

Dealer Details

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Newsletter of the DMV Business Regulation Section

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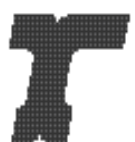
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Form 735-7022 (08-2019)

ODAC discusses legislation

The Oregon Dealer Advisory Committee heard a review of some of the new legislation affecting vehicle-related businesses at its July 25 meeting.

Amy Joyce of ODOT Government Relations presented a review of new and revised laws passed by the 2019 Oregon Legislature. They will take effect in the coming years and each may have some impact on businesses. The review included the following:

- **House Bill 2007** phases out older, dirtier diesel engines in bigger vehicles. The law will affect heavy trucks and the ODOT Motor Carrier Transportation Division. Starting in 2023, cars manufactured in 2006 or earlier that do not meet certain criteria cannot be registered in the Portland Metropolitan area (Multnomah, Clackamas and Washington Counties) unless the engine has been replaced with a clean diesel engine.

- **HB 2015** eliminates the legal presence requirement for getting the standard Oregon driver license. It takes effect in January 2021, six months after Real ID, which takes effect in July 2020. Real ID requires proof of legal presence. Starting in October 2020 you will not be able to use your standard license to fly domestically.

- **Senate Bill 792** requires DMV to inspect vehicle dismantlers annually and issue one-year certificates. DMV will inspect at least once per year and will also be looking for specific environmental and safety concerns. The bill also increases the dismantler bond amount changes

from \$10,000 to \$100,000. The bill will take effect in January 2020.

Among bills that did not pass:

- **All-terrain vehicles:** There were three bills related to ATVs that did not pass, but there will be interim work on concepts to allow registration of ATVs.

- **“Zombie RVs”:** abandoned recreational vehicles remain a topic of discussion.

Look inside this issue for articles about other legislation affecting you.

For a review of all transportation-related bills in the 2019 Legislature, ODOT offers a legislative summary: www.oregon.gov/ODOT/About/Pages/Government-Relations.aspx

Andre Orso of the ODOT Office of Innovation provided ODAC members an update on OReGO, the voluntary mile-based road usage fee program. There are currently 608 vehicles registered in the program.

Bruce Marron, Data Manager at the Oregon Department of Environmental Quality, gave the committee an overview and coming changes to the cash rebate program.

Judith Ingram-Moore, DMV Business Regulation Manager, provided updates on the DMV Service Transformation Program and streamlining underway on use of the vehicle transaction summary. See more on this topic inside this issue of Dealer Details.

The next ODAC meeting will be 9 a.m. Oct. 24 at DMV Headquarters, 1905 Lana Ave. NE, Salem.

Mike Wagner
ODAC member

Smokey Bear license plates now available

The new Keep Oregon Green Association Smokey Bear license plate made its debut Aug. 1. It is available for passenger vehicles only and has its own unique background.

The plate configuration will have two alpha characters on the left of the plate, one above the other, followed by five numeric characters. The series will start with SB 00001. Smokey Bear license plates will also be available as Custom and Amateur Radio Operator (Ham) plates.

A surcharge of \$40 or a pre-paid voucher is required at the time of issuance of the Smokey Bear plates – and \$40 upon each registration renewal.

The surcharge is \$40 regardless of whether the customer is receiving a two-year or four-year registration – the surcharge is NOT doubled.

If a customer purchases Smokey Bear plates and later decides they do not want them, the plate transaction is not eligible for a refund.

Smokey Bear license plates will be available at DMV field offices, through the mail from DMV Headquarters and through participating



Keep Oregon Green plate sample

Electronic Vehicle Registration (EVR) dealerships.

Dealers participating in the EVR program may collect a pre-paid voucher instead of the \$40 surcharge. Any transaction with a plate voucher must be submitted in person at a DMV field office or by mail to DMV Headquarters, not through the EVR system. The DMV field office or headquarters will issue the plates.

To order a set:

- Write “Smokey Bear” in the “Remarks” section at the top of the Application for Title and Registration (Form 226) or check the box for “Smokey Bear” at the bottom of the Application for Registration, Renewal, Replacement or Transfer of Plates and/or Stickers (Form 268).

- Collect the plate fee, the appli-

cable replacement fee (\$5 or \$10) and the \$40 surcharge or pre-paid voucher in addition to any other required fees. Form 268 has been revised to include this new plate option.

- When a customer submits a pre-paid Smokey Bear license plate voucher, the dealer will verify that the purchaser listed on the voucher or the person to whom the voucher was transferred is a registered owner of the vehicle. If the dealer does not verify ownership, then the voucher cannot be accepted, and the customer must pay the \$40 surcharge.

Upon receipt of the vehicle transaction paperwork, DMV will verify the voucher is valid. If it is valid, the transaction will be processed.

