

A policy and administrative bulletin for licensed dealers from the WisDOT DMV Dealer and Agent Section



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Dealer group advertising - policy update



The department has made changes to its policy regarding advertising as a dealer group.

Dealer groups are defined by the department as dealerships with the same majority ownership. Dealer groups often advertise their inventory as a group of dealer licensees in one advertisement or website. When advertising in a group, it is important to make sure all licensees in the group advertisement have the same majority ownership.

When dealerships qualify as a dealer group, each dealer website can advertise vehicles available at any location in the group if the advertisement clearly states the dealer location where the vehicle is offered for sale.

Example: ABC Motors Inc. and Anytown Motors LLC are part of a dealer group. ABC Motors Inc. has a 2017 Chevrolet for sale. Anytown Motors LLC advertises the 2017 Chevrolet on their website with the statement: "Vehicle for sale at ABC Motors Inc."

Alternatively, you can maintain a general webpage for the entire dealer group. Each advertisement on the general page must clearly state the dealer location where the vehicle is kept in inventory.

Example: ABC Motors Inc. and Anytown Motors LLC are part of a dealer group. Both dealers use a shared website, alphabetdealerships.com. An advertisement on the website for a 2017 Chevrolet states: "Vehicle for sale at ABC Motors Inc."

If your dealerships don't meet the department's definition of a dealer group, you can link each dealer's individual website to a central home or landing page. The landing page cannot advertise vehicles; it should serve to guide customers to each dealer's own website and inventory.

Example: ABC Motors Inc. and Anytown Motors LLC are not part of a dealer group. They share a website, alphabetdealerships.com. The website is a landing page that includes links to each dealer website, www.abcmotorsinc.com and www.anytownmotorsllc.com. The landing page, alphabetdealerships.com, does not advertise any vehicles.

Form MV2488 Vehicle Transfer and Odometer Mileage Statement – best practices

The MV2488 Vehicle Transfer and Odometer Mileage Statement form is available for use in limited situations when the title is not available.

The MV2488 form is not a replacement for the original ownership document (title or Manufacturer's Certificate of Origin). The title must always physically accompany the MV2488 form when application for transfer is made.

Usage of the MV2488, for private party use, will remain the same.

When can the MV2488 be used?

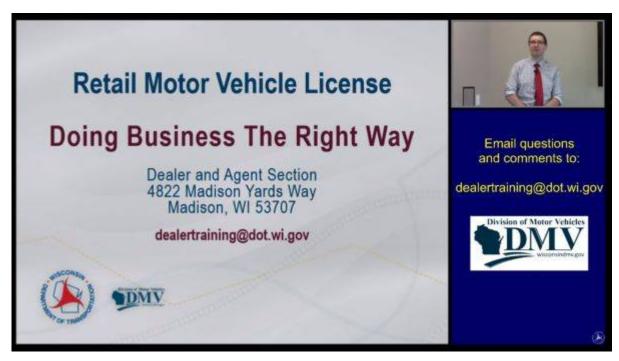
- In title-to-lienholder (T2LH) scenarios, the MV2690 would still be the most practical choice for Wisconsin licensed dealers, since it <u>allows sale of a vehicle prior to receiving the title</u> when the dealer has access to the vehicle's electronic record. Sellers would use the MV2488 to give the odometer disclosure when the title is held by a lien holder. The purchaser would wait for the title and, once the title arrives, the title would be signed by the purchaser in the first available reassignment.
 - The two forms must travel together and no information is transferred to the title.
 - The title MUST be in hand before offering the vehicle for sale in this scenario.
- For third-party processors, when holding the title, the MV2488 can be provided to collect assignments and odometer disclosure as mailing the title would create a risk of loss of the ownership document.
 - Whenever possible the actual ownership documents should be used. This option is only to mitigate loss of the title when mailing due to missing information and/or corrections.

- When the MV11 is printed on plain paper and a secure odometer disclosure is required.
- With a dealer retail sale, where the purchasing dealer has signed the title in the final purchaser reassignment and is now performing a retail sale, all title reassignments are full. Final transfer is applied for on the non-secure MV11, the final reassignment would then be collected on the MV2488.
- When there are reassignment errors, the MV2488 can be used to collect the correct assignment and/or odometer disclosure. It must be accompanied by a Statement of Intent and the original ownership document.
- In lost title situations, when a vehicle is traded-in and the verified owner claims the title to be lost. The customer must complete ONE of the below options:
 - o Apply for a replacement title. Once having the title, complete the reassignment on that title to the dealer.
 - This option is recommended to avoid complications due to child support liens or product holds. Third-party agents are responsible for researching the vehicle record. The vehicle may not be offered for sale until the title is in hand. Complete the MV2119 Replacement Title Application, including Section E and, submit an MV2488 to transfer odometer and interest in the vehicle to the purchaser.
 - o Complete the MV2119 Replacement Title Application, including Section E and, submit an MV2488 to transfer odometer and interest in the vehicle to the purchaser.
 - The title will need to be applied for and received BEFORE the vehicle is eligible for any future transfer.
 - The MV2488 must accompany the title once the replacement has been issued.
 - The purchaser's reassignment MUST be on the title. The MV2488 is to be used to release interest when the title is lost, it cannot be used in lieu of the title for reassignment.
 - Third-party agents are responsible to verify ownership, signature requirements, brands, status, and/or child support liens which may be part of the title record.

