



CHRIS KAPENGA

WISCONSIN STATE SENATOR

Vehicle Seller Immunity Testimony Assembly Committee on Consumer Protection Thursday October 24th, 2019

Thank you Chairman Pronschinske and committee members for hearing testimony on Assembly Bill 345 today. The idea for this bill started with a constituent of ours. He brought to our attention a gray area in the law relating to the private sale of a vehicle.

When an individual sells their car privately, they sign over the title to the new buyer when the vehicle is picked up and paid for. In the example brought to my office, our constituent privately sold his car. The buyer of that vehicle failed to go the DMV and transfer the title of the vehicle. Later, the buyer caused a serious car accident. Our constituent, the seller, was sued for \$750,000 even though he no longer possessed the vehicle.

While current law attempts to address this, it has become clear that the statute has been ineffective and inconsistent at best in its the real world application. In the past, the Wisconsin Supreme Court has also struggled with how to interpret current law (Wis. Stat. 342.15) in this situation.

This legislation will fix an error in the law so that the liability transfers on the date of sale as listed by the seller on the title. It ensures the liability transfers at the time physical ownership transfers. In addition, this bill not only covers civil actions but also applies to ordinance violations and other criminal offenses such as parking tickets or moving violations which current law is silent on.

The goal of this bill is to clarify ambiguity in current law and provide better parameters for the courts to follow.

Thank you committee members for your time and consideration of this bill. I would be happy to answer any questions you have.



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Assembly Committee on Consumer Protection

Public Hearing, AB 345

October 24th, 2019

Thank you Mr. Chairman and members of the Committee for holding a public hearing on Assembly Bill 345 relating to immunity for motor vehicle sellers. This common sense piece of legislation will protect thousands of everyday Wisconsin citizens who wish to privately sell their vehicle.

Earlier this year, we became aware of a situation where an individual sold their car to another individual who then failed to transfer the title of the car and proceeded to accumulate a number of parking tickets. Because current law doesn't take into account such a situation, city police tracked down the previous owner and threatened to suspend their registration and driver's license if they didn't pay the parking tickets the buyer accrued. For this reason, we need language clearly stated in statute that ensures citizens are not taken advantage of.

Although it is common sense that if an individual no longer owns or possesses a vehicle, he or she should not be held liable for this vehicle, this bill clarifies in statute that liability is shifted the moment the title to a vehicle is signed and transferred.

Placing liability on the rightful owner of a vehicle will protect our state's vehicle sellers from civil actions and criminal actions wrongfully taken against them. It is my hope that the Committee support AB 345 to provide common sense protections to everyday Wisconsin citizens.

Thank you Committee members for your time and consideration of Assembly Bill 345. I would be happy to answer any of your questions.

Clarifying the Transfer of Vehicle Liability in Private Sales

Testimony of Jerry Couri, Couri Insurance
Submitted to the Assembly Committee on Consumer Protection
October 24, 2019

Thank you Chairman Pronschinske and members of the committee for holding a hearing on Assembly Bill 345 today. I apologize that I am unable to attend today's hearing, but I appreciate the opportunity to submit testimony.

It is common sense that if an individual no longer owns or possesses a vehicle, he or she should not be held liable for the vehicle. However, in my experience, current law has been inadequate in this area. I have two clients that have privately sold a car and yet have been held liable even though the car is no longer in their possession. The following is one of those examples.

One of my clients who owned a Pontiac Grand Prix sold his vehicle to an employee. The employee never went to the DMV to transfer the title of the vehicle. Approximately three months later that employee caused a serious accident in Milwaukee resulting in the death of an individual.

It actually worked out where the seller of the vehicle, my client, became the person that was liable for what happened because the car was never retitled. He lost his home, all his contents, and all his savings in the ensuing court case. His life was turned completely upside down and to this day 50% of wages are still being garnished.

Now, he signed the vehicle over full well thinking that the buyer would register the vehicle and insure it. I took the car off the insurance policy so there was no coverage on the car at all. As many people would think, you sell a vehicle to a private individual; it is gone and no longer your responsibility. However, even with a bill of sale, a person is not relieved of liability for that vehicle because you are still the title holder until the title is transferred.

Assembly Bill 345 is a common sense fix that would bring key protections to the many people who privately sell their cars in Wisconsin.