



# PLAIN DEALING

A policy and administrative bulletin for licensed dealers  
from the WisDOT DMV Dealer and Agent Section

[wisconsindmv.gov](http://wisconsindmv.gov)

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## FTC amends the Used Car Rule

### No impact on Wisconsin dealers

On November 10, 2016, the Federal Trade Commission (FTC) announced the final amendments to its Used Car Rule. These amendments focused on the Federal Buyers Guide. Wisconsin dealers are exempt from displaying this guide because Wisconsin regulations require dealers to post disclosures using the Wisconsin Buyers Guide.

Two notable changes to the Federal Buyers Guide that are not included on the current Wisconsin Buyers Guide are:

- A reference to obtaining a title history at [ftc.gov/usedcars](http://ftc.gov/usedcars)
- A disclosure at the bottom of the guide advising Spanish speaking customers to ask their dealer for a Spanish buyers guide if the sale is conducted in Spanish



The FTC assured the Wisconsin Division of Motor Vehicles (DMV) that Wisconsin's exemption to the Used Car Rule's Buyers Guide is still intact, and no changes to the Wisconsin Buyers Guide are required at this time.

For more information on the FTC's announcement, please visit:  
<https://www.ftc.gov/news-events/press-releases/2016>

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## Return the missing document letter

### Do you need to send in a missing check or form? Please include the request letter

DMV often sends out letters requesting missing documents, forms or fees. When returning those missing items, please include the original letter that was sent to you. It's important for our processors to match up the items that you send back to us with any documents that DMV already has in its possession.

Before April 2016, returned correspondence went directly to the processor on the address. Our new system scans all items as they are received, making it possible for any processor to handle incoming work. This system scans the letter you send back, along with your items, and links them electronically with the work already in progress. By including the letter, you help make processing more efficient and the product(s) get to your customer faster.

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## Use the supplemental price label correctly

Wisconsin Administrative Code Trans 139.04(3)(b) specifies how a supplemental price label shall be affixed to a vehicle and what information it shall disclose. One important requirement of this rule is that a final dealer asking price must be calculated and disclosed on the supplemental price label.

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## Connect with us

In addition to expanding services on its website, WisDOT connects with customers on Facebook and Twitter @WisconsinDOT. Follow us for breaking news.

## We're at .gov

Note: Only the website with .gov is the official state DMV website. Other DMV sites with .org and .com are not official and may have extra charges for forms or list information that is outdated or incorrect.

[Sign up to receive Plain Dealing!](#)

For several years DMV has allowed dealers who were charging an additional service fee, as allowed by Trans 139.05(8)(a), to disclose that fee on the supplemental price label without calculating a final dealer asking price. This was allowed with the understanding it would be the only additional charge on the label.

Recently, DMV discovered that some dealers are adding additional items to the label without calculating the final dealer asking price. It must be emphasized this is not allowed and is a violation of Trans 139.04(3)(b). The exemption for the additional service fee was a singular allowance and cannot be combined with other fees or charges without calculating a final dealer asking price.

DMV's Field Investigation Unit will be paying special attention to this practice during its dealership inspections to ensure all dealers are appropriately using the supplemental price label. Please review your dealership's use of these labels to ensure they're compliant. Dealerships with non-compliant supplemental price labels displayed after March 1, 2017, may be subject to enforcement action against their dealer license.

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## Ask: Where does the vehicle (not the customer) live?

### There is a difference!

As wheel taxes continue to become a new revenue option for municipalities, it is even more important for dealers to accurately record where the vehicle is kept. This may differ from the customer's residence, driver license address, etc.



To ensure your customer isn't liable for either a penalty for not paying the required wheel tax, or a registration suspension from the DMV for failing to comply with emission testing requirements, please specifically ask the customer where the vehicle will be kept for the

majority of the time. Document that location accurately on the MV11 in Section B.

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### **New changes coming to the MV11 form**

Recent changes on the WisDOT MV1 form will soon be reflected on the MV11 - Title and License Plate Application form.

DMV will again partner with all our authorized print vendors to keep them informed of the changes that will be coming to the MV11. We will also update the dealers as the changes occur.



