

Dealer Details

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Newsletter of the DMV Business Regulation Section

Summer 2011

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Form 735-7022 (08-2011)

Opinions sought on education requirement

The hot topic at July's Oregon Dealer Advisory Committee meeting was the dealer education requirement.

There was a variety of opinions and suggestions, so the ODAC members decided to form a subcommittee to discuss options. If you would like to have your opinion heard, send an email to me letting me know how you feel about the current education requirements and the usefulness of the information you are receiving.

Email me at mike@santiamenterprises.com with your opinion. I will compile your comments into a single document and present the information at the subcommittee meeting. I will not release your name or email address to anyone. I need to know you are a dealer, and I will respect your right to be anonymous.

Options we will be discussing are changing existing laws to:

- Discontinue the education requirements.
 - Continue to require applicants who have not been certified dealers in Oregon to take the eight-hour course and delete the continuing education requirement.
 - Change the requirements for approval of schools and class requirements to improve the existing program.
 - Or leave the statutes as they are.
- Other topics at July's meeting

Email your opinion

Email ODAC Chair Mike Wagner with your opinion on dealer education requirements at mike@santiamenterprises.com.

"I will compile your comments into a single document and present the information at the subcommittee meeting. I will not release your name or email address to anyone. I need to know you are a dealer, and I will respect your right to be anonymous."

included salesperson licensing and mandatory titling. The committee voted to remove the topic of salesperson licensing from future discussions and agreed to further discussion on mandatory titling methods.

There also was a brief review of legislation passed that would affect dealers and dismantlers.

A new education provider made a presentation to the committee and requested a review of its material to determine if it could be approved as an education provider. The Education Subcommittee will review the material.

The next ODAC meeting is Oct. 27 at DMV Headquarters in Salem.

– Mike Wagner
ODAC Chair

Dealer handbook August update

The August 2011 revision of the Title and Registration Handbook is available to view, print or copy at www.OregonDMV.com.

This revision updates the February 2011 handbook. The handbook is normally updated quarterly, but there was no update in May 2011. The next revision is scheduled for November 2011.

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

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

- Oregon Vehicle Dealers Association, 1-877-541-2277 or ordealers.com; www.ordealers.com

Changes in the August 2011 handbook revision are as follows:

Cover Page – The cover page reflects the latest revision date of 08-11.

Preface – The Preface reflects the latest revision date of 08-11. The acronym LEV, for low-emissions vehicle, was added to the Glossary of abbreviations.

The following commonly used forms were added to the list:

- Transitional Ownership Document, Form 735-227

- Application for Disabled Veteran Plates, Form 735-6736

- Dealer Certification of Compliance with Federal Emission and Safety Standards, Form 735-7290

- Declaration of Exemption from the Oregon Low Emission Vehicle Requirement, Form 735-7309

Table of Contents – The Lemon Law Buyback brand was added to the description of contents in Chapter J: Damaged/Totaled Vehicles.

Chapter B, Application for Title and Registration, Form 226 – The Application for Title and Registration, Form 735-226, was replaced with the latest revision (5-11).

Chapter H, Odometer Disclosure Requirements – The chapter was reviewed for accuracy. No significant changes were made.

Chapter K, Registration – The Application for Registration, Renewal, Replacement or Transfer of Plates and/or Stickers, Form 268, was replaced with the latest version (5-11).

The Temporary Registration Permit, Form 735-315, is issued in lieu of plates and stickers. The effective

date of the registration period is the date the Temporary Registration Permit is issued.

Quarterly registration starts on the first day of any calendar quarter and runs through the last day of any calendar quarter for which registration fees are paid (up to four quarters). A customer may want to purchase a trip permit to cover the amount of days remaining until the beginning of a new quarter.

Chapter P, Dismantlers – The Dismantler's Vehicle Notice to Driver and Motor Vehicle Services, Form 735-270, was replaced with the latest revision (5/11).

Chapter R, Dealers – The Temporary Registration Permit, Form 735-315, is issued in lieu of plates and stickers. The effective date of the registration period is the date the Temporary Registration Permit is issued.

The Notice of Sale or Transfer of a Vehicle, Form 735-6890, was replaced with the latest revision (7-11).

