

Dealer Details

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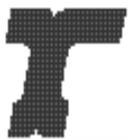
Newsletter of the DMV Business Regulation Section

Winter 2017

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DMV Business Regulation Section



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Form 735-7022 (02-2017)

ODAC introduces chair for 2017

The Oregon Dealer Advisory Committee held its first meeting of 2017 on Jan. 26. I was introduced by DMV Administrator Tom McClellan as the ODAC Chairperson for 2017.

I am Susan Thayer, ODAC's Office Management Representative. I have worked for EAN Holdings LLC, dba Enterprise Rent-A-Car, the largest and fastest growing privately owned automotive rental and leasing company in the U.S., for 18 years, and have been a representative on ODAC since January 2013.

I started with Enterprise's Car Sales Division in 1999 working with retail car sales. After several promotions I am currently the Group License and Title Supervisor for the titling and registrations of the entire fleet in Oregon and southwest Washington. I also work with Enterprise's Fleet Division and WeCar (hourly rentals on university campuses) and the Commercial Truck Fleet, for which I register vehicles that are up to 28,000 GVW.

Tom reappointed Roger Kirschner, Robert Lanphere Jr., Mary Ann Trout, Mike Wagner and Dan Nicholson to ODAC, whose terms expired Dec. 31, 2016, to new three-year terms. Tom thanked Dan for his service as chairperson from 2015 through 2016. Dennis Keena was appointed as the new General Public Representative, and Scott Short was appointed as a Used Dealer Representative because Tommy Wilson chose not to continue on ODAC.

Dennis runs two businesses – he holds a vehicle appraiser certificate and owns a specialized auto parts store. Dennis has been involved in the automotive industry since 1977,

and he retired as a police officer after 26 years of service. Scott owns South Commercial Auto Sales with lots in Salem and Albany, and he has been an independent dealer for over 18 years. Prior to that, Scott's family was involved with a franchise dealership.

Judith Ingram-Moore presented information on the DMV Business Regulation budget. Business Regulation is primarily funded through dealer and dismantler application and renewal fees – transportation operating funds rather than the Oregon Highway or the state General Fund. The budget forecast indicates that DMV probably will not need to increase dealer fees until after 2022. DMV and ODAC will be keeping an eye on the budget to see if the forecast is correct.

At the January meeting, ODAC passed a motion that if there are sufficient funds, then ODAC would like DMV to hire an additional investigator that would focus on people selling vehicles who do not have dealer certificates – “curbers.”

The committee also discussed bills introduced thus far in the Oregon Legislature. There are a few that may impact the automobile industry. As the session progresses, we will keep you informed of bills that appear to be gaining traction. The end of the legislative session is not until June, at the earliest.

The next ODAC meeting will be April 27, 2017, at DMV Headquarters, 1905 Lana Ave. NE, in Salem. The meetings are open to the public, and I encourage you to attend.

– *Susan Thayer*
ODAC Chair

Oregon Dealer Handbook updated as of February '17

The February 2017 revision of the Title and Registration Handbook is available to view, print, or copy at DMV's Web site:

<http://www.oregon.gov/ODOT/DMV/pages/dealers/titleregndbk.aspx#download>

This revision updates the November 2016 Handbook. The Handbook is normally updated quarterly. The next revision is scheduled for May 2017.

You 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 Dealers Association (OVDA), 1-877-541-2277; ovda@ordealers.com; or www.ordealers.com

Changes in the February 2017 Handbook revision are as follows:

Cover Page – The cover page reflects the latest revision date of 02-17.

Preface – Forms will generally be referenced in the handbook without the “735” prefix.

Table of Contents – This section was reviewed for accuracy. There were no changes.

Chapter D, Miscellaneous Title Application Information – The Third Party Authorization to Pick up a Dealer Expedite Title, Form 7287, has been replaced with the latest revision, dated 2-16.

Chapter E, Releases of Interest – The Vehicle Bill of Sale, Form 501, has been replaced with the latest revision, dated 6-16.

Chapter J, Damaged/Totaled

Vehicles – The Notice of Vehicle to be Dismantled/Proof of Compliance, Form 6017, has been replaced with the latest revision, dated 11-16.

Chapter K, Registration – During the calendar year 2017, model year 2014 (unless the vehicle has a registration date after Dec. 31, 2017) and model years 2015 through 2018 do not need to go through DEQ. Model year 2013 vehicles with a registration expiration date before January 2017 were not subject to DEQ. If the customer is renewing late, the Newer Model Year exemption applies.

Note the length of the motor home on the application if a plate from a different motor home is being transferred to the vehicle.

The Custom Plate Application, Form 205, has been replaced with the latest revision, dated 12-16. The Application for Amateur Radio Operator Registration Plates, Form 231, has been replaced with the latest revision, dated 12-16.

