

Dealer Details

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Inside

- Handbook updated
• Proof required to participate in dealer-only auctions Page 2
- Dealer Sanctions Pages 3-4
- Title updates to be limited Page 4
- Complete sale before submitting transaction
• Aug. 21 eclipse to affect all
• New child-seat law Page 5
- Fee increases to fund major road investments Page 6

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Form 735-7022 (08-2017)

Dealer-only auctions discussed

Hot topics at July's Oregon Dealer Advisory Committee meeting included dealer-only auctions and consignment practices, supplemental location and Internet sales and display of vehicles, transferring license plates, and results of Oregon's 2017 Legislative Session.

There was a variety of opinions about dealer-only auctions and consignment practices. The auctions designate which sales are "dealer only" and which are open to the public; such a designation is not made by DMV.

Auctions deal primarily in consignment vehicles, and other dealers typically take only a few consignments a year. Because most dealers do not have as much exposure to the consignment process, they often overlook some of the requirements related to consignments.

Because there have been several dealers recently cited for failure to obtain a supplemental certificate, DMV provided a summary on supplemental location sales requirements. No vehicle sales can occur where there is a display of vehicles and the location is not the dealer's approved place of business. Sales of vehicles can only occur at locations approved by DMV prior to issuance of a vehicle dealer's certificate or supplemental certificate.

If you just want to display a vehicle at an off-site location for advertising purposes, you or your employee(s) cannot be present with the car. This does not mean putting it in a grocery store's parking lot with a "For sale" sign on it. Leave the car with information that speci-

More on dealer-only auctions See Page 2

fies it is being displayed for an advertisement promotion only and that any activities related to purchasing the vehicle must be done at the dealer's place of business.

You must have an agreement with the landowner to display the car for advertising purposes. If you have any questions, please contact your investigator.

As most dealers use the Internet to advertise vehicles for sale, there are also unlicensed "dealers" using the Internet to appear like a legitimate, certified dealer. We all want an even playing field when it comes to selling vehicles, and this is not solely an Oregon issue.

DMV Chief of Investigations Larry Purdy was selected by the American Association of Motor Vehicle Administrators (AAMVA) to participate in a work group focusing on Internet sales. Most states have not adjusted their laws to reflect current technological advances and societal preferences for online sales. Texas, which is ahead of other states on this issue, has enjoined some out-of-state companies from selling vehicles to Texas residents through the Internet.

The AAMVA work group plans to create a best-practices document based on information shared. Larry stressed that there is also a consumer education component to this, and we can all help educate our friends and customers to check credentials of anyone selling vehicles on the Internet.

Continued on Page 2

Dealer Handbook updated as of August 2017

The August 2017 revision of the Title and Registration Handbook is available to view, print, or copy at DMV's Web site www.oregondmv.com.

This revision updates the February 2017 Handbook. The Handbook is normally updated quarterly.

The next revision is scheduled for November 2017 and will include legislative revisions concerning early renewals with fees effective January 2018.

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 August 2017 Handbook revision are as follows:

Cover Page – The cover page reflects the latest revision date of 08-17.

Chapter C, Application for Replacement Title, Form 735-515 – The example of the Application for Replacement Title, Form 515, was replaced with the correct form, revised 1-16.

Chapter D, Miscellaneous Title Application Information – When an application lists the owner as an individual or company doing business as (DBA) another name, DMV must have a signature from the primary individual or company, or a “one-and-the-same” statement.

Dealers can mark LEV compliance on a VIN inspection form for vehicles they are selling (such as on consignment), not just vehicles in their stock.

The Vehicle Identification Number (VIN) Inspection Form, Form 11, has been replaced with the latest revision, dated 4-17.

Chapter J, Damaged/Totaled Vehicles – DMV cannot issue a title if the previous ownership document is a “certificate of destruction” or if there is an indication a “certificate of destruction” has been issued by another jurisdiction.

Index – The term “certificate of destruction” was added to the index.

– *Dave Adams*
Vehicle Policy

Continued: Hot topics discussed

From Page 1

At the April 2017 meeting, ODAC discussed the dramatic increase in license plates being stolen from cars in dealers' lots. The thief takes the stolen plates to a DMV office to transfer the plates to a different vehicle. ODAC asked DMV to provide information on how to deal with this problem.

