

Vote Record

Assembly Committee on Transportation

Date: 3-2-99
 Moved by: Huebsch Seconded by: Lassa
 AB: 59 Clearinghouse Rule: _____
 AB: _____ Appointment: _____
 AJR: _____ Other: _____
 A: _____ SR: _____

A/S Amdt: _____ to A/S Amdt: _____
 A/S Sub Amdt: _____ to A/S Sub Amdt: _____
 A/S Amdt: _____ to A/S Amdt: _____
 A/S Amdt: _____ to A/S Sub Amdt: _____

Be recommended for:

- Passage
- Introduction
- Adoption
- Rejection

- Indefinite Postponement
- Tabling
- Concurrence
- Nonconcurrence
- Confirmation

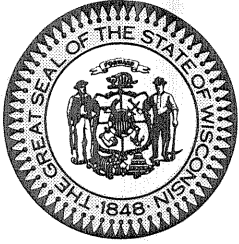
Committee Member

	Aye	No	Absent	Not Voting
Rep. David Brandemuehl Chair	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Rep. Jeff Stone	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Rep. Eugene Hahn	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Rep. Michael Huebsch	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Rep. Steve Kestell	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Rep. Joseph Leibham	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Rep. Jerry Petrowski	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Rep. Scott Suder	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Rep. John Townsend	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Rep. Julie Lassa	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Rep. Donald Hasenohrl	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Rep. Barbara Gronemus	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Rep. Robert Turner	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Rep. Leon Young	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Rep. John Steinbrink	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Rep. Larry Balow	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Rep. Gary Sherman	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

Totals: 17 _____ _____ _____

Motion Carried

Motion Failed



DAVID BRANDEMUEHL

*State Representative
49th Assembly District*

TO: All Senators

FROM: Rep. David Brandemuehl

DATE: March 13, 2000

RE: Assembly Bill 54

Assembly Bill 54 has been scheduled for Senate action on Tuesday, March 14. AB 54 would eliminate the requirement for salvage motor pools to purchase two dealer license plates.

Under current law, motor vehicle salvage pools are required to purchase 2 dealer registration plates at a cost of \$75 each. Dealer registration plates may only be used on vehicles that are owned or being repossessed by a dealer or wholesaler. Many motor vehicle salvage pools, however, only sell vehicles on consignment – the seller still owns the vehicle until it is sold and then the title passes directly from seller to purchaser. Since salvage pools typically do not own or repossess vehicles, they cannot use the required dealer plates. Of the 10 active licensed salvage pools in the state, 7 have the minimum required plates and 3 have additional dealer plates, which are likely used on vehicles that the pools occasionally acquire.

AB 54 eliminates the requirement for motor vehicle salvage pools to purchase two dealer plates, but would allow them to purchase the plates if needed. This bill makes no other changes to the licensing requirements for salvage pools.

I respectfully request your support for AB 54 and eliminate this unnecessary requirement. Thank you.

Committee Memberships:

Transportation (Chair); Education; Highway Safety; Natural Resources; Urban & Local Affairs; Rustic Roads Board; Transportation Projects Commission

Office: P.O. Box 8952 • Madison, Wisconsin 53708-8952 • (608) 266-1170 • Rep.Brandemuehl@legis.state.wi.us

Home: 13081 Pine Road • Fennimore, Wisconsin 53809 • (608) 822-3776

Toll-Free: (888) 872-0049 • **Fax:** (608) 282-3649



BILL SUMMARY

AB 54: Optional Dealer Plates for Salvage Pools

Date: March 16, 1999

BACKGROUND

Under current law, motor vehicle salvage pools are required to purchase 2 dealer registration plates at a cost of \$75 each. Dealer registration plates may only be used on vehicles that are owned or being repossessed by a dealer or wholesaler. Many motor vehicle salvage pools, however, only sell vehicles on consignment – the seller still owns the vehicle until it is sold and then the title passes directly from seller to purchaser. Since salvage pools typically do not own or repossess vehicles, they cannot use the required dealer plates. Of the 10 active licensed salvage pools in the state, 7 have the minimum required plates and 3 have additional dealer plates, which are likely used on vehicles that the pools occasionally acquire.

