



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

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

**Spring
2013**

Third Party Agents Gain Expanded Processing Abilities

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In our ongoing effort to improve electronic processing options, the Wisconsin Department of Transportation (WisDOT) recently updated our third-party systems to allow processing of title applications involving purchasers with child support, a.k.a. Department of Workforce Development (DWD) or Department of Children and Families (DCF), liens. For fastest service to customers, third-party processors can now complete these applications for dealer and walk-in customers and issue metal plates when applicable. The Department of Motor Vehicles (DMV) will deliver titles with child support liens to the primary lender or, if no other lender exists, electronically to the Department of Children and Families. The vehicle owner will receive a Confirmation of Ownership and Certificate of Registration.

CVR and DealerTrack have done testing with the DMV to ensure full use of the system with child support eligible customers. eMV11 system users may also process these applications but will encounter an error if they pend an

application during processing. eMV11 system users will see expanded capabilities in the next few months, at which time the DMV will remove the "Possible Child Support Lien" from the Mail to DOT form.

As a reminder, child support liens on the current trade-in title must be properly paid or cleared. Before a dealer places a car for sale, it must work with DCF to obtain a lien release for the specific trade-in vehicle. In order to protect your business from losing money on potential deals, follow normal lien clearance procedures of your dealership.

For questions about processing these applications, contact your third-party vendor help desk, or the Agent Partnership Unit at 608-266-3566.



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“Check” It Out! Vehicle Emissions Cost Waivers and Recognized Repair Facilities

If a customer comes to your dealership because of an illuminated Check Engine Light, the vehicle will not pass the emissions inspection as required for registration in Kenosha, Racine, Milwaukee, Waukesha, Washington, Ozaukee and Sheboygan counties. The customer may be eligible for a cost waiver if more than \$819 (\$840 beginning July 1, 2013) is spent for completed emissions related repairs at a Recognized Repair Facility within 180 days of the vehicle’s registration renewal deadline.

When a vehicle fails an emissions inspection, a list of the ten Recognized Repair Facilities nearest to the Private Inspection Facility (PIF) is printed out with the Vehicle Inspection Report (VIR) and given to the customer. However, the customer may go to any Recognized Repair Facility. Recognized Repair Facilities are listed, with contact information, on the Wisconsin Vehicle Inspection Program (WIVIP) website: <http://www.wisconsinvip.org/WivipPublic/Pages/RecognizedRepairFacilities.aspx> Recognized Repair Facilities employ at least one technician with ASE L1, ASE L2, WISETECH or other equivalent training. Only emissions related repairs that are performed at a Recognized Repair Facility and are related to the vehicle’s failed emissions inspection diagnostic trouble codes (DTC) may be used to meet the cost waiver criteria.

How to Become a Recognized Repair Facility

If your dealership meets the requirements for Recognized Repair Facility status by employing technicians with ASE L1, WISETECH or equivalent certifications, you may register your dealership with the Wisconsin Vehicle Inspection Program (WIVIP) by completing the application at:



<http://www.wisconsinvip.org/WivipPublic/PDF/Forms/RecognizedRepairFacilityApplication.pdf>

Franchised new car dealerships automatically have Recognized Repair Facility status per Trans 131.02(39). Franchised new car dealerships may not be listed on the website if an application has not been submitted, but receipts for emissions related repairs will still count towards the waiver. If you would like your franchised new car dealership to be listed on the WIVIP website, please submit the Recognized Repair Facility application.

An added benefit of registering your dealership with the program is that you will be notified by email of future training opportunities.

Emissions Cost Waiver Criteria

Customers are eligible to apply for a cost waiver when the following conditions are met:

- The vehicle failed an emissions test and, following repair and retesting, still does not meet test requirements. Repairs made over 180 days prior to the expiration of the license plate cannot be applied to the waiver repair cost limit.
- The vehicle has passed a waiver emissions equipment inspection to determine if emissions control

(Continued on the next page.)

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equipment is missing, modified or disconnected. The equipment inspection makes sure that the Check Engine Light operates properly during a Key On, Engine Off inspection.

