

## Chapter Trans 142

### RECREATIONAL VEHICLE DEALER TRADE PRACTICES, FACILITIES AND RECORDS

Trans 142.01	Purpose and scope.
Trans 142.02	Definitions.
Trans 142.03	Advertising and sales representations.
Trans 142.04	Purchase contract.

Trans 142.05	Consignment agreements.
Trans 142.06	Disclosure of the condition of the recreational vehicle.
Trans 142.07	Dealer facilities and records.

**Trans 142.01 Purpose and scope.** (1) STATUTORY AUTHORITY. As authorized by ss. 218.12 (6) and 227.11, Stats., the purpose of this chapter is to establish the department's administrative interpretation of ss. 218.10 (1g), 218.11 (3), (6) (e), (h), (i), (k) and (n) and (7) (c), 218.12 (5) and 342.16 (2), Stats., relating to recreational vehicle dealer trade practices, facilities and records.

**Note:** The Department of safety and professional services regulates the trade practices, facilities and records of manufactured home dealers.

(2) APPLICABILITY. This chapter applies to any person applying for or holding a Wisconsin recreational vehicle dealer or salesperson license.

**Note:** A form used in administering this rule is the recreational vehicle dealer service agreement.

**History:** Cr. Register, October, 1984, No. 346, eff. 11-1-84; correction in (1) made under s. 13.93 (2m) (b) 7., Stats., Register, December, 1987, No. 384; am. Register, August, 2000, No. 536, eff. 9-1-00.

**Trans 142.02 Definitions.** In this chapter:

(1) "Cash price" means dealer asking price including dealer installed options and accessories and additional dealer markup, profit and transportation charges, minus the dollar value of cash discounts.

(2) "Damage" means defects caused by reasons other than normal wear through vehicle age and usage.

(3) "Licensee" means any recreational vehicle dealer, or salesperson, or any person who is both a recreational vehicle dealer and a salesperson.

(4) "Mobile home" has the meaning set forth in s. 340.01 (29), Stats.

(5) "New recreational vehicle" means any untitled or titled recreational vehicle which has not been previously occupied, used or sold for private or business use.

(6) "Recreational vehicle" means a mobile home which in the traveling mode, is 8 feet 6 inches or less in width or 45 feet or less in length, and which is built on a permanent chassis and designed to be towed on a highway by a motor vehicle and equipped and used, or intended to be used, primarily for temporary human habitation or recreational living quarters, and includes the plumbing, heating, air-conditioning, and electrical systems contained in the recreational vehicle. For purposes of this chapter the measurement of length shall be determined in accordance with s. 348.07 (3), Stats.

(7) "Recreational vehicle dealer" means:

(a) A dealer as set forth in s. 218.10 (1g), Stats., but does not include:

1. A manufactured home retailer as defined in s. Adm 67.02 (7).

**Note:** Chapter Adm 67 was renumbered ch. Comm 97 eff. 7-1-01. Chapter Comm 97 was repealed eff. 7-1-05.

2. Governmental units and agents performing their official duties.

3. Advertising media and agents performing their assigned duties.

(b) A person, not excluded by par. (a), who sells 2 or more new or used recreational vehicles in any one calendar year.

**Note:** Dealer financial responsibility requirements are specified in ch. Trans 140.

(8) "Retail purchaser" means any purchaser not licensed as a recreational vehicle dealer or salesperson.

(9) "Service agreement" means any repair agreement sold by a licensee.

(10) "Used recreational vehicle" means any untitled or titled recreational vehicle which has been occupied, used or sold for private or business use.

**History:** Cr. Register, October, 1984, No. 346, eff. 11-1-84; am. (7) (a) (intro.) and 1., Register, August, 2000, No. 536, eff. 9-1-00.

**Trans 142.03 Advertising and sales representations.** (1) TRUTHFUL. The use of false, deceptive or misleading advertising or representations by any licensee to induce the purchase of a recreational vehicle constitutes an unfair practice and is prohibited.

