

Dealer Details

Volume 17, No. 2

Newsletter of the DMV Business Regulation Section

Fall 2009

Inside

- Handbook update set for January, Page 2
- New laws affect motorcycle customers, Page 2
- Oregon to allow out-of-state dealers at dealer-only auctions, Page 2
- Dealer Sanctions, Pages 3-4

DMV Business Regulation Section



Oregon
Department
of Transportation
(503) 945-5052

Section Manager

Chris Ratliff, (503) 945-5283

Investigation Team

Chief Investigator

Ron A. Kramer, (503) 945-5281

Investigators

Barbara Caine, Denzel Gifford,
Ron Irving, David Jurgenson,
Robb McCracken,

Rick Parsons, Larry Purdy

Support: Esther Reynoso

Business License Unit Supervisor

Chuck Hoffman

Staff: Betty Fox, Susan

Kanode, Karen White

Dealer Details Editor

David House

www.OregonDMV.com

Form 735-7022 (12-2009)

Off-road, dual-sport bikes are hot topic

The quarterly meeting of the Oregon Dealer Advisory Committee was held on Oct. 21 at the DMV headquarters building. Titling and registering of dual-sport/off-road motorcycles was the first topic of discussion.

Members of ODAC had questioned whether or not an inspection program and inspection stations could be established for customers to take bikes to so that they could be certified as street legal. The membership was told that having inspection stations would require an entirely new program and would require legislation.

Troy Costales of the Transportation Safety Division explained what his division can and cannot do. He said his office works with equipment standards and does not perform vehicle inspections. Gary Sargent gave an overview of the issue of not being able to title and register dual-sport motorcycles.

Gary said that there are new vehicles with the required equipment or older vehicles that have after-market kits added to make off-road vehicles street legal. However, Oregon statute does not allow these to be licensed.

It was also pointed out that a ve-

hicle must have federal safety standard stickers in order to be registered. If an off-road or dual-sport bike does not come from the manufacturer with the stickers, DMV cannot register it.

The membership voted to support the proposed rules drafted for House Bill 2564. The statutory and rule changes formalize the current business practices at the dealer-only auctions.

The DMV Business Regulation financial report was presented and discussed. It appears that the unit is financially sound for at least four more years without a fee increase. DMV will keep ODAC informed on the unit's financial position.

The next ODAC meeting is on Jan. 28, 2010, in the DMV Headquarters Building, 1905 Lana Ave. NE, Salem. Topics for the January meeting include: a speaker from the state Insurance Division to talk about coordination between DMV and the Insurance Division. If you would like to suggest future topics for ODAC to address, please feel free to attend the meeting or contact DMV Business Regulation.

– Mike Wagner
ODAC Chairman

Two DMV offices are moving

Two DMV field offices are moving this winter.

The Bend DMV located at 1000 SW Emkay will be relocating to 63085 N Highway 97 on Dec. 22,

2009.

The North Salem DMV and the South Salem Dealer Center will be moving to 3809 Center St. NE sometime in January 2010.

New state laws affect motorcycle customers

Motorcycle dealers may wish to inform customers about new state laws affecting riders.

The Oregon Legislature passed three laws that affect motorcyclists. Some of the laws go into effect Jan 1, 2010; others are phased in over several years. Here's an overview of each of the laws.

Senate Bill 124, effective Jan. 1, 2010, increases the penalty for riding a motorcycle without a motorcycle endorsement from a Class B (\$360) to a Class A (\$720) violation. The law also requires a court to suspend the fine for the violation if the rider completes training and receives a motorcycle endorsement within 120 days of sentencing.

SB 546 requires all new motorcycle riders to complete an ODOT-approved motorcycle safety course before they can be issued a motorcycle endorsement by DMV. The law has a five-year phase-in based on the age of the rider.

ODOT-approved motorcycle safety courses are provided by the TEAM OREGON Motorcycle Safety Program. Since 1997, Oregon law has required all riders under 21 to complete a TEAM OREGON Basic Rider Training course as part of the endorsement process. For riders over 21, the current law requires one of the following:

- passing a knowledge test and on-cycle drive test at DMV or
- completing the TEAM OREGON Basic Rider Training course or
- completing the TEAM OREGON Intermediate Rider Training course and taking a DMV knowledge test.

Under the law, mandatory training will be phased in for all new motorcyclists regardless of age. Beginning Jan 1, 2011, all new motorcycle riders under age 31 must complete the TEAM OREGON Basic Rider Training course as part of the endorsement process unless they have a valid motorcycle-endorsed license from another state.

Additionally, as of Jan. 1, 2010, SB 546 increases the motorcycle endorsement fee for new applicants from \$77 to \$87, which does not include the cost of a Class C driver license.

House Bill 2370 provides for an insurance discount for riders who complete motorcycle safety training. As of Jan 1, 2010, HB 2370 requires insurance companies to provide a discount on motorcycle insurance to new riders who complete an ODOT-approved rider education course. The amount of discount is not prescribed in the law.

– Sally Ridenour
ODOT Public Affairs

Handbook updates set for January

The Title and Registration Handbook is being revised to include important legislative changes that impact the automobile industry effective Jan. 1, 2010.

