

Dealer Details

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Newsletter of the DMV Business Regulation Section

Winter 2010

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Form 735-7022 (03-2010)

Committee discusses insurance, 'total loss'

Rachel Oh of the Oregon Insurance Department addressed the concerns of the membership on how vehicles involved in crashes often were being declared a "total loss" and that vehicle owners felt pressured into accepting low settlements.

There is no recourse for the owner if he does not believe the vehicle is a total loss or if the owner feels the settlement amount is low.

Oh told the committee that the insurers are following the law. The insurance code does not contain a definition for "total loss," so the Insurance Division uses the "totaled" definition in Oregon statutes – ORS 801.527.

She said that when the insurer admits liability it is obligated to cover the loss and that the insurance companies currently have statutory authority to declare a vehicle a total loss. A legislative change would be needed to change the current practices.

Oh said she sees two issues: the 30-day reporting period to DMV once a vehicle is declared a total loss, which she said needed legislation to change; and how insurance claims are processed.

ODAC has formed a subcommittee and will find a group to help propose legislative changes. Among other issues discussed at the Jan. 28 meeting, the membership is developing a list of topics to cover during the next two years. Suggested topics include:

- Entering odometer readings on

ODAC to meet April 22

Meetings of the Oregon Dealer Advisory Committee are held from 9 a.m. to noon at DMV Headquarters, 1905 Lana Ave. NE, in Salem. Meeting dates in 2010 are:

- April 22
- July 22
- Oct. 28

titles for vehicles more than 10 years old.

- Background checks on vehicle sales people.
- Total length allowed for towed vehicles.
- Review the possessory lien process.
- Motorcycle-sized dealer plates.
- Changes in the vehicle dismantler statutes.
- Public service messages on unlicensed vehicle dealing.
- Adding the cost of removing damaged vehicles to liability insurance.

If you would like to comment on these topics or have other topics to suggest, please send an e-mail to bizregs@odot.state.or.us.

ODAC meetings are open to the public. If you would like to attend, the next meeting is 9 a.m. to noon April 22 at DMV Headquarters in Salem.

– Mike Wagner
ODAC Chairman

New handbook reflects fees and other updates

The January 2010 revision of the Title and Registration Handbook is available to view, print or copy at www.oregondmv.com.

This revision updates the October 2009 Handbook, which is updated quarterly. The next revision is scheduled for May 2010.

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

- Oregon Independent Auto Dealers Association (OIADA), 1-800-447-0302; e-mail: info@OIADA.com; www.oiada.com
- Oregon Vehicle Dealer Association (OVDA), 1-877-541-2277; e-mail: ovda@oregonvda.com; www.oregonvda.com

Changes in the January 2010 Handbook revision are as follows:

Cover Page – Information was reviewed. Though no revisions were made, the date of 01/10 reflects the latest review.

Chapter A, General Title Requirements – Information about adding the speed and engine displacement (in CCs) in the “Remarks” section of the application has been added to the checklist for submitting applications. Also added to the checklist was the reminder to include Lemon Law Buyback notations in the “Remarks” section of the application.

Chapter C, Application for Replacement Title, Form 735-515 – The Application for Replacement Title, Form 735-515 was replaced with the revised form. Revisions to the form include the title fee (\$77 as a result of

legislation) and removal of the replacement and transfer fee information.

Chapter G, Operation of Law and Trusts – Information was reviewed. The reference to Oregon Revised Statute 819.260 was replaced with ORS 819.215 as a result of 2009 legislation. Some ORS Chapter 819 sections were repealed and others revised.

Chapter I, Security Interest Perfection – Information was reviewed. The chapter was revised to include the 2010 Transitional Ownership Document date chart.

Chapter J, Damaged/Totaled Vehicles – The Application for Salvage Title, Form 735-229, was replaced with the revised form, dated 10-09.

Chapter K, Registration – Information was reviewed. Medium-speed electric vehicles were added to the section on low-emission vehicle compliance. The Custom Plate Application, Form 735-205, was replaced with the revised form, dated 10-09.