(2) FACTUAL. Any licensee, making a statement of fact to the public in an advertisement, written statement or representation concerning the recreational vehicle offered for sale, the services provided or other aspects of the business operation, shall upon request of the department, furnish evidence of the validity and accuracy of the statement of fact at the time it was made.

(3) DISCLOSURES REQUIRED WHEN ADVERTISING PRICE. When the price of a recreational vehicle is advertised by a licensee, the advertised price shall include all charges that shall be paid by the purchaser to acquire ownership of the advertised recreational vehicle with the exception of sales tax and title and registration fees.

(4) NAME. Advertisements for recreational vehicle sales shall include the licensed business name.

(5) MODEL YEAR AND IF USED. When advertising a recreational vehicle, a licensee shall state the recreational vehicle's model year and whether the recreational vehicle is new or used. If all of the recreational vehicles in an advertisement are used, one reference designating that they are used is sufficient.

(6) EXPIRATION TERMS OF SALES OR PROMOTIONS. Whenever a sale or promotion offering gifts, merchandise, equipment, accessories, service, discounts, price reductions, or cash is advertised, the advertisement shall also specifically disclose the expiration terms or date of the sale or promotion.

**History:** Cr. Register, October, 1984, No. 346, eff. 11-1-84.

**Trans 142.04 Purchase contract.** (1) USAGE. (a) All licensees shall furnish retail purchasers with a copy of a document entitled "Recreational Vehicle Purchase Contract" that clearly states that the prospective retail purchaser is making an offer to purchase a recreational vehicle. An exact copy of the purchase contract shall be provided to the purchaser at the time the purchaser signs the offer and again after the offer is accepted by the dealer. Any changes to the purchase contract after signing by the purchaser or subsequent to acceptance by the dealer shall be initiated by all parties on all copies.

(b) A recreational vehicle purchase contract shall be executed whenever the licensee accepts a down payment, deposit or title for a trade-in unit from a prospective retail purchaser.

(2) CONTRACT FACE REQUIREMENTS. A purchase contract shall, on its face:

(a) Clearly identify the names and addresses of the dealer and purchaser.

(b) Describe the recreational vehicle purchased by year, make, model and identification number, and any trade-in vehicle by year, make, and model, and specify whether the purchased recreational vehicle is new or used.

(c) State the date and time each signature is affixed.

(d) Include the salesperson's name and license number in an area separate from the signatures of the purchaser and dealer or authorized representative.

(e) Specify an anticipated delivery date and state further in bold faced type next to the anticipated delivery date: IF THE RECREATIONAL VEHICLE ORDERED BY THE PURCHASER IS NOT AVAILABLE FOR DELIVERY BY THE DEALER WITHIN 15 CALENDAR DAYS AFTER THE ANTICIPATED DELIVERY DATE, THE PURCHASER MAY CANCEL THIS ORDER. THE PURCHASER SHALL RECEIVE A FULL REFUND OF ANY DOWN PAYMENT AND RETURN OF THE TRADE-IN, OR TITLE FOR THE TRADE-IN, OR BOTH BY THE CLOSE OF THE DEALER'S NEXT BUSINESS DAY. IF THE TRADE-IN HAS BEEN SOLD, THE PURCHASER SHALL RECEIVE THE TRADE-IN ALLOWANCE SPECIFIED IN THE OFFER.

(f) Clearly state the price due on closing and the known components of that price, including but not limited to, the price of the recreational vehicle, the price and description of any additional accessories, options, or equipment, sales tax, license and title fees, down-payment, and trade-in allowance. Rebates shall be stated separately by dollar amount and assignment.

(g) Clearly state whether or not the contract is subject to the purchaser obtaining acceptable financing through the dealer or at the creditor of the purchaser's choice, and how long the purchaser has to obtain financing. If the purchaser is unable to obtain acceptable financing, the purchaser may cancel the contract without penalty and shall, by the close of the dealer's next business day, receive a full refund of any down-payment, and return of the trade-in, or title for the trade-in, or both. The licensee may delay returning the down-payment beyond the close of the dealer's next business day only when the purchaser's personal check or other negotiable instrument has not cleared the payor's bank. If the check or other negotiable instrument clears, the licensee shall return, in person or by mail, the down-payment to the purchaser within 24 hours of receiving evidence of clearance. If the trade-in has been sold, the purchaser shall receive the trade-in allowance specified in the offer.

