

MOTOR VEHICLE ADVISORY BOARD | MINUTES

August 30, 2021 | 2:00 pm MST | Utah State Tax Commission 210 N 1950 W SLC UT 84134

Attendees	Others in attendance:	
Board Members in attendance:		Wayne Jones
Stephen Wade	Allan Shinney	Craig Bickmore
Kirk Schneider	Larry Ball	Jason Bickmore
Clint Martin	Cole McAfee	Chris Mantis
	Maria Islas	Adam Jones

Agenda topics

Call to order

Public comment (members of the public wishing to address the Motor Vehicle Advisory Board for up to three minutes)

Previous meeting minute review

Rule changes in the advertising guidelines

Proposed rule changes

Proposed bond legislation changes

Proposed legislation for 2022 Session

Title cases

Dealer plate issues

Adjourn

Discussion items:

Call to order

Public Comment

Prior meeting minute review

Rule changes in the advertising guidelines

Proposed rule change

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Proposed legislation for 2022 Session

Title cases

Dealer plate issues

Adjourn

Person responsible Title:

Stephen Wade	Board Chair
Stephen Wade	Board Chair
Open forum	None
Stephen Wade	Board Chair
Stephen Wade	Board Chair
Allan Shinney	MVED Director

Minute Details:

1. Meeting called to order
 2. Public comment: No public comment
 3. Minutes from May 2021 approved with unanimous vote.
 4. Rule changes in the advertising guidelines
 5. Proposed rule changes
 6. Proposed bond legislation changes
 7. Proposed legislation for 2022 Session
 8. Title cases
 9. Dealer plate issues
 10. Adjourn
- Stephen Wade – Call of order individually with names and titles.
 - Clint Martin – Making motion to approve minutes from last board meeting.
 - Stephen Wade – approved minutes.

Rule changes in the advertising guidelines and Proposed rule Changes

- Wayne Jones - Went over two sets of rules changes that were spoken about on the advisory board meeting over a year ago. (Recommended changes.)

First section there is three minor changes. Rule 873; Title and registration issues not motor vehicle enforcement issues. Housekeeping cleaning, changing when a person replaces a decal from a plate it says, "Place over the previous year" we changed it to "Place over or in place of". Second one demonstrating ownership in vehicle, particular if that vehicle has been impounded, we change the word "He" to "The person". We also added if they are the register owner, lease, or in position of the title they are obviously consider an owner but we also added "as a register lien holder of the vehicle."
- Allan Shinney – In the last two months we had to assist at least seven dealers to gets cars out of impound that it was a nightmare. I do not know if the issues we are facing you are really addressing them. Utah law does not required a dealer to have the vehicle on their name and the DMV is requiring it to be in their name. We have had to go and issue titles in dealer's names because those store fees add up very quickly. Logic should prevail. If we are the answer to that, we are happy to do it but just remember the DMV can be very difficult sometimes on those things that I think we should use the recommendation from MVED to

focus on sustainable proof of ownership to help us get the dealerships vehicles out of impound. Because it has been a nightmare.

