



**Before The  
State of Wisconsin  
DIVISION OF HEARINGS AND APPEALS**

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In the Matter of Claims Against the Dealer Bond  
of Automotive Renew, LLC

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Case No: DOT-24-0019

Claimant: [REDACTED]

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**FINAL DECISION**

TO: Automotive Renew, LLC,  
27 Broad Street #2H  
Elkhorn, WI 53121-1702

Western Surety Company  
101 South Reid Street, Suite 300  
Sioux Falls, SD 57103

[REDACTED]  
[REDACTED]  
[REDACTED]

[REDACTED]  
[REDACTED]  
[REDACTED]

In accordance with Wis. Stat. § 227.47 and 227.53(1)(c) the above-named are PARTIES to this proceeding.

**PRELIMINARY RECITALS**

On or about March 9, 2021, [REDACTED] (Claimant) filed a claim against the motor vehicle bond of Automotive Renew, LLC (Dealer) with the Wisconsin Department of Transportation (Department). Pursuant to the procedures set forth at Wis. Admin. Code § Trans 140.26, a Public Notice to File Dealer Bond Claims was published in the Elkhorn Independent, a newspaper published in Elkhorn, Wisconsin on May 16, 2024. The notice informed other persons who may have claims against the Dealer to file them with the Department by July 15, 2024. No additional claims were filed.

On October 21, 2024, the Division of Hearings and Appeals (DHA) by Administrative Law Judge Reisha Mitchell issued a Preliminary Determination. No objections were received. Pursuant to Wis. Admin. Code § Trans 140.26(5)(d), the Preliminary Determination is adopted as the Final Decision of the Department.

**FINDINGS OF FACT**

1. Automotive Renew, LLC (Dealer) is licensed by the Wisconsin Department of Transportation as a motor vehicle wholesale dealer.

2. The Dealer has had a continuous surety bond in force in the amount of \$25,000 satisfying the requirements of Wis. Stat. § 218.0114(5) beginning August 3, 2023 (Bond # 26719726 from Western Surety Company).

3. On November 29, 2023, the Dealer purchased a 2012 Toyota Sequoia (VIN # [REDACTED]) for \$11,700. On the same day, the Dealer sold the vehicle to the Claimant for \$11,850, but the Claimant did not receive a title for the vehicle. The Claimant is a retail buyer.

4. On February 19, 2024, the Claimant contacted the Department to complain about the issue with the title. She reported that she made several unsuccessful attempts to contact the Dealer in order to obtain the title.

5. On February 28, 2024, an investigator with the Wisconsin Department of Transportation, Dealer and Agent Section spoke to the Dealer's owner, who said that it is a "lost title."

6. On April 1, 2024, the Claimant filed a bond claim against the surety bond of the Dealer with the Department of Transportation. The Bond Claim set forth a claim for \$11,850, which is the amount she paid for the vehicle plus an additional \$150 the Dealer charged her to acquire the vehicle.

7. The claim arose on November 29, 2023, which is the date the Claimant purchased the vehicle. The bond claim was filed within three years of the ending date the bond issued by Western Surety Company was in effect.

9. On or about April 22, 2024, the Department referred the Claimant's bond claim to the Division of Hearings and Appeals for a declaratory ruling pursuant to Wis. Admin. Code § Trans 140.26(1). The Department recommended that the claim be paid in the amount of \$11,850.

## DISCUSSION

The procedure for determining claims against dealer bonds is set forth in the Transportation Chapter 140, Subchapter II, of the Wisconsin Administrative Code. A claim is an allowable claim if it satisfies each of the following requirements and is not excluded by sub. (2) or (3):

- (a) The claim shall be for monetary damages in the amount of an actual loss suffered by the claimant.
- (b) The claim arose during the period covered by the security.
- (c) The claimant's loss shall be caused by an act of the licensee, or the [licensee's] agents or employees, which is grounds for suspension or revocation of any of the following:

1. A salesperson license or a motor vehicle dealer license, in the case of a secured salesperson or motor vehicle dealer, pursuant to s. 218.0116(1)(a) to (gm), (im)2., (j), (jm), (k), (m) or (n) to (p), Stats.

...

(d) The claim must be made within 3 years of the last day of the period covered by the security. The department shall not approve or accept any surety bond or letter of credit which provides for a lesser period of protection.