It is critical that you continue to use the most current version of the MV11 (May 2015) to ensure your application is processed correctly.

To purchase the MV11 form, contact one of the authorized vendors listed on the [Wisconsin DMV website](#).

If you have questions, please contact the Agent Partnership Unit at 608-266-3566.

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### **New county sales taxes in Sheboygan and Kewaunee counties**

Sheboygan County began collecting a 0.5% sales and use tax on January 1, 2017. All vehicle title transfers with a sale date of January 1 or later, and kept in

Sheboygan County, should include the Sheboygan County sales tax in addition to the 5% state sales tax.



Kewaunee County will also begin collecting a 0.5% sales and use tax on April 1, 2017, for vehicles sold April 1 or later and kept in Kewaunee County.



For a list of county sales taxes, see the [Wisconsin Department of Revenue's website](#).

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### **Exempt or actual?**

When completing the odometer reading on the Wisconsin Buyers Guide, do not check the EXEMPT box and also write in the actual numerical odometer reading from the vehicle. We recognize this may assist with selling the vehicle. However, if a complaint arises regarding the odometer reading, the dealer will be responsible for the reading they disclose.



receipt along with the title/MCO, they must have the customer(s) sign the title as the purchaser(s) to accept the odometer mileage statement. Failure to have the customer(s) sign the title in these situations is considered a processing error on the dealer's part.

While not required, we highly encourage dealers to complete and submit a paper MV11 form with their bundle work. Submitting the paper MV11 form will also benefit the dealers if corrections are needed by saving them title and lien fees. The receipt only shows what they entered into the system and not necessarily what the customer may have applied for. Submitting the paper MV11 can clear up any confusion if corrections are needed and protect the dealer's business interest.

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### **Don't be left out in the cold! Temps impact emissions tests**

Most On Board computer / engine management systems are relatively unaffected by the outside temperature; this is not so with the vehicle's evaporative system monitor. If your customer's vehicle is due for an emissions inspection in winter, keep in mind that the emissions inspection may take place within 180 days of the vehicle's registration renewal due date. Your customer might prefer to get an emissions inspection in warmer weather, rather than waiting until it is very cold and snowy. This is because ambient (outside) air temperature affects the fuel volatility and the amount of vapor ultimately formed in the tank.



A vehicle's OBDII system runs a readiness monitor for each emissions control component. The evaporative system monitor runs a test to ensure that the system minimizes the release of gasoline vapors into the atmosphere. The monitor checks for system fuel tank

and fuel line integrity by performing a pressure or vacuum decay test. If a leak is detected, the monitor will log a specific diagnostic trouble code such as P0442 Evaporative Emission Control System Leak Detected (small leak). Always ensure that the gas cap is tight after filling the tank. Listen for the ratcheting sound that the cap makes when it is properly seated on the seal of the fuel filler neck. The Check Engine Light will appear on the dash / instrument cluster if a leak is detected. A smoke test can be performed by a trained diagnostic technician using an approved unit (compatible with the fuel system's volatile vapor environment), to establish the actual location of the leak.

A faulty fuel sensor may also prevent the evaporative monitor from setting because the monitor is affirming that there is sufficient fuel in the tank to run the system check. One of the criteria for resetting an evaporative monitor is to have the fuel tank between one-quarter and three-quarters full.

It is important that these monitors "run" and are "ready" to test. With ready monitors the emissions test will yield a final result of: Pass or Fail. If too many monitors are in a "not ready" state; the test result will be a Reject. In effect, a test with no result, and no path to renew the registration.

If readiness issues persist, and the vehicle is in a county that requires emissions testing, the motorist can get help by calling the [Wisconsin Vehicle Inspection Program](#) (WIVIP) hotline at 1- 866-OBD-TEST (1-866-623-8378). The operators will direct the customer to one of the five Technical Assistance Centers serving the seven county test area.

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## Wheel tax updates

### City of Platteville and Milwaukee County

Two more jurisdictions are enacting wheel taxes. You may be seeing these already when renewing a license plate with a March expiration date. These fees will



be collected along with the license plate registration fee - for new plates issued and license plate renewals - for most vehicles that are kept in those jurisdictions. Correctly recording the county and municipality where a vehicle is

customarily kept will prevent costly corrections later.