(h) Specify all other negotiated conditions of the sale not stated elsewhere on the contract.

**(3) TERMINATION OF THE OFFER.** (a) Unless otherwise specified in the contract, the offer to purchase is automatically voided if the licensee fails to accept or reject the offer by the close of the dealer's next business day.

(b) The licensee shall not sell the recreational vehicle to any other party until either the offer is rejected by the licensee, or the offer is voided in accordance with this section, or the purchaser cancels the contract in accordance with sub. (4).

(c) Any down payment, deposit, or title shall be returned to the prospective retail purchaser within 2 working hours from the time the offer to purchase is rejected by the licensee. If the prospective purchaser is not present or available during the 2 hour period, those items shall be returned in person or mailed by the close of the dealer's next business day.

**(4) PENALTIES FOR CANCELLATION BY PURCHASER.** (a) The purchase contract shall clearly state that cancellation of a recreational vehicle contract by a purchaser within 24 hours after acceptance by the dealer may subject the purchaser to a penalty of up to 2% of the cash price of the recreational vehicle and that cancellation of the recreational vehicle contract by the purchaser after the 24

hour period may subject the purchaser to penalty of up to 5% of the cash price of the recreational vehicle. Modification of the purchase contract shall not extend the 24 hour period. Documented proof of notification of cancellation is required regardless of the method of notification.

(b) The title and any down-payment or deposit which is not retained by the dealer as a penalty in accordance with par. (a) shall be returned to the purchaser by the close of the dealer's next business day following receipt of the purchaser's notice of cancellation.

**(5) PRICE CHANGES.** Any increase in price to a retail purchaser after the dealer has accepted an offer is an unfair practice and prohibited except when the price increase is due to:

(a) The addition of new equipment as required by state or federal law, or

(b) State or federal tax rate changes, or

(c) The reappraisal of a trade-in unit which has suffered damage as defined in this chapter or is missing parts or accessories which were part of the trade-in unit at the time the purchase contract was executed. Reappraisal by the licensee shall be limited to an amount equal to the retail repair costs of damages incurred, or to the value of the parts or accessories removed.

(d) The reappraisal of a trade-in unit when the model year or dimensions of the trade-in unit were misrepresented by the purchaser. Reappraisal by the licensee shall be limited to the difference between the fair market value of the trade-in unit and the trade in allowance specified on the purchase contract.

**(6) WARRANTIES.** (a) Reference to any warranties, service agreements, or warranty disclaimers which apply to the recreational vehicle shall be made on the purchase contract.

(b) If a recreational vehicle is sold with a warranty, the warranty shall be in writing and shall be provided to the purchaser at the time the recreational vehicle is delivered.

(c) If a recreational vehicle is sold on an as is - no warranty basis, the purchase contract shall include the following statement in bold faced type: "AS IS—NO WARRANTY"—"EXCEPT FOR ANY EXPRESSED OR IMPLIED WARRANTY BY THE MANUFACTURER OR OTHER THIRD PARTY WHICH EXISTS ON THIS RECREATIONAL VEHICLE, THE ENTIRE RISK AS TO THE QUALITY AND PERFORMANCE OF THE RECREATIONAL VEHICLE IS WITH THE PURCHASER, AND SHOULD THE RECREATIONAL VEHICLE PROVE DEFECTIVE FOLLOWING THE PURCHASE, THE PURCHASER SHALL ASSUME THE ENTIRE COST OF ALL SERVICING AND REPAIR."

(d) A warrantor shall service or repair a recreational vehicle in accordance with the terms and conditions of the warranty or service agreement.

**(8) WAIVER.** The use of a recreational vehicle purchase contract which requires the purchaser to waive any claims the purchaser may have for breach of contract by the licensee is an unfair practice and prohibited.

**History:** Cr. Register, October, 1984, No. 346, eff. 11-1-84; 2017 Wis. Act 59: r. (7) Register October 2017 No. 742, eff. 9-23-17.

