

proper sanitary herd management, or various combinations of such procedures. Such research shall also include studies in cooperation with the state board of health and the university school of medicine to determine if undulant fever is transmissible to humans through milk from bovine animals which have been vaccinated with Strain 19 Brucella vaccine. To facilitate such work contracts may be entered into with the owners of not more than 100 herds of bovine animals of various classes for the supervised control of the animals therein and for the purchase of animals under conditions to be specified in such contracts which shall be retained for control purposes. Payment for such animals shall be made out of the appropriation in section 20.41 (22).

Approved May 22, 1945.

No. 176, A.]

[Published May 24, 1945.]

### CHAPTER 171.

AN ACT to amend 218.01 (1) (d), (n), (o), (p), 218.01 (2) (c), 218.01 (2) (d) 1, 218.01 (2) (h), 218.01 (3) (a) 13, 17, 218.01 (6) (g) and to create 218.01 (8) (d) of the statutes, relating to motor vehicle dealers, manufacturers, definitions, bonds, fees, unfair cancellations, equitable adjustments, and providing penalties.

*The people of the state of Wisconsin, represented in senate and assembly, do enact as follows:*

SECTION 1. 218.01 (1) (d), (n), (o) and (p) of the statutes are amended to read:

218.01 (1) (d) "Sales finance company" means and includes any person, firm or corporation engaging \* \* \* in the business, in whole or in part, of acquiring by purchase or by loan on the security thereof, or otherwise, retail instalment contracts from retail sellers in this state, including any motor vehicle dealer who sells any motor vehicle on an instalment contract or acquires any retail instalment contracts in his retail sales of motor vehicles.

(n) "Manufacturer" means any person, resident or nonresident \* \* \* who manufactures or assembles motor vehicles  
\* \* \*

(o) "Distributor" or "wholesaler" means a person, resident or nonresident \* \* \* who in whole or part, sells or distrib-

utes motor vehicles to motor vehicle dealers \* \* \*, or who maintains distributor representatives \* \* \*.

(p) "Factory branch" means a branch office maintained \* \* \*, by a person who manufactures or assembles motor vehicles, for the sale of motor vehicles to distributors, or for the sale of motor vehicles to motor vehicle dealers or for directing or supervising in whole or part, its representatives \* \* \*.

SECTION 2. 218.01 (2) (c) of the statutes is amended to read:

218.01 (2) (c) All licenses shall be granted or refused within 30 days after application therefor, and shall expire, unless sooner revoked or suspended, on December 31 of the calendar year for which they are granted, *except that where a complaint of unfair cancellation of dealer franchise is in the process of being heard, no replacement application for such franchise shall be considered until a decision is rendered by the department.*

SECTION 3. 218.01 (2) (d) 1 of the statutes is amended to read:

218.01 (2) (d) 1. For motor vehicle dealers, \* \* \* \$10 for each office or branch or agent thereof, plus \$1 for a supplemental license for each used car lot not immediately adjacent to the office or to a branch.

SECTION 4. 218.01 (2) (h) of the statutes is amended to read:

218.01 (2) (h) *Provided the licensor has reasonable cause to doubt the financial responsibility or the compliance by the applicant or licensee with the provisions of this statute the licensor may require \* \* \* such applicant or licensee to furnish and maintain a bond in such form, amount and with such sureties as it shall approve, but not \* \* \* less than \$5,000, nor more than \$15,000, conditioned upon such applicant or licensee complying with the provisions of \* \* \* the statutes applicable to the licensee and as indemnity for any loss sustained by any person by reason of any acts of the licensee constituting grounds for suspension or revocation of his license hereunder. The bonds shall be executed in the name of the state of Wisconsin for the benefit of any aggrieved parties, but the penalty of said bond shall not be invoked except after a court adjudication thereof. The above bonding requirements shall not apply to manufacturers, factory branches, and their agents.*

SECTION 5. 218.01 (3) (a), 13, 17 and (6) (g) of the statutes are amended to read:

218.01 (3) (a) 13. Having sold a retail instalment contract \* \* \* to a sales finance company not licensed hereunder.

17. Being a manufacturer, factory branch, distributor, field representative, officer, agent or any representative whatsoever of such motor vehicle manufacturer or factory branch, who has unfairly, without due regard to the equities of said dealer and without just provocation, canceled the franchise of any motor vehicle dealer. *The nonrenewal of a franchise or selling agreement without just provocation or cause shall be deemed an evasion of this section and shall constitute an unfair cancellation.*

(6) (g) Any retail buyer of a motor vehicle resident of the state of Wisconsin at the time of the purchase thereof, under a retail instalment contract made in this state, shall have a valid defense against the recovery of the principal, finance charges, interest and other fees included in such contract, in any action or proceeding at law to enforce said contract by any person, firm or corporation who has purchased or otherwise acquired said contract, if such person, firm or corporation has failed or refused prior to such purchase or acquisition to be licensed as a sales finance company under the provisions of this section, and such person, firm or corporation is actually engaged, \* \* \* in business, in whole or in part as a sales finance company as defined in this section.

SECTION 6. 218.01 (8) (d) of the statutes is created to read:

218.01 (8) (d) Any person or persons violating subsection (3) (a) 15, 16 and 17, may in addition to, or in lieu of, the general denial, suspension, or revocation penalties in said subsection, be subject to a fine of not more than \$5,000 or be subject to a suspension or revocation sentence of not more than a year effective only in the territory formerly served by the unfairly canceled dealer, or by both such fine and suspension or revocation, except that in a metropolitan area serviced by several dealers handling the same motor vehicle, the suspension or revocation order shall not be applicable to the remaining dealers.

SECTION 7. This act shall take effect immediately upon passage and publication except section 3 which shall take effect January 1, 1946.

Approved May 22, 1945.