The Milwaukee County \$30 wheel tax will begin March 1, 2017 (dealer delivery date or date of operation March 2, 2017). This is separate from the city of Milwaukee's \$20 wheel tax, which continues with no change.

The city of Platteville \$20 wheel tax will begin March 1, 2017 (dealer delivery date or date of operation March 2, 2017).

For complete information on wheel taxes visit the DMV [Wheel Tax webpage](#).

## Sign up for WisDOT's eNotify

Wisconsin had 5.8 million registered vehicles last year. How many owners lost the postcard for their license plate renewal notice? Remind your customers when they register their vehicles to sign up for WisDOT's eNotify and go paperless.



eNotify (electronic notification) allows customers to receive an email or text reminder in place of the annual paper renewal notice. Most vehicles are eligible for email license plate/registration renewals.

### Other online services

In addition to eNotify, [wisconsindmv.gov](http://wisconsindmv.gov) offers many more online services available 24/7, including the ability to:

- Purchase a vehicle or driver record
- See if a license is valid
- Manage the registration for a fleet of vehicles
- Purchase crash report

Payment may be made using MasterCard, Visa, American Express, Discover credit or debit card, which will be charged a convenience fee. Another option is ACH (Automated Clearing House) which draws payment directly from a checking or savings account and has no convenience fee added.

Only the WisDOT website with .gov is the official state website. Others with .org or .com are not official and may have extra charges for forms or list information that is dated or incorrect.

Check [wisconsindmv.gov/enotify](http://wisconsindmv.gov/enotify)

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## **New license plates available January 30**

### **Whitetails Unlimited and Wisconsin Rocky Mountain Elk license plates available January 30**

Starting January 30, you will be able to issue two new special license plates to benefit the [Whitetails Unlimited](#) and [Wisconsin Rocky Mountain Elk](#) conservation groups. As with other specialty plates, DMV will promptly mail the plates directly to your customer when the title-registration transaction is complete. Fees include an issuance fee of \$15 plus an annual \$25 tax-deductible contribution, in addition to the regular license plate registration fee.



## Wisconsin dealers need a title to sell a repossessed vehicle

Generally, a lender repossessing a vehicle is not required to have possession of the title before reselling the vehicle to a retail customer. However, that does not apply to Wisconsin dealers.

Dealers repossessing or buying a repossessed vehicle must have a title document in their possession before offering the vehicle for sale (wholesale to another dealer or auction, or retail to a customer).

The title does not need to be in the dealer's name, but it may be necessary for the dealer to title it to themselves if the dealer is unable to recover the title from the debtor in a repossession situation.

See the following [Repossession Scenarios](#) chart as a guide.



## DAS Quarterly Report numbers

The following numbers have been generated from the Dealer and Agent Section (DAS) Quarterly Report. This data is from the **third** (July - September 2016) and **fourth** (October - December 2016) quarters.

### Field Investigation Unit (FIU)

The following statistics represent the Field Investigation Unit's compliance efforts, community outreach and enforcement actions.

| Activity                      | Third Quarter | Fourth Quarter |
|-------------------------------|---------------|----------------|
| FIU Complaints Closed         | 280           | 322            |
| FIU Inspections (Dealers)     | 239           | 197            |
| FIU Educational Presentations | 2             | 2              |

### APU/DLU

The Agent Partnership Unit (APU) answers phone calls from dealers, government agencies, financial institutions, gas stations, grocery stores and various other types of agents throughout the state. These agents electronically process either title and registration, or renewal registration applications on behalf of the DMV.