**Trans 142.05 Consignment agreements.** **(1) USAGE AND CONTENTS.** Whenever a recreational vehicle dealer offers for sale a recreational vehicle on consignment, a written consignment agreement shall be completed and shall include:

(a) The date of the consignment agreement,

(b) The name of the recreational vehicle owner and dealer, and any other parties to the agreement,

(c) The description of the recreational vehicle including year, make, and identification number,

(d) The terms of the agreement including the duration of the agreement, the selling price, the amount of the sales commission or fee, and when the sales commission or fee is to be paid,

(e) A statement by the owner indicating that either the recreational vehicle is clear of any liens, or the amount of any outstanding lien balance, and

(f) Signatures of the recreational vehicle owner and selling dealer.

**History:** Cr. Register, October, 1984, No. 346, eff. 11-1-84.

**Trans 142.06 Disclosure of the condition of the recreational vehicle.** (1) **MODEL YEAR DESIGNATION.** Changing the model year of a recreational vehicle is an unfair practice and prohibited. If no model year is designated, the year of manufacture applies.

(2) **NEW RECREATIONAL VEHICLE DISCLOSURE.** The licensee shall, on the face of a new recreational vehicle purchase contract, disclose all dealer installed options or accessories and whether or not the options or accessories are warranted.

(3) **USED RECREATIONAL VEHICLE GENERAL CONDITION DISCLOSURE.** (a) Licensees shall inform prospective retail purchasers of used recreational vehicles in writing before execution of the purchase contract in the manner and on the form prescribed by the department, of all significant structural or mechanical defects and damage. Disclosure of information shall include that which the licensee discovers as a result of a careful visual inspection, which shall consist of but is not limited to a walk-around and interior inspection, under vehicle inspection, roof inspection and an inspection of the appliances. Licensees shall not be required to dismantle any part of the recreational vehicle during the inspection process.

(b) Unless otherwise agreed to in the purchase contract, the inspection disclosures shall neither create any warranties, expressed or implied, or affect warranty coverage provided for in the purchase contract.

**History:** Cr. Register, October, 1984, No. 346, eff. 11-1-84.

**Trans 142.07 Dealer facilities and records.**

(1) **DEALER BUSINESS FACILITIES.** Business facilities required to be provided and maintained by recreational vehicle dealers are as follows:

(a) A building with a business office to maintain the books, records and files necessary to conduct business. The required business office may be established within a residence if it is accessible to an outside entrance and is used primarily for conducting the recreational vehicle business.

(b) If a display lot is provided, it shall be within the same block or directly across the street from the main business location.

(c) A repair shop, or a service contract with a nearby repair shop, where there are repair tools, repair equipment and personnel to perform the services provided for in a warranty applicable to a recreational vehicle sold by the dealer. Any service contract shall be on the form provided by the department.

(2) **ZONING.** The business premises shall comply with the local zoning, building code and permit requirements.

(3) **SIGN.** Recreational vehicle dealers who carry and display inventory shall provide an exterior business sign in compliance with s. 100.18 (5), Stats.

(4) **TEMPORARY SALES LOCATIONS.** Recreational vehicle dealers shall be permitted to display and sell recreational vehicles at a temporary site other than the licensed place of business, providing that:

(a) Each dealer furnishes the department with written notification of the sale and location at least 10 days in advance; and

(b) The duration of each sale does not exceed 10 days; and

(c) The dealer does not participate in more than 6 sales during each licensing (calendar) year; and

(d) Each participating dealer furnishes each consumer a written notice of the 3-day "cooling off" rights pursuant to s. 423.203, Stats.

(5) **RECORDS KEPT.** The minimum of books and records required to be kept and maintained at the licensed business premises by recreational vehicle dealers under ss. 218.11 (3) and (7) (c) and 342.16 (2), Stats., shall include:

(a) The title for each used recreational vehicle owned and offered for sale and the manufacturer's statement of origin for each new recreational vehicle owned and offered for sale. The dealer shall also have either a factory invoice, a completed retailer reassignment form, or a purchase contract evidencing trade-in or purchase when a manufacturer or lending institution is holding the title or manufacturer's statement of origin of the recreational vehicle.

