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NOTICE OF PROPOSED RULEMAKING
INCLUDING STATEMENT OF NEED & FISCAL IMPACT

CHAPTER 735
DEPARTMENT OF TRANSPORTATION
DRIVER AND MOTOR VEHICLE SERVICES DIVISION

FILED
04/28/2025 11:53 AM
ARCHIVES DIVISION
SECRETARY OF STATE

FILING CAPTION: DMV's Recording of Odometer Disclosure for Exempt Vehicles

LAST DAY AND TIME TO OFFER COMMENT TO AGENCY: 05/21/2025 5:00 PM

The Agency requests public comment on whether other options should be considered for achieving the rule's substantive goals while reducing negative economic impact of the rule on business.

A public rulemaking hearing may be requested in writing by 10 or more people, or by a group with 10 or more members, within 21 days following the publication of the Notice of Proposed Rulemaking in the Oregon Bulletin or 28 days from the date the Notice was sent to people on the agency mailing list, whichever is later. If sufficient hearing requests are received, the notice of the date and time of the rulemaking hearing must be published in the Oregon Bulletin at least 14 days before the hearing.

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NEED FOR THE RULE(S)

ORS 803.102 was revised in 2023 to remove subsection (6) which allowed a person to provide a voluntary odometer reading for a vehicle exempt from odometer disclosure. In compliance with this revision, DMV stopped recording voluntary odometer readings on titles.

DMV proposes to amend OAR 735-028-0040 to state that DMV will record the mileage shown on the previous title or salvage title when a transfer of interest is not subject to odometer disclosure requirements. This brings the rule into alignment with ORS 803.102 and current DMV practice.

DOCUMENTS RELIED UPON, AND WHERE THEY ARE AVAILABLE

None

STATEMENT IDENTIFYING HOW ADOPTION OF RULE(S) WILL AFFECT RACIAL EQUITY IN THIS STATE

DMV believes this rule amendment will not impact racial equity in this state. The proposed amendment only changes what DMV records in DMV's computer system when a vehicle is exempt from odometer disclosure.

FISCAL AND ECONOMIC IMPACT:

None

COST OF COMPLIANCE:

(1) Identify any state agencies, units of local government, and members of the public likely to be economically affected by the rule(s). (2) Effect on Small Businesses: (a) Estimate the number and type of small businesses subject to the rule(s); (b) Describe the expected reporting, recordkeeping and administrative activities and cost required to comply with the rule(s); (c) Estimate the cost

of professional services, equipment supplies, labor and increased administration required to comply with the rule(s).

(1) There is no cost of compliance of state agencies, including DMV, units of local government, or members of the public.

(2)(a) None.

(2)(b) None.

(2)(c) None.

DESCRIBE HOW SMALL BUSINESSES WERE INVOLVED IN THE DEVELOPMENT OF THESE RULE(S):

DMV sent draft rules to 14 organizations representing small businesses. No responses were received.

WAS AN ADMINISTRATIVE RULE ADVISORY COMMITTEE CONSULTED? NO IF NOT, WHY NOT?

DMV is amending the information DMV will record in DMV's computer system. This amendment will not impact the public, including businesses.

AMEND: 735-028-0040

RULE SUMMARY: DMV proposes to amend this rule to state that DMV will record the mileage shown on the previous title or salvage title when a transfer of interest is not subject to odometer disclosure requirements. This brings the rule into alignment with ORS 803.102 and current DMV practice.

CHANGES TO RULE:

735-028-0040

Odometer Readings in Connection with an Odometer Disclosure ¶¶

This rule establishes when and what DMV will record on an Oregon title or salvage title upon receipt of an odometer disclosure required by federal or state law.¶¶

(1) DMV will record on the title or salvage title the odometer reading and date disclosed upon a transfer of interest on the title or salvage title, if the transfer is subject to odometer disclosure requirements by statute or rule.¶¶

(2) Except as provided by section (3) of this rule, the odometer reading recorded on a title or salvage title shall be the most recent version received by DMV on a disclosure accompanying the title transaction.¶¶

(3) DMV may record an odometer reading other than the reading from the most recent disclosure when:¶¶