At July's meeting, Linda Beuckens explained the statutory requirements and DMV policy on plate transfers. DMV does not challenge customers submitting a plate transfer application and only has the authority to deny a transfer if the plate is unserviceable, is not a plate type that is currently issued, or if

it has special registration requirements, such as Ex-POW plates. There are no mechanisms in DMV's current computer system to check for stolen license plates.

DMV is currently reviewing ways to make the illegal activity unattractive within the authority of state law.

We had several guests at the July meeting who participated in the issues discussed. If you have concerns that may impact vehicle-related industries, contact DMV and let them know. All are welcome at ODAC meetings, and the next one is at 9 a.m. Oct. 26, 2017, at DMV Headquarters.

– *Susan Thayer*
ODAC Chair

Proof required to buy at dealer-only auctions

DMV has received complaints that auction companies are not complying with the restrictions allowing only dealers or their employees to participate in sales designated as dealer-only auctions.

When an auction is designated as “dealer only,” the auction is required to obtain proof that all participants in the auction are licensed/certified dealers or their authorized employee. The proof is outlined in Oregon Administrative Rule 735-150-0047 and is required to be maintained by the dealer conducting the auction and made available for inspection by DMV.

Violation of the rule will result in DMV taking administrative action against the dealer conducting the auction.

Dealers who provide false proof to the auction or DMV with the intent of enabling a non-employee to participate in a dealer-only auction are also subject to administrative action.

– *DMV Business Regulation*

Dealer Sanctions

Dealer	City	Violations Found	Offense	Count	Amount
Civil Penalties					
Low Price Auto LLC	Brooks	Failure to submit fees and title application to DMV within 30 days	2	8	\$2,000
Family RV LLC (1 YR Suspension)	Salem	Failure to submit all fees and documents to DMV within 90 days	2	1	\$1,000
Autonet LLC	Cornelius	Failure to provide means of public contact during normal business hours	2	1	\$250
Finish Line Enterprises Inc dba	Eugene	Moving place of business prior to obtaining corrected certificate	1	1	\$500
Finish Line Motors (1 YR Suspension)	Portland	Failure to furnish title to DMV within 90 days	2	1	\$1,000
Ameca Auto LLC (3 YR Suspension)	Portland	Failure to furnish title to DMV within 90 days	1	10	\$10,000
Johns Auto Sales LLC (3 YR Suspension)	Portland	Failure to furnish ownership documents to purchaser within 25 days	2	1	\$250
		Failure to submit fees and title application to DMV within 30 days	4	1	\$1,000
		Charging document processing fee that exceeds limit	1	1	\$250
		Failure to submit taxes/fees due this state or another jurisdiction with sale of vehicle	1	1	\$250
		Failure to promptly refund excess fees to purchaser	2	1	\$250
		Failure to allow administrative inspection during normal business hours	1	1	\$1,000
		Failure to maintain proper records	2	1	\$250
		Failure to display permanently affixed exterior sign visible to major avenue of traffic	2	1	\$250
		Violation of Temporary Registration Permit issuance	2	1	\$50
		Failure to maintain record of title ownership/delivery/submission to DMV	2	1	\$250
		Failure to satisfy interest of a dealer within 15 days	1	1	\$1,000
		Failure to satisfy a prior security interest holder within 15 days	2	1	\$1,000
		Failure to submit title to DMV within 90 days	3	2	\$2,000
		Failure to pay consignee within 10 days	1	1	\$500
		Failure to submit fees and title application to DMV within 30 days	2	2	\$500
		Failure to provide written notice to SIH and purchaser of title delay	2	1	\$250
		Failure to maintain records of title submission delays	2	3	\$750
		Knowingly making a false statement of material fact in an investigation	1	1	\$500
		Failure to submit all fees and documents to DMV within 90 days	1	1	\$1,000
		Failure to submit all fees and documents to DMV within 30 days	1	1	\$500
		Failure to provide means for public contact during normal business hours	1	1	\$1,000
		Failure to display permanently affixed exterior sign visible to major avenue of traffic	1	3	\$500
		Failure to conspicuously display dealer certificate			
		Failure to maintain records at main business location			
		Failure to allow administrative inspection			
		Failure to pay consignee within 10 days	1	10	\$5,000
		Failure to disclose consignment provision, consignee may file a complaint w/DMV	2	10	\$2,500
		Failure to provide purchaser with consignment disclosure	2	10	\$2,500
		Failure to obtain supplemental certificate prior to displaying or selling vehicles	1	1	\$500
		Failure to satisfy interest in a vehicle within 15 days	1	1	\$1,000
		Failure to submit title to DMV within 90 days	3	4	\$4,000
		Failure to submit all fees and documents to DMV within 30 days	2	7	\$1,750
		Failure to submit all fees and documents to DMV within 90 days	1	1	\$1,000
		Failure to post telephone number or have employee available during business hours			
		Dealer vacated licensed location - certificate no longer displayed			
		Failure to obtain supplemental certificate prior to displaying or selling vehicles	1	1	\$500
		Failure to submit all fees and documents to DMV within 90 days	1	2	\$2,000
		Failure to obtain supplemental certificate prior to displaying or selling vehicles	1	1	\$500
		Failure to satisfy interest in a vehicle within 15 days	1	1	\$1,000
		Failure to submit all fees and documents to DMV within 90 days	1	6	\$6,000
		Knowingly making a false statement of material fact in an investigation	1	1	\$500
		Failure to maintain records to establish vehicles obtained by lien claimant	1	2	\$2,000

