

STAFF MEASURE SUMMARY

Senate Committee On Business and Transportation

Fiscal: Has minimal fiscal impact

Revenue: No Revenue Impact

Action Date: 04/29/15

Action: Do Pass.

Meeting Dates: 04/29

Vote:

Yeas: 5 - Beyer, Girod, Monroe, Riley, Thomsen

Prepared By: James LaBar, Committee Administrator

WHAT THE MEASURE DOES:

Provides clarification regarding who may participate in vehicle dealer auctions and who can display vehicles without holding a valid vehicle dealer certificate.

ISSUES DISCUSSED:

- Vehicle dealer auctions self-enforcement practices and procedures
- Independent contractors buying on behalf of dealers and for themselves at the same auction
- The illegal process of curbstoning

EFFECT OF COMMITTEE AMENDMENT:

No amendment.

BACKGROUND:

The Driver and Motor Vehicle Services Division of the Oregon Department of Transportation is the agency responsible for the regulation of vehicle dealers in Oregon. The agency is also responsible for taking action against persons or businesses that act in violation of ORS 822.005, acting as a vehicle dealer without a certificate. Violations are punishable as a Class A misdemeanor.

However, some dealers hire “independent contractors” to buy and sell vehicles on their behalf at dealer-only auctions. House Bill 2886 provides clarity in statute regarding when persons participating in vehicle dealer auctions must become certified as vehicle dealers.