- The Vehicle Inspection Reports (VIR) have been presented to the Waiver Investigator at the time a waiver is requested. The REPAIR DATA section of these reports has been completed according to the instructions provided on the report form. Motorists must bring their vehicle and their itemized receipts for parts and labor to verify the emissions related repairs.
- The owner must have emissions related repairs performed on the vehicle at a recognized repair facility.
- The actual costs of emissions related repairs and adjustments exceeded the repair cost limit. *Only repairs that are related to the vehicle's cause of failure can be used to apply for a cost waiver.* Costs covered by any warranty or costs to repair/replace emissions control equipment that has been removed, modified or disconnected are excluded.
- The repair cost limit for all model year vehicles subject to testing is \$819, effective July 1, 2012. After July 1, 2013, the repair cost limit will be \$840. This figure is adjusted annually by the DNR per NR 485.045.

(The above list can be found at: <http://www.wisconsinvip.org/WivipPublic/Pages/Content.aspx?ID=6>)

Motorcycle and Moped Dos and Don'ts

With spring and summer arriving, and gas prices remaining high, dealerships will be selling more motorcycles and mopeds. Please review these guidelines before selling mopeds and motorcycles:

- ◆ Motorcycles and mopeds are registered biennially, expire in April of even number years and the customer pays a pro-rated license plate fee.
- ◆ Mopeds have an engine of 50cc or less and are exempt from odometer disclosure.
- ◆ Moped plates stay with the vehicle and motorcycle plates are transferable.
- ◆ Dealers can obtain motorcycle dealer plates.
- ◆ Dealers selling only mopeds need a moped dealer license. These dealers cannot sell motorcycles.
- ◆ Dealers selling motorcycles only need a motorcycle dealer license. These dealers can also sell mopeds without an additional license.
- ◆ A franchise appointment is necessary if selling new motorcycles. Mopeds do not need a franchise appointment.
- ◆ Dealers cannot sell new motorcycles if the selling distributor or manufacturer is not licensed. Please see <http://www.dot.wisconsin.gov/business/dealers/licenses/manufactlic.htm>
- ◆ Motorcycles and mopeds sold in Wisconsin must have federal certification labels.

For more information please call the Dealer and Agent hotline at 608-266-1425.

What's News.... and Notes



Possible Flood Damaged Vehicles from Hurricane *Sandy*

It may be difficult for consumers to identify whether floods have damaged a vehicle. The effects of such damage can be serious and may not be apparent until many months after the damage occurred. Wisconsin brands titles with a permanent statement such as “*This vehicle has been flood damaged.*” To assist consumers in identifying vehicles with possible flood damage from the Hurricane *Sandy*, you should direct consumers to the National Insurance Crime Bureau (NICB) website at www.nicb.org. It offers an opportunity to check vehicle identification numbers of vehicles against a database. The Wisconsin Department of Transportation’s website also offers consumers tips on what to look for at :

<http://www.dot.wisconsin.gov/drivers/vehicles/brands.htm>

Okay to Start Selling After Passing Salesperson Exam

Newly-licensed salespeople do not need to wait until the dealership receives their salesperson license in the mail before beginning to sell vehicles. Salespeople are legal to sell as long as they have the receipt showing they took the salesperson exam. Applicants’ motor vehicle salesperson license number (required to be recorded, in part, on the motor vehicle purchase contract of vehicles they sell) is the same as their Wisconsin Driver License number. Salespeople awaiting their license card after passing the test may show the first eight digits of their driver license number on purchase contracts they write.

Position Window Labels Safely

When attaching the Wisconsin Buyers Guide to the window of a used vehicle as required by Trans 139, be sure it does not obstruct the driver’s view. If possible, attach it to the rear passenger window. In the past, a dealership was cited for attaching the label on the front passenger window in the driver’s line of sight in such a way that it led to a crash during a test drive. Trans 139 does require that the label be attached to the window if possible. Since Trans 305 prohibits obstructing a driver’s view, it is important for dealers to keep that law in mind when positioning vehicle window labels.

