

# Dealer Details

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Newsletter of the DMV Business Regulation Section

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Visit Business Regulation  
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Form 735-7022 (02-2007)

## Drivers will get interim card under new DMV procedure

Starting in May 2007, vehicle dealers may see something different when they ask customers to identify themselves. The Oregon DMV will be issuing an "interim card" as part of its legislative mandate to convert to centralized issuance of licenses and ID cards.

Customers typically will carry an interim card for a few days while waiting for their permanent plastic card to arrive by mail. The interim card, issued over the counter at DMV, is intended to verify that the customer has qualified for Oregon driving privileges or identification.

The conversion from over-the-counter issuance of licenses and ID cards toward centralized issuance is the first step toward DMV using "facial recognition" technology required by a new state law.

The law requiring this fraud-prevention system gave DMV until July 2008 to start comparing new photos taken of applicants against digital photos on file at DMV. The technology is designed to prevent individuals from obtaining driver licenses or identification cards under false names.

"The law will allow DMV to issue a card only if facial recognition software finds no matching photo under another name in DMV's database," Administrator Lorna Youngs said. "The



applicant's photo will be checked against all photos on file after business hours, so the customer will receive an interim card as a receipt prior to leaving the field office."

The permanent card will be produced at a centralized site and mailed to customers. Only those who pass the facial-recognition test will receive a laminated card. Most people will get their final cards in five to 10 business days.

California, Washington and 11 other states also issue driver licenses and ID cards by mail.

"Mailing the final card has the addi-

See '[Driver license issuance](#)'  
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# January Dealer Handbook updates

The January 2007 revision of the Title and Registration Handbook is available to view, print or copy at the DMV Web site at [www.oregondmv.com](http://www.oregondmv.com).

This month's revision updates the October 2006 edition of the Handbook.

Dealers may buy a printed copy of the Handbook from one of these organizations:

- Oregon Vehicle Dealer Association (OVDA) by calling 1-877-541-2277, e-mail to [ovda@oregonvda.com](mailto:ovda@oregonvda.com) or by visiting [www.oregonvda.com](http://www.oregonvda.com)

- Oregon Independent Auto Dealers Association (OIADA) by calling 1-800-447-0302 or by e-mail to [info@OIADA.com](mailto:info@OIADA.com).

The changes in the January 2007 edition of the Handbook are as follows:

**Cover Page** – Revision date of 01/07.

**Table of Contents** – Descriptions revised.

**Chapter N: Model, Makes, and Body Styles** – Make abbreviations for mopeds, motorcycles, snowmobiles, and ATVs are updated.

**Chapter R: Dealers** – Form 6890, Notice of Sale or Transfer of a Vehicle, has been revised.

– Margaret Stephens  
Vehicle Policy

## 2007 ODAC members

These are the 2007 members of the Oregon Dealer Advisory Committee:

### CHAIR

**Lisa Larkin**

Northwest Auto Auction

### MEMBERS

**Craig Lundskog**

Premier Auto Group

**Steve Curry**

Heritage Motors

**Mary Davis**

Toyota of Gladstone

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Lulay's Car Connection

**Mary Ann Trout**

Hillsboro Auto Wrecking

**Michael Wagner**

Santiam Enterprises

**David Withnell**

Withnell Motor Company

## Driver license issuance

### Continued from Page 1

tional advantage of making it more difficult for non-Oregon residents to obtain an Oregon driver license or ID card under a false address because the final cards will be mailed to customers' address on DMV records," Youngs said.

The interim card is intended as proof that the cardholder has qualified at DMV to obtain, replace or renew a driver license, instruction permit or ID card. Valid for up to 60 days, the interim card will look like a black-and-white copy of the final card, except that it will be printed on paper. The interim card's only security feature is that attempts to photocopy it will cause the word "VOID" to appear on the copies.

"Customers need to be prepared to go up to two weeks with the interim card," Youngs said. "Businesses and government agencies – such as airport security – may request additional ID from people bearing the interim card."

Police in Oregon will be able to verify an individual's driving privileges

using the Law Enforcement Data System.

The centrally issued permanent card will have the same appearance and security features as the card that DMV has been issuing over the counter since 2004.

If the facial recognition one-to-many check finds that a customer's photo appears similar to an existing photo under a different name, it will alert DMV staff of the possible match. If there is a clear match, staff will provide information on possible fraud to law enforcement and will not issue a final card.

If it's impossible to tell whether two photos are of the same person, DMV will ask the customer or customers to return to DMV with additional proof of identity before issuing a final card.

For details about centralized issuance and facial recognition, visit [OregonDMV.com](http://OregonDMV.com).

– David House  
ODOT Public Affairs

## Steps in closing business

Dealers who close their businesses often have vehicles left in inventories. Oregon Administrative Rules (OAR 735-150-0205) provide guidelines for dealers to follow in order to dispose of their vehicle inventories.

First, the DMV Business Regulation Section must be provided with a written inventory of vehicles in the dealer's possession at the time of closure.

The inventory must include full descriptions of the vehicles including VIN numbers. The dealer also must provide DMV with a written plan to liquidate the inventory.

Options for the dealer include wholesaling the vehicles to another dealer, consigning the vehicles to a certified auto auction, or titling the vehicles in the name of the former dealer.

However, vehicles titled in the former dealer's name may not be im-

mediately resold and are subject to the personal or business-use exemption requirements contained in the Oregon Revised Statutes (ORS 822.015).

Continuing to sell vehicles or dispose of inventory without a written plan approved by DMV is considered unlicensed dealer activity and a violation of ORS 822.005. DMV can assess civil penalties up to \$5,000 per vehicle for violations.

The Administrative Rules and statutes referenced can be viewed by visiting the DMV Web site at [www.OregonDMV.com](http://www.OregonDMV.com).