Continued on Page 4

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

Dealer Sanctions

Continued from Page 3

Dealer	City	Violations Found	Offense	Count	Amount
Civil Penalties					
Northwest/Auto Sales LLC	Salem	Failure to satisfy interest in a vehicle within 15 days	1	3	\$3,000
(1 YR Probation)		Failure to submit all fees and documents to DMV within 30 days	2	8	\$2,000
NW RVs LLC	Happy Valley	Failure to furnish title to DMV within 90 days	1	1	\$1,000
		Failure to display permanently affixed exterior sign visible to major avenue of traffic	2	1	\$250
Premiermotors Inc	Milton Freewater	Issuing DMV a dishonored check or other form of non-negotiable payment	2	1	\$1,000
		Failure to furnish title to DMV within 90 days	1	2	\$2,000
Jeffrey L Washington dba	Springfield	Failure to submit all fees and documents to DMV within 30 days	2	1	\$250
KTB Enterprises		Knowingly making a false statement of material fact in an investigation	1	1	\$500
Blue Nation Co dba	Eugene	Failure to obtain corrected vehicle dealer certificate prior to moving business	1	1	\$500
Freeway E Auto Inc		Failure to furnish title to purchaser within 90 days	1	1	\$1,000
(3 YR Suspension)		Failure to allow administrative inspection during normal business hours	1	1	\$1,000
NW Affordable Autos LLC dba	Portland	Failure to furnish title to DMV within 90 days	2	1	\$1,000
NW Affordable Autos		Failure to submit fees and title application to DMV within 30 days	2	1	\$250
		Failure to satisfy interest in a vehicle within 15 days	1	1	\$1,000
GGA Inc dba	Portland	Failure to notify DMV of vehicle transferred to dealer within 7 days	2	6	\$300
Used Not Abused Cars		Failure to display permanently affixed exterior sign visible to major avenue of traffic			
(1 YR Suspension Only – No Fine)		Failure to allow administrative inspection			
Siamaks Car Company LLC	Salem	Failure to furnish title to DMV within 90 days	1	4	\$4,000
		Failure to submit fees and title application to DMV within 30 days	2	5	\$1,250
Michael Ephrem dba	Salem	Failure to submit fees and title application to DMV within 30 days	3	2	\$1,000
12th Street Auto Sales		Failure to maintain records of title delivery, submissions and delays	2	2	\$500
(1 YR Probation)					
Four T's Recreation LLC dba	Bend	Failure to obtain supplemental certificate prior to displaying or selling vehicles	1	1	\$500
Freespirt Recreation					
Jaison Douglas Anderson	Milwaukie	Acting as a vehicle dealer without a current dealer certificate	1	10	\$25,000
Jeffrey Lamarr Ridge	Portland	Acting as a vehicle dealer without a current dealer certificate	1	8	\$20,000
Diego Alejandro Curiel Ponce	Fairview	Acting as a vehicle dealer without a current dealer certificate	2	9	\$45,000
Audleigh Hickman	Bend	Acting as a vehicle dealer without a current dealer certificate	1	4	\$20,000
Neil Jeffrey Dolleman	Portland	Acting as a vehicle dealer without a current dealer certificate	1	14	\$35,000
Vakhtang Bolkvadze	Lake Oswego	Acting as a vehicle dealer without a current dealer certificate	1	8	\$20,000
Kevin Griffith	Klamath Falls	Acting as a vehicle dealer without a current dealer certificate	1	8	\$20,000
Jennifer Skourtes dba	Oregon City	Acting as a vehicle dealer without a current dealer certificate	1	6	\$15,000
Marina Oregon City Inc					

Title updates to be limited

Have you ever submitted a title application to DMV, only to have the purchaser come back two days later and ask to have their boyfriend's name taken off the application?

