

## **Used Motor Vehicle and Parts Commission Report** **By ADR Staff**

Chairman John Longacre convened the September 10, 2013 session of the Used Motor Vehicle and Parts Commission (UMV&PC). Following roll call, approval of the August meeting minutes, and approval of the executive session minutes at the August meeting, Longacre called on Commission Director John Maile for his report.

Director Maile noted that Expenditures Reports for both July and August were included in the Agenda packet. With regard to the Allen's Auto Sales case, Maile reported that the 30 day time period for Allen to appeal the ruling had expired. Investigator John Lancaster's recent inventory showed 16 vehicles remaining. Those vehicles must be transferred to an individual's name and are consequently subject to excise tax. Allen paid the fines associated with the case and the issue can be considered resolved. Nick Allen indicated his intention to go into the repair business; the Commission has not received an application for a used dealer license from Harry Allen.

Director Maile then reported on the bankruptcy of Wheeler Mobile Homes. The dealer had three locations, but was only required to carry one bond. At the time of bankruptcy, the dealer had customer deposits on a number of active transactions that cannot now be completed. Consumers will suffer a loss of \$80,000; the Commission has received 16 associated complaints. There is no statute or rule regarding who the bond accrues to; however, under current Commission practices, the bond accrues to the dealer rather than to the lot. Director Maile suggested the Commissioners revisit that issue at some point. If the bond accrued to the lot rather than the dealer, consumers would be better protected. Commissioner Ross noted that the insurance companies hesitate to assume such extended exposure to a single entity.

Chairman Longacre then called on John Lancaster for the Chief Investigator's report. Lancaster reported that during the preceding month four informal hearings had been held. Five fines had been levied: Hoffman Auto Sales of Oklahoma City was fined \$500; Legacy Motors of Oklahoma was fined \$250; Dave's Dip Stick Used Cars of Ardmore was fined \$250 for advertising violations; Auto Emporium of Oklahoma City was fined \$100 for late delivery of a title; Midwest Muscle/Motor Sports of Moore was fined \$250 for a Craigslist posting violation. In addition, staff had completed 14 inspections during the previous month and had also handled 21 complaints. Of the complaints, 7 were related to Title issues, 10 to Contract issues, 1 to Mechanical, and 3 to Miscellaneous.

Seventeen dealers attended the education program. Applicants for a new license and dealers involved in significant rule violations are required to attend the Commission's education program to acquire or maintain their state license. Sessions are held at 9 a.m. the second Monday of each month – one day prior to the Commission meeting – in the conference room at 2401 NW 23<sup>rd</sup>, Oklahoma City. Attendees are asked to call 405-521-3600 to make reservations so staff can plan appropriately.