
OREGON MOTOR VEHICLE DEALERS OPPOSE HOUSE BILL 2975-A

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Chair Beyer and Members of the Committee:

The Oregon Vehicle Dealers Association (OVDA) represents more than 600 independent business owners across the state of Oregon, making OVDA, by far, the largest auto dealers trade association in Oregon. These dealers are primarily small businesses. On their behalf, OVDA monitors the Legislature and regulatory agencies with authority over motor vehicle dealers.

While well intentioned, HB2975-A will do little to help Oregon consumers harmed by a motor vehicle dealer that fails. If a dealership is out of business, and has no assets, providing attorney fees and a \$500 judgment serves no purpose as there are no assets from which to collect either. The dealer bond is a consumer's best option for recovery. And, this committee has already passed SB974-A, requested by OVDA, which substantially increases consumer-only access to a dealer's bond (from \$20,000 to \$40,000).

To augment consumer protection, OVDA worked closely with the Department of Justice and the Business Regulation Division of DMV in crafting SB974-A. Additionally, OVDA participates regularly in the *Oregon Dealer Advisory Committee* (ORS 735-150-0005), which was created to discuss and debate issues relevant to the dealer industry. ODAC is comprised of stakeholders from all aspects of the motor vehicle industry, from consumers to dealers to regulators. From ODAC meetings come well-balanced and carefully crafted legislation which is good for consumers and the industry. The proponents of HB2975-A have never attended an ODAC meeting to discuss their concerns or work toward a collaborative solution.

House Bill 2975-A does identify a real problem. While dealership failures are extremely rare (of more than 400,000 dealership transactions in 2016, the DOJ had less than 40 complaints and DMV investigated approximately 1,100 delays in transferring a title), if you are a victim the statistics don't matter. OVDA continues to move the dial by requesting and supporting legislation what will make a real difference for consumers harmed by bad actors in the vehicle sales industry.

Oregon dealers across the state urge you to oppose moving House Bill 2975-A. Instead, the proponents should be willing to work with dealers and all other stakeholders at the Oregon Dealer Advisory Committee in crafting solutions with broad support. I will gladly answer any questions you have. Please call or email me at your convenience.

Oregon Vehicle Dealers Association

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