



**January 25, 2024  
9:00 AM to Noon  
Hybrid Meeting**

# Oregon Dealer Advisory Committee Meeting Minutes

**Chair: Mike Wagner**

Members Present:			<i>DMV Representatives Present:</i>
Mike	Wagner	Tow Company Representative	<i>Amy Joyce – DMV Administrator</i>
Lori	Gill	Auction Representative	<i>Linda Beuckens – Program Services Manager</i>
Isabel	Cordova	General Public Representative	<i>Judith Moore -Business Regulation and Oregon Dealer Service Section Manager</i>
Jeff	Helget	Dismantler Representative	<i>Larry Purdy - Chief of Investigations</i>
Bryan	Steward	Used Dealer Representative	<i>Danny Lopez – Oregon Dealer Services Manager</i>
Scott	Short	Independent Dealer Representative	<i>Lisa Martinez – Stakeholder Engagement Manager</i>
Gary	Sargent	Power Sports Representative	<i>Josh Boatner - Investigator</i>
Susan	Thayer	Office Management Representative	<i>Torey McCullough – Tow Board Administrator</i>
Kelly	Martin	At Large Representative	<i>Chuck Hoffman – Business Licensing Program Specialist</i>
Peter	Van Houton	Dismantler Representative	

**Members Absent:**

Lisa	Larkin	RV Representative
Dale	Geiger	General Public Representative

**Industry Association Representatives Present**

<i>Greg</i>	<i>Remensperger</i>	<i>OADA</i>
<i>Darrell</i>	<i>Fuller</i>	<i>OVDA, ORVDA, OPSA AAO, NATA</i>
<i>Terry</i>	<i>Medina</i>	<i>VITU</i>
<i>Margaret</i>	<i>Ragan</i>	<i>Northwest Automotive Trades Association (NATA)</i>

**Call to Order /Roll Call**

**Mike**

Roll was called with 9 members present for a quorum with another joining shortly.

## **Approval of October 2023 Meeting Minutes**

**ODAC Members**

Jeff Helget motioned to approve the minutes. After a vote they were approved unanimously.

## **EVR: VITU Update**

**Jen Mueller**

Jen Mueller said VITU processed 284,000 transactions last year. They were pleased with House Bill 2100 that allowed a fee increase for EVR transactions.

She said they developed a good relationship with Danny Lopez and Dealer Services. They have biweekly meetings and in person visits. During meetings they discuss processes and procedures which VITU relays to their dealers to help improve their paperwork. They also discuss improvements to reduce errors and streamline the process.

Danny said they are working to have NMVTIS interface with EVR including VITU. This would allow users to see any errors which they can then immediately fix instead of finding out about it down the line.

## **ODOTS Connect Oregon – Information Only**

**John Boren**

John Boren said the Connect Oregon Program is a competitive grant funded program for non-highway modes of transportation. Currently it is for aviation, marine and rail projects. There have been seven competitive cycles the last of which was from 2021-2022 where \$46 million in funds were awarded from \$130 million requested.

HB2017 created dedicated funding from the Vehicle Dealer Privilege Tax making Connect Oregon a permanent program. When a minimum of \$45 -50 million is built up in the fund then a competitive program is run.

In the last cycle 21 projects were selected at an allocation of \$1-1.5 million each. Most projects are on schedule.

They are currently running another competitive cycle with \$46 million in available funding. Applications are due by late February 2024. In order to be considered the applicants must show the economic benefit to the state and how it will lower transportation costs.

John added that past projects included adding a new grain bin at the Port of Morrow which allowed more grain to go by barge relieving rail congestion. Another project was expanding Terminal 6 at the Port of Portland to achieve greater container shipping capacity.

Mike asked if there were other things coming out of the Privilege Tax funds. Judith said it is limited to rail, marine and aviation projects. She stressed that there is much interconnection between the dealers and other agencies that deal with vehicles such as the port.

Scott Boardman reminded ODAC that OReGO is Oregon's Road Usage Charge Program where vehicles enrolled pay per mile rather than through the road usage sales tax. Electric vehicles along with those that obtain 40 MPG or greater can have their enhanced registration surcharges waived if they enroll in the program.

It is still a small program but as fleets become more efficient they expect it to grow.

They are working on making the dealers aware of the program as well as making it easier for them to enroll in it. They want to make the dealer's customers aware of it as well. They have brought in a consultant, Tony Laccarino with DHM to facilitate these needs.

Tony introduced himself. He is a Research Manager at DHM Research. The Portland Oregon based company has been around for about 40 years. They are a non-partisan public opinion research firm that has worked with several states on similar types of programs. He said once the contract is finalized with ODOT they would begin work and will need ODAC's help in recruiting participants to participate in surveys, focus groups and pilots with them in efforts to spread awareness to dealers and their customers about OReGO.

Terry Medina from VITU asked if their primary way of promoting OReGO through dealerships was with sales and financing or signage. Scott said they were both on the table but they needed to determine what was most effective for the dealer.

Scott showed a video explaining the need for the Oregon's Road Usage Charge Program. With revenues decreasing from the gas tax and maintenance costs increasing the state needed to find other sources of funds. The video suggested several options are available such as increasing vehicle fees, a gas tax increase, the Road Usage Fee and others.

