

Dealer Details

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Inside this issue

- Dealer Handbook updates for January 2008, Page 2
- Dealer sanctions, Page 3
- Vehicle purchase, sale reports must be prompt, Page 4
- New state rules affect vehicle dealers, Page 4
- Did you know? Page 5

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Form 735-7022 (3-2008)

Committee, DMV clarify laws on consignments

The first Oregon Dealer Advisory Committee meeting of 2008 opened with discussion on organizational procedures and a vote to operate as informally as possible within the scope of the public meetings law. That being completed, the first issue to be discussed by the committee was consignments.

At a prior meeting it had been suggested that Oregon dealers could not take consignment vehicles from an out-of-state dealer. DMV was asked to research the issue and get back to the membership on this question.

DMV could find no restrictions on dealer-to-dealer consignments for either in-state or out-of-state transactions. DMV had no cases where charges had been filed against an Oregon dealer for taking consignments from another dealer.

After reading the Oregon Revised Statutes and determining that the problem stems from the interpretation of "certified dealer" in the statutes, a motion was made that DMV should use a broad definition for "certified dealer" that would include dealers in other jurisdictions.

The motion passed, and DMV stated that it would use the broader definition.

Another question on consignments was whether or not the dealer should title the consigned vehicle in the dealer's name. DMV responded that if the dealer is not purchasing the vehicle and

Next ODAC meeting is scheduled for April 24

You are invited to attend meetings of the Oregon Dealer Advisory Committee at the DMV Headquarters, 1905 Lana Ave. NE, in Salem.

All meetings are held in Conference Room 382 and run from 9 a.m. to noon. The 2008 meetings are scheduled for April 24, July 24, and Oct. 23.

If you are interested in having a discussion on a specific topic, please contact Chris Ratliff, DMV Business Regulation manager, at least three weeks in advance of the meeting date, and he will present your request to the ODAC chairperson.

placing it in the dealer's inventory, there is no need for the dealer to be on the chain of title.

Possible issues for the agenda of the April 24 ODAC meeting will be:

■ Discussion of the Statement of Total Loss form

■ Background checks being required prior to issuance of a dealer certificate

■ Increasing bond requirements for motorcycle dealers

■ A report from the possessory lien subcommittee

— Lisa Larkin
ODAC chairperson

Dealer Handbook updates for January 2008

The January 2008 revision of the Title and Registration Handbook is available to view, print or copy at www.OregonDMV.com. This revision updates the October 2007 Handbook.

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

■ Oregon Independent Auto Dealers Association (OIADA), 1-800-447-0302; info@OIADA.com; or www.oiada.com

■ Oregon Vehicle Dealer Association (OVDA), 1-877-541-2277; ovda@oregonvda.com; or www.oregonvda.com

Changes are as follows:

Cover Page: Revision date of January 2008.

Chapter B, Application for Title and Registration: The application, Form 226, was revised in January 2008. It now has check boxes to indicate the weight of a trailer. Some additional fields are highlighted yellow. A segment of the DMV-only area on the form was revised to include a space for DMV staff to certify a vehicle's compliance with the low-emission-vehicle (LEV) requirement. The driver license/IDcard/customer number and date-of-birth fields now do not copy through to the Notice of Transaction Submitted part of the form.

Chapter D, Miscellaneous Title Application Information: Vehicle Identification Number Inspection, Form 11, was revised in January 2008. It includes information about LEVs and check boxes for dealers to certify that a vehicle complies with the LEV requirement. Only Oregon licensed dealers with the vehicle in their stock may certify on Form 11 that a vehicle complies with the LEV requirement, after checking the manufacturer's under-hood emissions label. See Chapters F and K for more LEV information.

Chapter F, Ownership Documents: A manufacturer's statement on the manufacturer's certificate of origin may prove a vehicle's compliance with

the LEV requirement. A list of acceptable statements on the MCO is included in the chapter.

Chapter I: The TOD date chart has been updated for 2008.

Chapter K, Registration: The chapter now includes the new veteran-related, Gold Star Family, and Share the Road plates.

The examples of the Custom Plate Application, Form 205, and Application for Registration, Form 268, have been updated with the June 2007 revision of these forms.

Plate transfer requirements for truck, bus, farm and charitable/nonprofit vehicles have been updated.

The requirements for certain new vehicles to comply with the LEV requirement are included. Some customers may be exempt from proving compliance. A form was created for customers to certify an exemption: the Declaration of Exemption From the Oregon Low Emission Vehicle Requirement, Form 735-7309.

