

STANDING COMMITTEES: Natural Resources & Energy, Chair Transportation & Local Government, Vice-Chair Economic Development & Technical Colleges

Testimony on 2023 Senate Bill 124 Senator Robert Cowles Senate Committee on Transportation and Local Government April 12th, 2023

Thank you, Chair Tomczyk and Committee Members, for holding a hearing and allowing me to testify on 2023 Senate Bill 124. This bill makes changes to statutes regarding the issuance of temporary license plates to dealers.

Current statute requires the Wisconsin Department of Transportation's (WisDOT) Division of Motor Vehicles (DMV) to issue and distribute physical temporary license plates or permits to motor vehicle dealers. Senate Bill 124, first drafted last session at the request of WisDOT, would eliminate DMV's statutory obligation to issue paper temporary plates and allow DMV to require electronic issuance of temporary plates. These changes would update and modernize statutes to reflect best practices.

Paper temporary plates have unique identifiers and are assigned to motor vehicle dealers and authorized third party agents. Using the unique identifier, DMV only has records of which authorized agent was assigned temporary plates, not the customer. Third party agents, when assigning the plate, record the customer information of the person assigned the temporary plates. This requires law enforcement to contact the seller to determine who that plate was assigned to, which is cumbersome and inefficient.

The elimination of DMV's obligation to issue cardboard temporary plates will allow DMV to complete its transition to requiring electronic issuance of temporary plates. Electronic temporary plates are printed by the dealer or the vehicle owner following issuance. DMV has stopped distributing cardboard plates and this change will align the law with current practices. Electronic temporary plates were implemented for private vehicle sales in 2011 and motor vehicle dealers have been issuing temporary license plates electronically since 2019.

Electronically delivered temporary plates are assigned to individuals on DMV's database in real time. This makes electronically delivered temporary plates immediately accessible by law enforcement when making a traffic stop. This change will help to deter fraud and assist law enforcement's traffic enforcement and investigative duties.

2023 Senate Bill 124 is a reintroduction of 2021 Senate Bill 641, which passed the Senate on a voice vote, and 2021 Assembly Bill 716, which passed the Assembly Committee on Transportation on a vote of 13-0.

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STATE REPRESENTATIVE • 85th Assembly District

Testimony in Support of Senate Bill 124

Senate Committee on Transportation and Local Government

April 12th, 2023

Chairman Tomcyzk and Members of the Committee:

Thank you for taking the time to allow me to testify on a number of bills today.

Senate Bill 124 was originally drafted in the 2021 Session with input from the Department of Transportation from the Department of Transportation (DOT). The bill eliminates Division of Motor Vehicles' (DMV) statutory obligation to issue paper temporary plates and allows the DMV to require electronic issuance of temporary plates. Allowing the Division to shift to temporary electronic plates modernizes state statutes to reflect best practices as temporary paper plates are not tied to the owner of a vehicle after the car is sold. The elimination of DMV's obligation to issue paper temporary plates under this bill will allow DMV to complete its transition to requiring electronic issuance of temporary plates. Electronic temporary plates are printed by the dealer or the vehicle owner following issuance. DMV has stopped distributing cardboard plates and this change will align the law with current practices. Electronic temporary plates were implemented for private vehicle sales in 2011 and motor vehicle dealers have been issuing temporary license plates electronically since 2019. Last Session, this legislation unanimously passed the Senate and the Assembly Transportation Committee but was not brought to the Assembly Floor at the end of Session.

Thank you for taking the time to hear my testimony today. I am happy to answer any questions you may have.



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Testimony of Wisconsin Department of Transportation Assistant Deputy Secretary Joel Nilsestuen Before the Senate Committee on Transportation and Local Government April 12, 2023

Re: Senate Bill 124, relating to issuance of temporary motor vehicle operation plates and permits to dealers and providing a penalty.

Thank you, Chairman Tomcyzk, and members of the committee for the opportunity to provide written testimony in support of Senate Bill 124 on behalf of the Wisconsin Department of Transportation.

Current statute requires the Division of Motor Vehicles to issue and distribute cardboard temporary license plates or permits to Motor Vehicle Dealers. This bill would eliminate DMV's statutory obligation to issue cardboard temporary plates and allow DMV to require electronic issuance of temporary plates. This bill updates and modernizes statutes to reflect best practices.

Cardboard temporary plates have unique identifiers and are assigned to motor vehicle dealers and authorized third party agents for issuance to customers. Using the unique identifier, DMV only has records of which authorized agent was assigned the temporary plates, not the customer. Third party agents, when assigning the plate, record the customer information of the person assigned the temporary plates. This requires law enforcement to contact the agent to determine who that plate was assigned to and the vehicle information, which is cumbersome and inefficient.

The elimination of DMV's obligation to issue cardboard temporary plates will allow DMV to complete its transition to requiring electronic issuance of temporary plates. Electronic temporary plates are printed by the Dealer or the vehicle owner following issuance. DMV has stopped distributing cardboard plates and this change will align the law with current practices. Electronic temporary plates were implemented for private vehicle sales in 2011 and Motor vehicle dealers have been issuing temporary license plates electronically since 2019.

Electronically delivered temporary plates are assigned to customers on DMV's database in real time. This makes electronically delivered temporary plates immediately accessible by law enforcement when performing a traffic stop. This deters fraud and assists law enforcement's traffic enforcement and investigative duties.

Thank you again for your time and the opportunity to testify today. I would be happy to answer any questions you might have.