(b) A written consignment agreement between the owner and dealer for each recreational vehicle owned by an individual and offered for sale by the dealer.

(c) The original or a copy of all recreational vehicle purchase contracts, purchase orders and invoices. The records shall also include a copy of Wisconsin title and registration application forms submitted to the department as additional evidence of the sale as well as information regarding collection of Wisconsin title and registration fees.

(d) 1. The following information shall be kept on every recreational vehicle bought, sold, exchanged or consigned:

a. Date of acquisition of the vehicle.

b. Name and address of the person from whom the vehicle was acquired.

c. Whether the vehicle was new or used.

d. The year, make and vehicle identification number, or VIN, of the vehicle.

e. The date of the disposition of the vehicle.

f. The name and address of the person to whom any vehicle was disposed.

2. Persons requiring a license who do not maintain their records in an electronic data processing record keeping system shall maintain the information required in subd. 1. in a permanently bound book containing consecutively pre-numbered pages with horizontal line ruling. Initial entries shall be made immediately when each recreational vehicle is acquired. Sales information shall be entered on the same line at the time of the sale. All entries shall be consecutively entered in ink and be legible. Blank horizontal lines shall not be allowed. The information should be maintained in the following format:

Date Acquired	Acquired From Name & Address	New or Used	Year-Make-VIN	Date Sold or Disposed of	Disposed of or Sold to Name & Address
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3. Persons requiring a license who maintain their records in an electronic data record keeping system shall maintain the information required in subd. 1. in compliance with the following requirements:

a. One record shall contain all of the information specified in subd. 1.

b. Initial entries shall be made immediately when each recreational vehicle is acquired.

c. The information shall be accessible for inspection and shall be retrievable electronically by the date acquired, name of person from whom the vehicle was acquired, VIN, date sold, and name of person to whom the vehicle was disposed.

d. All records shall be retrievable during the inspection and a printer shall be kept on site to provide hard copy if requested. Hard copy shall include all information in the same format as specified in subd. 2. Horizontal and vertical lines are not required.

e. An employee of the person requiring a license shall be available to retrieve the records during the hours of operation of the business.

(e) The information as specified in par. (d) shall be maintained for 5 years, as required by s. 342.16, Stats., and all other required records shall be maintained for a period of 5 years from the date of sale, including facsimile copies of factory invoices, dealer reassignment forms, consignment agreements, purchase contracts, MV1 and MV11 Wisconsin title and registration applications, used recreational vehicle disclosure labels, regular and conforming power of attorney forms, and for motor vehicles taken in trade,

prior owner odometer disclosure statements and dealer's subsequent odometer disclosure statements. The records shall be kept in the place of business during business hours and shall be open to inspection and copying by the department during reasonable business hours.

(f) Persons requiring a license who maintain their used vehicle records as specified in par. (d) in an electronic data processing record keeping system can satisfy the record retention requirement in par. (e) with hard copy of their records when memory limitations of the electronic system prohibit electronic storage for the specified period. Hard copy shall meet the following requirements:

1. Hard copy shall include only those records of vehicles that have been disposed of. Incomplete records of vehicles acquired and still in inventory must be maintained on the electronic system until disposed of and the record is completed.

2. Hard copy shall include all information in the same format as specified in par. (d) 2. Horizontal and vertical line ruling shall not be required.

3. Hard copy shall be printed in the order of the date acquired and each report shall contain at least 12 consecutive months of vehicle acquisitions.

4. Hard copy shall contain system generated page numbers and the current date on every page.

**Note:** Dealer financial responsibility requirements are specified in ch. Trans 140.  
**History:** Cr. Register, October, 1984, No. 346, eff. 11-1-84; renum. (5) (d) to be (5) (d) 2. and am., cr. (5) (d) 1. and 3., (f), am. (5) (e), Register, January, 1996, No. 481, eff. 2-1-96; 2013 Wis. Act 363: am. (5) (c) Register May 2014 No. 701, eff. 6-1-14.