If this has happened to you, then you know DMV has been able to work with you to track down your original transaction and replace it with a new or updated application. However, due to a substantial increase in the number of these kinds of requests and the workload impact it has on DMV's processing units, changes are coming.

As of Sept. 1, 2017, DMV will only allow a new or updated application to be substituted for a previously submitted title transaction when the new application is needed for perfection of a security interest holder (SIH) that was not provided on the original application.

If you submit a new application to perfect an SIH, DMV will locate the original documents to match up with the new application so that the title is processed using the new application.

If the new application is submitted for any other reason, then it will be returned to you, and the title will be processed with the application originally submitted with the transaction. Once you receive the new title, if changes are still needed, you will need to submit a new application and appropriate fees so that a new title can be produced.

– *DMV Vehicle Policy*

Complete sales before submitting transactions

DMV continues to work successfully with VITU, DMV’s electronic vehicle registration vendor, to review dealer transactions and provide plates and stickers to our customers.

In order to further improve customer service, it is important to submit dealer transactions to VITU only when the sale is completed.

It is important to ensure that all aspects of a sale are completed prior to sending transactions to VITU. We are seeing an increase in the number of transactions being submitted prior to the completion of the sale or prior to the securing of

financing.

Once a transaction is electronically submitted to VITU, it cannot be recalled without impacting the customer, the dealer, and DMV.

These transactions, also known as “unwinds,” often result in a title being produced at DMV without required ownership documents. When a deal unwinds after sending the transaction to VITU, a new vehicle gets returned to the dealership, and that vehicle is therefore improperly titled.

Additionally, when VITU receives a transaction, it issues and ships plates and stickers to custom-

ers – even after an unwind. As a result, those plates and stickers then must be retrieved or cancelled. In some cases, there is also a need for a refund to one of the parties.

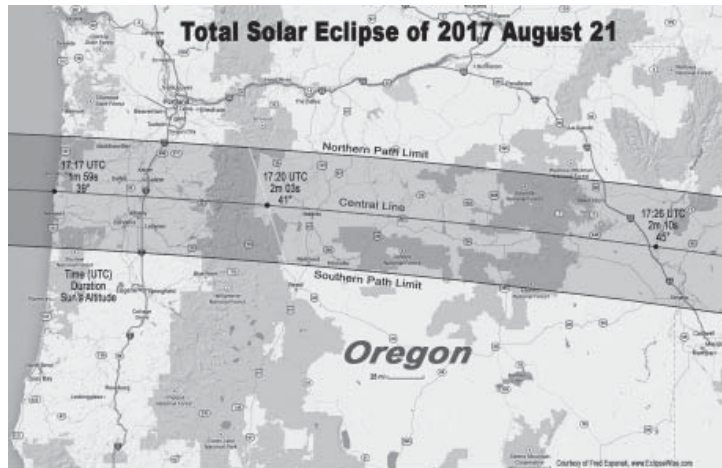
Remember, dealers have 28 days from the date of the sale to submit transactions to VITU. It is important to wait until all aspects of the sale have been completed prior to submission in order to avoid unwinds. This will provide better service to our mutual customers as well as making the process work more efficiently for all parties.

– *DMV Business Regulation*

Aug. 21 eclipse will affect all in Oregon

Oregon expects to see the heaviest traffic in state history in the days around the Aug. 21 solar eclipse:

- The latest projections suggest that 1 million visitors will come to Oregon’s zone of total darkness. Interstate 5 and all other major highways might be practically impassable for an entire week. Visitors will start arriving in mid-August and depart up to a week after the eclipse.



- ODOT’s overall objective: Keep our highways safe during this event, quickly and safely respond to incidents, and re-open lanes as soon as possible.

- Do not attempt to travel to viewing area the morning of the event – You won’t make it! This isn’t a football game day – don’t treat it like a 3-hour event but a 3-day event or more.

- Stay in place the day of the eclipse.
- DMV offices will be open on Aug. 21, 2017, but some may not open or may open late if staff cannot reach them due to traffic.

- We suggest you plan any DMV transactions on days other than Monday, Aug. 21, 2017.

More on the eclipse: www.oregon.gov/ODOT/Pages/Eclipse.aspx.