Mike Wagner asked if ultimately, they would require a legislative fix for the problem. Scott said that they want to engage with those dealers that sell high efficiency vehicles to make the OReGO process as smooth as possible. That way, if the legislature makes it a mandatory program, the transition would be more seamless.

Amy said that in the 2025 legislative session there would probably be a significant conversation of how the transportation system will be funded.

From the DMV side Amy said they have rolled out some technological changes such as allowing people to take the knowledge test online. Also, more self-serve kiosks will be available by the end of the year. These help to reduce wait times at the field offices.

DMV is also working on allowing people to make ACH payments online by expanding the current online payment capabilities. She believes dealers need more education about what is available to them through their DMV2U accounts.

Amy said they may open up the field offices to dealers for emergency situations. Gary suggested a terminal access for Dealers Services where they could take ACH payments and even charge a 3% service fee.

Susan Thayer said that through their DMV2U account the ACH is only set up for the purchase of Trip Permits. She thought it would be nice to be able to use it for other owed fees as it takes time for DMV to send a letter and then the dealer to send a check.

Isabel Cordova asked if dealers would be able to use the self-service kiosks and what kind of transactions would they be able to access by using them. Amy said to start out it would be simple transactions but would grow over time. She reiterated that they would help draw more people out of the field offices.

Lori Gill suggested the Washington dealers be allowed into DMV field offices and access to dealer boxes as well. Danny said they were looking at having EVR expand to out of state dealers. He said they could have discussions on what the options are for out of state dealers.

### **Dealer Education Providers**

**Judith**

Judith said there were three education providers requesting review. First is 5<sup>th</sup> gear who only wanted review of their pre-licensing education, the Oregon Independent Automobile Association (OIADA) & Oregon Vehicle Dealer Association (OVDA) both of whom want their pre-licensing and continuing education reviewed.

Judith reviewed all the programs and said their content met the statutory requirements. She recommended ODAC approve them. After a vote, all three were approved unanimously.

Darrell Fuller asked if they could consider moving the renewal cycle from 2 to 3 years. Lerry suggested presenting it when other legislative changes are needed. Gary suggested giving ODAC more authority in the approval process.

### **Business Regulation & Oregon Dealer Services Section**

**Judith/Larry/Danny**

Larry introduced the newest investigator, Josh Boatner. He has an extensive background in law enforcement and will take over the area Dennis Keena used to cover.

Larry reviewed the Investigation statistics for 2023. He said inspections have remained fairly static over the last couple of years. Dealer complaints have steadily grown. Unlicensed Dealer complaints dropped a bit while dismantler complaints have been static as well.

Civil penalties were up over the year before though they tend to fluctuate over the years. Larry said their dealer inspection benchmark is 15 per month. The average in 2023 was 17. Each investigator averaged 7 complaints and 3 civil penalties/sanctions per month.

Of all the CP/sanctions for 2023, 40 were settled, 14 defaulted, 17 are still not resolved, 6 have been withdrawn, 1 is pending a hearing and 11 sanctions have been imposed.

Larry said a large portion of the civil penalties and sanctions are due to delayed title submissions. More dealers are also refusing to allow inspections. Darrell said it would be nice to know the breakdown of complaints so they can focus on those areas in their education.

Gary asked if the date dealer paperwork is submitted is documented. Danny said they capture the post mark date or the date it is delivered to DMV by stamping the documents.

Chuck Hoffman showed Business Licensing's cumulative statistics for 2023. The biggest difference he noted was that there were about 40 fewer non-franchised dealers. Judith said that the "DM" licensed dealers are steadily going down as DMV no longer issues type 2 dealer certificates.

Gary asked DMV to capture which "Type 1" dealers sell exclusively motorcycles. Linda said because DMV does not differentiate motorcycle vs automobile dealers on the application it would not be possible. There has not been a need for it making it a low priority.

Danny said that Dealer Services has just wrapped up its first year. The first year was focusing on setting up internally and this next year will focus on working with the dealers. Since they started tracking in May they have had about 380,000 transactions submitted.

Danny added that they wanted to create tools and resources for the dealers to utilize. They would like to create a "true" dealer handbook that would describe some of the processing requirements that Dealer Services needs to process transactions in a timely manner.

They hope to have dealer training available in certain field offices by April. The courses would last 3-4 hours. He would also like training sessions for dealers when new policies or procedures come into place.

A new monthly emailed newsletter will be sent out starting in February focusing on articles that will help dealers with their processing. Danny said they are looking into having dealer

appointments at field offices where they can come in at a specified time and receive assistance.

So far, 105 dealers have signed up to use the new dealer boxes. Feedback from them shows that they really like the boxes and have found them easy to use.

Scott asked if paperwork dropped off in the dealer boxes gets date stamped. Danny said they were. He advised if dealers were not able to access a box at the field office they should talk to staff.

Gary said dealers should have access to field offices to get license plates. Danny reiterated that they will be focusing on dealers going forward and they will be looking at ways to improve services to them.

## **Announcements/Roundtable**

**ALL**

Diane Sparks if any of the field offices are still closed. Judith said the Sandy office was. Due to staffing DMV is uncertain when it will be able to reopen.

Gary asked when a lien is perfected in the processing of the paperwork. Danny said once the paperwork is stamped with the date received, then the lien is perfected.

Gary said off road vehicles have no proof of ownership until they are paid off. He said they need proof of ownership for law enforcement. Linda said DMV examine the problem to determine if there is a resolution.

DRAFT