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**ATTN: House Committee on Business & Labor**

Chair Holvey & Members of the Committee,

My name is Sal Peralta. I am testifying on behalf of the Independent Party of Oregon and its 120,000 members on SB 974(A). This bill makes several minor but substantive changes to the laws surrounding the surety bond/letter of credit that auto dealers are required to take as a condition for licensing in Oregon.

**The bill:**

- Increases the current bond from \$40,000 to \$50,000.
- Limits how much other dealers can claim against the bond to \$10,000 (whereas customers can claim \$20,000).
- Limits who can file a claim to retail customers of the dealer and other licensed commercial dealers.
- Prevents new "Motorcycle-only" auto dealerships from being licensed in Oregon.

**What is the purpose of limiting the class of people who can make claims against a surety bond to retail customers and licensed vendors only?**

Limiting liability in this way is overbroad and could harm categories of people and businesses that have legitimate claims -- specifically third-party service vendors such as mechanics, body shops, etc. whose scope of business falls under "(2)(c) The transfer or alteration of vehicles;"

I recommend amending the bill in a way that does not prevent third party vendors (other than other auto dealers) from being able to file a claim.

Respectfully,

Sal Peralta