



WISCONSIN LEGISLATIVE COUNCIL ACT MEMO

2007 Wisconsin Act 207
[2007 Senate Bill 519]

**Nonmoving Traffic Violations
Involving Rented or Leased
Vehicles**

CURRENT LAW

Under current law, a local authority, state agency, a campus within the University of Wisconsin System, or a technical college district (an “authority”) may issue citations for nonmoving traffic violations that impose forfeitures and, in some circumstances, tow and store the vehicle. If the person charged with the citation fails either to pay the forfeiture and charges for towing and storage or to contest the citation successfully in court, the authority may report the nonmoving traffic violation to the Department of Transportation (DOT), which then may suspend the registration for the vehicle and, in certain cases, deny renewal of registration of the person’s other vehicles. Under current law, if the owner of a vehicle receiving a nonmoving traffic violation citation is a **vehicle rental or leasing company**, it may avoid the suspension of the vehicle registration if: (1) it provides DOT with information regarding the renter or lessee who was in possession of the vehicle at the time of the nonmoving traffic violation; and (2) the renter or lessee pays the authority all amounts owed as a forfeiture, costs, and charges for towing and storage. **Alternatively**, if the renter or lessee fails to pay any forfeiture, costs, and charges, the rental or leasing company may avoid suspension of its registration by DOT if it pays any costs and 50% of the outstanding forfeiture and towing and storage charges owed for the nonmoving traffic violation.

Under current law, vehicle rental and leasing companies **may not charge a credit card** that the renter or lessee provided as a deposit for damages **unless** either: (1) the charges are for the cost of the rental and the renter or lessee consents; or (2) the charges are to repair any damage that occurred when the vehicle was in the renter’s or lessee’s possession and the rental or leasing company provides the renter or lessee with the total cost of the repairs.

2007 WISCONSIN ACT 2007

Act 207 requires that if a renter or lessee of a vehicle that receives a citation for a nonmoving traffic violation, while the vehicle was in the renter’s or lessee’s possession, fails to pay any forfeitures,

This memo provides a brief description of the Act. For more detailed information, consult the text of the law and related legislative documents at the Legislature’s Web site at: <http://www.legis.state.wi.us/>.

costs, or towing and storage charges that are owed to the authority issuing the citation, the vehicle rental or leasing company **must pay all** of those sums to the authority or DOT may suspend the vehicle's registration. The Act allows a vehicle rental or leasing company to **charge a credit card provided as a deposit for damages** by the renter or lessee for any sums it has paid for costs, forfeitures, and towing and storage charges for the nonmoving violation plus assess an administrative fee of not more than \$30 against the renter or lessee. If the rental or leased vehicle owner intends to make such charges, the vehicle owner must give **written notice** to the renter or lessee, before entering into the rental or lease agreement, that charges may be made against the renter's or lessee's credit card for any forfeitures, costs, or towing and storage charges for a nonmoving traffic citation that the renter or lessee fails to pay. The Department of Agriculture, Trade and Consumer Protection is required to promulgate rules specifying the form of this written notice.

The rental or leased vehicle owner must: (1) charge the renter's or lessee's credit card within 30 days after receiving notice from the authority issuing the citation that the renter or lessee failed to pay the forfeitures, costs, or towing and storage charges; and (2) provide a **detailed itemization** of the charges to the renter or lessee within 30 days of charging the renter's or lessee's credit card.

The Act provides an **exception** for nonmoving violations incurred by a renter or lessee who: (1) did not pay for the cost of the rental or lease with a credit card; or (2) paid with a credit card for the cost and the charges were declined by the issuer of the credit card. The exception lowers the rental or leased vehicle owner's liability to 50% of the amount of the forfeitures and towing and storage charges.

Effective Date: Act 207 takes effect on August 1, 2008, except that the rulemaking provisions took effect on April 22, 2008.

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