Wis. Admin. Code § Trans 140.21(1).

The Dealer violated Wis. Stat. § 342.16(1), which in turn, also constitutes a violation of Wis. Stat. § 218.0116(1)(gm) (having violated any law relating to the sale, lease, distribution, or financing of motor vehicles). Under Wis. Stat. § 342.16(1)(a), a dealer is required to process an application for certificate of title within seven days of the sale and provide the Department with the original application for certificate within one business day of processing the application. The record shows that the dealer took neither of these required actions. The Claimant sustained a loss as a result of these violations. Because she is unable to lawfully operate or sell the vehicle, Bristol is entitled to a refund of the amount she paid for the vehicle.

#### CONCLUSIONS OF LAW

1. [REDACTED] claim arose on November 29, 2023, the date she purchased the vehicle from the Dealer. The continuous surety bond issued to the Dealer by Western Surety Company covers the period commencing on August 3, 2023. The claim arose during the period covered by the surety bond.

2. Bristol filed a claim against the motor vehicle dealer bond of the Dealer on April 1, 2024. The bond claim was filed within three years of the last day of the period covered by the surety bond. Pursuant to Wis. Admin. Code § Trans 140.21(1)(d), the claim is timely.

3. The Claimant's loss was caused by an act of the Dealer that would be grounds for suspension or revocation of its motor vehicle dealer license. Bristol supplied documentation to support a claim in the amount of \$11,850. Pursuant to Wis. Admin. Code § Trans 140.21(1)(c) and (4), the claim is allowable.

4. The Division of Hearings and Appeals has authority to issue the following order. Wis. Stat. §§ 227.43(1)(br) and 227.41(1) and Wis. Admin. Code § Trans 140.26(1).

## ORDER

The claim filed by the Claimant [REDACTED] against the motor vehicle dealer bond of Automotive Renew, LLC is APPROVED in the amount of \$11,850. Western Surety Company shall pay the Claimant [REDACTED] this amount for her loss attributable to the actions of Automotive Renew, LLC.

## APPEAL RIGHTS FOLLOW

Dated at Madison, Wisconsin on December 10, 2024.

STATE OF WISCONSIN  
DIVISION OF HEARINGS AND APPEALS  
4822 Madison Yards Way  
Madison, Wisconsin 53705  
Telephone: (414) 227-4025  
FAX: (608) 264-9885

By: /s/

Rachel Pings | Administrative Law Judge

## NOTICE

Set out below is a list of alternative methods available to persons who may wish to obtain review of the attached decision of the Administrative Law Judge. This notice is provided to ensure compliance with Wis. Stat. § 227.48 and sets out the rights of any party to this proceeding to petition for rehearing and administrative or judicial review of an adverse decision.

1. Any person aggrieved by the attached order may within twenty (20) days after service of such order or decision file with the Department of Transportation a written petition for rehearing pursuant to Wis. Stat. § 227.49. A copy of any such petition for rehearing should also be provided to the Administrative Law Judge who issued the order. Rehearing may only be granted for those reasons set out in Wis. Stat. § 227.49(3). A petition under this section is not a prerequisite for judicial review under Wis. Stat. §§ 227.52 and 227.53.

2. Any person aggrieved by the attached decision which adversely affects the substantial interests of such person by action or inaction, affirmative or negative in form is entitled to judicial review by filing a petition therefore in accordance with the provisions of Wis. Stat. §§ 227.52 and 227.53. Said petition must be served and filed within thirty (30) days after service of the agency decision sought to be reviewed. If a rehearing is requested as noted in paragraph (1) above, any party seeking judicial review shall serve and file a petition for review within thirty (30) days after service of the order disposing of the rehearing application or within thirty (30)

days after final disposition by operation of law. Pursuant to Wis. Admin. Code § TRANS 140.26(7), the attached final decision of the Administrative Law Judge is a final decision of the Department of Transportation, so any petition for judicial review shall name the Department of Transportation as the respondent. The Department of Transportation shall be served with a copy of the petition either personally or by certified mail. The address for service is:

Office of General Counsel  
Wisconsin Department of Transportation  
4822 Madison Yards Way, 9<sup>th</sup> Floor South  
Madison, Wisconsin 53705

Persons desiring to file for judicial review are advised to closely examine all provisions of Wis. Stat. § 227.52 and 227.53 to ensure strict compliance with all its requirements.