Pass the Word—ListServ

Please help us continue to get the word out! If you have received this *Plain Dealing*, you are part of our Dealer and Agent Section’s e-mail distribution list: Dealer ListServ. This distribution list allows your dealership to remain up-to-date by automatically receiving *Plain Dealing* newsletters, law changes and other important dealer license information. If you know of someone who still needs to sign up with ListServ, have them register with the DOT e-mail LISTSERV at: <http://www.dot.wisconsin.gov/business/dealers/listserv.htm>

Dealers who are already signed up with ListServ do not need to do so again. If your dealership wants individuals to receive e-mail notifications, each user must sign up using their unique e-mail address. If someone does not have a computer or access to a computer, and would like to receive a hardcopy of *Plain Dealing*, please contact John Remy at 608-267-3635. Pass the word to your friends and partners. Thank you for your help!

Sign up to receive Plain Dealing by email at:

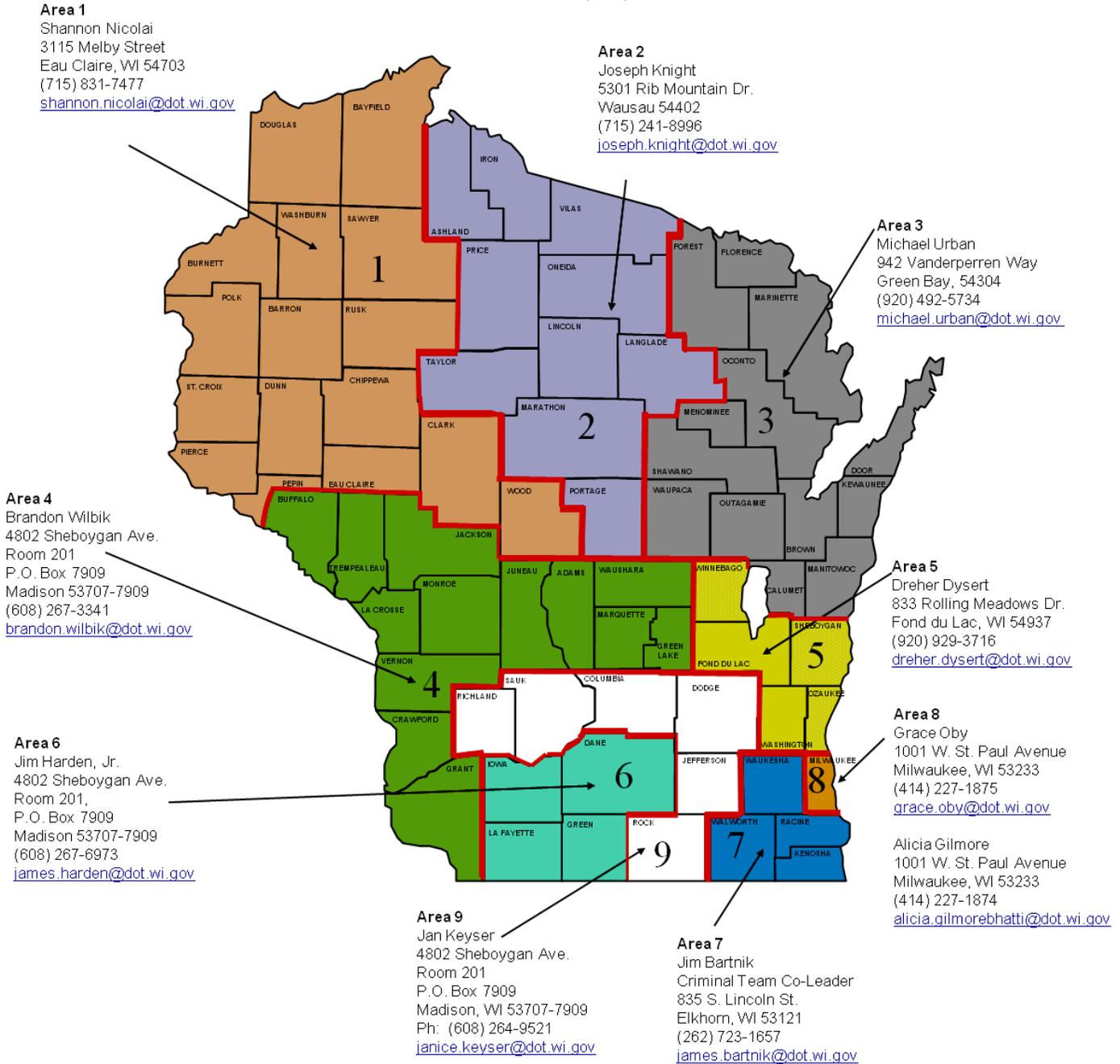
<http://www.dot.wisconsin.gov/business/dealers/listserv.htm>