Chapter L, Vehicle Types – Information was added to clarify that low-speed vehicle transactions must have a Low-Speed Certification, Form 735-7212, completed if the manufacturer’s certificate of origin or federal standards sticker does not indicate the vehicle meets federal low-speed vehicle standards.

Chapter M, Fees – This chapter was updated to include new fee charts as a result of 2009 legislation.

Index – Information was reviewed and updated.

– Dave Adams
Vehicle Policy

Bond rules for dealers gain some flexibility

Oregon has put some flexibility into its bonding requirements for licensed vehicle dealers.

The following changes took effect March 1, 2010:

- DMV now accepts “continuous bonds” paid annually or prepaid for multiple years.
- The notification requirements to DMV remain the same.
- The requirement to issue a new bond every three years has been discontinued.
- Until DMV is notified by the bonding company, the “continuous” bond is considered current and in force.

If a bonding company issues a cancellation notice and sends it to Oregon DMV and the dealer, the dealer will be required to present a reinstatement issued by the bonding company or a new bond to avoid cancellation of the dealer’s license.

All of the companies issuing dealer bonds and motorcycle dealer bonds have been notified and have received a copy of the new requirements.

DMV will continue to accept the existing bond form if it was issued before March 1, 2010.

The bonds issued on the existing form for the three-year period will need to be replaced with a new bond at the vehicle dealer’s next renewal.

– Chris Ratliff
Business Regulation

Dealer Sanctions

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

Dealer	City	Violations Found	Offense Count	Amount
Civil Penalties				
HN Auto Sales LLC	Tualatin	Failure to obtain a supplemental dealer certificate for each location	1	\$500
Tonys Auto Sales Inc	Portland	Failure to furnish title within 90 days	1	\$1,000
Palace Auto Wholesale LLC	Portland	Failure to furnish title within 90 days	2	\$1,000
BBB Marine LLC dba	Portland	Late Renewal	1	\$100
Brinsfield Boat Basin				
Portland Auto LLC dba	Portland	Late Renewal	1	\$100
Portland Auto Wholesale				
Randy R Walker dba	Eugene	Failure to maintain proper lien claimant records	1	\$1,000
RW Towing	Portland	Acting as a vehicle dealer without a current dealer certificate	1	\$5,000
Loren Lee dba	Portland	Failure to maintain records in a manner allowing for timely and efficient retrieval	2	\$500
Pioneer Motors		Failure to furnish title within 90 days	1	\$2,000
Gerber Inc dba	Lincoln City	Failure to obtain supplemental certificate	1	\$500
Gerbers Tire Service Center				
Mid Columbia Marina Inc dba	Hood River	Late Renewal	1	\$100
Mid Columbia Marine & Motorsports				
Quality RV Inc	Portland	Failure to submit fees and application to DMV within 30 days	2	\$1,500
(1 Year Probation)		Failure to provide purchaser/SIH of title delay within 25 days	2	\$1,750
		Failure to satisfy interest in a vehicle within 15 days	1	\$1,000
		Failure to furnish title within 90 days	1	\$1,000
		Making a false statement of material fact in an investigation	1	\$500
		Allowing/assisting person who is not an employee of dealer imply or represent affiliation	1	\$1,250
Hugo Aquino dba	Aloha		5	
Clarissa Auto Sales	Portland	Failure to obtain supplemental certificate	1	\$500
Van Doozer Auto Brokers LLC	Milwaukie	Failure to submit fees and application to DMV within 30 days	4	\$18,000
Ahmed Hamade dba		Failure to satisfy interest in a vehicle within 15 days	3	\$8,000
Diamond Motors		Failure to furnish title within 90 days	3	\$11,000
(3 Year Suspension)		Failure to maintain records of title submission/delivery/delays	2	\$3,250
The Yes Credit.Com LLC	Salem	Failure to maintain proper records	2	\$6,500
(3 Year Suspension)		Violation of dealer location regulations	2	\$250
		Failure to allow an inspection	1	\$1,000
		Failure to furnish title within 90 days	1	\$1,000
		Failure to obtain supplemental certificate	1	\$500
		Failure to maintain proper records	1	\$250
Cornerstone Auto Sales Corp dba	Medford		1	
Cornerstone Auto Sales	Portland	Failure to satisfy interest in a vehicle within 15 days	1	\$500
db Ron Tonkin Honda				
Castlerock Auto LLC	Eugene	Late Renewal	1	\$100
Aldos Auto Sales LLC	Newberg	Failure to pay consignor within 10 days	1	\$500
Hachem Auto Sales Inc dba	Portland	Failure to maintain proper records	2	\$250
Zakula Beal Auctioneers		Failure to furnish title within 90 days	1	\$1,000
Classic Northwest Inc dba	Roseburg	Late Renewal	1	\$100
Classics Northwest				
aka Timber Auto Sales				
Wright Chevrolet Inc	Fossil	Failure to obtain supplemental certificate	1	\$500
Richs Auto Sales LLC dba	Portland	Failure to furnish title/submit application for title within 90 days	2	\$1,000
Richs Vovos Only		Failure to submit fees and application to DMV within 30 days	2	\$250
		Failure to maintain proper records	2	\$500
		Failure to submit Notice of Vehicle Purchased (Form 165) to DMV within 7 days	2	\$100
Import Auto Sales LLC	Portland	Failure to furnish title within 90 days	1	\$1,000
J K Automotive LLC dba		Failure to satisfy interest in a vehicle within 15 days	1	\$6,000
Hillsboro Hyundai				