If a dealer is closing business and is unsure of how to dispose of inventory, contact the Business Regulation Section or local DMV investigator for assistance.

— *Rick Parsons*  
*Investigations*

## Tips for dealers on VIN inspections

Dealers may perform Vehicle Identification Number (VIN) inspections on vehicles coming from out-of-state if the vehicle will be sold from their inventories. Dealers may not do VIN inspections on consigned vehicles or vehicles with salvage titles.

Instructions on performing VIN inspections are contained in the Title and Registration Manual, Chapter D. This manual can be accessed online at DMV Web site at [www.OregonDMV.com](http://www.OregonDMV.com).

Some common mistakes that DMV field offices have encountered in dealer VIN inspections include:

- Dealers performing VIN inspections for friends or customers on vehicles they are not selling from their inventories.

- Dealers always checking the same boxes on every VIN inspection form submitted. For example, one dealer recently submitted a large stack of title transfers with VIN inspections for various year/make/model vehicles. On every form the "not visible" box was checked under the "VIN attached by" section of the form. This is a red flag to DMV that the VINs are not being properly checked.

Improperly completed VIN inspections can delay the title and registration process. To assist DMV and customers, dealers need to ensure that they and their employees who do VIN inspections follow the required steps.

— *Rick Parsons*  
*Investigations*

## Tax applies to vehicles dealers use in business

When a dealer vehicle plate is placed on a vehicle being used to facilitate the dealer's business and the gross weight is 26,001 pounds or more, the vehicle is subject to the Oregon weight-mile tax.

In addition, proof of liability insurance in a minimum amount of \$750,000 must be filed with the Motor Carrier Transportation Division of the Oregon Department of Transportation.

A dealer must obtain a temporary pass from the Motor Carrier Division. The cost of the 10-day pass is \$9 plus a per-mile fee based on the gross vehicle weight.

After the dealer purchases the initial temporary pass, the dealer's insurance company must file proof of the liability insurance with the Motor Carrier Division within 60 days.

Although there is an exemption for vehicles not placed in service under Oregon Revised Statutes (ORS 825.032), it does not apply to dealers operating vehicles over 26,000 pounds for the purpose of their business.

For more information or to obtain a temporary vehicle pass, contact the Motor Carrier Division at 503-378-6699.

— *Motor Carrier*  
*Transportation Division*  
*ODOT*

# Dealer Sanctions

Dealer	City	Violations Found	Offense Count	Amount
<b>CIVIL PENALTIES</b>				
Park Place Automotive LLC	Milwaukie	Failure to satisfy interest in a vehicle within 15 days	1	\$4,000
Shoeleh Vaday	Portland	Failure to obtain corrected dealer certificate	1	\$1,500
dba Affordable Auto				
Linda Ephraim dba United Motors	Portland	Failure to satisfy interest in a vehicle within 15 days	2	\$6,000
		Failure to submit title and application fees within 30 days	3	\$500
		Late Renewal	1	\$100
GroupB Inc	Portland	Late Renewal	1	\$100
Jozsis Import Car Repair Inc	Portland	Failure to satisfy interest in a vehicle within 15 days	1	\$1,000
My Auto.Com Inc	Milwaukie	Failure to provide clear title to purchaser	1	\$1,000
Ahmad Inc	Portland	Failure to submit title and application fees within 30 days	2	\$500
dba Division Street Auto Wholesale		Failure to supply ownership documents to purchaser within 25 days	3	\$1,000
(Permanent Revocation)		Failure to maintain proper records	2	\$1,000
		Failure to submit Dealer Notice of Vehicle Purchased (Form 165)	2	\$200
		Failure to remove foreign registration plates	2	\$200
		Making a false statement of material fact in an application for title	1	\$6,000
		Knowingly swearing or affirming falsely to any matter or thing relating to the titling of vehicles	1	\$6,000
		Altering or forging or causes to be altered or forged any assignment thereof issued by ODOT	1	\$6,000
		Use of certificate of title, certificate of registration or assignment thereof issued by the department knowing the certificate has been altered or forged	1	\$500
CARCORP.BIZ	Portland	Submitting a false odometer disclosure	1	\$5,000
Brad Moc	Roseburg	Failure to furnish title to purchaser within 90 days	2	\$250
dba Brad Mock Wholesale Outlet		Late Renewal	1	\$100
WRC Enterprises Inc and Loren Montgomery	Portland	Late Renewal	1	\$100
dba Loren Montgomery				
John Day Polaris Inc	John Day	Late Renewal	1	\$100
Source One Auto LLC	Milwaukie	Failure to provide a means of public contact	1	\$100
(Suspension)		Failure to exhibit an exterior sign	1	\$100
		Failure to conspicuously display dealer certificate	1	\$100
		Failure to maintain records at the main business location	1	\$1,000
		Failure to submit title and application fees within 30 days	1	\$100
Kay Management LLC	Medford	Failure to satisfy interest in a vehicle within 15 days	2	\$250
dba Riverside Car and Truck				
Gladstone Auto LLC	Gladstone	Failure to satisfy interest in a vehicle within 15 days	1	\$2,000
dba Toyota Scion of Gladstone				
Damerow Ford Co dba Beaverton Ford	Beaverton	Failure to satisfy interest in a vehicle within 15 days	1	\$1,000
Outdoor Power and Equipment Co	Springfield	Late Renewal	1	\$100
<b>UNLICENSED DEALERS</b>				
Beaverton Towing and Repair Inc	Beaverton	Acting as a vehicle dealer without a current dealer certificate	1	\$25,000
dba Beaverton Towing				

**Note:** Fines and sanctions for dealers and unlicensed dealers may not reflect settlements.