If DMV cannot verify that a voucher is valid, the transaction cannot be processed, and DMV will contact the dealer for a valid voucher or the \$40 surcharge.

DMV-related questions may be directed to (503) 945-5000 or (503) 299-9999 (Portland Metro Area), or visit www.OregonDMV.com.

DMV Vehicle Programs

In brief

Proof of \$50K bond required

If you are renewing your dealer certificate in 2019 or 2020, please provide DMV Business Licensing with proof of your \$50,000 surety bond.

As of Jan. 1, 2018, the bond requirement increased from \$40,000 to \$50,000 for renewals and new applications.

Please contact the Business Licensing Unit at (503) 945-5052 if you have any questions about the bond requirement.

Be sure renewal is complete

Dealer certificate renewal applications must be complete. There is a 45-day acceptance period after the expiration date during which you cannot buy or sell cars.

A late fee of \$150 is applied after 15 days of the expiration date.

How to get permit books

If you have another dealer or agent pickup temporary or trip permit books on your behalf, please email the Business Licensing Unit (BLU)

at DMVINSERT@odot.state.or.us and tell DMV staff that you have authorized the transaction.

You may also provide a written note to BLU authorizing that individual to pick up the books.

BLU will mail the books to the address on file for the dealer who is not present to pick them up in person. The Business Licensing staff may call the dealer to confirm that someone else is picking up the books for them.

Business Regulation & Fraud Prevention

Dealer Sanctions

Business or individual	City	Violations Found	Offense	Count	Amount
UNLICENSED ACTIVITY					
Gerardo C. Arredondo-Oseguera	Troutdale	Acting as a vehicle dealer without a current dealer certificate	1	5	\$12,500
Northwest Motorsport Inc	Puyallup	Acting as a vehicle dealer without a current dealer certificate	1	2	\$5,000
Norberto Diez-Torres	Vancouver	Acting as a vehicle dealer without a current dealer certificate	1	5	\$12,500
Armando Isaac Torres-Rangel	Fairview	Acting as a vehicle dealer without a current dealer certificate	1	12	\$30,000
Norman Steach Jr	Estacada	Acting as a vehicle dealer without a current dealer certificate	2	10	\$50,000
DEALERS					
Big Billy A/S LLC	Happy Valley	Failure to obtain supplemental certificate for each location where dealer sells/displays vehicles for sale	2	1	\$1,000
Apex Auto Marketing LLC	Salem	Failure to display a sign permanently affixed to the land/building identifying dealership by name printed on dealer certificate	2	1	\$250
		Failure to provide a means for the public to contact dealer during business hours	1	1	\$250
		Failure to maintain records at dealers main business location	1	1	\$250
		Failure to allow an administrative inspection	1	1	\$1,000
Trucks Plus (3 Year Suspension)	West Linn	Failure to notify purchaser/lien holder of delays in title documents	2	1	\$250
D and C Motor Co. European Motor Cars Truckland Inc (3 Year Suspension)	Milwaukie Shady Cove	Failure to furnish title to purchaser within 90 days	1	1	\$1,000
		Failure to satisfy interest in a vehicle within 15 days from date of sale	1	1	\$1,000
		Knowingly making a false statement of material fact in an investigation by DMV	1	1	\$1,000
		Failure to maintain proper records	2	8	\$2,000
Fairway Motors SW LLC	Grants Pass	Failure to submit fees and application to DMV within 30 days	2	2	\$500
Ideal Auto Works LLC (3 Year Suspension)	Portland	Knowingly making a false statement of material fact in an investigation by DMV	1	1	\$500
Ideal Auto Works LLC	Portland	Failure to allow an administrative inspection of vehicle dealer records	1	2	\$2,000
		Failure to maintain records sufficient to establish vehicle acquired by lien claimant as the result of a possessory lien	1	8	\$8,000
A and M Trust Co dba Drive (3 Year Suspension)	Beaverton	Failure to provide a means for the public to contact dealer during business hours	2	2	\$500
		Failure to exhibit, in a publicly accessible and conspicuous manner, the vehicle dealer certificate	2	1	\$250
		Failure to maintain records at dealers main business location	2	1	\$500
Bob's Metals Inc	Portland	Failing to physically separate/confine vehicles without title/ownership documents to off-limits area	1	1	\$250
		Destroying vehicles prior to receiving an ownership document	1	7	\$3,500
Low Price Auto LLC dba Salem Auto Market	Salem	Failure to submit fees and application to DMV within 30 days	3	9	\$4,500
Affordable Auto Connection LLC (3 Year Suspension)	Portland	Failure to furnish title to DMV within 90 days	2	1	\$1,000
		Failure to maintain records at dealers main business location	1	2	\$2,000
		Allowing a non-employee to imply an affiliation with the vehicle dealership in order to engage in unlicensed dealer activity	1	1	\$250
		Knowingly making a false statement of material fact in a DMV document	1	1	\$500
		Failure to submit fees and application to DMV within 30 days	1	4	\$1,000
		Failure to notify DMV within 7 days of acquisition of a vehicle with an Oregon title	1	4	\$400
		Failure to maintain records of title delivery/submission	1	8	\$2,000
		Failure to provide written notification of title submission/delivery delays to the purchaser(s) and any security interest holder within 25 days after the sale	1	5	\$1,250
		Failure to notify DMV within 10 days of date of sale of vehicle	1	2	\$1,000
		Failure to submit fees and application to DMV within 30 days	1	3	\$750
		Failure to maintain records for DMV or a police officer to inspect	1	7	\$1,750
		Failure to satisfy the interest of any person from whom a vehicle is acquired within 15 days	1	2	\$2,000
		Failure to furnish title to purchaser within 90 days	1	1	\$1,000
		Failure to furnish title to purchaser within 90 days	1	1	\$1,000
		Moving a place of business without first obtaining a corrected dealer certificate	1	1	\$500
		Failure to allow an administrative inspection	1	1	\$1,000
		Failure to furnish title to DMV within 90 days	1	1	\$1,000
		Failure to furnish title to DMV within 90 days	2	3	\$3,000
		Failure to notify purchaser/lien holder of delay in title documents	3	3	\$1,500

