Dealer Details

Newsletter of the DMV Business Regulation Section

ODAC HEARS OUT-OF-STATE DEALER, DMV FIELD CONCERNS

The Oregon Dealer Advisory Committee (ODAC) held its 3rd quarterly meeting of 2022 on July 28th.

At its April 2022 meeting, ODAC established a subcommittee to discuss the impact of out-of-state dealers on Oregon dealers and customers. The subcommittee met twice since establishment and provided an update. The issues identified include out-of-state dealers not providing vehicle titles in a timely manner and the same dealers not complying with other states' dealer business requirements. ODAC is concerned not only for our Oregon dealers, but also with protecting consumers/customers. The subcommittee discussed potential legislative changes and will continue meeting to develop a recommendation for ODAC's consideration.

DMV's Field Services Group Manager David McKay and Field Services Operations Manager Stephanie Zellner shared updates about Field Office and Dealer Processing Center staffing and services. On average, DMV field offices serve 200,000 customers each month (over 45,000 customers each week). The service demand is expected to increase due to the May 2023 Real ID deadline for domestic air travel. Currently, Field Offices are experiencing a 40% staff reduction and have close to 80 vacant positions. The staffing shortage also impacts Dealer Processing Centers, which are dedicated to processing dealer work. In response to the staffing crisis and to avoid no-notice office closures, DMV has temporarily closed 6 field offices (Ashland, Cave Junction, Lebanon, Sandy, Stayton, and Redmond). DMV will notify the public if the closures are extended past Aug 31. Unfortunately, the staffing shortage and office closures means wait times have increased and sometimes customers are turned away.

Field Services is aggressively recruiting and working with other agencies to use non-traditional hiring strategies. They held a job fair at DMV HQ on July 22, which attracted 80 people, of which 65 submitted job applications.

Stephanie added that with these challenges, DMV recognizes the need to make improvements and assist customers better. Field Services is reviewing their processes statewide, and will make sure that all the Dealer Processing Centers are performing consistently across the state.

Stephanie explained the difference between "blue slips" and "missing requirement letters" (MRLs). Blue slips/forms are provided to dealers when the original transaction is missing requirements, there is no lienholder, and the transaction is not yet entered into DMV's computer system. The MRLs are produced after a transaction that is missing requirements is entered into the computer system. They are mailed to the dealer, the security interest holder, and to the customer. Around 25% of transactions received from Oregon certified dealers are issued blue slips or MRLs (error rate).

I want to remind my fellow dealers to show some patience and compassion to DMV's employees. I heard of a dealer being rude and verbally abusive to a DMV employee at a Portland office. That reflects badly on all of us. As agents of DMV, let's all do our part to show that Oregon's vehicle dealers respect others who are helping our mutual customers. When we make mistakes on the transaction documents we submit to DMV, that's on us as dealers, and we need to do our best to submit complete and correct transactions. Doing the title work right the first time makes the work easier for all of us and gets titles to our customers much faster.

The next ODAC meeting will be October 27, 2022. Agendas are posted on DMV's website one week before the scheduled meeting and are open to the public.

There are currently two vacancies on ODAC: General Public and Dismantler Representatives. Please let DMV know if you have a nomination for either position.

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Updated Crater Lake License Plates

DMV began issuing Crater Lake registration plates August 26, 2002. The surcharge, minus DMV administrative costs, is transferred to the Oregon Community Foundation for use on Crater Lake projects.

The Crater Lake National Park Trust requested a plate redesign to take advantage of improvements in the print-to-digital plate technology. The new plate design shows more of the shoreline, removes "Centennial" from the bottom of the plate and presents a more accurate representation of Wizard Island.

DMV will start issuing the redesigned Crater Lake license plate on September 9, 2022. DMV will cease issuance of the current Crater Lake license plate on September 8, 2022. The new Crater Lake license plate will start with the configuration CB42001.

New Crater Lake License Plate:



For regular issue, custom and Amateur Radio Operator (HAM) plates, the design issued to a customer depends on when DMV issues the inventory, not when the dealer completes the sale. Any transaction entered in DMV's computer system on or before September 8, 2022, will receive the old Crater Lake design. Any transaction entered in DMV's system on or after September 9, 2022, will receive the new Crater Lake design.

For electronic vehicle registration (EVR) dealers, the design issued is dependent on when Vitu issues the plates. Any plates issued by Vitu through September 8, 2022, will be the old design. Any plates issued by Vitu on or after September 9, 2022, will be the new design.

License plates on the old design may still be renewed and transferred. On and after September 9, 2022, any plate replacement will be on the redesigned Crater Lake plate.

There are no changes to the surcharge collected. A surcharge of \$30 is required at application for first-time issuance of the Crater Lake plates. There is no surcharge when the plates are renewed or replaced. If a customer purchases Crater Lake plates and later decides they do not want them, the transaction is not eligible for a refund.

