



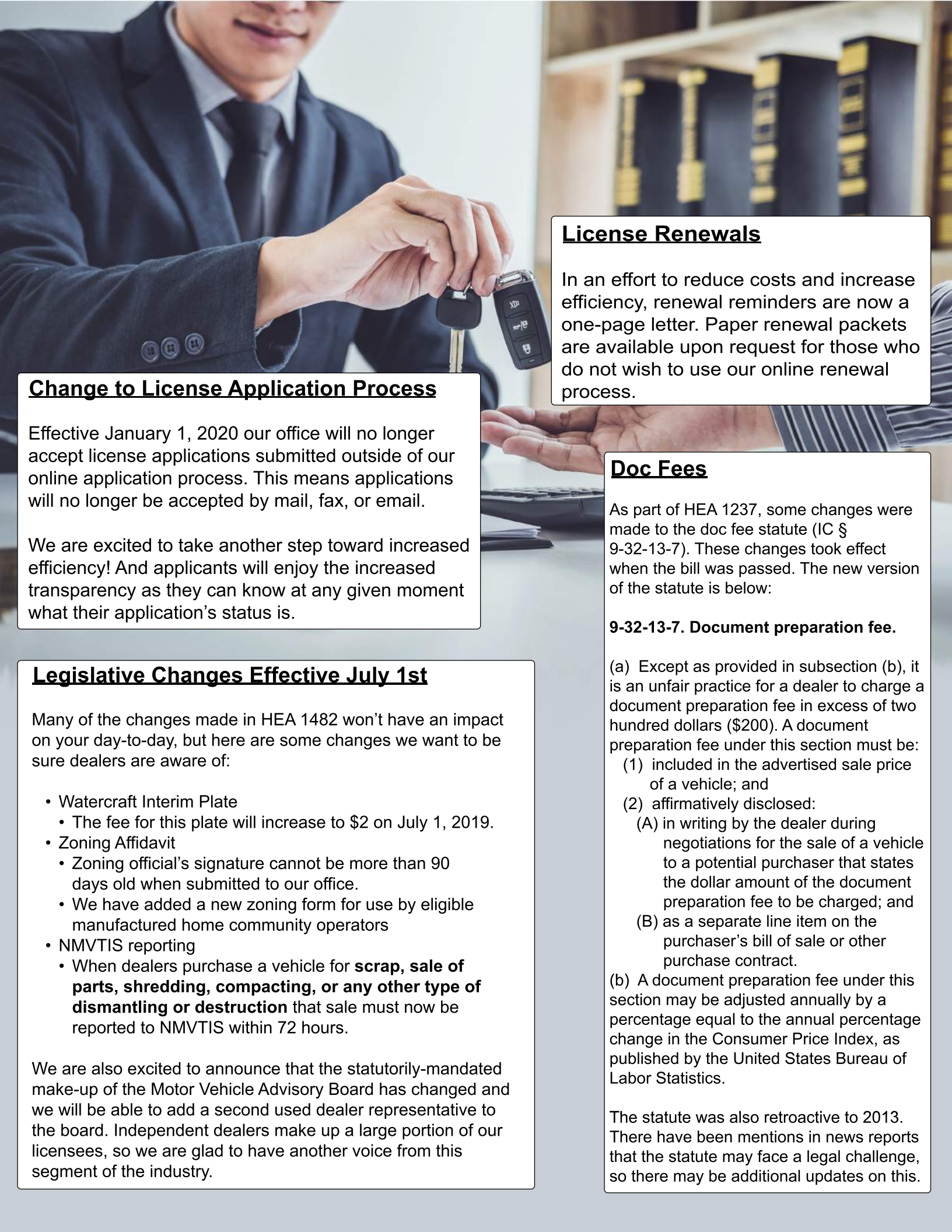
DEALER DIGEST

Change to License Application Process

A Message from DFI

Longtime Retirement in Auto Dealers

Auto Dealer Monthly Training



Change to License Application Process

Effective January 1, 2020 our office will no longer accept license applications submitted outside of our online application process. This means applications will no longer be accepted by mail, fax, or email.

We are excited to take another step toward increased efficiency! And applicants will enjoy the increased transparency as they can know at any given moment what their application's status is.

Legislative Changes Effective July 1st

Many of the changes made in HEA 1482 won't have an impact on your day-to-day, but here are some changes we want to be sure dealers are aware of:

- Watercraft Interim Plate
 - The fee for this plate will increase to \$2 on July 1, 2019.
- Zoning Affidavit
 - Zoning official's signature cannot be more than 90 days old when submitted to our office.
 - We have added a new zoning form for use by eligible manufactured home community operators
- NMVTIS reporting
 - When dealers purchase a vehicle for **scrap, sale of parts, shredding, compacting, or any other type of dismantling or destruction** that sale must now be reported to NMVTIS within 72 hours.

We are also excited to announce that the statutorily-mandated make-up of the Motor Vehicle Advisory Board has changed and we will be able to add a second used dealer representative to the board. Independent dealers make up a large portion of our licensees, so we are glad to have another voice from this segment of the industry.