Field Investigation Unit Territories

Updated April 1, 2013

Complaint Hotline: (608) 266-1425

Unit Fax Number: (608) 266-9996



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Wisconsin Buyers Guide

Everything you always wanted to know, but were afraid to ask.

We have had some inquiries regarding the Wisconsin Buyers Guide. Here are some points to help answer some of the more frequently-asked questions:

Inspection

- ◆ Disclose engine size. Engine size is listed on the emissions label under the hood.
- ◆ The description of “fuel system” on the back of the guide will not be changed to “fuel line” as some have suggested. Fuel line is not specifically addressed in Trans 305 and the list on the back of the guide isn’t intended to be all-inclusive.
- ◆ Supplemental devices (e.g. clock, navigation system, outside temperature indicator, etc.) need not be disclosed under the “Gauges and Warning Devices” section of the guide. They’re not essential to the functioning of the vehicle. Defining gauges on the back of the form will be looked at during the next revision.
- ◆ “Excessive oil consumption” means excessive based on manufacturer specifications.
- ◆ “Minor seepage” means that fluid is not actually leaking onto the ground.
- ◆ A vehicle cannot be sold with a deployed air bag. It’s against federal law.
- ◆ “Vehicle inspection date” refers to the date the dealer signs the guide.
- ◆ If a used-car dealer sub-contracts with a service repair facility, the name of the individual inspector, not the business name, should go under “vehicle inspector.”

Recalls

- ◆ Recall disclosure must be made in writing — in any way you choose.
- ◆ Franchised RV dealers aren’t required to perform manufacturer recalls on the chassis (e.g. Winnebago dealer with a GMC recall). Dealers must perform recall repairs only on makes for which they have a franchise.
- ◆ A dealership does not need to check for recalls on

makes for which it is not franchised at a specific location, even if the dealer group has that franchise at one of its other locations. For vehicles offered for sale at a given site, the dealership will do recalls for only the makes for which that site is franchised.

- ◆ A Chrysler dealer who is approved to perform Jeep warranty work is not required to disclose Jeep recalls. Only franchised Jeep dealers would have to do Jeep recalls.

Title brands

- ◆ If a title has a brand from another state, check “other” and write in the exact wording of the brand.

Unrepaired salvage

- ◆ Instead of displaying the guide on an unrepaired salvage vehicle, display a written statement “this is a salvage vehicle.” The statement may be on a sticker or written directly on the car.
- ◆ Vehicles that are damaged and unrepaired but are older than seven years (so they don’t meet the definition of salvage) must display the guide. If the car can’t be driven, complete the guide as best you can and line through the items that can’t be accurately disclosed without a test drive. Under “explain all items” write that the vehicle couldn’t be test driven.