Index – A quarterly subsection was added to the registration section and referenced to Chapter K.

– *Dave Adams*
Vehicle Policy

Q&A clarifies dealers' DEQ test, software needs

Question: Does DMV require dealers to have special software?

Answer: No. However, if a dealer wants to offer Electronic Vehicle Registration, the dealer must get software for that. Otherwise, DMV does not require or endorse any software.

Question: If a buyer lives in a

DEQ area, is the dealer responsible for having emissions testing done when filing title and registration with DMV?

Answer: No. However, the vehicle must be able to pass the DEQ emissions test, and the dealer is responsible for the vehicle passing. Here are a couple of ways a dealer

can handle this requirement:

1. Get the DEQ emissions testing done before selling the vehicle.
 2. Sell the vehicle with a trip permit and have the purchaser get the DEQ certification. The purchaser then brings the DEQ certificate to the dealer, who then submits the documents to DMV.
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Dealer Sanctions

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

Dealer	City	Violations Found	Offense Count	Amount
Civil Penalties				
Eduardo and Maria Lopez dba Eduardos Auto Sales	Salem	Failure to notify purchaser of delay in title documents	3	\$500
		Failure to maintain records of title delivery/submission or document delays	3	\$500
		Failure to furnish title within 90 days	2	\$1,000
		Failure to maintain lien claimant records	1	\$5,000
Ricardo "Ric" Mariscal dba Ric's Autobody & Towing	Mill City			
Integrity Properties LLC dba Integrity Auto Sales (3 Year Suspension)	Newberg	Forging, Altering or unlawfully producing or using titles ORS 803.230(1)(a) Forging, Altering or unlawfully producing or using titles ORS 803.230(1)(b) Failure to maintain records of title delivery/submission or document delays Failure to maintain proper records Failure to submit Notice of Vehicle Sale/Transfer to DMV Making a false statement of material fact in any DMV document Failure to maintain lien claimant records	1 1 2 2 5 1 1	\$8,000 \$3,000 \$1,250 \$2,000 \$1,250 \$4,500 \$1,000
A 1 Auction Company LLC American Auto LLC Jimmy Simpson dba Owyhee Auto Sales ORCARCO Inc dba Oregon Car Company	Grants Pass Woodburn Nyssa	Late Renewal Failure to obtain a supplemental dealer certificate Late Renewal	1 1 1	\$100 \$1,500 \$100
Salem Auto Service Inc dba Affordable Wholesale Autos	Milwaukie Salem	Failure to submit fees and application to DMV within 30 days Failure to provide notice of title delay to purchaser within 25 days Failure to furnish title within 90 days Violation of Temporary Registration Permits Failure to submit fees and application to DMV within 30 days Failure to provide notice of title delay to purchaser within 25 days Failure to maintain records of title delivery/submission or document delays Failure to refund excess fees within 5 days Failure to furnish title within 90 days Failure to pay consignee within 10 days Failure to satisfy interest in a vehicle within 15 days	2 2 1 2 2 2 2 1 1 1 1	\$2,000 \$2,500 \$2,000 \$250 \$1,250 \$1,500 \$1,500 \$750 \$1,000 \$500 \$1,000
Draws Motor Co Inc dba Draws Motor Co	Brooks	Failure to satisfy interest in a vehicle within 15 days	1	\$500
Daniel B Fitzpatrick dba Southeast Auto Sales	Portland	Making false statement of material fact on a DMV document	1	\$500
Beaverton Toyota Co Inc Michael Beber dba Payless Auto Sales	Beaverton Portland	Failure to furnish title within 90 days Failure to furnish title to purchaser within 25 days Failure to remove foreign registration plates	1 3 2	\$1,000 \$500 \$50
Magos Auto Sales Inc Frontline Auto Sales Inc Work and Play Center Inc	Gresham Eugene Eugene	Failure to obtain a supplemental dealer certificate Failure to satisfy interest in a vehicle within 15 days Failure to satisfy interest in a vehicle within 15 days Failure to furnish ownership documents or submit application within 90 days Failure to furnish ownership documents or submit application within 90 days Failure to obtain corrected dealer certificate before moving place of business	2 1 1 2 2 1	\$1,000 \$1,000 \$2,000 \$2,000 \$2,000 \$500
All Star Auto Sales Inc Ben Ko Matic Company dba Owen Equipment Company Cederaja Enterprises LLC dba Beaverton Car Company (1 Year Probation)	Sweet Home Portland Beaverton	Failure to furnish ownership documents or submit application within 90 days Failure to furnish ownership documents or submit application within 90 days Failure to obtain corrected dealer certificate before moving place of business Failure to furnish certificate of title or submit application for title within 90 days	1 1 1 16	\$16,000
Country Roads Recreation 3 Inc Daimler Trucks North America LLC A Street Auto Sales Inc dba Guthrie Auto Center G and R Auto Wreckers Inc	Florence Portland Springfield Salem	Late Renewal Late Renewal Late Renewal Failure to remove and destroy registration plates Failure to maintain proper records for motor vehicles Failure to submit dismantler notice/title/ownership documents to DMV within 30 days Failure to maintain proper records Failure to submit notice of vehicle purchase to DMV Failure to submit notice of vehicle transfer to DMV	1 1 1 2 2 2 2 2	\$100 \$100 \$100 \$250 \$500 \$1,250 \$200 \$750
G & R Auto Rebuilders LLC	Turner	Failure to submit notice of vehicle purchase to DMV Failure to submit notice of vehicle transfer to DMV	5 4 3	\$1,250 \$200 \$750