Due to changes in Oregon law, where a benefit to a spouse is granted, the same benefit is also granted to domestic partners. Ex-POW plates may be kept by a surviving domestic partner. The Certification of Oregon Residency or Domicile, Form 7182, was revised in January 2008.

Chapter L, Vehicle Types: A Class II ATV is now defined as any motor vehicle that weighs more than a Class I all-terrain vehicle; is designed for or capable of cross-country travel on or immediately over land, water, sand, snow, ice, marsh, swampland or other natural terrain; and is actually being operated off a highway or is being operated on a highway for agricultural purposes under ORS 821.191.

There is a minor change to the wording describing truck registration weight. This does not affect truck title and registration transactions or fees.

Chapter M, Fees: The registration fee for 6-foot to 14-foot motor homes has decreased to \$54. Fees for motor homes 15 feet in length or longer have not changed. The Motor Home Registration Fee Schedule, Form 465, has been re-

vised.

If the motor home expiration date is on or after Jan. 1, 2008, the customer will pay the new 6-foot to 14-foot motor home registration fee regardless of when the customer submits the renewal transaction, even if was before or after Jan. 1, 2008.

Original transactions for 6-foot to 14-foot motor homes received prior to Jan. 1, 2008, will be charged the current registration fee. At their next renewal they will be charged the new fee. All original transactions for 6-foot to 14-foot motor homes received on or after the Jan. 1, 2008, effective date will pay the new fee.

The chapter mentions the fees for the new veteran-related, Gold Star Family, and Share the Road plates.

Forms shown in Chapter M that have been revised:

■ Heavy Motor Vehicles and Buses Fee Schedule, Form 6013

■ Charitable/Non-Profit and Manufactured Structure Toters Fee Schedule, Form 153

■ Trucks Registered as Farm Vehicles Fee Schedule, Form 152

Chapter O, Tow/Recovery Vehicles: There are new insurance requirements for tow/recovery vehicle registration. The Application for Tow or Recovery Vehicle Business Certificate, Form 387, has been revised.

Chapter R, Dealers: Requirements for dealer shows are clarified.

There is a minor change to the description of the Light Vehicle Trip Permit, Form 735-306. This does not change anything regarding issuance of the permit.

Chapter T, Flags: Flag 31 is a new flag that will be placed on vehicle records to indicate no registration may be issued because the vehicle is subject to the LEV requirement, but has not proven compliance and is not otherwise exempt. DMV will remove the flag and may issue registration only when the vehicle proves compliance, is no longer subject, or becomes exempt.

– Margaret Stephens,
Vehicle Policy

Dealer Sanctions

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

Dealer	City	Violations Found	Offense	Count	Amount
CIVIL PENALTIES					
Portland RV Wholesale Inc	Portland	Failure to satisfy interest in a vehicle within 15 days	2	1	\$250
Jerry O Stone	Ontario	Late Renewal	1	1	\$100
Daniel G Scott dba The Auto Locators	Portland	Failure to supply ownership documents to purchaser within 25 days Failure to submit fees and application to DMV within 30 days	2	1	\$250
El Mar Enterprises Inc	Milwaukie	Failure to obtain supplemental dealer certificate	1	9	\$4,500
Manuchehr Karimzadeh dba M & S Auto Care	Hillsboro	Failure to obtain corrected dealer certificate	1	1	\$500
Rick A Reeder dba RPM Motors (Suspension)	Canby	Failure to provide a means for public contact Failure to display an exterior sign Failure to display the dealer business certificate Failure to maintain original records at main business location Failure to obtain a corrected dealer certificate	1	1	\$1,000
Thousand Trails Inc	Cloverdale	Late Renewal	1	1	\$100
Sieler Motor Company LLC (Agent Status Suspension)	Portland	Failure to follow procedures when issuing Temporary Reg Permits Improperly completing Temporary Registration Permits	3	7	\$3,500
Vahid Tajadod dba 82 nd Auto Mall	Portland	Failure to submit title and application fees within 30 days	2	8	\$400
David Spangenberg dba D and R Auto Sales	Hermiston	Failure to submit Notice of Vehicle Purchased (Form 165) to DMV Failure to satisfy interest in a vehicle within 15 days	2	1	\$1,000
Oswego Luxury Ltd	Lake Oswego	Failure to submit title and application fees within 30 days Failure to satisfy interest in a vehicle within 15 days	2	1	\$250
Gabriel Delgado dba BJS Used Car Sales (3 Year Suspension)	Milton-Freewater	Failure to furnish title within 90 days Failure to pay consignor within 10 days Failure to allow an inspection	3	1	\$1,000
Steves Auto Sales Inc (2 Year Probation)	Portland	Failure to supply ownership documents to purchaser within 25 days Failure to satisfy interest in a vehicle within 15 days Failure to submit title and application fees within 30 days Failure to satisfy interest in a vehicle within 15 days Failure to satisfy interest in a vehicle within 15 days/transferring interest to dealer	4	4	\$4,000
Nivardo Cabrera dba Niva Auto Sales	Woodburn	Failure to maintain records of title delivery Failure to maintain proper records Failure to submit Notice of Vehicle Purchased (Form 165) to DMV Failure to submit title and application fees within 30 days	3	2	\$2,000
UNLICENSED DEALERS					
Ronald Edward Kramer	Keizer	Acting as a vehicle dealer without a current dealer certificate	1	6	\$15,000
Joseph David Loomis	Eugene	Acting as a vehicle dealer without a current dealer certificate	1	6	\$15,000
Aleksandr Adzhigirey	Turner	Acting as a vehicle dealer without a current dealer certificate	1	8	\$20,000
Don Randolph Vasquez	Gresham	Acting as a vehicle dealer without a current dealer certificate	1	8	\$20,000