NOTE: Fines and sanctions for dealers and unlicensed dealers may not reflect settlements or judgments

New system makes Form 160 obsolete

DMV no longer uses Form 160, Notice of Oregon Title Previously Submitted. Our new computer system has made the form obsolete.

This form had been provided by DMV to be completed by a financial institution or Oregon dealer. Its purpose was to allow a new owner to apply for registration and/or plates or replacement plates when a transfer of an Oregon title had been submitted to DMV but not yet processed in the new owner's name.

This form was used in lieu of a Memorandum Receipt or Notice of Transaction Submitted, which were issued by DMV to reflect the new

ownership, or when DMV records did not otherwise indicate that a new title had been applied for.

These forms were in use before the rollout of DMV's new vehicle system, OLIVR. Prior to OLIVR, a transaction typically took weeks to complete and could be difficult to track before it was entered into the system.

With OLIVR, new applicant information is entered much sooner, even if the transaction has not finished processing. The customer is now able to apply for registration as soon as their transaction is in OLIVR.

Because of this, the Notice of Oregon Title Previously Submitted, Form 160, is no longer necessary. Instead, it is better for the customer apply for registration and plates in person or by mail at DMV.

If it's a dealership, then the dealership should consider submitting an application for registration as well as title because the dealership can issue temporary registration and that will allow the customer to drive until their plates are received once their title and registration are processed.

Business Regulation & Fraud Prevention

DMV simplifies proof of work submitted

Although you receive a transaction summary for each filing period that lists all the transactions you send to DMV, there may be times you may want to show that a transaction was submitted more quickly.

After speaking with dealers about creative ways we can partner to meet this need, DMV introduced a solution.

When taking work to a dealer center or field office, dealers can bring in two copies of the Dealer Work Submitted Form (7490). This allows DMV staff to date-stamp the second copy and leave it in their box or hand it back, giving dealers proof that title work has been submitted to DMV without waiting for a transaction to be processed.

It is an easy solution that helps dealers provide proof to their lien holders rather than waiting for a Notice of Transaction, which can't be printed until after the transaction has been processed.

This solution saves time for DMV dealer clerks so they can focus on processing transactions, and helps dealers communicate quickly with lien holders and free up time to sell more cars.

Becky Ortiz

Business Regulation and Fraud Prevention

Bond requirement rescheduled

The requirement for a \$20,000 surety bond to file a possessory lien by those other than vehicle dealers and towers has been postponed.

The requirement had passed the 2018 Legislature and took effect Jan. 1, 2019. However, the Legislature this year passed House Bill 2913, which rescheduled it to take effect July 1, 2020.

As of July 1, 2020, in order to claim a possessory lien on a vehicle, persons other than franchised motor vehicle dealers, towers or those making claims for abandoned vehicles must have a surety bond of not less than \$20,000 before making altering, repairing, transporting, storing, performing services for, supplying materials for or performing labor in connection with a motor vehicle.

DMV-related questions may be directed to (503) 945-5000 or visit the DMV website at www.OregonDMV.com.

Business Regulation & Fraud Prevention

Please include FEIN on application

Please provide your Federal Employer Identification Number (FEIN) for new and renewal of dealer, dismantler, vehicle appraiser and transporter applications.

We need your FEIN, not your Social Security number. For more information or to apply for an FEIN visit www.irs.gov. If you have questions, contact Business Licensing at 503-945-5052.

Business Regulation & Fraud Prevention