



TESTIMONY ON HOUSE BILL 3176

Before the Joint Committee on Transportation / April 22, 2019

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Co-Chairs and Members of the Joint Committee on Transportation:

My name is Darrell Fuller and I represent the Oregon Vehicle Dealer Association (OVDA), the Oregon Power Sports Association (OPSA), the Auto Appraisers of Oregon (AAO), the Northwest Auto Trades Association (NATA) and the Oregon RV Dealers Association (ORVDA)

My testimony today is simply to encourage the committee to delay taking action on this legislation until it has been thoroughly reviewed and vetted by the Oregon Dealer Advisory Committee (ODAC). ODAC was created in 1983 through a cooperative discussion between auto dealers and then-Attorney General Theodore Kulongoski. The goal of ODAC is to ensure all the stakeholders are at the table before motor vehicle related regulations are adopted. The quarterly forum also acts as a valuable sounding board for legislation.

With this testimony are the statutes and administrative rules establishing ODAC. As you can see, everyone is at the table. In addition to those specifically named, the Department of Justice Consumer Protection Division also has a voting representative on ODAC.

House Bill 3176 makes many changes to the law impacting a lot of different stakeholders in various ways. I believe it would be of value to have all those players in one room, at the same time, to review the changes section by section. Given this opportunity, I strongly suspect a product of those discussions could be ready for the February, 2020 legislative session.

I am happy to answer any questions you have.

ORS 802.370 Advisory committee on vehicle dealer regulation; members; compensation. (1) The Director of Transportation shall establish an advisory committee to advise the Department of Transportation on the administration of laws regulating vehicle dealers under the vehicle code.

(2) The department shall consult with the committee established under this section before the department adopts any rules under ORS 822.035 or before taking any disciplinary action against a dealer under ORS 822.050 to revoke, suspend, place the dealer on probation or levy a civil penalty against the dealer.

(3) The director shall appoint members of the committee established under this section and the members shall serve at the pleasure of the director. The director shall appoint members to the committee that represent vehicle dealers and members that represent the interests of the general public in the ownership, purchase and use of vehicles.

(4) The members of the committee established under this section shall serve without compensation or expenses for services performed. [1983 c.338 §121; 1985 c.16 §33; 1991 c.541 §9]

OAR 735-150-0005 Oregon Dealer Advisory Committee (1) The Oregon Dealer Advisory Committee is established pursuant to ORS 802.370.

(2) The committee's membership will consist of the following individuals appointed by the DMV administrator:

(a) Two individuals who represent franchise dealers of new vehicles;

(b) Two individuals who represent dealers of used vehicles;

(c) Two individuals who represent Oregon dismantlers;

(d) Two individuals who represent the interests of the general public;

(e) One individual who represents recreational vehicle dealers;

(f) One individual who represents vehicle dealership office management interests;

(g) One individual who represents auto auctions;

(h) One individual who represents Oregon towing businesses; and

(i) One individual who represents dealers of motorcycles, mopeds, or all-terrain vehicles.

(j) In addition to the committee membership described under subsections (a) through (i) of this section, membership may also include one individual, whose term of appointment and interest of representation is determined by the DMV Administrator.

(3) DMV will designate one member listed in section (2) of this rule as chair of the committee. The chair's term expires December 31 of each year.

(4) Committee members are appointed to a three-year term and may be reappointed by the DMV administrator to serve an additional term(s). However, members serve at the pleasure of the DMV Administrator. Member terms will be staggered in a manner determined by DMV. In the event of a vacancy, the DMV administrator will appoint a new committee member to serve the duration of the three-year term.

(5) DMV will seek the recommendation of existing ODAC committee members or a trade or professional association generally recognized to represent a membership category before appointing a committee member, however, DMV is not bound by any recommendation.

(6) Meetings will be held quarterly beginning in January of each year, unless a meeting is cancelled, postponed or rescheduled as agreed to by DMV and a majority of the committee members. A committee member may be replaced by the DMV administrator for missing two consecutive quarterly meetings without good cause.

(7) DMV will consult with the committee before: (a) Adopting administrative rules under ORS 822.035; (b) Taking disciplinary action against a dealer under ORS 822.050 to revoke, suspend or place a dealer on probation; (c) Levying a civil penalty against a dealer under ORS 822.009(1); or (d) Taking disciplinary action against an Oregon dismantler under OAR 735-152-0050 to revoke, suspend or place a dismantler on probation.

(8) DMV may consult with the committee as required by section (7) of this rule at a committee meeting, or by mail, telephone, or other electronic means. DMV will provide written information on a proposed action described in section (7) of this rule to the committee members at least seven days before a committee meeting or the date a recommendation from the committee members is due. DMV may provide the written information by mail, fax, or other electronic means.

(9) The requirements of sections (7) and (8) of this rule do not apply if DMV determines it must take immediate action because the continued operation of a business regulated under ORS Chapter 822 jeopardizes public health or safety. Following the action, DMV will provide written notification of DMV's action to the committee and allow committee members to submit recommendations concerning the action.

(10) Recommendations of the committee and the individual committee members are advisory only and the Department of Transportation, including DMV, is not bound by any recommendation.