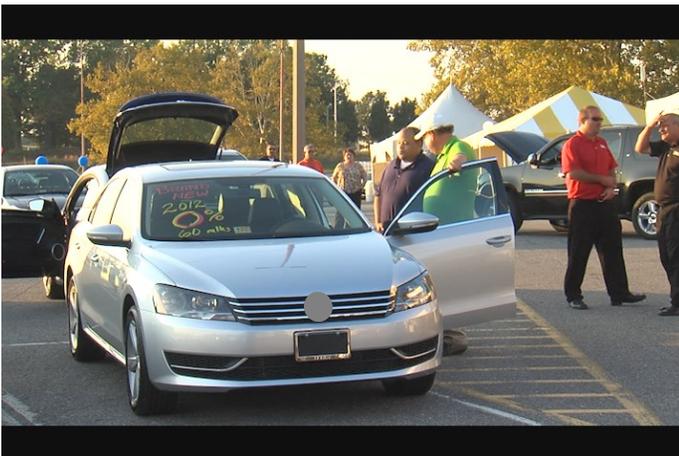
Warranty

- ◆ Dealers do not have to check for existing warranty on used vehicles. There is no obligation if warranty status is disclosed as “unknown,” and it turns out that some warranty remained. However, the dealership is obligated if it says warranty coverage exists when it doesn’t.
- ◆ If remaining factory warranty is disclosed, the expiration date and mileage must be filled in. Manufacturers have toll-free numbers available to find the in-service date of a vehicle’s warranty. Without calling to check, you don’t really know whether a warranty remains in force.
- ◆ When disclosing dual warranties, for example bumper-to-bumper 12 months or 12,000 miles and power train for 6 years or 60,000 miles, list expiration date and miles for both, separated on the form with a “slash.” For example:
Expiration: 6-12-13 / 6-12-18 (date)
12,000 / 60,000 (miles)

DAS Personnel Visit Off-Premise Sales

Personnel from the Dealer and Agent Section will be visiting off-premise sales this spring and summer to help dealerships do business correctly. A properly planned and well executed off-premise sale will result in fewer consumer complaints and happier retail buyers. Dealers may participate in up to six off-premise sales per year. Off-premise sales are sales held away from the dealership's licensed location. The following rules apply to off-premise sales:

- You must notify the Wisconsin Department of Transportation (WisDOT) Dealer and Agent Section in writing at least 10 days before the start of the sale. This notice must also include when and where the sale will take place. You can fax this notification to 608-266-9996 or e-mail: dealers.dmv@dot.wi.gov.
- A sale may not be longer than 10 days or it counts as more than one sale. (For example, if you want to have a sale that is 15 days long, you would use up two of your six allowed sales for the year.)
- You must give purchasers written notice of their three-day right to cancel a purchase or lease. (s. 423.203 Wis. Stats.) For a copy of the required notice, see [Federal Notice](#) (external link) on the Wisconsin Department of Financial Institutions website.
- You may not hold an off-premise sale on a Sunday. You may only display vehicles on Sunday. In order for the event to be considered a display, not a sale, no sales people may be present. Greeters, security people, and the owner may be present at the display.
- You must license sales personnel. All persons who are involved in the negotiation of the sale must have a Wisconsin sales person license. This license requires taking a sales person exam. The individual is legal to sell vehicles once he or she has passed the written examination. For more information please visit: <http://www.dot.wisconsin.gov/business/dealers/licenses/salesperson.htm> or call the Dealer and Agent hotline at 608-266-1425.



Contributors' Corner

Many thanks to those who
made this issue of
PLAIN DEALING
possible...

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Joel Ingebrigtsen	Scott Selbach
Jan Keyser	Michael Urban
Joseph Knight	Vikki VanDeventer
Brandon Wilbik	

Camper, Trailer, and Motor Vehicle Sales Tax Inquiries

Recently, taxpayers have directly and, via their Legislators, contacted the Department of Revenue (DOR) to express concerns about obtaining accurate sales and use tax information when registering campers, trailers and motor vehicles with the Department of Transportation.

Taxpayers with sales and use tax questions related to a vehicle or otherwise should contact the Department of Revenue directly. Information provided by other state agencies or entities is not authoritative and does not preclude audit or related collections actions by DOR.

The sales tax information on the Department of Transportation's Form MV-11 (which camper, trailer and motor vehicle dealers use) has to do with vehicle registration functions and does not constitute a compliance check for DOR purposes. Camper, trailer and auto dealers report and pay Wisconsin sales and use tax via DOR [Form ST-12](#), Wisconsin Sales Tax and Use Tax Return. The Department of Transportation's Form MV-11 is not a substitute or replacement for DOR Form ST-12.