Chapter M, Fees – The Trucks Registered as Farm Vehicles Fee Schedule, Form 152, has been replaced with the latest revision, dated 12-16.

Chapter N, Model, Makes, & Body Styles – Vehicle make abbreviations have been updated in this chapter.

Chapter R, Dealers – The Notice of Sale or Transfer of a Vehicle, Form 6890, has been replaced with the latest revision, dated 11-16.

– *Dave Adams*
Vehicle Policy

Remember to file DMV form for address or name change

When vehicle dealers have a change in their certificate's information such as a new address or name change (among others) they need to fill out a Correction Application (Form 735-371) and file that with DMV Business Regulation.

Address changes also require the “Location Approval” section (Lines 8-10) to be completed.

For any type of correction, include your mailing address on Line 6.

If you do not include your mailing address, Business Licensing will assume you no longer have a separate address and DMV will send mail to your main business location.

Be sure to read all instructions, and don't forget to sign Line 24.

A dealer can make these changes on their renewal application only if the changes happen at the same time as the renewal.

Remember, because your bond is continuous, we do not need a new one unless it has been canceled.

However, if you have a correction at renewal such as a new address or new name, you need to provide a rider from your bonding company, along with a new insurance certificate reflecting the changes.

– *Chuck Hoffman*
Business Licensing

Dealer Sanctions

Dealer	City	Violations Found	Offense	Count	Amount
Civil Penalties					
Andrey Ryapolov dba AR Auto Parts	Portland	Failure to notify DMV of address change within 30 days		1	\$1,000
George Ephrem dba You and Me Auto Sales	Salem	Failure to maintain records of vehicles/component parts taken into inventory		2	\$250
Lee Murphy Auto Sales Inc (1 YR Probation)	Salem	Failure to furnish title within 90 days		2	\$1,000
Oregons Auto Broker LLC (3 YR Suspension)	Cornelius	Failure to furnish title within 90 days		1	\$4,000
Affordable Auto Wholesale Inc (3 YR Suspension)	Portland	Failure to submit fees and title application to DMV within 30 days		1	\$2,000
Royal Moore Buick GMC dba Royal Moore Nissan Subaru	Portland	Making a false statement of material fact in an application for dealer certificate		1	\$1,000
Lee Smith dba Cars Auto Wholesale (3 YR Suspension)	Portland	Issuing DMV a dishonored check or other form of non-negotiable payment		3	\$2,000
Roman Motors LLC Northern Wholesale Truck-Auto & Equipment LLC	Hillsboro	Failure to submit title to DMV within 90 days		4	\$3,000
All Star Dealer LLC	Salem	Failure to furnish title to purchaser within 90 days		1	\$1,000
Michael Ephrem dba 12th Street Auto Sales (1 YR Probation)	Salem	Issuing DMV a dishonored check		1	\$4,000
Lithia of Portland LLC dba Buick GMC of Beaverton	Salem	Failure to make records available to DMV for inspection		1	\$1,000
Lee Murphy Auto Sales Inc NW Car Connection LLC (1 YR Probation)	Portland	Failure to submit title to DMV within 90 days		3	\$3,000
Keith and Brian Enterprises LLC dba 5th Gear Motorz	Grants Pass	Failure to submit title to DMV within 90 days		3	\$3,000
Auto Finance Center LLC	Grants Pass	Failure to maintain records sufficient to establish vehicles acquired as a result of possessory lien		1	\$2,000
Cadillac of Portland Lloyd Center	Vernonia	Failure to obtain dealer supplemental certificate for each location dealer sells/displays		1	\$2,000
Cadillac of Portland Lloyd Center West Coast Credit LLC	Salem	Failure to furnish title within 90 days		2	\$1,000
H H Auto Transport Inc dba H H Auto	Portland	Failure to satisfy interest in a vehicle within 15 days		1	\$1,000
A-One Auto Sales LLC	Cornelius	Issuing DMV a dishonored check		1	\$1,000
Edward D Jackson dba JSI Motors (3 YR Suspension)	Gresham	Failure to furnish title within 90 days		2	\$7,000
NW Car Connection LLC	Portland	Failure to submit fees and title application to DMV within 30 days		2	\$1,500
Sunshine Marine LLC dba Culver Marine	Portland	Failure to allow administrative inspection		1	\$1,000
Amber Marie Valerio Daniel Vega	Canby	Failure to satisfy interest in a vehicle within 15 days		1	\$1,000
Craig Lewis Coe Timothy Huntley Jr Justin O Kiewer	Portland	Failure to submit fees and title application to DMV within 30 days		2	\$750
	Portland	Failure to obtain dealer supplemental certificate for each location dealer sells/displays		1	\$500
	Portland	Failure to maintain records of title delivery/submission/delay		2	\$1,750
	Portland	Allow/assist non-employee represent affiliation with dealership in order to engage in unlicensed dealer activity		1	\$1,000
	Medford	Issuing DMV a dishonored check		1	\$1,000
	Clackamas	Failure to submit title to DMV within 90 days		3	\$3,000
	Clackamas	Failure to submit title to DMV within 90 days		1	\$2,000
	Gresham	Failure to submit title to DMV within 90 days		2	\$1,000
	Culver	Failure to submit title to DMV within 90 days		2	\$1,000
	Culver	Acting as a vehicle dealer without a current dealer certificate		1	\$27,500
	Grants Pass	Acting as a vehicle dealer without a current dealer certificate		1	\$15,000
	Rogue River	Acting as a vehicle dealer without a current dealer certificate		1	\$15,000
	Portland	Acting as a vehicle dealer without a current dealer certificate		2	\$35,000
	Eugene	Acting as a vehicle dealer without a current dealer certificate		1	\$17,500
	Salem	Acting as a vehicle dealer without a current dealer certificate		1	\$22,500