The Dealer Licensing Unit (DLU) issues and renews multiple business license types. Individual licenses are issued to individuals who are selling or purchasing vehicles on behalf of dealerships. DLU answers dealer licensing questions as well as providing information about consumer harm and how to file a dealer complaint to the general public.

| Activity                 | Third Quarter | Fourth Quarter |
|--------------------------|---------------|----------------|
| APU Phone Calls          | 13,916        | 12,406         |
| DLU Phone Calls          | 4,050         | 4,385          |
| Business Licenses Issued | 695           | 550            |

|                            |       |       |
|----------------------------|-------|-------|
| Individual Licenses Issued | 4,314 | 3,643 |
|----------------------------|-------|-------|

**Lemon Law**

DMV receives telephone and email inquiries from consumers (and some dealers and lawyers) about the specifics of the Lemon Law and help in pursuing a claim.

| <b>Activity</b>           | <b>Third Quarter</b> | <b>Fourth Quarter</b> |
|---------------------------|----------------------|-----------------------|
| Lemon Law Complaint Calls | 177                  | 159                   |

**Electronic Title and Registration Processing**

Dealers and agents processing titles and/or registration electronically:

| <b>Activity</b>                     | <b>Third Quarter</b> | <b>Fourth Quarter</b> |
|-------------------------------------|----------------------|-----------------------|
| Renewal Agents                      | 889                  | 974                   |
| Title Agents (includes dealerships) | 4,444                | 4,472                 |
| <b>Total</b>                        | <b>5,398</b>         | <b>5,446</b>          |

These systems are available for electronic processing:

- eMV11 - for dealers only
- eMV Agent - for lenders only
- Computerized Vehicle Registration (CVR)
- Dealertrack Registration and Title, formerly known as TriVIN
- National Financial Corporation (NFC) - registration only
- Opus Inspection Inc., formerly known as Systech International LLC - registration only

Wisconsin motor vehicle dealers are required to electronically process all title/registration applications for their customers. For more information regarding electronic processing options, visit the DMV [eMV11 Electronic Processing webpage](#).

### Electronic Title Delivery

Lenders receiving electronic title records:

| Activity | Third Quarter | Fourth Quarter |
|----------|---------------|----------------|
| Lenders  | 689           | 710            |

These service providers deliver and manage electronic titles:

- Assurant Specialty Property
- Dealertrack Collateral Management Services
- Decision Dynamics, Inc.
- PDP Group, Inc.
- VINtek

The electronic lien and title (also known as ELT or e-Title) program is an optional program for lien holders who prefer receiving electronic title records instead of paper titles. This program has been available since July 30, 2012. For more information regarding ELT options, visit the DMV [Title to Lien Holder webpage](#).

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### WisDOT Criminal Actions

**Saparmamedov, Akif** - *Mequon* - Charged with five counts of False Statement in an Application for Title. A preliminary hearing was scheduled for April 12, 2016. The complaint was amended to five counts of Theft by False Representation and five counts of False Statement in an Application for Title. After a preliminary hearing, the court found the state had met its burden and bound the matter over for trial. The defendant entered a Not Guilty plea. Further proceedings were scheduled for July 12, 2016. The defense counsel requested consolidation into Milwaukee County. The request was denied due to no case filed in Milwaukee. A Jury Trial was scheduled for September 20, 2016. The defense again requested a consolidation into Milwaukee County. The request was again denied due to no case filed in Milwaukee. After a plea hearing, the court accepted a change of plea and found the defendant guilty. The jury trial was removed from the calendar. Mr. Saparmamedov was sentenced to three-years probation with conditions to include additional restitution of \$22,212.

**Sewell, Christopher** - *Milwaukee* - Charged with two counts of False Statement in an Application for Title, and two counts of Possession of a Counterfeit Title. A preliminary hearing was scheduled for March 15, 2016. The defendant waived the preliminary hearing. A scheduling conference was then scheduled for March 24, 2016. After a status conference on April 26, 2016, a plea/sentencing hearing was scheduled for June 23, 2016. The defense informed the court that the defendant's probation had been revoked and he will be serving a prison sentence. The case was calendared for a projected guilty plea and sentencing. Another plea/sentencing hearing was scheduled for November 29, 2016. Mr. Sewell changed his plea to guilty. The court found Mr. Sewell guilty as charged on count one (1). Counts two (2) through four (4) were dismissed and read-in for sentencing. The court ordered the defendant to serve one year in the House of Correction.

