PRELIMINARY STAFF MEASURE SUMMARY   CARRIER:

House Committee on Transportation & Economic Development

REVENUE: No revenue impact
FISCAL: No fiscal impact
SUBSEQUENT REFERRAL TO: No subsequent referral

Action:	
Vote:	
Yeas:	
Nays:	
Exc.:	
Prepared By:	Troy Rayburn, Administrator
Meeting Dates:	5/22

WHAT THE MEASURE DOES: Prohibits Department of Transportation from imposing civil penalty on person holding vehicle dealer certificate in situation where person fails to submit notice of sale of vehicle to Department.

ISSUES DISCUSSED:
Issues discussed in the Senate Committee on General Government, Consumer and Small Business Protection:
- Situation where some individuals fail to transfer title upon purchase of vehicle
- Use and intent of DMV Form 6890, "Notice of Sale or Transfer of Vehicle"
- Form 6890 provided as protection to seller and alert for DMV
- One known instance of DMV assessing fine against vehicle dealer for failure to file Form 6890

EFFECT OF COMMITTEE AMENDMENT: No amendment.

BACKGROUND: Senate Bill 615 passed out of the Senate Committee on General Government, Consumer and Small Business Protection 4-1-0 and passed on the Senate floor 24-3-3.

Under current Oregon law, the "Notice of Sale or Transfer of Vehicle" form (Form 6890) must be submitted to the Department of Transportation's Driver and Motor Vehicle Services (DMV) within 10 days of the sale or transfer of a vehicle. Form 6890 is not a bill of sale, but alerts the DMV to the sale of the vehicle prior to official transfer of title by the new owner and may provide some liability protection to the prior owner. There is no fine for failure to file Form 6890 with DMV.

Oregon law does, however, allow DMV to fine a vehicle dealer for violating any provision of the Oregon Vehicle Code or any rules adopted by the Department relating to sale, title, or registration of vehicles, including failure to submit Form 6890. Senate Bill 615 prohibits the Department from fining a vehicle dealer if that dealer has failed to submit notice of sale to the Department.