
OREGON VEHICLE DEALERS ASSOCIATION TESTIMONY IN SUPPORT OF HB 2263

**Before the House Transportation & Econ Development Committee
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Chair Read and Members of the Committee:

The Oregon Vehicle Dealers Association represents nearly 600 independent auto dealers across the state of Oregon, making OVDA the largest auto dealer trade association in Oregon as far as we know. These dealers are primarily very small businesses. On their behalf, OVDA watches very carefully the Legislature and regulatory agencies with authority over motor vehicle dealers

The Business Regulation office within DMV is staffed with very competent and well-trained professional staff. They are charged with issuing certificates or licenses to do business to motor vehicle dealers, motorcycle dealers, auto dismantlers, tow trucks, auto appraisers transporters, commercial drive schools and instructors and RV dealers. They also serve as the public's watchdog on these businesses to ensure they are complying with relevant laws and administrative rules. They respond to consumer complaints and also conduct self-initiated audits of business records to ensure compliance. From the perspective of the businesses who are working hard to follow the rules and conduct their transactions in a professional manner, the highest calling of the DMV investigators is to search out unlicensed businesses who are flying under the radar. These illegal dealers, often called "curbstoners", are the most likely culprits when it comes to harming consumers. In fact, we have urged DMV to assign one of their investigators to work solely on complaints against illegal dealer businesses.

The Business Regulation office is understaffed. A single investigator often is responsible for covering many counties. In order to maintain even this level of service, DMV occasionally needs to increase fees. While no business likes paying higher costs, it is the lesser of two evils with the alternative being fewer investigators to combat illegal activities in our industry. DMV works hard to ensure that regulatory fees from the various segments it regulates cover the actual cost of staff time working within that industry. In so doing, they ensure one sector of the regulated community is not supplementing services to other industries.

DMV worked its fee increase proposal through the Oregon Dealer Advisory Committee (ODAC) which is comprised of representatives from the regulated industries as well as the Department of Justice and the public. After asking many questions about the fee increases, the members of ODAC voted to support the fee increases.

We urge the Transportation and Economic Development Committee to give this bill a "do pass" recommendation to the full House of Representatives. I am happy to answer any questions you may have.

Oregon Vehicle Dealers Association

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