SUMMARY OF AB 54

Assembly Bill 54 eliminates the requirement for motor vehicle salvage pools to purchase two dealer plates, but would allow them to purchase the plates if needed. This bill makes no other changes to the licensing requirements for salvage pools.

FISCAL EFFECT

A fiscal estimate prepared by the Department of Transportation indicates that there would be no state fiscal effect. If the 7 salvage pools, which currently only purchase the required plates, chose not to obtain dealer plates, there would be a negligible loss of \$500 annually to the Transportation Fund.

PROS

1. AB 54 eliminates an unnecessary mandate and expense for motor vehicle salvage pools.
2. The fiscal impact of this bill is minimal.

CONS

None.

SUPPORTERS

Rep. David Brandemuehl, author; Sen. Roger Breske, lead co-sponsor; Carson Frazier, Wisconsin Department of Transportation; Gary Williams, Wisconsin Auto & Truck Dealers Association.

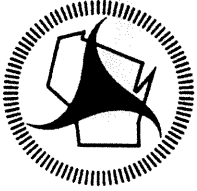
OPPOSITION

No one testified or registered in opposition to Assembly Bill 54.

HISTORY

Assembly Bill 54 was introduced on January 21, 1999, and referred to the Assembly Committee on Transportation. A public hearing was held on February 25, 1999. On March 2, 1999, the Committee voted 17-0-0 to recommend passage of AB 54.

CONTACT: Sheri Krause, Office of Rep. David Brandemuehl



Wisconsin Department of Transportation



Tommy G. Thompson
Governor

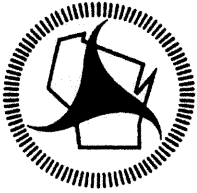
Charles H. Thompson
Secretary

DIVISION OF MOTOR VEHICLES
4802 Sheboygan Avenue
P.O. Box 7949
Madison, WI 53707-7949

**ASSEMBLY TRANSPORTATION COMMITTEE
FEBRUARY 25, 1999
Testimony, Carson P. Frazier**

AB 54: optional dealer plates for motor vehicle salvage pools:

- This bill makes it *optional, not required*, that salvage pools purchase dealer plates.
- Salvage pools virtually always sell vehicles on consignment. In a consignment sale, the dealer does not own the vehicle – the seller still owns the vehicle until it is sold, and then title passes directly from the seller to the purchaser.
- Dealer plates must be used on vehicles that dealers *own or repossess*. Therefore, it is virtually always the case that salvage pools are required to purchase dealer plates when they have no need of the plates.
- Salvage pools may occasionally own vehicles that they sell, and therefore should have the option to purchase dealer plates if they need them.
- This bill makes no changes to licensing requirements for salvage pools, except this one requirement for purchasing dealer plates.
- Fiscal impact is minimal.
- We request this bill to eliminate an unnecessary requirement for salvage pools.



Wisconsin Department of Transportation



Tommy G. Thompson
Governor

Charles H. Thompson
Secretary

DIVISION OF MOTOR VEHICLES
4802 Sheboygan Avenue
P.O. Box 7949
Madison, WI 53707-7949

ASSEMBLY TRANSPORTATION COMMITTEE
FEBRUARY 11, 1999
Testimony, Carson P. Frazier

AB 54: issuing dealer plates to motor vehicle salvage pools:

- This bill makes it *optional, not required*, that salvage pools purchase dealer plates.
- Salvage pools virtually always sell vehicles on consignment. In a consignment sale, the dealer does not own the vehicle – the seller still owns the vehicle until it is sold, and then title passes directly from the seller to the purchaser.
- Dealer plates must be used on vehicles that dealers own or repossess. Therefore, it is virtually always the case that salvage pools are required to purchase dealer plates when they have no need of the plates.
- Salvage pools may occasionally own vehicles that they sell, and therefore should have the option to purchase dealer plates if they need them.
- This bill makes no changes to licensing requirements for salvage pools, except this one requirement for purchasing dealer plates.
- Fiscal impact is minimal.
- We request this bill to eliminate a useless requirement for salvage pools.