Continued on Page 4

Dealer Sanctions

Continued from Page 3

Dealer	City	Violations Found	Offense	Count	Amount
Civil Penalties					
Michael Cunningham dba GK Motorsports (Cancellation)	West Linn	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 Failure to furnish title/submit application for title within 90 days Late Renewal	1 1 1 1 1 1	1 1 1 1 1 1	\$1,000 \$100 \$1,000
Beaverton Toyota Co Inc Mohamed Jama dba Burco Auto Sales Newton B and Marilyn D Graves dba Bens Best Buys (Cancellation)	Beaverton Portland Madras	Failure to satisfy interest in a vehicle within 15 days 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 Failure to obtain corrected dealer certificate before moving place of business Failure to obtain corrected dealer certificate before moving place of business	1 1 1 1 1 1 1	1 1 2 1 1	\$1,000 \$1,000
Kaind Auto Sales Inc Javier and Yolanda Martinez dba Martinez Auto Sales Kerry Lehne and Aleksandr Pochtarov dba Gateway Auto Sales	Portland Portland Portland	Failure to obtain corrected dealer certificate before moving place of business Failure to obtain corrected dealer certificate before moving place of business Failure to obtain corrected dealer certificate before moving place of business Failure to maintain records of title delivery	1 1 1 2	1 1 1 4	\$500 \$500 \$1,000
Vic Alfonso Cadillac Inc dba Vic Alfonso Cadillac Hummer Top O Hill Quality RV Inc	Portland Aurora	Signing or allowing other person to sign DMV documents without Power of Attorney Submitting false odometer disclosure Failure to furnish title within 90 days Failure to pay consignor within 10 days Failure to satisfy interest in a vehicle within 15 days	1 1 1 1 1	1 1 1 2 1	\$500 \$1,000 \$1,000 \$1,000 \$1,000
Convention Center Auto Wholesale Inc K and N Investments Inc (Cancellation)	Portland Forest Grove	Failure to furnish title within 90 days Failure to pay consignor within 10 days Failure to submit fees and application within 30 days 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 1 2 1 1 1 1 1	2 1 1 1 1 1 1 1	\$2,000 \$3,500 \$250
Palace Auto Wholesale LLC	Portland	Failure to furnish title within 90 days	3	1	\$1,000
MVP Auto Group LLC	Milwaukie	Failure to submit fees and application to DMV within 30 days Failure to submit fees and application to DMV within 30 days Failure to satisfy interest in a vehicle within 15 days	2 2 1	1 1 3	\$250 \$1,750 \$1,000
Eduardo and Maria Lopez dba Eduardos Auto Sales	Salem	Failure to submit fees and application to DMV within 30 days Failure to notify purchaser in writing of title delay Violation of temporary registration permits Failure to maintain proper records Failure to furnish title within 90 days Failure to submit Notice of Vehicle Purchased (Form 165) to DMV within 7 days Acting as a vehicle dealer without a current dealer certificate	2 2 2 2 2 2 2	2 2 1 2 1 1 2	\$500 \$750 \$50 \$500 \$1,000 \$100 \$15,000
Miguel Vajar and Julio Vajar dba Autos Mexico Staff Jennings Inc Aleksandr Adzhigirey	Portland Salem	Acting as a vehicle dealer without a current dealer certificate Acting as a vehicle dealer without a current dealer certificate	1 2	1 7	\$2,500 \$35,000