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Dealer Sanctions

Dealer	City	Violations Found	Offense	Count	Amount
Civil Penalties					
Speed Sports Inc	Milwaukie	Failure to satisfy interest within 15 days	1	2	\$2,000
		Failure to furnish title within 90 days	1	2	\$2,000
		Failure to furnish title within 90 days	1	1	\$1,000
Mark Michael Hayward dba Peggys Classic Cars	Oregon City				
Lee Murphy Auto Sales Inc	Cornelius	Failure to furnish ownership documents or submit application within 90 days	1	2	\$2,000
Exclusive Motors LLC	Portland	Failure to furnish title within 90 days	1	1	\$1,000
River City Wheels LLC	Portland	Failure to furnish title within 90 days	1	2	\$2,000
		Failure to supply ownership documents to purchaser within 25 days	1	1	\$250
		Failure to submit fees and application to DMV within 30 days	1	3	\$750
Arts Auto Sales LLC	Milwaukie	Failure to obtain a supplemental dealer certificate	1	1	\$500
Vestra Motors LLC dba Auto Bid Master	Portland	Failure to furnish title within 90 days	1	1	\$1,000
Jesse Ephrem dba Jesse and Sons	Salem	Failure to submit fees and application to DMV within 30 days	4	1	\$1,000
		Failure to provide notice of title delay to purchaser/lien holder within 25 days	5	1	\$1,000
		Failure to maintain records of title delivery/submission or document delays	4	1	\$1,000
		Failure to obtain corrected dealer certificate	1	1	\$500
Jason Leif Anderson dba Excess Motorsports (Cancellation)	Bend				
Frontline Auto Sales Inc (3 Year Suspension)	Eugene	Failure to furnish ownership documents or submit application within 90 days	3	1	\$1,000
Affordable Auto Wholesale Inc	Portland	Failure to pay consignor within 10 days	1	1	\$500
Work and Play Center Inc (3 Year Suspension)	Eugene	Failure to submit fees and application to DMV within 30 days	2	1	\$250
Toth Auto Group LLC	Clackamas	Failure to furnish ownership documents or submit application within 90 days	2	2	\$2,000
Royal Motors LLC	Milwaukie	Failure to submit fees and application to DMV within 30 days	1	1	\$1,000
Arnaud and Maureen Ardans dba Doug Ardans A S	Gresham	Failure to satisfy interest within 15 days	1	2	\$2,000
Abdesselam and Tracey Diani dba Dianis World Auto Sales	Hillsboro	Failure to obtain a supplemental dealer certificate	1	1	\$500
Easy Motors LLC	Milwaukie	Failure to allow administrative inspection	1	1	\$1,000
Beavercreek Auto Salvage & Recycling Inc		Late Renewal	1	1	\$100
		Beavercreek		Late Renewal	
Choice Automotive Inc	Fairview	Failure to obtain a supplemental dealer certificate	1	1	\$500
Antonio Garcia dba G and D Auto Sales (1 Year Probation)	Brooks	Failure to submit fees and application to DMV within 30 days	2	2	\$500
		Failure to notify purchaser of delay in title documents	2	2	\$500
		Failure to maintain records of title delivery/submission or document delays	2	5	\$1,250
		Failure to maintain proper records	3	9	\$4,500
Shoreline Motors Inc	Newport	Failure to submit notice of vehicle purchase to DMV	3	8	\$800
		Failure to submit fees and application to DMV within 30 days	2	6	\$1,500
		Failure to maintain records of title delivery/submission or document delays	2	6	\$1,500
		Failure to pay consignor within 10 days	1	1	\$500
Cycle Sports of Salem Inc	Salem	Failure to pay consignor within 10 days	1	3	\$1,500
		Failure to satisfy interest within 15 days	1	2	\$2,000
		Failure to furnish title within 90 days	1	1	\$1,000
		Failure to pay consignor within 10 days	1	5	\$2,500
		Failure to furnish title within 90 days	1	1	\$1,000
Cycle Sports of Salem Inc dba Cycle Sports Eugene	Eugene	Failure to submit fees and application to DMV within 30 days	2	1	\$1,000
D and M Auto Brokers LLC	Portland	Failure to submit fees and application to DMV within 30 days	2	1	\$250
Ultimate Motors Inc	Portland	Late Renewal	1	1	\$100
Triple M Truck Sales LLC	Hermiston	Late Renewal	1	1	\$100
Ricardo "Ric" Mariscal dba Ric's Autobody & Towing	Mill City	Acting as a vehicle dealer without a current dealer certificate	3	10	\$50,000