Effective September 9, 2022, DMV will not allow a single duplicate or pair of duplicate plates for a configuration issued on the previous Crater Lake background. Duplicate plates will be allowed for any configuration issued on the new background.

Crater Lake license plates are issued at DMV field offices, by mail from DMV headquarters and through participating EVR dealerships.

To order a plate set: in the "Remarks" section at the top of the Application for Title and Registration, Form 226, or the Application for Registration, Renewal, Replacement or Transfer of Plates and/or Stickers, Form 268, write "Crater Lake." Collect the plate fee, the applicable replacement fee (\$5 or \$10) and the surcharge (\$30) in addition to any other required fees.

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

Business Regulations and Vehicle Programs

DEALER HANDBOOK AUGUST UPDATES

The August 2022 revision of the <u>Title and Registration Handbook</u> is available to view, print, or copy at DMV's Web site <u>OregonDMV.com</u>. This revision updates the May 2022 Handbook. The Handbook is normally updated quarterly. The next revision is scheduled for November 2022, if needed.

You may buy a printed copy from one of these organizations:

- Oregon Independent Auto Dealers Association (OIADA), 1-800-447-0302; email: <u>info@OIADA.com</u>; <u>http://www.oiada.com/</u>
- Oregon Vehicle Dealers Association (OVDA), 1-877-541-2277; email: <u>ovda@ordealers.com</u>; www.ordealers.com/

Changes in the August 2022 Handbook revision are as follows:

Cover Page

The cover page reflects the latest revision date of 08-22.

Chapter H, Odometer Disclosure Requirements

The odometer-related expedite title process is \$10 when the transaction must comply with federal odometer requirements.

Chapter M, Fees

Information concerning how to enroll a vehicle in OReGO, a road usage charge program offered by ODOT, has been added to the chapter.

Index

OReGO is now referenced in the index.

Dave Adams

Business Regulation and Vehicle Programs

A MESSAGE FROM DMV FIELD OPERATIONS

Oregon Certified Dealers in the Portland Metro Area:

DMV sincerely appreciates your continued partnership and patience as we continue to work through our backlog of customers.

It is important that DMV prioritize the safety of our traveling public, and best accommodate customers with drivercredential needs that must be handled in person. Given that, dealers must submit their transactions using one of the following options:

- Vitu can submit transactions to DMV for you. Check our EVR page for more information.
- SE Portland Dealer Processing Center (DPC) 8710 SE Powell Blvd, Portland, Oregon 97266
 - a. Dealers can drop off transactions at the SE Portland DPC, Monday thru Friday, 8am 4:30pm.
 - b. On Wednesdays, Dealers can also follow-up on transactions and inquire about Dealer Box availability.
 - c. Mail vehicle transactions to DMV HQ.
 - Send to:

DMV – ATTN: SDU 1905 Lana Avenue NE Salem, OR 97314

- Please consider using a mail-tracking system (FedEx, UPS, USPS, etc.) when sending documents to DMV HQ.
- Contact your assigned Dealer Investigator with transaction questions before submitting documents.

DMV has expanded its service options and capacity at Field Offices by accepting more walk-in customers without a scheduled appointment. Field office appointments and standby service remain unavailable for dealer transactions so that we may reserve in-person service for individual customers who don't have the benefit of a dealer to process their transaction. DMV continues to experience high demand for in-person services, and there remains limited appointment availability.

DMV's partnership with you provides an important service and we are continuously working on improving service to our mutual customers. A DMV/Dealer Partnership Improvement Project is underway with representatives from the dealer community and DMV to improve how we both serve our fellow Oregonians. Updates on the improvement project will be in future *Dealer Details* newsletters.

If you have questions, please refer to your Dealer Handbook.

Have customers asked you about OReGO? They will soon.

Oregon's voluntary road usage charge program is growing.

OReGO, Oregon's pay-by-the-mile alternative to the fuels tax, continues to grow with more than 800 vehicles enrolled as of August 2022. That number is expected to increase because Oregon drivers can now have part of their registration fees waived when they enroll a high (40+) mpg or electric vehicle (EV) at the time of purchase. For some drivers, especially with EVs, the waiver can amount to hundreds of dollars.

Once enrolled in OReGO, participants pay 1.9 cents per mile driven each month. They are credited back the fuels tax they paid—38 cents per gallon consumed—and instead pay the net difference. Find out what you (or any customer) would pay in OReGO with our mileage calculator.

Drivers have choices when it comes to how they report their mileage. Most choose a GPS device that plugs into their vehicle and reports automatically, but non-GPS options are available too. Private sector account managers provide the devices for free and manage the accounts. Privacy and data are rigorously protected by account managers, data is destroyed after 30 days (by law), and ODOT receives only aggregated (anonymous) mileage data.