The January 2010 revisions will be available to view, print or copy at www.OregonDMV.com on Dec. 30, 2009.

Changes in the January 2010 handbook will include fee increases for various vehicles that register by weight. The January 2010 revision will include the regular new-year date charts, form revisions and updates to the index.

Please be sure to access the handbook prior to Jan. 1, 2010, so that you are familiar with the upcoming changes and collect the correct fees that start with the new year.

– Dave Adams
Vehicle Policy

New law allows out-of-state dealers in dealer-only auctions

The 2009 Oregon Legislature formalized the business practice of allowing out-of-jurisdiction vehicle dealers to consign and purchase vehicles at “dealer only” auctions in Oregon.

House Bill 2564 also defined an “au-

thorized representative” as an individual who is authorized by a certified dealer or licensed dealer to buy and sell vehicles on behalf of that dealer in a dealer-only vehicle auction.

DMV adopted and amended rules

to establish and clarify requirements relating to vehicle consignment practices and dealer-only auctions. The text of the rules is under “Dealer-Only Auto Auctions” at www.oregon.gov/ODOT/CS/RULES/dmv_actions.shtml.

Dealer Sanctions

Note: Fines and sanctions for dealers and unlicensed dealers may not reflect settlements.

Dealer	City	Violations Found	Offense Count	Amount
Civil Penalties				
Makai Auto Broker LLC (3 Year Suspension)	Portland	Making false statement of material fact in an application for dealer certificate	1	\$500
Johan Lukkes dba Lukkes Auto (Probation of Agent Status)	Florence	For violation concerning odometer tampering, repair, readings or notices	1	\$1,000
Greigson Scott Shigeta dba Ontario Machine Works and Truck Repair	Ontario	Late Renewal	1	\$100
Island Motors LLC	Portland	Late Renewal	1	\$100
Proctor Equipment Inc	Portland	Late Renewal	1	\$100
Gladstone Auto LLC dba	Gladstone	Failure to satisfy interest in a vehicle within 15 days	2	\$2,000
Toyota Scion of Gladstone Union Gap Auto Wrecking LLC (Suspension)	Oakland	Failure to provide means for public contact during business hours Failure to display exterior sign Failure to display in public vehicle dismantler certificate Failure to maintain records at main business location Failure to obtain corrected dealer certificate before moving place of business	1	\$500
Alan P Coover dba Investment Auto Wholesale	Beaverton	Failure to submit fees and application to DMV within 30 days	1	\$250
Tonys Auto Sales Inc	Portland	Failure to furnish title/application for title within 90 days	2	\$9,000
TWW Inc dba Cornelius Auto Sales (3 Year Suspension)	Cornelius	Failure to satisfy interest in a vehicle within 15 days	2	\$1,000
Pacific Campers & Outfitting LLC (Suspension)	Hillsboro	Failure to furnish title/application for title within 90 days Failure to provide means for public contact Failure to display in public vehicle dealer certificate Failure to maintain original dealer records at main business location	1	\$3,000
Xcessive Motor Sports LLC (1 Year Probation)	Cornelius	Failure to obtain corrected dealer certificate before moving place of business Failure to furnish title/application for title within 90 days Failure to submit fees and application to DMV within 30 days Failure to provide purchaser/SIH of title delay within 25 days	1	\$4,000
Keith Manufacturing Company Dennis Matthew Slater dba DMSAutomotive	Madras Scappoose	Late Renewal	1	\$100
Nuri R Tarhani dba Eagle Auto Wholesale	Portland	Late Renewal	1	\$100
John Ellis dba BJ Cars	Portland	Failure to satisfy interest in a vehicle within 15 days Failure to maintain proper records	1	\$1,000
Ron Tonkin Chevrolet dba Ron Tonkin Honda	Portland	Failure to maintain records sufficient to establish vehicles acquired by possessory lien	2	\$500
Pacific Northwest Ventures Inc dba New 2 You Car Company	Milwaukie	Failure to furnish title within 90 days	1	\$100
Lows Auto & Restoration LLC	Wood Village	Failure to submit fees and application to DMV within 30 days Failure to maintain proper records	1	\$1,000
Jims Auto Consulting LLC	Beaverton	Late Renewal	2	\$250
British Auto Works LLC	North Plains	Late Renewal	1	\$500
Ronald M Defoe	Springfield	Late Renewal	1	\$100
Richs Xtreme Auto LLC (Suspension)	Salem	Late Renewal Failure to display in public vehicle dealer certificate Failure to maintain original dealer records at main business location Failure to provide means for public contact Failure to display permanently affixed exterior sign Failure to obtain corrected dealer certificate before moving place of business	1	\$100

Continued on Page 4

Dealer Sanctions

Note: Fines and sanctions for dealers and unlicensed dealers may not reflect settlements.