- Wayne Jones – Our experience has been mostly a procedural thing. A lot of times the dealership who has documentation the impound yard will not let them in. This particular piece will clarify what is consider co-owner and owner, who has the ability to go in and inspect the vehicle or look at that vehicle that has been impounded to get that out. I think Director Shinney brings a good point on why it would be important in our line we would recommend a representative from the DMV sit on this meeting and we can talk on some of those issues.
- Stephen Wade – We need to make sure if we are making a change that it is strong enough so that we end up with what we really need. Who is going to set up that meeting?
- Wayne Jones – Once we go through all of this and the other rules I am actually going to talk to the DMV about those three things we talked about. We will set up an appointment with Monte Roberts the director of the DMV.
- Stephen Wade – Craig are you seeing the same kind of things with new cars?
- Craig Bickmore - Not with new cars.
- Wayne Jones – Is mostly a used car dealership issue that deals with buy here pay here is also an issue with financial institution as well. There was a legislation a couple years ago if you own that vehicle you can go and retrieve their own personal stuff. That was fixed and taken care of.
- Stephen Wade – In today’s market we are all used car dealers.
- Wayne Jones – Rule 877 on the first page second paragraph (R877-23V-5-7b) we have changed license “Number” to “Plate”. On page two (R877-23V-5-8d) also adding “plate number”. Down the page on section (R877-23V-5-11) we change “ten days” to “forty-five days”.
- Allan Shinney- Supports changes.
- Wayne Jones- On page three (R877-23V-7-2a) we inserted “Branded title”. Paragraph (R877-23V-7-2b) we added “or in transit to”.
- Craig Bickmore – it gives us an opportunity to advertise those vehicles, either from the auction or the manufacture.
- Allan Shinney- Utah currently only recognize five brands. If there is a hail damage vehicle in Texas and it comes in to Utah, Utah would issue a clean title on that vehicle because they do not have a hail damage thing. That would exclude by Utah law to list that brand and explanation under your statute. Just remember that is still going to show up in Carfax as a brand. We are seeing tons of those right now; there is over 30 brands that are used throughout the nation and Utah only recognizes five of them. This is worrying; we have so many complaints on this, more than we have ever got on the past. MVED recommendation would be to have the dealers title the vehicles in their name that would prevent that from happening.
- Wayne Jones- It sounds to me like there needs to be a statue changed to clear that that is something we could not do in this rule to clarify all those other 30 brands.

- Allan Shinney – The rule that you are proposing would not be a violation of the rule. We would go by what the Utah finish product is.
- Stephen Wade – Like Wayne said this would be a statute change.
- Craig Bickmore – We want all brands listed.
- Kirk Schneider – Do you want just to list branded title on the ads or do you want for us to list the specific brand?
- Wayne Jones - The rule we are dealing with deals with the statute. This is why I suggest a statute change on quote the definition of a branded title that includes all of them. That would be a policy decision that would be by the legislator for them to enforce or DMV to enforce.
- Allan Shinney – This would be the 30 brands that Amber recognizes, there is more than 30 brands out there. As you travel further East you get to see more brands, we get tons of brands that we do not recognize.
- Wayne Jones – In some places of the rule it says salvage vehicle or salvage certificate and I added any branded titles.
- Kirk Schneider – I think you should be allowed to say what the brand is in the advertising rather than just use the word branded.
- Wayne Jones – I think the language is right in the rule here that we are talking about branded titles where the flaw is in the statute. If we get the statute right anything, reference in the rule would be included.
- Allan Shinney – I think you are right. It would be a law change; the law was based on business practice 50 plus years ago. We have to accommodate to some of the surrounding states for sure as policy.
- Wayne Jones – Craig and I will look in to this a little further with Allan’s group to come up with something and maybe take that legislative.
- Craig Bickmore – What would you like to see?
- Clint Martin – It would make sense to have all 30 brands
- Wayne Jones – do you want to be required to list the type of brand like hail damage? Or do you just want to be available to disclose that it has a brand?
- Stephen Wade- I would be most concerned with contiguous dates. I rather say branded for hail damage.
- Clint Martin – It is worth considering giving the customer more information.
- Wayne Jones – It would be a good question to ask Christiansen what is the impact with insurance and everything related to the salvage issues.
- Craig Bickmore – Not necessarily, the insurance companies are thinking the same thing that you are, the less disclosed the better for them.
- Wayne Jones – Maybe we then put all the brands to be identified in AAMVA.
- Kirk Schneider – the more transparency the better off we are.