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

DMV field offices get new homes

Three DMV field offices that accept a significant volume of vehicle dealer paperwork are among several DMV offices that recently have moved to new or temporary locations.

These three DMV offices are:

Grants Pass – The Grants Pass office has relocated to 162 NE Beacon Drive, Grants Pass, OR 97526.

Toni Markley, DMV’s South Region manager, and Susan Calvo, South Region customer service coordinator, also have moved to the new Grants Pass site.

North Salem – The North Salem office and the South Salem Dealer Processing Center have moved to the new North Salem office location, 3809 Center St. NE, Salem, OR 97301.

Jennifer Mendez, DMV’s Northwest Region manager, and LeAnn Bach, Northwest Region customer service coordinator, also have moved to the new North Salem location.

Bend – The Bend office has been relocated to the Oregon Department of Transportation Region 4 Annex at 63085 N Highway 97, Bend, OR 97701.

This is a temporary site until a permanent site in Bend is ready for DMV

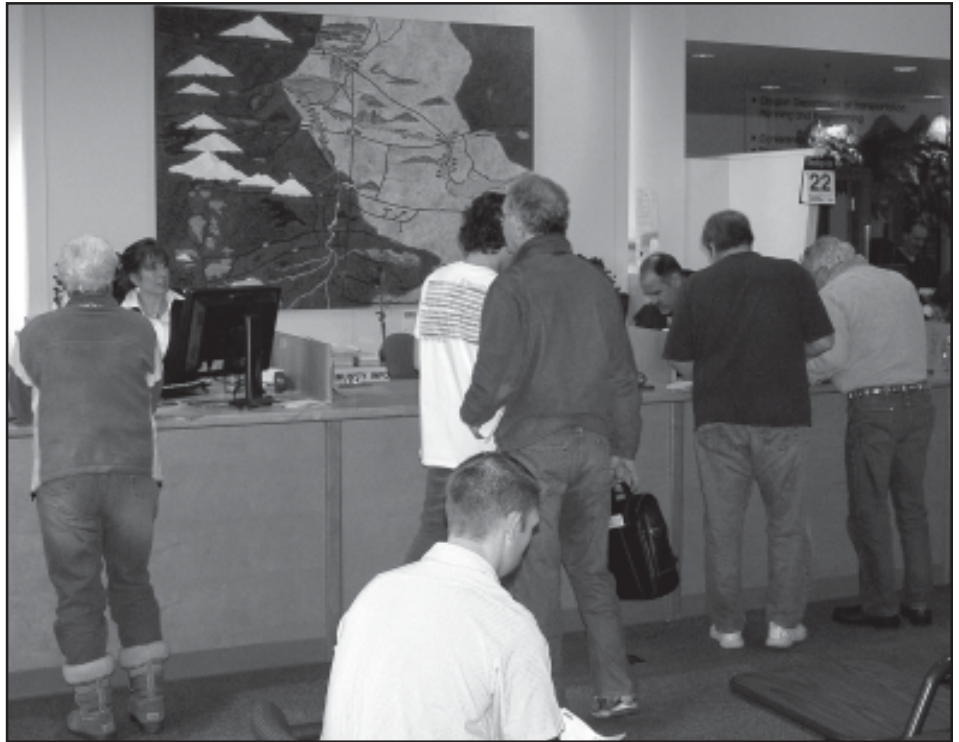


Photo by Peter Murphy, ODOT Region 4 Public Affairs

Customers visit the Bend DMV Field Office in December on the first day at its temporary location, hosted by Oregon Department of Transportation Region 4. The Bend office will offer DMV services at this site until a new permanent location is ready to occupy.

to occupy.