## WisDOT Citations

**Boyer, Sarah** - *Madison* - 10 citations were issued for operating as a motor vehicle salvage dealer without a license. Ms. Boyer pled guilty due to a No Contest Plea. The 10 citations were originally set at \$753 each, but were plead down to 10 counts at \$500 each for a total of \$5,000.

**Carson, Hosie, Jr.** - *Milwaukee* - Citation filed by Wisconsin State Patrol for acting as motor vehicle dealer without a license. Mr. Carson was found guilty due to No Contest plea. A Notice of Default Judgment was entered and \$771 due to be paid to the court by December 12, 2016.

**Clark, Phyllis M.** - *Milwaukee* - The Wisconsin State Patrol issued and filed two citations for submitting false statements on the Motor Vehicle Dealer Two-Year License Application. A Notice of Default Judgment was entered. After the case was re-opened, Ms. Clark was found guilty due to a No Contest plea. Citation amounts of \$456 and \$267, plus a \$10 payment plan fee, to be paid. (Ms. Clark will pay \$100/month until August 2017.)

**Scenic Sales LLC** - *Arena* - One citation issued for submitting title applications over seven business days.

**Yindra Auto** - *Manitowoc* - Two citations issued for submitting title applications over seven business days.

## WisDOT Enforcement Actions

**Bynum, Dezmond** - *Milwaukee* - Application for a buyer's license under an out-of-state dealer was denied.

**Clark, Dejuan** - *Milwaukee* - Application for a buyer's license under Global Auto (Bamako, Mali) was denied.

**Flores, Nicholas** - *Milwaukee* - Application for a buyer's license under MBB Grupo LLC (Spokane, WA) was denied.

**Gonzalez, Jorge** - *Chicago, IL* - Application for a buyer's license under MBB Grupo LLC (Spokane, WA) was denied.

**Gutierrez, Luis** - *Chicago, IL* - Application for a buyer's license under Monster Auto Sales LLC (Wilbur, WA) was denied.

**Hernandez, Agustin** - *Chicago, IL* - Application for a buyer's license under River Grove Motors Inc. (Moses Lake, WA) was denied.

**Hernandez, Edgar** - *Cicero, IL* - Application for a buyer's license under Monster Auto Sales LLC (Wilbur, WA) was denied.

**Hernandez, Jose** - *Chicago, IL* - Application for a buyer's license under MBB Grupo LLC (Spokane, WA) was denied.

**Lopez, Ignacio** - *Cicero, IL* - Application for a buyer's license under Francisco's Auto Sales LLC (Spokane, WA) was denied.

**Mondragon-Cruz, Damien** - *Chicago, IL* - Application for a buyer's license under Teddy Auto Sales (Hazelwood, MO) was denied.

**Morales, Jeronimo** - *Cicero, IL* - Application for a buyer's license under MBB Grupo LLC (Spokane, WA) was denied.

**Morris, Terrance** - *Sun Prairie* - Application for a buyer's license under Affordable Auto of Madison (Edgerton, WI) was denied.

**Murillo, Edgar** - *Westchester, IL* - Application for a buyer's license under Golden Auto Sales Inc. (Wilbur, WA) was denied.

**Nieto, Oscar** - *Cicero, IL* - Application for a buyer's license under Next Car Auto Sales LLC (Moses Lake, WA) was denied.

**Oden, Ferriez** - *Milwaukee* - Application for a buyer's license under Global Ties Limited (Nigeria) was denied.

**Romero, Juan** - *Chicago, IL* - Application for a buyer's license under MBB Grupo LLC (Spokane, WA) was denied.

**Taylor, Tawjuan** - *Kenosha* - Application for a BID card under Teaze Auto Sales LLC (Spokane, WA) was denied.

**Vargas, Edilberto** - *Chicago, IL* - Application for a buyer's license under MBB Grupo LLC (Spokane, WA) was denied.

**Williams, Jimmie** - *Milwaukee* - Application for a buyer's license under Hope Automobile (Bamako, Mali) was denied.

**Williams, Reginald** - *Milwaukee* - Application for a buyer's license under Hope Automobile (Bamako, Mali) was denied.



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