Continued from Page 3

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Dealer Sanctions

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Dealer	City	Violations Found	Offense Count	Amount
Civil Penalties				
Ricardo "Ric" Mariscal dba Ric's Autobody & Towing	Mill City	Conducting vehicle dismantling business without a current certificate	3	\$5,000
Jorge Javier Bojorquez	Salem	Acting as a vehicle dealer without a current dealer certificate	1	\$17,500
Ruben Berrelleza-Sepulveda	Portland	Acting as a vehicle dealer without a current dealer certificate	1	\$15,000
David Dino Ristick	Burlington WA	Acting as a vehicle dealer without a current dealer certificate	1	\$2,500
Howard Frank Grohs Jr dba H Grohs and Associates	Boring	Acting as a vehicle dealer without a current dealer certificate	1	\$25,000
Juan Dominguez	Salem	Acting as a vehicle dealer without a current dealer certificate	1	\$25,000
Larry Nguyen	Portland	Acting as a vehicle dealer without a current dealer certificate	1	\$17,500
Mark D Moore	Roseburg	Acting as a vehicle dealer without a current dealer certificate	1	\$10,000
Robert M Hayes	Winston	Acting as a vehicle dealer without a current dealer certificate	1	\$7,500
Heriberto Mondaca Dominguez	Cornelius	Acting as a vehicle dealer without a current dealer certificate	1	\$25,000

Make sure DMV receives bond certificate on time

After a recent cancellation of a dealer's certificate, DMV Business Regulation wants to call attention to the importance of following up with Business Licensing to ensure DMV has received the mandated copy of your bond and insurance. Following these steps is important:

- Take immediate action if you receive a Notice of Cancellation from the Business License Unit related to cancellation or expiration of your bond or liability insurance certificate.
- As soon as you receive the new or replacement bond or insurance certificate, we suggest you send it via certified mail or hand deliver it to the Business License Unit in Salem. This will ensure it was received and recorded.
- If the new bond or insurance is not received by the Business License Unit by close of business on the 45th day following cancellation or expiration, you must re-

apply as a new dealer and pay all licensing fees.