– *DMV Business Regulation*

New car-seat law for infants

If you have customers with a baby, you may want to remind them about a new Oregon law about infant car seats.

A new child-seat safety requirement has been in effect since May 25, 2017. It will require children up to 2 years old to be placed in a rear-facing car seat when traveling by automobile.

If a child was already 1 year old by May 24, 2017, the child is not subject to the law even if they aren’t 2 yet.

More on Oregon child-passenger safety: www.oregon.gov/ODOT/Safety/Pages/Belts-Seats.aspx.

– *ODOT*

Fee increases fund major road investment

To help fund a major investment in Oregon's roads, the 2017 Legislature authorized an increase in DMV fees effective Jan. 1, 2018, after the governor signs the bill this summer.

Starting Nov. 6, 2017, DMV will begin to mail renewal reminders to customers with vehicle registrations that expire on or after Jan. 1, 2018. These customers must pay the increased fees even if they renew the vehicle registration prior to Jan. 1, 2018.

A dealer who collects registration renewal fees for a vehicle with an expiration date on or after Jan. 1, 2018, must collect the new fees regardless of when the transaction is completed.

Fees are listed in Chapter M, Fees, of the Title and Registration Handbook. The new registration fees will be published in the Title and Registration Handbook revision on Nov. 1, 2017.

Please insert a copy of this article in the front of Chapter M if you use a hard copy of the Handbook. If you refer to the Title and Registration Handbook online, a copy of this article will be published on the Vehicle Title & Registration Handbook page online at: www.oregon.gov/ODOT/DMV/pages/dealers/titlereghndbk.aspx.

For vehicle transactions submitted with renewal fees for January/February 2018, you must adjust the registration fees listed in Chapter M as listed in this article. The Title and Registration Handbook will be updated again on Jan. 1, 2018, to include all of the fee increases (a second revision to Chapter M) in addition to other legislative changes.

– DMV

Fee increases as of Jan. 1, 2018

Passenger: Passenger registration fees are increasing by \$13 per year of registration. All renewals will be for two years.

	Current Fee	New Fee
Passenger Registration	\$86	\$112

Light/utility trailers: Light/utility trailer registration fees are increasing by \$15 per year of registration.

	Current Fee	New Fee
Light/Utility Trailer Registration	\$86	\$116

Motorcycles/mopeds: Registration fees for all motorcycles and mopeds are increasing to \$39 per year of registration. HB 2017 aligned the fees for hybrid and electric motorcycles and mopeds with all other powered motorcycles and mopeds.

	Current Fee	New Fee
Motorcycle/Moped Registration	\$48	\$78
Electric/Hybrid MC/Moped Reg	\$43	\$78

Motor homes: Electric and hybrid motor homes will no longer pay an additional 50 percent of the registration fee. Registration fees for electric or hybrid motor homes will be the same as motor homes with other motive powers.

The registration fee for 6- to 14-foot motor homes is increasing from \$54 to \$86. Motor home fees are for 2-year registration only. Registration fees for motor homes over 14 feet are not changing.

Quarterly registered vehicles (trucks, buses, tow vehicles, charitable/non-profit, manufactured structure toters, farm vehicles): Quarterly registration fees are increasing. The additional fee charged for quarterly vehicles that register for less than 4 quarters is increasing from \$1 to \$2. See the DMV Fee Schedules in the Title and Registration Handbook online starting Nov. 1, 2017.

Special use trailers: Registration fees for special use trailers are increasing to align with the registration fees for recreational trailers and campers (\$81 plus \$6.75 per foot). Special use trailers are registered by length for two years.

For Rent Trailers: Registration fees for for-rent trailers are increasing by \$3 per year of registration. For rent trailers are eligible for 1 or 5-year registration.

	Current Fee	New Fee
1 Year For Rent Trailer	\$27	\$30
5 Year For Rent Trailer	\$135	\$150

Other vehicles registered for two years: Registration fees for other vehicles registered for 2 years are increasing. Below are the fee increases.

	Current Fee	New Fee
State-owned (non E-plated) vehicle	\$3.50	\$10
Undercover vehicle	\$3.50	\$10
Light fixed load under 3,000 pounds	\$54	\$61
Heavy fixed load over 3,000 pounds	\$75	\$82
Low-speed vehicle	\$86	\$116
Medium-speed vehicle	\$86	\$116

A second article will be published in the November 2017 edition of *Dealer Details*. This article will include information on permanent registration, title and trip permit fee increases.

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