” boxes a dealer has to check off. It’s fairly simple to determine which boxes to check, but how does a dealer disclose “material history,” and just what does that include?

Disclosures of material history, prior use and title brands are limited to that which the dealer could determine using reasonable care.

In the rule, “Material” means that a reasonable person would attach importance to its existence, or a seller knows or had reason to know that a buyer would regard it as important. A seller has reason to know that information is material if a buyer specifically requests the information. “Reasonable care” is a standard that requires the dealer to provide information obtained from various sources: manufacturer and auction notices, prior owner documents, prior owner disclosures, and the dealer’s own inspection and repair records. It does not require contacting prior owners or obtaining records of previous titles unless they are necessary to clarify apparent inconsistent or questionable information. A dealer does not have to run a vehicle history report either; however, if he or she does, he or she can’t ignore what is in the report.

Material history can tell a lot about any given vehicle, and it helps consumers make informed decisions. One of the biggest problems facing car buyers is the unknown history of a vehicle. While dealers have been buried with information relating to consumer protection, there hasn’t been much talk about protecting dealers. In many cases, especially when buying through wholesale transactions, dealers are placed in the role of a consumer. A consumer who needs protection.

WisDOT Dealer and Agent Section receives a high number of complaints involving the improper disclosure of “material history” with regard to wholesale transactions. While wholesale transactions have traditionally been conducted as “buyer beware,” Wisconsin’s Administrative Code offers some protection for dealers in wholesale transactions [Trans 139.04 (8) Wholesale Disclosure Requirements. *Sellers in wholesale transactions shall make the disclosures required in s. Trans 139.04 (6)(a)1. to wholesale purchasers of motor vehicles in writing before purchase.*].

Trans 139 clearly requires wholesale transactions to include all material history. All prior use and title brands also need to be disclosed. This is usually done on the auction block ticket or Wholesale Buyers Guide. Dealers purchasing vehicles in a wholesale setting need to be wary of many issues. When purchasing a vehicle at an auction, a dealer should watch for inconsistencies or a seller’s refusal to discuss issues regarding material history.

With many of these disclosure complaints, the first claim of the selling dealer is that vehicles are normally sold “AS IS,” and that the only protection the purchasing dealer has is under the auction’s warranty which, in many cases, only covers the first several hours or days immediately following the purchase. When a dealer sells a vehicle “AS IS,” he or she is disclaiming all warranties including implied warranties of merchantability and fitness for a particular purpose. However, while there may be no warranty offered, dealers are still required to disclose material information. Although the Department does not handle “dealer vs. dealer” complaints, a dealer may have cause for a civil action for failing to disclose material history. Court cases around the state involving dealer vs. dealer have upheld this requirement.

Ultimately, if the material fact would cause a customer to negotiate a lower price or cause him or her to refrain from the purchase altogether, that fact must be disclosed. **When in doubt, disclose, disclose, disclose!!!**

New St. Croix County wheel tax

Effective January 1, 2008, St. Croix County will collect a \$10 wheel tax for all automobiles and motor trucks registered at a gross weight of 8,000 pounds or less customarily kept in St. Croix County. The tax is due when license plates are issued for vehicles purchased on or after January 1, 2008, and at the time of registration renewal beginning with January 2008 expirations.

Agent Partnership Unit (APU) Phone merges to 608-266-3566

Dealers processing through third party programs should call 608-266-3566 for all questions regarding electronic processing. Calls made to 608-267-3349 (the past e-MV11 help and Mandatory Display phone line) will be forwarded to 608-266-3566. The fax # for APU is 608-266-9552. These numbers are for dealer and agent use only.

DOT citations

Baumgartner, Kelly – Rice Lake: Default judgment of guilty entered for one citation for acting as a motor vehicle dealer without a license. Assessed a \$753 forfeiture.

Buresh, Thomas – Green Bay: Default judgment of guilty entered for seven citations for acting as a motor vehicle dealer without a license. Assessed \$5,502 in forfeitures.

Denny Hecker Hudson Pontiac & GMC – Hudson: Pled no contest to three citations for failing to submit an application for title to the Department within seven business days. Assessed \$558 in forfeitures.

Fair Deal Used Cars – West Allis: Pled no contest to 15 citations for failing to submit an application for title to the Department within seven business days. Assessed \$2,250 in forfeitures.

Hengel, Joseph – Little Chute: Pled no contest to one citation for failing to apply for title. Assessed a \$160.80 forfeiture.

Van Den Bloomer, Scott – Kaukauna: Pled no contest to one citation for failing to apply for title. Assessed a \$160.80 forfeiture.

DOT criminal actions

Marini, Dan dba Black River Recycling – Black River Falls: Charged in Jackson County with failure of a salvage dealer to maintain their records. Pled guilty by no contest and was assessed a \$375 fine.

Vevers, Sigits – Milwaukee (former owner Payless Auto, Milwaukee): Charged in Milwaukee County with three counts of odometer tampering, two counts of odometer misrepresentation, three counts of false application to the Department, five counts of forgery, two counts of possession of a counterfeit title, and two counts of theft. Pled guilty to three counts of odometer tampering and was sentenced to \$1,889 in restitution, six months jail, \$18,722 in fines, and two years probation.

Wittman, Richard – Winneconne (former owner Wittman's East Side Sales, Appleton): Indicted in federal court on six counts of bank fraud. Pled guilty to two charges and was sentenced to 18 months in federal prison, five years probation, and \$108,864 in restitution. All other charges were dismissed.

Enforcement actions

Covelli, Todd – Kenosha: Salesperson's application denied due to debt to Department for bad checks.

Diamond Jims Auto Sales – Milwaukee: Issued a Special Order for submitting false title applications to the Department.

Letizia, James – Milwaukee: Issued a Special Order and 34-day suspension of his salesperson's license for submitting false title applications to the Department.

OC Investments dba Uniq Motors – Madison: Issued a Special Order and six-day suspension for facilitating unlicensed dealer activity.

Quinlan, Tony – Antigo: Issued a Special Order and 10-day suspension of his salesperson's license for failing to execute purchase contracts for vehicles sold.

Quinlan's Equipment – Antigo: Issued a Special Order for failing to execute purchase contracts for vehicles sold.