AB 55: eliminate mandatory revocation of dealer license for misuse of dealer plates:

- Dealer plates must be used on vehicles that a dealer, distributor, or manufacturer owns or repossesses and is actually offered for sale, or is in transit; or is being used by manufacturer for trial tests; or is being repossessed, being reconditioned for sale or being foreclosed/resold.
- Penalty for misuse of dealer plates is forfeiture of up to \$200.
- Currently, the law mandates DOT to revoke a dealer/distributor/manufacturer business license if the business is convicted twice in a registration year of misuse of dealer plates.
- This bill eliminates the mandatory license revocation, but leaves the forfeiture for each occasion of misuse.
- License revocation is a harsh penalty, reserved for most egregious actions. DOT usually tries to impose lesser penalties, working with a dealer to encourage proper behavior. We believe this penalty is out of proportion to the offense.

Testimony before the Assembly Transportation Committee
February 11, 1999
Carson P. Frazier
Page 1 of 2 pages

AB 58: eliminate reference to "retail" referring to auction dealer penalties:

- A motor vehicle auction dealer by law can only sell at wholesale. They may not sell to retail buyers.
- Several references in the penalty provisions of this subchapter include references to "retail." These provisions replicate penalty provisions relating to motor vehicle dealers who do sell to retail buyers. We believe that this was merely a drafting oversight, from years past.
- However, this oversight has limited us in being able to cite auction dealers for unlawful practices, because the law refers to "retail."
- We request deletion of the word "retail" in certain provisions, and repeal of two provisions that apply only in retail situations.

AB 59: eliminate statutorily specified expiration dates:

- This bill eliminates three remaining actual dates listed in the statutes, for registration expiration:
 - *Farm trucks* which currently expire on the last day of February of even numbered years
 - *Motorcycles/mopeds* which currently expire on April 30 of even-numbered years
 - *\$5/5 year registrations* which currently expire on December 31 of 1993 and every 5 years after that.
- These are the last remaining expiration dates actually specified in statute.
- Over the last few years, we have requested and the legislature has eliminated several other dates that were actually listed in statute.
- We do not intend to change expiration periods in the foreseeable future.
- However, we would like to eliminate the statutory limitation on the actual date, because if we ever need to change registration periods, to balance our workload for example, we could not do under current law.

FISCAL ESTIMATE
DOA-2048 N(R10/94)

- ORIGINAL UPDATED
 CORRECTED SUPPLEMENTAL

LRB or Bill No./Adm. Rule No.
AB 54, LRB 0297/1
Amendment No. if Applicable

Subject
Issuing dealer registration plates to motor vehicle salvage pools

Fiscal Effect

State: No State Fiscal Effect

Check columns below only if bill makes a direct appropriation or affects a sum sufficient appropriation.

- Increase Existing Appropriation Increase Existing Revenues
 Decrease Existing Appropriation Decrease Existing Revenues
 Create New Appropriation

- Increase Costs - May be possible to Absorb Within Agency's Budget Yes No
 Decrease Costs

Local: No local government costs

1. Increase Costs
 Permissive Mandatory
2. Decrease Costs
 Permissive Mandatory

3. Increase Revenues
 Permissive Mandatory
4. Decrease Revenues
 Permissive Mandatory

5. Types of Local Governmental Units Affected:
 Towns Villages Cities
 Counties Others _____
 School Districts WTCS Districts

Fund Sources Affected

- GPR FED PRO PRS SEG SEG-S

Affected Ch. 20 Appropriations

Assumptions Used in Arriving at Fiscal Estimate

This bill eliminates the requirement that motor vehicle salvage pools obtain dealer registration plates, but allows salvage pools to do so if desired. Dealer registration plates must by statute be used on vehicles that a dealer owns or repossesses. However, salvage pools virtually always sell vehicles on consignment to licensed dealers, and thus do not own the vehicles they sell and cannot legally use dealer plates on those vehicles. Thus, requiring salvage pools to obtain dealer plates amounts to a useless expenditure.

There are currently ten active licensed salvage pools in the state. The minimum fee for dealer plates is \$150 for two plates for the two years licensing period. Of the 10 salvage pools, 7 have the minimum required two plates (the other 3 salvage pools have additional dealer plates, likely for use on vehicles that the pool may occasionally acquire). If these 7 salvage pools chose not to obtain dealer plates, there would be a negligible revenue loss to the Transportation Fund of \$500 annually.

This bill makes no changes in licensing requirements for salvage pools; therefore, no reduction of workload occurs. The state would save the cost of two license plates for each of the 7 pools, which is negligible.