Purchase and sale forms must be prompt

Oregon law requires vehicle dealers to file a Dealer Notice of Vehicle Purchase (Form 165) within seven calendar days from their receipt of any Oregon-titled vehicles into their inventories.

These requirements are listed in ORS 803.105 and OAR 735-150-110(12).

Another Oregon law, under ORS 803.112, requires the transferor of interest of an Oregon titled vehicle to notify DMV within 10 days of the date of transfer.

Dealers who sell a vehicle to another dealer or submit the application for title

to DMV on behalf of the buyer are exempt from this requirement.

DMV often receives calls from consumers who traded in a vehicle to a dealer but keep receiving collection notices from towing companies or municipalities for vehicles that were towed or received parking citations.

Sometimes the tow company or municipality missed the flags on the DMV record showing that the vehicle was now in dealer inventory or had been sold.

In some cases, however, the dealer failed to file the Dealer Notice of Vehicle Purchase or failed to file the No-

tice of Sale after selling the vehicle – or both.

Both of the reporting requirements are part of the Oregon Vehicle Code. Failure to file the forms when required is a violation.

In addition, a consumer or other party who is stuck paying a bill for a vehicle they no longer own then may have recourse against the dealer's bond. To avoid this potential liability, dealers should ensure that these forms are filed with DMV within the required time periods.

– Rick Parsons
Investigator

New rules affect auto dealers

The Oregon Department of Justice has filed the final version of amendments to the following administrative rules with the Oregon Secretary of State:

■ OAR 137-020-0015 – Misleading use of “free” offers and rebates

■ OAR 137-020-0020 – Motor vehicle price and sales disclosure

■ OAR 137-020-0040 – Adoption of the Federal Trade Commission's used-car rule, federal Truth-in-Lending Act, and federal consumer leasing law

■ OAR 137-020-0050 – Motor vehicle advertising rule

The final rules, which took effect Jan. 2, 2008, are posted on the Internet by the Oregon Secretary of State.

They also are posted at the Department of Justice Web site at www.doj.state.or.us/hot_topics/2007_consumer_protection_rulemaking.shtml.

The Department of Justice will be offering training to help affected parties better understand the new rules.

If vehicle dealers have any questions or comments, please e-mail them to Eugene F. Ebersole, Senior Assistant Attorney General, Consumer Protection – Financial Fraud Section, Oregon Department of Justice at eugene.ebersole@doj.state.or.us.

– Eugene F. Ebersole
Senior Assistant Attorney
General

Consumer Protection – Financial
Fraud Section
Oregon Department of Justice

Did you know?

■ DMV has moved its Springfield field office to a new location: 204 N. 30th St., Springfield, OR 97478.

■ DMV recently was contacted by a news reporter who wanted to know if DMV regulated car dealers who were hiding GPS devices in high-end vehicles they were selling to buyers with iffy credit. The reporter said he heard this was done so the dealer could repossess the car with a minimum of effort to locate the vehicle.

■ Police Departments are shifting their stolen-vehicle recovery efforts to looking in dismantlers' yards. Now that the value of scrap metal is high, more stolen vehicles are being sold to dismantlers with forged paperwork.