

IN THE UNITED STATES DISTRICT COURT  
FOR THE WESTERN DISTRICT OF WISCONSIN

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In the Matter of

JOSHUA J. KELTNER and  
WINDY M. KELTNER,

Debtors,

v.

CLAIRE ANN RESOP, Trustee,

Plaintiff-Appellant

v.

HOUSEHOLD AUTOMOTIVE  
FINANCE CORPORATION,

Defendant-Appellee.

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Plaintiff-appellant Claire Ann Resop, Trustee, has appealed from the bankruptcy court's holding that Wis. Stat. § 409.303 governs the continuing perfection of a security interest in a motor vehicle when the motor vehicle is brought into the state of Wisconsin. She argues that the bankruptcy judge misinterpreted the governing statutes.

In an order entered in Resop v. PRIMUS Financial Services, 04-C-0779 (W.D. Wis.

Jan. 31, 2005), I addressed the same question and upheld the bankruptcy court's interpretation and application of the Wisconsin statutes. The facts in this case do not differ in any material way from the facts in the Primus case. As in that case, the debtors in this case purchased a motor vehicle outside the state of Wisconsin, delivered to the dealer a retail contract and security agreement granting a security interest in the vehicle that had been executed on April 26, 2000; the assignee of the contract and security agreement perfected its security interest in a state other than Wisconsin (Minnesota); the owners of the vehicle subsequently moved into Wisconsin and have lived here more than four months without applying for a certificate of title in this state. The vehicle remains titled in Minnesota.

On January 6, debtors filed a Chapter 13 petition that they converted to chapter 7 proceeding on July 8, 2004. Appellant Claire Ann Resop was appointed trustee of their bankruptcy estate. On August 30, 2004, the trustee filed an adversary complaint, seeking to avoid Household's lien and arguing that the security interest was no longer perfected because debtor had relocated to Wisconsin more than four months before filing the Chapter 7 petition and Household had not perfected its interest in this state. Household filed a motion to dismiss; a hearing was held on the motion on October 26, 2004, at which time the bankruptcy court granted the motion to dismiss on the ground of its earlier ruling in Primus that the four-month rule does not apply to automobiles subject to a certificate of title.

The trustee has not shown any reason why this case should be decided differently from Primus or why the decision in Primus was in error. I agree with the bankruptcy court that the governing statute is § 409.303, which applies to goods covered by a certificate of title and which provides that “[t]he local law of the jurisdiction under whose certificate of title the goods are covered governs perfection . . . from the time the goods become covered by the certificate of title until the goods cease to be covered by the certificate of title.” The trustee has not shown that the vehicle at issue is no longer covered by the Minnesota certificate of title. Therefore, I will affirm the bankruptcy court’s decision for the same reasons I affirmed the decision in Primus, a copy of which is attached to this order.

#### ORDER

IT IS ORDERED that the decision of the United States Bankruptcy Court, rendered on October 26, 2004, dismissing the adversary proceeding of appellant trustee Claire Ann

Resop is AFFIRMED.

Entered this 22nd day of February, 2005.

BY THE COURT:

BARBARA B. CRABB  
District Judge