- Allan Shinney – We are seeing many parts only titles and the insurance companies are benefiting from them. The insurance companies will not insure some of these vehicles.
- Wayne Jones – Craig and I will get together on this.
- Craig Bickmore – The more transparency and options it gives us the better.
- Wayne Jones – Middle of the page three talks about doc fees (R877-23V-7-b-II) we removed “Fees” and change them to “charges”. We removed (R877-23V-7-b-IV) as is a duplicate of number one above. Page four (R877-23V-7-K) we removed “So” to “Clearly”. (R877-23V-7-L) we added “at the time of the advertisement”.
- Allan Shinney – On millage We found out from the DMV if it’s a buy here pay here place and they are repossessing a vehicle the DMV if they don’t get odometer disclosure statement signed by the previous owner which is nearly impossible, they are marking the cars as not actual millage. That significantly affects the value on that vehicle. This is a DMV issue.
- Clint Martin - Isn’t that another reason to have someone from the DMV here to talk about those kind of things?
- Allan Shinney- Suzie is the one that is over that, we have had discussions with her but we have got nowhere. Craig and Wayne have invited the DMV here several times and they do not come I related to Scott Smith and he was very upset about that and promised they would be in attendance.
- Wayne Jones- Would it be appropriate for the Chair or from your team to formally request they attend this meeting?
- Clint Martin – Motion to formally invite the DMV to participate in this meeting on an ongoing basis.
- Stephen Wade- Motion pass
- Allan Shinney- We look on millage how long have you had the vehicle and a couple thousands on it.
- Stephen Wade – If we are going to ask the DMV to come here we need to have stated what we think it should be. We have to do our homework.
- Wayne Jones – We have a difficult time arranging thing with the DMV. We do the work here and take it up the chain as needed. On page five (R877-23V-7-N) removed “Property” to “Vehicle”. Page six (R877-23V-7-BB) I added “Any title brand or”. Will add a note for statue discussion.
- Allan Shinney- We need to add to statue on temporary off-site license. All this things are related, everything is coordinated we have to make decisions to make it equally for everyone.
- Chris Mantis – On the recycling side we are seeing a lot of work around and lop holes. It is really bad I am sure all of you have been affected by the catalytic converters, it is getting out of hand and the people that are doing it are right in front our face. Anyone in this room cannot do anything about it even the state cannot do anything about it. I think every person that takes catalytic converters if is off the car it needs to have VIN number attach to it.
- Allan Shinney – I guarantee you the manufactures will never do that.

- Chris Mantis – I am saying the recycler. If we do not change some of the rules and legislations that we have now about being a dealer, because being a dealer and a towing person you can recycle your vehicle. I think the hammer should be done by the MVED. I do know for a fact this places are doing improper paperwork, it is a free for all right now. I have done anything in my power to fix this issue we are talking about thousands of vehicles. It is a big problem; they do not have to follow any guidelines.
- Allan Shinney - The biggest complaint I had when I took over was licensing and renewing dealers, we focused a lot our resource on expediting these things and embracing the DMV police model to protect the industry, that's what we have done. I have requested new employees to handle recycling/dismantler license to define some of the things we need help to do. We are trying to take over dismantling permits from the DMV to help our licenses; the current waiting time on this is one year. We are trying to get the resources but we are not getting any support. Miscellaneous services handles all those issues you are talking about they don't want to compensate us, I don't think is fair for me to spend my budget money to do these things when they don't want to pay.
- Chris Mantis – You have to be a recycler to recycle a vehicle. If the state of Utah does not start to look at recycling, right now it going to get out of hand. There is nothing in the state of Utah right now that protects our citizens, recycling dealers and all that with recycling.
- Allan Shinney – We have asked for an attorney for so long and we still do not have an attorney. We might get it in 2023 and that is with me throwing a fit about every chance I get. The attorney can fix all of this but we got no attorney. We have issue citations on this and the courts will take the money and dismiss it. We have to do some changes there is to many lop holes.
- Wayne Jones – I will commit some time to talk about this with Chris and Allan and come back to report on this for the next advisory board meeting, maybe with some possible solutions. On the temporary off-site license, Craig and i will get in touch with Allan and get some details on that to finish that up. Doc fees on page seven (R877-23V-14-a) we have removed "and profit". (R877-23V-16-A) We have added "Upon the request of the licensee. Replacement of lost or stolen special plates are the discretion of the Division. Replacement of a special plate may be available upon availability of production of the special plate."
- Allan Shinney- If you want dealer plates we will get you dealer plates do not use transporter plates. Officers out there think dealers are abusing those dealer plates, if you get any issues like that we need to know about it right away.
- Wayne Jones – I would like to see if we can move this changes to present them to the tax commission so we can get those on an agenda to have the rules approved by the tax commission so we can move forward with this before the legislator starts again. If everyone is okay, I would like to see if Craig and I can work with Commissioner John Valentine to move this along, otherwise we would be talking about this for next year.
- Clint Martin – I would like to make a motion that we accept the proposal of the rule change as written with exemption of a couple of details that will be taken care of.
- Stephen Wade – Motion passes.

