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NEWS RELEASE:
FOR IMMEDIATE RELEASE

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Bill to Address Fraudulent Auto Sales Available in Both Houses

MADISON— Last week, 2019 Senate Bill 3 was recommended for passage by the Senate Committee on Transportation, Veterans and Military Affairs by a vote of 5-0. This legislation, authored by Senator Robert Cowles (R-Green Bay) and Representative David Steffen (R-Green Bay), followed a series of fraudulent auto sales at the Kaukauna and Suamico car dealership Standard Pre-Owned for the purpose of preventing fraud in future automotive transactions.

Following the Senate Executive Session, today, the Assembly Committee on Transportation took similar action by recommending 2019 Assembly Bill 3, Senate Bill 3's companion, for passage by a vote of 13-0. Both bills are now available to be voted on by the full body in the Senate and Assembly. Senator Cowles released the following statement in response to these recent actions:

“From 2014 to 2016, dozens of vehicles on consignment at the car dealership Standard Pre-Owned were sold despite the original vehicle owner not being notified or receiving compensation. While complaints flooded into DOT, more Northeast Wisconsin residents found themselves defrauded by Standard Pre-Owned as the lengthy and tedious process of license revocation failed to protect Wisconsinites in these consignment sales.

“Senate Bill 3 acknowledges that consumers shouldn't have to expect to be defrauded during transactions with auto dealerships. By simplifying the licensure review process, we provide DOT the ability to better protect Wisconsinites from fraudulent activity. While we may not be able to stop every case of fraud, these changes will help to give Wisconsinites a better piece of mind while during automotive transactions.”

2019 Senate Bill 3 and Assembly Bill 3 simplify the process for the Wisconsin Department of Transportation (DOT) to deny, suspend, or revoke certain licenses issued to motor vehicle manufacturers, importers, distributors, and dealers to better allow DOT to adequately address the most severe cases of fraud. Under this legislation, DOT could perform an initial determination of a license status which is reflective of the statutory process for DSPS initial determinations. In the DOT's determination, they could immediately suspend or revoke a license if they find one of the following: the licensee violated their consignment sales license; the licensee is selling a motor vehicle without a dealer's license, or; there's intentionally fraudulent conduct related to certificate of a title, mileage disclosure, or use of personal identifying information. If a motor vehicle manufacturer, importer, distributor, or dealer has their license denied, suspended, or revoked, they may appeal to DOT, and if needed, before the Division of Hearings and Appeals under defined processes in this legislation.

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