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

Faces change at Business Regulation

After 31 years of service to the citizens of Oregon, Investigator Barbara Caine retired from DMV on Jan. 31, 2017.

Barbara began her DMV career in Field Services in 1985. In 1991, she took a developmental position as an Investigator in the Business Regulation Section in Portland, and the assignment became permanent in 1992.

Barbara has enjoyed the professional relationships she's been able to cultivate with vehicle dealers and will miss those interactions. Her knowledge and understanding of the

industry will be greatly missed.

Effective Feb. 1, 2017, Investigator Dan Liu was reassigned to Portland to take over Barbara's area. Dan started work at DMV in 2014, in Customer Assistance. He accepted a developmental position as an Investigator in the Business Regulation Section in Eugene in 2015, which became permanent in 2016. While Dan will miss the Eugene area, he is looking forward to the opportunities presented with the move to Portland.

Feb. 20, 2017, was Investigator Cindy Comstock's last day at DMV. Cindy started work at DMV in 2014

as an Investigator in the Business Regulation Section, assigned to the Salem area. Cindy has found other employment that will better meet her personal and professional aspirations. While she will miss the friendships she's made at DMV and in the industry, she is anxious to begin the next chapter in her life.

We are currently working through the hiring process for an Investigator for the Eugene area, and will begin the process for a Salem-area Investigator soon.

– *Larry Purdy*
Chief of Investigations

To charge fee, dealers must do entire document process

Have you ever had this situation?

You sell a car, and the customer wants you to do the title and registration transfer for them. You collect a document preparation fee and get all the documents ready, but before you submit them to DMV, the customer changes their mind and asks for the title so they can take it to DMV on their own.

As a dealer who values customer referrals, you want to keep the customer happy and honor their request, so you give them the title and paperwork you prepared for DMV. After the customer leaves, the question comes to mind: Can you keep the document preparation fee, or do you need to refund it to the customer?

In the 2015 legislative session, a change was made to ORS 822.043 which answers the question:

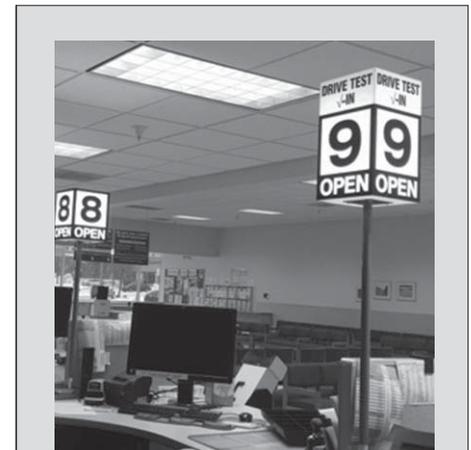
(7) If the purchaser of a vehicle

pays a document processing fee, the vehicle dealer shall prepare and submit all documents to complete the transaction as permitted by law.

Even if you've spent the time and energy of preparing all the documents needed to transfer title and registration, you are not allowed to keep the document preparation fee if you are giving the paperwork to the customer instead of submitting it to DMV on their behalf. If you are not submitting the paperwork to DMV or to another State's licensing agency, you are required to refund the document preparation fee to the customer within 5 calendar days.

You are also required to get any Temporary Registration Permit you issued back, void it, and put it back in the book. Then you can sell them a Trip Permit.

– *Larry Purdy*
Chief of Investigations



DMV experiments with check stands

DMV installed check-stand lights at the Beaverton office on Jan. 17 in an experiment to improve work flow.

When a light is on, it indicates an open window; off indicates a closed window; and flashing means the window is ready for the next customer.

The lights reduce the time between customers and improve efficiency.