License Renewals

In an effort to reduce costs and increase efficiency, renewal reminders are now a one-page letter. Paper renewal packets are available upon request for those who do not wish to use our online renewal process.

Doc Fees

As part of HEA 1237, some changes were made to the doc fee statute (IC § 9-32-13-7). These changes took effect when the bill was passed. The new version of the statute is below:

9-32-13-7. Document preparation fee.

(a) Except as provided in subsection (b), it is an unfair practice for a dealer to charge a document preparation fee in excess of two hundred dollars (\$200). A document preparation fee under this section must be:

- (1) included in the advertised sale price of a vehicle; and
- (2) affirmatively disclosed:
 - (A) in writing by the dealer during negotiations for the sale of a vehicle to a potential purchaser that states the dollar amount of the document preparation fee to be charged; and
 - (B) as a separate line item on the purchaser's bill of sale or other purchase contract.

(b) A document preparation fee under this section may be adjusted annually by a percentage equal to the annual percentage change in the Consumer Price Index, as published by the United States Bureau of Labor Statistics.

The statute was also retroactive to 2013. There have been mentions in news reports that the statute may face a legal challenge, so there may be additional updates on this.

A Message from the Indiana Department of Financial Institutions:

The Indiana Department of Financial Institutions (Department) is tasked with regulating the consumer credit activities of Indiana Auto Dealers. This includes in-house financing such as buy-here, pay-here activities, consumers leases, as well as indirect lending such as assigning agreements to another entity or financial institution.

Auto Dealers that are “**regularly engaged**” in consumer credit must complete and return a Notice of Intent within thirty (30) days after commencing business to become registered with the Department. Regularly engaged means extending consumer credit more than twenty-five (25) times in a preceding calendar year; or extends or will extend consumer credit more than twenty-five (25) times in the current calendar year. There are no initial fees to file this notification with the Department.

If Indiana law requires registration with the Department, auto dealers will undergo routine compliance examinations. Dealers can expect an initial examination within 12 months after registration, and periodic examinations after that based on compliance history. An additional requirement is the annual completion of the Creditor’s Notification Return Form. Forms are often mailed to dealers with the address we have on file in December and are due the following January 31st.

Dealers are advised to contact the Department with any questions.

The following are a list of common compliance issues we see with auto dealers during examination:

- Dealers that are not regularly engaged or selling cars on a cash only basis are not required to be registered with the Department.
- Failure to accurately and timely complete and return the required annual filing by January 31st of each year. Failing to complete this annual form will place the registration in a delinquent/not good standing status. Dealers in a delinquent status with the Department are reported to the Dealer Services Division.
- Those dealers offering ancillary products, such as credit insurance or guaranteed auto protection (GAP), on “assigned” contracts to another entity or financial institution must have adequate policies and procedures in place to ensure those entities or financial institutions provide information on

Indiana Department of Financial Institutions
30 S. Meridian St, Suite 300
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Auto Dealer Services Division Training Opportunities

The Indiana Secretary of State Auto Dealer Services Division is hosting free in-person Multi-Agency Dealer Education sessions in association with the Indiana Department of Financial Institutions, Indiana Bureau of Motor Vehicles, Indiana Department of Revenue and the Indiana Attorney General's office. These agencies will offer individual agency presentations along with available time to speak to the agencies personally. We kick off these sessions on July 23rd in Indianapolis with four more sessions being held in Terre Haute, South Bend, Richmond and Columbus. Invitations for each location will be sent out weeks prior to the event.

We also offer training for dealers each month and includes topics such as What to Expect in an Audit, Dealer/Interim Plate Usage, and Common Violations. These sessions are held at the Government Center in Indianapolis (302 W Washington St). Please refer to the schedule below.

Monthly Auto Dealer Training Session Monday, August 19, 2019.

Start Time: 1:00 pm End Time: 3:00 pm

Location: **Conference D**

Monthly Auto Dealer Training Session Monday, September 16, 2019.

Start Time: 1:00 pm End Time: 3:00 pm

Location: **Conference 14**

Monthly Auto Dealer Training Session Monday, October 21, 2019.

Start Time: 1:00 pm End Time: 3:00 pm

Location: **Conference 14**

Monthly Auto Dealer Training Session Monday, November 18, 2019.

Start Time: 1:00 pm End Time: 3:00 pm

Location: **Conference 14**

Monthly Auto Dealer Training Session Monday, December 16, 2019.

Start Time: 1:00 pm End Time: 3:00 pm

Location: **Conference 14**



For questions regarding any of the training offered, contact Rhonda Miller - Outreach Coordinator and Field Examiner at rhmillersos@sos.in.gov.

Auto Dealer Services Retirement

Gary Humphries will be retiring from the Dealer Services Division after many years of stellar service. His last day in the office will be July 5, 2019. Please join us in wishing Gary all the best in his retirement.

Stepping into Gary's role as our new Licensing and Compliance Manager will be Katelyn Knecht. Katelyn most recently worked at a Kiawah Island, South Carolina resort from 2010-2019.





DEALER DIGEST

Contact us!

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