Because it is a temporary location, DMV will not be providing commercial drive tests or motorcycle drive tests there. DMV will continue to provide

drive tests for Class C and Medically At-Risk Driver Program referrals at the temporary location.

– Michelle Howard
Field Services

Ebersole transfers to new DOJ position

Gene Ebersole of the Oregon Department of Justice has moved to another section of the department and is no longer involved in cases in the motor vehicle industry.

Ebersole is still with the DOJ, but he has moved from the Consumer Protection Section to the Criminal Justice

Division.

Vehicle dealers and others should direct questions on motor vehicle issues to the Consumer Protection Section instead of Ebersole himself.

“Please remove my name from any mailing lists that you have used to keep me informed of industry issues,” he

said. “It has been my honor and pleasure to work with the motor vehicle industry of Oregon.”

– Eugene F. Ebersole
Senior Assistant Attorney
General
Criminal Justice Division
Oregon Department of Justice

'Pacific Wonderland' plates debut

The 2009 Legislature authorized the issuance of a new license plate called the "Pacific Wonderland" specialty registration plate.

Issuance of the new plates began March 1, 2010, and is limited to 40,000 sets of plates. These plates are being issued to regular passenger vehicles only (no custom or Ham).

DMV is using a plate design similar to the previous "Pacific Wonderland" plate and will include the "Oregon 150" logo on the plates in recognition of Oregon's 150th birthday. DMV has added month and year sticker boxes to the lower-right and lower-left corners of the plate.

The words "Pacific Wonderland" were added to the bottom of the plate between the two screw holes. The new plates use the old Pacific Wonderland configuration but will not replicate any number/letter combinations previously issued.

The one-time surcharge fee of \$100 will be collected when the Pacific Won-



derland specialty registration plates are issued.

Pacific Wonderland specialty registration plates will be available at all DMV field offices and at DMV headquarters for mailed-in transactions.

To order a set: In the "Remarks" section at the top of the Application for Title and Registration Form (DMV form 735-226) or the Application for Registration, Renewal, Replacement or Transfer of Plates and/or Stickers Form

(DMV Form 735-268) write "Pacific Wonderland."

The plates will not be available through vehicle dealers' Electronic Vehicle Registration system.

For additional information, call your local DMV phone number, (503) 945-5000 or (503) 299-9999 (Portland Metro Area); or visit the DMV Web site at www.oregondmv.com.

– Debi Mercer

DMV Program Services

Dealers must keep blue copies from trip permits

When dealers return trip permit booklets for a refund, DMV's Business Licensing unit receives several booklets that still contain the issuer's blue copies.

The issuer needs to keep those copies for a minimum of five years. Under section 735-150-0035 of Oregon Administrative Rules, original records must be maintained for a minimum of two years on the premises of the dealer's main business location. Further, dealer records must be maintained for an additional three years in any location that is convenient for the dealer, as long as the location is in Oregon.

The issuer's copy of the trip permit is part of the dealer records that must be retained.

Updated insurance-cost booklet is available from federal regulators

The National Highway Traffic Safety Administration announced publication of the 2008 text and data for the annual insurance cost information booklet.

This is information that all car dealers must make available to prospective purchasers, pursuant to 49 CFR 582.4.

This information is intended to assist prospective purchasers in comparing differences in passenger vehicle collision loss experience that could affect auto insurance costs.

More information is available in the Feb. 1, 2010, Federal Register Notice posted at <http://edocket.access.gpo.gov/2010/2010-1956.htm>.