Used Motor Vehicle and Parts Commission Report By ADR Staff

Chairman John Longacre convened the June 10, 2014, session of the Used Motor Vehicle and Parts Commission. Following roll call and approval of the May meeting minutes, Longacre called on Commission Director John Maile for the Director's report.

Director Maile reported that House Bill 1516, the Oklahoma Car Crusher Act, had passed and was signed by Governor Fallin. Director Maile noted that the Commission would need to write rules for the Oklahoma Car Crusher Act. The law goes into effect November 1, 2014. The emergency rules must be presented to Governor Fallin before November 1. The Governor will have 45 days to review and sign the rules. The Director also noted that Senate bill 582 had passed and was signed by the Governor. SB 582 addresses loopholes in the Tile 42 lien process and should be a great improvement for the dealers. Commissioner codding stated that OIADA was able to pass the legislation on behalf of dealers and the automotive industry.

Director Maile stated that complaints regarding internet advertising are becoming more prevalent. Some dealers post one price on the internet and have a different price for the vehicle at the store. Multiple prices are also posted depending upon where the ad is located. Director Maile does not believe that is a good business practice and recommended that rules be developed to address the issue. He suggested that the effort should be coordinated with the Oklahoma Motor Vehicle Commission since the complaints involve both new and used car dealers.

Maile advised the Commissioners that the field audits conducted by the Commission now include a review of the dealer's use or non-use of Buyers Guides. He noted that several dealers are not complying with the Federal Trade Commission' Used Car Rule that requires the posting of a Buyers Guide form in each vehicle offered for sale.

As a result of the floor-plan/consignment program being promoted by The Key dealership, proposed language for new consignment rules was distributed to Commissioners. A public hearing will be scheduled for the rules.

Chairman Longacre then called on Chief Investigator John Lancaster for his report.

Lancaster reported that staff completed 28 inspections, issued 19 cease and desist letters, and handled 28 complaints during May. Of the complaints, six were related to title issues, seven to contract issues, six to mechanical issues, eight to miscellaneous issues, and one to advertising. The Commission staff held 15 informal hearings involving Triple Nickel Truck Sales, Car USA Remarketing, Eagle International Auto Sales, Gerald Vaughn Auto Sales, Austin Motors, Mercury Auto Remarketing, MWC Sports & Imports, Noon Motors, RMC Auto Remarketing, SRB Wholesale Auto, Y2K Auto Finders, Remington Auto, Semi Used, Results Inc. Auto, Doug's Auto Deals.

Thirty-six dealers attended the on-site education program and thirteen attended the satellite education program in May. Applicants for a new license and dealers involved in significant rule violations are required to attend the Commission's on-site education program as a part of acquiring or maintaining a state license. These education sessions are being held in the conference room at 2401 NW 23, Oklahoma City. Classes are held on Monday prior to the Commission meeting on the second Tuesday of each month. The sessions run from 9 a.m. to about noon or 1 p.m. You are asked to make reservations so staff can be prepared to accommodate you. Call the Commission at 405-521-3600 to make your reservations.