Do not assume your bond or insurance certificate has been sent by your insurer. DMV recommends you contact the Business License Unit at 503-945-5052 and verify we have received the bond or insurance before the 45th day. You also can check the status of your certificate by visiting the DMV website at <http://dmv.odot.state.or.us/cf/dlrsliclkup/index.cfm>.

These requirements also apply when you are renewing your dealer certificate.

Make sure to keep copies of your renewal, including your bond and insurance certificate. If your bond or insurance company is mailing the forms directly to DMV, make sure they send a copy to you and call DMV to verify that we received the forms.

– *Chuck Hoffman*
Business License Supervisor

Motorcycle thefts are on rise

Motorcycle theft is on the rise, creating risks to vehicle dealers.

Dealers who have motorcycles on their lots or take them in on trade need to be wary. Motorcycles are easy to steal, easy to disassemble and easy to ship as parts. Only 30 percent of motorcycles stolen in the United States are recovered, according to the National Insurance Crime Bu-

reau. Motorcycles and their parts are easy to ship across the country and even outside the U.S. Often, motorcycles that are stolen in other countries are shipped to the U.S. and titled using fraudulent ownership documents.

Dealers need to check questionable ownership documents and always look for altered and hidden VINs.

Dealers must be wary of false liens

DMV has some limited regulatory authority involving tow companies and other lien claimants (such as vehicle repair shops) that is derived from the vehicle dealer licensing statutes.

A lien claimant is required to keep records of vehicles they acquire and sell through the possessory lien process.

DMV can inspect lien records for the purpose of determining if a dealer certificate is required under ORS 822.005 or if the business is exempted under ORS 822.015(L)(m).

DMV has no civil enforcement authority to enforce provisions of the individual lien statutes such as required notices to owners or secured parties, law enforcement or

calculation of fees.

A party damaged by the failure of a lien claimant to comply with the requirements for foreclosure of a lien has recourse through the courts.

If a falsely certified Certificate of Possessory Lien was submitted to DMV in support of a title transfer or other report filed with DMV, the damaged party also may wish to contact a local law enforcement agency.

Submitting a falsified certificate may be a violation of ORS 803.075, a Class A misdemeanor.

DMV also receives inquiries about persons operating illegal towing businesses in violation of ORS 822.200, a Class A misdemeanor.

These individuals should be re-

ported to a state or local law enforcement authority.

DMV does not have civil penalty or sanction authority to enforce this statute.

Dealers and dismantlers can help deter these illegal activities by refusing to purchase vehicles from these individuals.

If they have not bothered to properly register their vehicle with TW plates and are offering a possessory lien form in place of a title as the ownership document, there is a strong chance that the lien process has not been followed properly.

This could present some risk to a dealer or dismantler in accepting the vehicle.

– Rick Parsons
Investigations

Mobile dismantler law to take effect Jan. 1

The dismantler industry proposed legislation in the 2011 Oregon Legislature with the intention of legalizing the longstanding practice of using mobile vehicle crushers.

The proposal led to the introduction and passage of Senate Bill 958.

Many dismantlers do not have vehicle crushers and depend on the mobile crushers to control their inventory.

Towing companies, cities and other government agencies also depend on the mobile crushers to dispose of vehicles.

The state legislation, which will take effect Jan. 1, 2012, defined “crushed motor vehicle” and “mo-

bile motor vehicle crusher.” The new law also described requirements for the use of mobile vehicle crushers and added a requirement that DMV collect dismantlers’ National Motor Vehicle Title Information System (NMVTIS) identification number on new and renewing certificates.

A motor vehicle is considered “crushed” when the vehicle no longer resembles any particular year make or model of a motor vehicle and is less than half of the original motor vehicle’s volume measured in cubic feet.

A “mobile motor vehicle crusher” is defined as a machine that is designed to be transported from

location to location that will compact or flatten a motor vehicle into a crushed motor vehicle.

Starting on Jan. 1, 2012, DMV will be collecting the dismantler’s NMVTIS identification number on all new and renewing dismantler certificates.

Another section of the legislation balanced the penalties for violations of Oregon Revised Statutes. This change will allow DMV to use progressive discipline for all violations, rather than mandatory suspension or revocation for some violations and progressive discipline for others.

– Chris Ratliff
DMV Business Regulation