Proposed bond legislation changes

- Wayne Jones – My concern is even increasing from the current 75,000-dollar amount bonding companies still told us they would not go above the 75,000. I think we need to change the focus of the dealer bond is to protect consumers; it needs to be for failure to deliver title to make a payoff it should not be for fraud. We should be using the money for three things; we need to better educate dealers and customers. All what I am looking is changing when the court goes through the system and says this dealer is on violation and certain amount of money needs to be payed to these people; the court directs MVED to have the dealer pay from a fund rather than going to insurance and getting the money out of there, That what we are doing here changing where the money goes.
If we were to add, \$5 dollars from the temporary permit penalty and put that special fund under MVED for them to manage. There would be over 10 million-dollar fund that we would be able to pay claims. Newly licensed dealers would be required to deposit \$1,000 into the recovery fund when they apply for their license as part of the application process.
- Allan Shinney – We have not had a bond pay out in five years. This last we had five bond payouts. When they allow their credit line to adjust to protect their own interest to get their investment back, it puts MVED in a bad predicament.
- Wayne Jones – Dealer and consumer education is very important. Some of the dealerships out there have no clue. This would provide a good reliable resource out there for consumers and dealers. I would rather do this in a proactive basis then a reactive basis. This is a really good idea, it puts back money to the industry it helps educate us and puts all this things. I plan on meeting with Commissioner John Valentine on this and I plan to see if we can get the language put together on this to get this done this session. Other states have recovery funds.

Proposed legislation for 2022 session

- Craig Bickmore – If you are renting or you have a condo and are trying to get a charging station some of the HOAs are saying you can't do that.
- Wayne Jones – On legislation two, on safety inspections bill I have not heard any more from that. I still have Christiansen we had this task on salvage and has been asking me for suggestions maybe we can satisfy him with the salvage issues we were talking about at the beginning of the meeting.

Title cases

- Allan Shinney – If any dealers new or used are having issues obtaining a title from actions we can help. If you have proof that you bought it, we can check for lean problems. MVED will issue the dealer the title, it will go to the dealer and then you take it to the DMV to be process just like normal. That includes out of state titles. Even dismantlers we will help. We need to have electronic titles and that is the biggest hold on it.
- Stephen Wade – I am getting out of this and it bothers me that you are not getting any help from the DMV.

Dealer plate issues

- Allan Shinney- If you want dealer plates we will get you dealer plates do not use transporter plates. Officers out there think dealers are abusing those dealer plates, if you get any issues like that we need to know about it right away. We are not going to preach to the law enforcement agencies in the state about the abuse of Transporter plates; if we need to have a rule change, we will change that to address the plate issues. It will help me educate the state agencies on transporter plates and dealer plates.

I have extended an Invitation to John Wesse. He will be filling John Watson's vacancy. We will probably swear him.

- Stephen Wade – I will have an issue with the date for next meeting.
- Allan Shinney – We can change the date for the next meeting, we can look in to November.
- Wayne Jones – We have to do something for John Watson and invite him to the next meeting.
- Stephen Wade – We as the advisory board will cover the cost for the packer.

Meeting adjourned. _