Situations where the MV2488 cannot be used

- Extending the ownership chain on a title. When title reassignments are full, a new title must still be applied for.
 - o Reminder: An MV11 (on secured paper when an odometer disclosure is required) can be used as the last chain of ownership to a retail customer
- Accepting a vehicle on trade or transfer. The title continues to be the ownership document.
- Sending a vehicle to auction. All current processes remain the same.

New Dealer Training Program Available



More than 40 dealers and their representatives participated in the Dealer and Agent Section (DAS) first dealer training seminar, both inperson and through YouTube Live. DAS's mission is "Keeping dealers in business, doing business right."

The live seminar covered how to:

- reassign titles and complete odometer disclosures
- complete the Wisconsin Buyer's Guide
- properly advertise vehicles
- complete the MV11 and purchase contracts
- utilize eMV PARTNER for title processing and temporary plate issuance

This free, four-hour professional training program is voluntary. DAS strongly encourages newly licensed dealers and dealer applicants to attending training, but all licensed dealers are welcome. This optional training is not a substitute for an initial inspection. The upcoming training dates are:

- Friday, October 15th 2021
- Tuesday, January 18th 2022
- Friday, April 15th 2022

Pre-registration is required. For questions, or to register for training, email the dealer training team at <u>dealertraining@dot.wi.gov</u>. Please include your dealer name and the names of those attending training.

An archived version of the live training is also available through the <u>department's YouTube page</u>.

The dealer training seminar is part of the department's larger efforts to provide educational opportunities to dealers. For additional tools and resources, please visit our webpage, www.wisconsindot.gov, and enter the phrase tips and tools for dealers in the search bar.



Listing a selling price without "hidden" fees or charges gives confidence to consumers they will only pay what is advertised. It's also the law. Wis. Admin. Code ch. Trans 139.03(3)(a) states that any advertised price must represent the total cost a consumer will pay to purchase a vehicle.

Recently, the department found motorcycle dealers advertising a selling price that excluded certain charges in violation of the law. These fees are often referred to as "destination charges", "delivery fees," "freight charges", "set-up fees", "reconditioning fees", or similar language. These fees are not excluded by Wis. Admin. Code ch. Trans 139.03(a), and they are not considered a service fee. If these fees are passed on to the customer, they must be included in the advertised price.

We recognize that motorcycle manufacturers choose to exclude certain fees, such as freight and delivery charges, from their Manufacturer Suggested Retail Prices (MSRP). The department considers MSRP a type of advertised price, and as such it must comply with the requirements of Wis. Admin. Code ch. Trans 139.03(3)(a).

We encourage all dealers to review their pricing to ensure they comply with the following requirements:

- The advertised price must include all charges paid by the customer to purchase the vehicle, less tax, title, registration, and service fee.
- If tax, title, registration, and service fee are excluded from the advertised price, a disclosure must exist that clearly states these fees are extra. All other fees must be included in the advertised price and therefore should not be mentioned in the disclosure.
- When comparing the selling price to MSRP, you must include a disclosure that states the MSRP may not reflect the actual selling price of the vehicle.

If you have any questions or concerns, please contact <u>Tristan.Kloss@dot.wi.gov</u>.

REMINDER: Advertised price – what can you exclude?

The law allows four items to be excluded from the advertised price: 1) taxes, 2) title fee, 3) registration fee, and 4) an optional service fee the dealer can charge to a customer to cover costs related to mandatory compliance with state and federal law. Allowable service fee charges were discussed in the January 2021 issue of Plain Dealing.

Dealers found violating this law may be subject to citations, and dealers charging unauthorized fees may be required to refund those fee amounts to affected customers.

Emissions Waiver Repair Cost Limit Increase to \$949 - Effective July 1, 2021

The repair cost limit for all model year vehicles subject to emissions testing will increase to \$949, effective July 1, 2021. This figure is adjusted annually by the DNR per NR 485.045.

Vehicles subject to emissions testing that continue to fail may be eligible for a cost waiver if actual costs of emissions related repairs exceed 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 owner must have emissions related repairs performed on the vehicle at a recognized repair facility to qualify for waiver consideration. A list of recognized repair facilities is maintained online by the Wisconsin Vehicle Inspection Program.

The application form to apply for Recognized Repair Shop status may also be found at the above link. Wis. Admin. Code ch. Trans 131.02(39) includes franchised new car dealerships as recognized repair facilities.



FIU Enforcement Actions

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