



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

In the Matter of Claims Against the Dealer Bond
of Whatacar LLC

Case No: DOT-25-0006

Claimant: [REDACTED]

FINAL DECISION

In accordance with Wis. Stat. § 227.47 and 227.53(1)(c) the PARTIES to this proceeding are certified as follows:

Western Surety Company
101 S. Reid Street Ste. 300
Sioux Falls, SD 57103

[REDACTED]

Whatacar LLC
6240 Texaco Drive
Eau Claire, WI 54703

[REDACTED]

PRELIMINARY RECITALS

On January 8, 2025, [REDACTED] (claimant) filed a claim with the Department of Transportation (DOT) against the motor vehicle dealer bond of Whatacar LLC (dealer). On March 7, 2025, the DOT referred the matter to the Division of Hearings and Appeals (DHA), where the undersigned Administrative Law Judge (ALJ) was assigned to preside.

On May 9, 2025, the ALJ issued a Preliminary Determination. The dealer timely objected, pursuant to which, on June 26, 2025, the ALJ conducted a telephone prehearing conference with the parties to schedule a contested case hearing. On August 6, 2025, pursuant to due notice, the ALJ presided over a contested case hearing, which was conducted by videoconference. Exhibits 1-5 were admitted into evidence and testimony was received by the claimant and dealer.

FINDINGS OF FACT

1. Whatacar LLC (dealer) is licensed by the Wisconsin Department of Transportation (DOT) as a motor vehicle dealer. [REDACTED] is the owner of the dealer.

2. The dealer has had a continuous surety bond in force in the amount of \$50,000 satisfying the requirements of Wis. Stat. § 218.0114(5) since August 10, 2023 (Bond [REDACTED] from Western Surety Company). (Ex. 1 p. 9)
3. On or about August 19, 2024, [REDACTED] (claimant) purchased a 2011 Chevrolet, vehicle identification number [REDACTED], from the dealer for \$4,700 cash. (Ex. 1 p. 15)
4. The Wisconsin Buyer's Guide provided to the claimant at the time she purchased the vehicle did not disclose any problems with the vehicle. Further, it represented that the title was clean; that is, the dealer did not check the available boxes that would have indicated a title brand such as "rebuild salvage" or "flood damaged," for example. (Ex. 1 pp. 2, 16)
5. On August 19, 2024, the claimant sent text messages to the dealer complaining of problems with the car, which the dealer responded to by providing a mechanic to perform various repairs at no cost to the claimant. (Exs. 3, 4)
6. On October 31, 2024, the claimant advised the DOT that she continued to have nothing but problems with the vehicle. DOT investigation revealed that the title was not clean. Rather, the title brand was "salvage / rebuilt salvage." A Carfax vehicle history report describes the title brands as follows:
 - a. "A Rebuilt/Reconstructed vehicle is a salvage vehicle that has been repaired and restored to operation. These vehicles are often severely damaged before they are rebuilt and refurbished parts are typically used during reconstruction. In most states, an inspection of the vehicle is required before the vehicle is allowed to return to the road."
 - b. "A Salvage Title is issued on a vehicle damaged to the extent that the cost of repairing the vehicle exceeds approximately 75% of its pre-damage value. This damage threshold may vary by state. Some states treat Junk titles the same as Salvage but the majority use this title to indicate that a vehicle is not road worthy and cannot be titled again in that state..." (Ex. 1 p. 37)
7. On November 14, 2024, the DOT met with the dealer and advised the dealer to buy back the vehicle. The dealer made efforts to resolve the complaint but, ultimately, a buy back was not executed.
8. On January 2, 2025, the DOT sent the dealer a warning letter regarding "failure to disclose title brand and jurisdictions on Wisconsin Buyer's Guide." It referenced the claimant's complaint, as well as an advisory letter the DOT had previously issued to the dealer on July 11, 2024 regarding the same issue. (Ex. 1 pp. 52-53)
9. On January 8, 2025, the claimant filed the instant bond claim seeking reimbursement for the cost of the purchase of the vehicle. (Ex. 1 p. 11)

10. On March 7, 2025, the DOT referred the matter to the Division of Hearings and Appeals for a declaratory ruling pursuant to Wis. Admin. Code § Trans 140.26(1). The DOT recommended that the claim be paid in the full amount of \$4,700 based on the dealer's failure to properly disclose the title brand.

DISCUSSION

The procedure for determining claims against dealer bonds is set forth in Transportation Chapter 140, Subchapter II, of the Wisconsin Administrative Code.

A claim is allowable if it satisfies each of the following requirements:

- “(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... which is grounds for suspension or revocation of [a salesperson or motor vehicle dealer license 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...” Wis. Admin. Code § Trans 140.21(1).

It is undisputed that the dealer provided the claimant with a Wisconsin Buyer's Guide that contained inaccurate information regarding the vehicle's true title brand, claiming it was clean when actually it was a salvage title. To his credit, the dealer owner took responsibility for this, explaining in testimony at the hearing that a new employee responsible for the paperwork must have made the mistake unintentionally.

However, there is no exception to the law for unintentional violations. The transaction by the dealer to the claimant in this matter violated Wis. Admin. Code Trans § 139.03(1) by use of false representation to induce the purchase of a vehicle. It likewise violated Wis. Admin. Code Trans §§ 139.04(6)(a) relating to accurate disclosure on the Wisconsin Buyer's Guide of title brands of used motor vehicles. Making matters worse, the dealer was previously warned about engaging in this type of misconduct, yet it re-occurred.

The violations are, in turn, violations that would constitute grounds for suspension or revocation of a motor vehicle dealer license under Wis. Stat. § 218.0116(1)(gm) (violating any law relating to the sale, lease, distribution, or financing of motor vehicles) and Wis. Stat. § 218.0116(1)(j) (advertising or displaying any statement or representation with regard to the sale, lease, or financing of motor vehicles which is false, deceptive, or misleading).

The dealer's misconduct induced the claimant to purchase a vehicle of less value than she believed it to have given the true title brand. The claim is therefore approved in the full amount of the purchase price of the vehicle as requested in the bond claim. Upon payment to the claimant from the bond company, the claimant will need to relinquish possession of the vehicle.

CONCLUSIONS OF LAW

1. [REDACTED] claim arose on August 19, 2024, when she purchased the vehicle from the dealer. The surety bond issued to the dealer by Western Surety Company covers the period commencing on April 10, 2023. The claim therefore arose during the period covered by the surety bond pursuant to Wis. Admin. Code § Trans 140.21(1)(b).
2. [REDACTED] filed the bond claim on January 8, 2025, which is within three years of the last day of the period covered by the surety bond. The claim is therefore timely pursuant to Wis. Admin. Code § Trans 140.21(1)(d).
3. [REDACTED] suffered monetary damages as a result of an actual loss caused by acts of the dealer that would be grounds for suspension or revocation of its motor vehicle dealer license. The claim is allowable under Wis. Admin. Code §§ Trans 140.21(1)(a) and (c).
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 [REDACTED] against the motor vehicle dealer bond of Whatacar LLC is APPROVED in the amount of **\$4,700**. Western Surety Company shall pay this amount for the loss attributable to the actions of the dealer. In turn, the claimant shall relinquish the vehicle.

Appeal rights follow.

Dated at Madison, Wisconsin on August 13, 2025.

STATE OF WISCONSIN
DIVISION OF HEARINGS AND APPEALS
4822 Madison Yards Way
Madison, Wisconsin 53705
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By: _____
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, 9th 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.