Long-Range Fiscal Implications

Agency/Prepared by: (Name & Phone No.)
Transportation/Carson P. Frazier (266-7857)

Authorized Signature/Telephone No.
 266-2233

Date
1/27/99

FISCAL ESTIMATE WORKSHEET

1997 Session

Detailed Estimate of Annual Fiscal Effect
DOA-2047 (R10/94)

ORIGINAL UPDATED
 CORRECTED SUPPLEMENTAL

LRB or Bill No./Adm. Rule No.
AB 54, LRB 0297/1

Amendment No.

Subject
Issuing dealer registration plates to motor vehicle salvage pools

I. One-time Costs or Revenue Impacts for State and/or Local Government (do not include in annualized fiscal effect):
None

II. Annualized Costs:	Annualized Fiscal impact on State funds from:	
A. State Costs by Category	Increased Costs	Decreased Costs
State Operations - Salaries and Fringes	\$	\$ -
(FTE Position Changes)	(FTE)	(- FTE)
State Operations - Other Costs		-
Local Assistance		-
Aids to Individuals or Organizations		-
TOTAL State Costs by Category	\$	\$ -
B. State Costs by Source of Funds	Increased Costs	Decreased Costs
GPR	\$	\$ -
FED		-
PRO/PRS		-
SEG/SEG-S		-
III. State Revenues - Complete this only when proposal will increase or decrease state revenues (e.g., tax increase, decrease in license fee, etc.)	Increased Rev.	Decreased Rev.
GPR Taxes	\$	\$ -
GPR Earned		-
FED		-
PRO/PRS		-
SEG/SEG-S		-
TOTAL State Revenues	\$	\$ -

NET ANNUALIZED FISCAL IMPACT

STATE

LOCAL

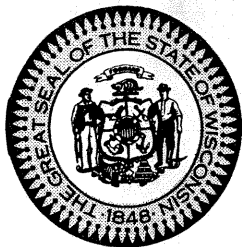
NET CHANGE IN COSTS \$ -0- \$ -0-

NET CHANGE IN REVENUES \$ negligible \$ -0-

Agency/Prepared by: (Name & Phone No.)
Transportation/Carson P. Frazier (266-7857)

Authorized Signature/Telephone No.
Carson P. Frazier 266-2233

Date
1/27/99



DAVID BRANDEMUEHL

State Representative
49th Assembly District

TO: All Legislators

FROM: Rep. David Brandemuehl

DATE: December 17, 1998

RE: Co-sponsorship of **LRB 0297/1**, relating to issuing dealer registration plates to motor vehicle salvage pools

Handwritten notes:
Darling
Frise Grmemus
Sykora Turner
F. Lasee Stone
Pettis Ainsworth
Hahn Olson
Breske
Grothman
Albers
Lassa
Ryba

I am introducing legislation to eliminate as a requirement, but retain as optional, the purchase of two dealer license plates for salvage motor pools.

Presently, salvage motor pools are **required** to purchase two dealer license plates, which cost \$75 each. However, by statute, dealer plates can only be used on vehicles that a dealer or wholesaler owns or repossesses. A salvage pool, by definition, only sells vehicles on consignment and does not own or repossess vehicles. Thus, the current requirement burdens salvage pools with paying \$150 to get two dealer license plates that they cannot use.

The analysis for this bill is printed below. If you are interested in co-sponsoring **LRB 0297/1**, please contact my office at 266-1170 by **January 15, 1999**.

Analysis by the Legislative Reference Bureau

Current law requires a motor vehicle salvage pool (any person who is engaged primarily in the business of selling or distributing damaged motor vehicles at wholesale, whether or not the motor vehicles are owned by that person) to be licensed by the department of transportation as a wholesaler and to obtain at least two dealer registration plates at a cost of \$75 each. Dealer registration plates issued to a wholesaler may only be used on motor vehicles that are owned or being repossessed by the wholesaler. Many motor vehicle salvage pools sell motor vehicles only on consignment, and so neither own nor repossess motor vehicles.

This bill eliminates the requirement that motor vehicle salvage pools obtain dealer registration plates, but allows motor vehicle salvage pools to obtain the plates if so desired. This bill does not change current law that generally prohibits the operation upon a highway of any motor vehicle that is not properly registered or displaying dealer registration plates.