



State of Wisconsin  
2021 - 2022 LEGISLATURE

LRB-5129/2  
EVM:amn&skw

## 2021 ASSEMBLY BILL 1183

March 10, 2022 - Introduced by Representatives BOWEN, SHELTON and SINICKI.  
Referred to Committee on Rules.

1     **AN ACT** *to amend* 342.15 (5m) (a), 342.15 (5m) (b), 342.16 (4) (a) and 342.16 (4)  
2           (b); and *to create* 342.15 (1) (br) and 342.16 (1u) of the statutes; **relating to:**  
3           motor vehicle transfers of ownership and providing a penalty.

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### *Analysis by the Legislative Reference Bureau*

This bill prohibits the transfer of a motor vehicle to a buyer who does not display a valid operator's license.

Current law requires the owner of a motor vehicle (owner), when transferring an interest in the vehicle, to record certain information on the vehicle's certificate of title and deliver the certificate of title to the person taking the interest in the vehicle (buyer). The owner must also disclose in writing the vehicle's mileage and, if applicable, certain prior damage to or uses of the vehicle. Upon receiving the certificate of title, the buyer must promptly complete an application for a new certificate of title and submit the application and the old certificate of title to the Department of Transportation. However, a different procedure applies for motor vehicles purchased from motor vehicle dealers, which generally do not hold title in their own names. When a dealer transfers an interest in a motor vehicle owned by the dealer, the dealer processes the certificate of title application for the vehicle and submits it directly to DOT.

This bill prohibits an owner, dealer, or salesperson from transferring ownership of a motor vehicle, other than a collector vehicle, to a buyer unless the buyer displays an operator's license issued to the buyer that appears valid on its face and represents that the operator's license is valid. A buyer may not receive delivery of the vehicle

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unless the buyer has met these requirements. The bill provides exceptions for transfers of vehicles to persons who are unlicensed because they cannot demonstrate U.S. citizenship or legal presence in the United States and for transfers of vehicles to nonlicensed persons if the person provides reasonable proof that the motor vehicle is intended for transfer to a family member and that the family member to whom the motor vehicle will be transferred possesses a valid operator's license. An owner, dealer, salesperson, or buyer that violates these requirements may be required to forfeit not more than \$1,000 or, if the violation is committed with intent to defraud, not more than \$5,000.

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

1           **SECTION 1.** 342.15 (1) (br) of the statutes is created to read:

2           342.15 (1) (br) 1. Except as provided in subd. 3., no owner of a motor vehicle  
3 may transfer an interest in the vehicle under this section unless the transferee, prior  
4 to the transfer, displays for the owner an operator's license issued to the transferee  
5 that appears on its face to be valid and represents that the operator's license is valid.

6           2. Except as provided in subd. 3., no transferee of an interest in a motor vehicle  
7 under this section may receive delivery of the vehicle unless the transferee has, prior  
8 to delivery of the vehicle, displayed his or her operator's license as provided in subd.  
9 1. and represented that the operator's license is valid.

10           3. a. Subdivisions 1. and 2. do not apply to the transfer of a motor vehicle to a  
11 person who does not possess a valid operator's license if the person provides  
12 reasonable proof that the motor vehicle is intended for transfer to a family member  
13 and that the family member to whom the motor vehicle will be transferred possesses  
14 a valid operator's license.

15           b. Subdivisions 1. and 2. do not apply to the transfer of a motor vehicle to a  
16 person who has attained the age of 16, but cannot obtain an operator's license issued

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1 by this state because the person is unable to demonstrate U.S. citizenship or legal  
2 presence in the United States.

3 c. This paragraph does not apply to a motor vehicle of any age, of which the body  
4 has not been altered from the original, and, because of its historic interest, is being  
5 preserved by a collector.

6 **SECTION 2.** 342.15 (5m) (a) of the statutes is amended to read:

7 342.15 **(5m)** (a) Except as provided in par. (b), any person who violates sub. (1)  
8 (bm) or (br) may be required to forfeit not more than \$1,000.

9 **SECTION 3.** 342.15 (5m) (b) of the statutes is amended to read:

10 342.15 **(5m)** (b) Any person who violates sub. (1) (bm) or (br) with intent to  
11 defraud may be fined not more than \$5,000.

12 **SECTION 4.** 342.16 (1u) of the statutes is created to read:

13 342.16 **(1u)** (a) Except as provided in par. (c), no motor vehicle dealer or motor  
14 vehicle salesperson may transfer a motor vehicle under this section unless the  
15 transferee, prior to the transfer, displays for the dealer or salesperson an operator's  
16 license issued to the transferee that appears on its face to be valid and represents  
17 that the operator's license is valid.

18 (b) Except as provided in par. (c), no transferee of a motor vehicle under this  
19 section may receive delivery of the vehicle unless the transferee has, prior to delivery  
20 of the vehicle, displayed his or her operator's license as provided in par. (a) and  
21 represented that the operator's license is valid.

22 (c) 1. Paragraphs (a) and (b) do not apply to the transfer of a motor vehicle to  
23 a person who does not possess a valid operator's license if the person provides  
24 reasonable proof that the motor vehicle is intended for transfer to a family member

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1 and that the family member to whom the motor vehicle will be transferred possesses  
2 a valid operator's license.

3 2. Paragraphs (a) and (b) do not apply to the transfer of a motor vehicle to a  
4 person who has attained the age of 16, but cannot obtain an operator's license issued  
5 by this state because the person is unable to demonstrate U.S. citizenship or legal  
6 presence in the United States.

7 3. This subsection does not apply to motor vehicle of any age, of which the body  
8 has not been altered from the original, and, because of its historic interest, is being  
9 preserved by a collector.

10 **SECTION 5.** 342.16 (4) (a) of the statutes is amended to read:

11 342.16 (4) (a) Except as provided in par. (b), any dealer who violates sub. (1r)  
12 or (1u) may be required to forfeit not more than \$1,000.

13 **SECTION 6.** 342.16 (4) (b) of the statutes is amended to read:

14 342.16 (4) (b) Any dealer who violates sub. (1r) or (1u) with intent to defraud  
15 may be fined not more than \$5,000.

16 **SECTION 7. Initial applicability.**

17 (1) This act first applies to motor vehicle transfers occurring on the effective  
18 date of this subsection.

19 (END)