Continued from Page 3

Dealer	City	Violations Found	Offense Count	Amount
Civil Penalties				
Hachem Auto Sales Inc dba Zakula Beal Auctioneers	Portland	Failure to provide title within 30 days	2	\$250
Juan H Aguirre dba Michoacan Auto Sales	Salem	Failure to submit fees and application within 30 days	2	\$500
		Failure to maintain records of title submission/delivery/delays	2	\$500
		Failure to maintain proper records	2	\$250
		Failure to furnish title within 90 days	3	\$1,000
		Acting as a vehicle dealer without a license	1	\$2,500
		Acting as a vehicle dealer while under cancellation	1	\$2,500
		Failure to furnish title/application for title within 90 days	1	\$12,000
		Failure to satisfy interest in a vehicle within 15 days	1	\$1,000
		Failure to pay consignors within 10 days	1	\$3,000
		Failure to obtain a supplemental dealer certificate for each location	1	\$500
		Failure to satisfy interest in a vehicle within 15 days	1	\$1,000
PNW Auto LLC	Gladstone			
Howard Frank Grohs Jr dba H Grohs and Associates	Boring	Failure to furnish title within 90 days	1	\$2,000
Easy Motors LLC	Milwaukie	Failure to furnish title within 90 days	1	\$1,000
Cross Point NW LLC	Milwaukie	Late Renewal	1	\$100
Lanphere Enterprises Inc dba Beaverton Marine and RV	Tigard			
Jim A Copeland	Medford	Late Renewal	1	\$100
Bobbie Ephrem dba Bobbys Auto Sales	Portland	Failure to maintain proper records	2	\$250
Newell Coach Corporation (Cancellation)	Coburg			
		Failure to provide means a means for public contact		
		Failure to display permanently affixed exterior sign		
		Failure to display in public vehicle dealer certificate		
		Failure to submit fees and application within 30 days	3	\$500
		Failure to notify purchaser/lien holder of delay in title documents	2	\$750
		Failure to maintain records of title delivery/submissions/delays	2	\$750
		Failure to furnish purchaser/lien holder ownership docs or submit application to DMV within 90 days	1	\$2,000
		Failure to maintain proper records	2	\$500
		Failure to satisfy interest in a vehicle within 15 days	2	\$1,000
		Failure to submit fees and application to DMV within 30 days	2	\$250
		Failure to maintain dealer records allowing for timely/efficient retrieval	2	\$500
		Failure to maintain record of registration delivery or notification	2	\$1,000
		Failure to submit fees and application within 30 days	3	\$1,250
		Failure to supply ownership documents to purchaser within 25 days	2	\$250
		Failure to provide purchaser/SIH of title delay within 25 days	3	\$2,500
		Failure to satisfy interest in a vehicle within 15 days	2	\$10,000
		Failure to furnish MSO/title within 90 days	3	\$2,000
		Failure to submit Notice of Vehicle Purchased (Form 165) to DMV within 7 days	2	\$300
		Failure to provide purchaser registration materials within 5 days	2	\$250
		Failure to maintain records of title delivery/submissions/delays	3	\$2,500
		Failure to maintain proper records	2	\$250
		Failure to submit Notice of Vehicle Purchased (Form 165) to DMV	2	\$400
		Failure to maintain records of title delivery/submissions/delays	2	\$1,500
		Failure to submit Notice of Vehicle Purchased (Form 165) to DMV	2	\$350
		Failure to satisfy interest in a vehicle within 15 days	1	\$1,000
Brace Autos Inc dba Guaranteed Affordable Autos	The Dalles			
		Failure to maintain proper records	2	\$500
		Failure to satisfy interest in a vehicle within 15 days	2	\$1,000
		Failure to submit fees and application to DMV within 30 days	2	\$250
		Failure to maintain dealer records allowing for timely/efficient retrieval	2	\$500
		Failure to maintain record of registration delivery or notification	2	\$1,000
		Failure to submit fees and application within 30 days	3	\$1,250
		Failure to supply ownership documents to purchaser within 25 days	2	\$250
		Failure to provide purchaser/SIH of title delay within 25 days	3	\$2,500
		Failure to satisfy interest in a vehicle within 15 days	2	\$10,000
		Failure to furnish MSO/title within 90 days	3	\$2,000
		Failure to submit Notice of Vehicle Purchased (Form 165) to DMV within 7 days	2	\$300
		Failure to provide purchaser registration materials within 5 days	2	\$250
		Failure to maintain records of title delivery/submissions/delays	3	\$2,500
		Failure to maintain proper records	2	\$250
		Failure to submit Notice of Vehicle Purchased (Form 165) to DMV	2	\$400
		Failure to maintain records of title delivery/submissions/delays	2	\$1,500
		Failure to submit Notice of Vehicle Purchased (Form 165) to DMV	2	\$350
		Failure to satisfy interest in a vehicle within 15 days	1	\$1,000
Apollinar Valenzuela Rodriguez dba Eli Auto Sale	Salem			
		Acting as a vehicle dealer without a current dealer certificate	1	\$25,000
Abelardo Ramirez-Nunez dba Ramirez Auto	Woodburn			
RTBB Automotive dba McKenna Motors USA (Suspension)	Hermiston			
Spiridon Banos	Portland			
Jose Fabian Escamilla Sanchez	Salem			
		Acting as a vehicle dealer without a current dealer certificate	1	\$30,000