Sales and use tax treatment related to campers, trailers and motor vehicles has not recently changed. DOR's April 2013 tax release covers the treatment of non-motorized campers in detail to serve as a reference for taxpayers. See the [release](#), page 2 for more information. Other existing DOR publications that serve as a reference on related issues include:

- [Publication 202](#): Sales and Use Tax Information for Motor Vehicle Sales, Leases, and Repairs.
- [Online Publication](#): Reporting Sales Tax on Sales of Motor Vehicles, Boats, Snowmobiles, Recreational Vehicles, Trailers, Semitrailers, All-Terrain Vehicles, and Aircraft.
- [Online Publication](#): Boats and Trailers: Determining Which County and Stadium Taxes Apply.
- [Online Publication](#): Sales of Used Motor Vehicles, Boats, Snowmobiles, Recreational Vehicles as defined in sec. 340.01 (48r), Wis. Stats., Trailers, Semitrailers, All-Terrain Vehicles, and Aircraft by Persons Who are Not Dealers.

As always, DOR staff is happy to answer questions and provide guidance on sales and use tax issues to businesses and individuals. DOR is available by both phone and e-mail to assist taxpayers.

Phone: (608) 266-2776

E-mail: DORSalesandUse@revenue.wi.gov

DOT Criminal Actions

Grady, Keith - Milwaukee – Mr. Grady pled guilty to three counts of VIN tampering. Sentencing is set for June, 26, 2013.

Harris, Fabian - Milwaukee – Mr. Harris pled guilty to two counts of VIN tampering. Harris was previously indicted in December 2011 on one count of VIN tampering and eleven counts of intent to sell a motor vehicle with a tampered VIN. Sentencing is scheduled for June 26, 2013.

DOT Citations

Batuner, Willy - Milwaukee - Eight citations were issued for failure to apply for transfer of title. A guilty judgment was entered by default.

Crevier, Lionnel - De Pere - Six citations were issued, three for acting as a motor vehicle dealer without a license, and three for failure to transfer title.

Dhillon, Parminderjeet - Milwaukee - A citation was issued for failure to transfer title within seven business days.

Huff, Brad - Fall Creek - Seven citations were issued for operating as an unlicensed motor vehicle dealer. Mr. Huff pled not guilty. A pre-trial conference is scheduled for June 5, 2013.

Juel, Michael - Wausau - Two citations were issued, one for failure to transfer title and the other for unlicensed sales. A guilty judgment was entered resulting in a forfeiture of \$942.80.

Klemz, Kevin - Milwaukee - The county dismissed seven of eleven citations issued in December, 2012, and entered a guilty judgment by default on the remaining four citations. The court ordered Mr. Klemz to pay a forfeiture of \$771.

Kosmatka, John - Milwaukee - Four citations were issued for acting as an unlicensed motor vehicle dealer and not processing titles. A trial is scheduled for April 30, 2013.

Moore Automotive dba One Roof - Milwaukee - Four citations were issued for failure to process title applications within seven business days. A trial is scheduled for April 30, 2013.

Prentice, Terry - Merrill - Two citations were issued for unlicensed motor vehicle sales.

Sims, Jimmie - Milwaukee - Nine citations were issued for operating as an unlicensed motor vehicle dealer. Mr. Sims entered a plea of no contest. The court found Mr. Sims guilty on one citation and entered a judgment of conviction. Mr. Sims was ordered to pay a forfeiture of \$1,000. The other eight citations were dismissed.

DOT Enforcement Actions

Bonafide - Stratford - An Assurance of Compliance was issued for multiple violations.

Evans, Thomas - Necedah - Mr. Evan's salesperson and buyer's licenses were suspended for three months for making a false statement on a title application and knowingly selling a vehicle with a security interest.

Muski Country LLC - Schofield - An Assurance of Compliance was issued for multiple violations.

Nelson Auto - Necedah - Their motor vehicle license was suspended for two days for making a false statement on a title application and knowingly selling a vehicle with a security interest.

Rotab Motors - Milwaukee - An Assurance of Compliance was issued for numerous infractions including selling motor vehicles to the public without a retail license.