(a) The most recent disclosure is missing required information;¶¶

(b) DMV has reason to believe the odometer reading on the most recent disclosure is not accurate; or¶¶

(c) A request for a title correction is submitted to DMV to correct an erroneous odometer reading as provided under section (7) of this rule.¶¶

(4) If the transfer of interest is not subject to odometer disclosure requirements (e.g., removing a security interest holder), DMV will record:¶¶

~~(a) The mileage disclosed by the owner, if the owner makes a disclosure at the time of transfer; or¶¶~~

~~(b) The mileage shown on the previous title or salvage title, if the owner does not make a disclosure or the transfer involves a replacement~~ the mileage shown on the previous title or salvage title.¶¶

(5) If DMV accepts an application without a disclosure from the seller, as provided under OAR 735-028-0090, DMV will record the mileage disclosed by the buyer.¶¶

(6) The odometer disclosure date recorded on the title or salvage title shall be the date the disclosure is made. If DMV is unable to determine the date the disclosure is made, the date shall be the date the application was processed in DMV's local offices, or, if received by mail, the date the application was received.¶¶

(7) DMV may correct an odometer reading recorded on a title or salvage title if a request for title correction is submitted to DMV:¶¶

(a) Within 90 days of the date the title was issued and before any subsequent transfer of interest; if the buyer or seller disclosed incorrect mileage at the time of transfer; or¶¶

(b) More than 90 days after the title was issued and before a subsequent transfer of interest requiring an odometer disclosure, if:¶¶

(A) DMV recorded the mileage or date incorrectly; or¶¶

(B) The request for title correction includes evidence satisfactory to DMV that the disclosure was made in error. Examples of evidence include a prior odometer disclosure made by the owner or a vehicle service record, or

similar document that shows the date of service and odometer reading.¶

(8) DMV will not correct an odometer reading or date recorded on the title when questions concerning odometer disclosure arise and the title or salvage title is not subject to correction under section (4) of this rule, but may add the notation that the odometer reading is "not actual."¶

(9) When an odometer disclosure received by DMV indicates the odometer reading does not reflect the actual mileage, exceeds the mechanical limits of the odometer, or the odometer on a salvage titled vehicle is not readable, DMV will record one of the following odometer messages on the title or salvage title:¶

(a) "Exceeds mechanical limits," if the odometer disclosure indicates the odometer reading is in excess of the mechanical limits of the odometer;¶

(b) "Not actual," if the odometer disclosure indicates the odometer reading does not reflect the actual mileage. "Not actual" will be recorded if "not actual" and any other message both apply. "Not actual" also may be recorded on the title if the odometer reading disclosed at transfer is less than a previously disclosed odometer reading, whether or not "not actual" is indicated on any odometer disclosure received by DMV;¶

(c) "Not readable," if the vehicle has been destroyed, the odometer removed, or it otherwise is impossible to read the odometer of the vehicle because of damage to the vehicle or the odometer.¶

(10) DMV may, at its discretion, record any odometer message on a title or salvage title it believes appropriate if it has reason to believe:¶

(a) The odometer reading does not reflect the actual mileage; or¶

(b) The odometer reading reflects mileage in excess of the mechanical limits of the odometer.¶

(11) When a title or salvage title is submitted in support of an application for Oregon title, and the title contains a message not described under section (9) of this rule, DMV will record on the Oregon title - if issued - an odometer message DMV determines most accurately reflects the message on the title submitted with the application or the actual mileage of the vehicle.¶

(12) If the message "not readable" is recorded on an Oregon title or salvage title and the odometer is later repaired or replaced and can't be reset to actual mileage, the message "not actual" will be recorded on the title.

Statutory/Other Authority: ORS 184.619, 802.010, 802.200, 803.015, 803.045, 803.050, 803.065, 803.092, 803.094, 803.097, 803.102, 803.120, 803.122, 803.124, 803.126, 803.140, 803.207, 803.370, 803.475, 805.120, 815.405, 821.060, 821.080

Statutes/Other Implemented: ORS 803.015, 49 CFR Part 580