As vehicles become increasingly efficient and electrified, we anticipate an increase in OReGO enrollments, and dealers will be an important partner in that process. Starting in late 2022, the OReGO team is planning an effort to connect with dealers around the state to solicit their input in designing that process.

In the meantime, if you have questions about OReGO enrollment, please contact us:

www.MyOReGO.org MyOReGO@odot.oregon.gov 503-986-3260

DEALERS AND DMV2U CUSTOMER ACCESS

The DMV Fraud Prevention Team (FPT) investigates complaints when a customer reports receiving a security code for their DMV2U account when they did not request one, or the customer cannot receive a code because it is being sent to an email address or phone number they do not have access to or recognize. Before a vehicle or customer profile can be accessed online in DMV2U, DMV strongly encourages dealers and their customers to set up a two-step verification.

In investigating these complaints, the DMV Fraud Investigators have determined some unrequested codes were sent to customers because Oregon vehicle dealers were attempting to access a customer's account that already had two-step verification set up. Because DMV's computer system denied the dealer access to the customer's account, we could not determine why the dealer made these attempts.

In other instances, DMV's Fraud Investigators discovered dealers inappropriately used a customer's personal information to access the customer account and set up two-step verification using a dealer-related email. In these instances dealers were improperly accessing customer DMV2U accounts to either add notices of sale to the customer's vehicle or to complete transactions for customers, such as ordering plates for an earlier dealer transaction.

Dealers should <u>never</u> access a customer's personal DMV2U account. Even if the dealer has a power of attorney to act on behalf of the customer, it cannot be verified through these online services at the time of access and cannot be used to access the customer's personal account.

Dealers must use their own DMV2U dealer account to add vehicles to their inventory. Plate orders must either be submitted with a paper transaction and the appropriate power of attorney, or submitted online by the customer through their own personal DMV2U account.

DMV Fraud Investigators take unauthorized access of customer accounts very seriously and will notify Dealer Investigations when it determines a dealer has attempted to access or has set up two-step verification on any DMV2U account not belonging to the dealer. Dealers could face civil penalties or sanctions for using a customer's account without documented authorization to do so.

If you have questions regarding your dealer DMV2U account, contact DMV Business Licensing at 503-945-5052 or by email: DMVINSERT@odot.oregon.gov . You may also reach out to your dealer investigator for assistance.

Sanctions

Dealer	City	Violations Found	Offense	Count	Amount
Civil Penalties					
Cecilio Arredondo-Oceguera	Portland	Acting as a vehicle dealer without a current dealer certificate	1	8	\$20,000
Erol Ercan Guneyli	Gresham	Acting as a vehicle dealer without a current dealer certificate	1	10	\$25,000
Mel-Mic Enterprises Inc	Woodburn	Acting as a dismantler without a current dismantler certificate	1	9	\$22,500
dba M & M Auto Wrecking & Towing					
Jesus M. Arredondo-Oseguera	Troutdale	Acting as a vehicle dealer without a current dealer certificate	2	8	\$40,000
Antonieta M. Rodriguez	Gresham	Acting as a vehicle dealer without a current dealer certificate	1	9	\$22,500
Luis Orlando Plascencia-Martin	Tualatin	Acting as a vehicle dealer without a current dealer certificate	1	10	\$25,000
Apolinar Diaz_Gomez	Salem	Acting as a vehicle dealer without a current dealer certificate	1	9	\$22,500
Coast Towing Inc	Newport	Acting as a dismantler without a current dismantler certificate	1	1	\$2,500
Drive Motors LLC	Medford	Failure to submit title, fees and all documents to DMV within 90 days	1	5	\$5,000
(3 Year Suspension)	Wedioid	Issuing DMV a dishonored check or other form of payment	1	2	\$2,000
(3 real Suspension)			•		. ,
		Failure to submit all taxes or fees due this state in connection with the sale or transfer of a	1	3	\$750
		vehicle			
Kirby Car Company LLC	Oak Grove	Failure to submit title, fees and all documents to DMV within 90 days	1	1	\$1,000
		Failure to satisfy the interest of any security interest holder within 15 days	1	1	\$1,000
LMBB LLC	Portland	Failure to submit title, fees and all documents to DMV within 90 days	2	6	\$6,000
dba Mercedes Benz of Beaverton					
Miracle On 6 th St LLC	The Dalles	Failure to submit title, fees and all documents to DMV within 30 days	2	3	\$3,000
Torres Auto Repair & Towing LLC	Portland	Failure to maintain records to establish vehicle acquired by lien claimant as the result of a possessory lien	1	1	\$1,000

NOTE: Civil penalty amounts may not reflect settlements or judgments

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