

Dorothea Smith Testimony in support of HB 3178 A

Senate Committee On Labor and Business

April 15, 2025

My name is Dorothea Smith, and I am the retired grandmother of two adorable grandchildren. I currently live in Colorado so I can spend as much time as I can with them. I am joining you today in support of HB 3178, with the hope that it will help other people in Oregon fairly finance a car.

In August 2023, I called a dealership in Hillsboro, Oregon to purchase a used Hyundai Santa Fe. I specifically wanted an SUV with a third row because I planned to help my son bring my grandkids to their various activities and events. My sister and her husband went to the dealership to test drive the car I was considering. To help with the car purchase, I gave them a list of requested mechanical inspections to make sure the vehicle was in good working condition. This was important because I knew I would soon be traveling many miles across several states. The car was inspected by the Hillsboro dealership and I was told it was in good working condition so, I agreed to move forward with the purchase. The dealership said they could take care of finding financing for the vehicle, and, as a part of the loan agreement, I purchased an extended warranty for peace of mind in the event of unexpected repairs. I was assigned a finance manager by the dealership and told that more information would be sent to Wauna Credit Union after the dealership secured the financing.

The Hillsboro Dealership hired a notary to come to my son's house in Aurora, Colorado. I signed purchase documents and bought insurance for my new car. At that time, I felt the purchase was complete. I was not aware the purchase agreement I signed meant that I would be liable for the total cost of the car if the dealership could not find financing. Looking forward to the time with my grandchildren, I arranged to have the car transported to Colorado within a week after purchasing the vehicle. I did not know the dealership was obligated by law to find financing within 14 days. I thought the car was mine and I insured it accordingly.

After almost three months with my grandkids in Colorado, I noticed the temporary dealership sticker was nearing expiration and I contacted Wauna Credit Union to find out where to send my car payment. I was told they did not have any record of my car loan. They had never heard of me! Frustrated and confused, I checked with the DMV and they did not have any information for me either. I then called the car dealership in Oregon. I was passed off to different salespeople and service managers and was given multiple excuses before finding out the finance manager who was originally assigned to my deal was no longer working at the dealership. I was told that I would need to restart the financing process. The dealership insisted that everything would be okay and that they would still be able to find financing.

Meanwhile, the car, now in Colorado, suddenly needed repairs.

The Oregon dealership requested that I bring the car to the Hyundai dealership in Colorado so that the car could be inspected and any repairs could be made. The auto repair shop at the Colorado dealership told me the car needed extensive repairs and raised concerns about the actions of the dealership in Oregon. I was informed that I needed to cover the cost of repairs, which would later be reimbursed through the extended warranty I purchased. The Colorado dealership provided me with a rental car and I found out the repairs included items that were said to be in good working condition after the dealership's initial inspection. Once the repair estimate was complete, the mechanic at the Colorado dealership repeatedly tried to get in contact with the Oregon dealership to cover the cost—which I refused to pay given all the confusion and problems. The mechanic at the Colorado dealership again raised concerns about the legitimacy of the Oregon dealership's actions and recommended that I reach out to the Oregon Attorney General to file a complaint.

After multiple calls to the Oregon dealership and several attempts to redo financing paperwork, I was ultimately told they could not find financing for the car and that I would need to cover the full cost of the vehicle if I wanted to keep it. This was shocking and disappointing given that I insured the vehicle, transported it to Colorado, and felt like the purchase was complete. Instead of settling in and spending time with my grandchildren in Colorado, I had to navigate a confusing and unfair purchase process. Instead of volunteering at my grandson's school, going to the park, going on play dates at the arcade, and all the special grandma lunch dates, I sat on countless phone calls with the Hillsboro dealership trying to get answers and sort out financing I thought was already finalized. When it was finally determined that financing could not be secured, the vehicle was left at the Colorado dealership for the Hillsboro dealer.

I am lucky enough to have had my son help me through this ordeal, but I hope you will vote “yes” on HB 3178 so that others wanting to finance their car purchase with a car dealership can do so without experiencing the confusion, disappointment, and manipulation I faced.

Thank you for your time and consideration.