

Motor Vehicle Advisory Board

Conference Room 130

September 15, 2015 2:30 pm

Meeting called to order at 2:36 pm

Secretary Lawson welcome and introduction of Auto Dealer Services Division Senior Counsel, Rachael Ehlich.

Adoption of Minutes- motion and second, minutes from the June 30, 2015 meeting are adopted.

Election of Vice Chairperson & Secretary: Fritz nominated as Secretary, Mark Fuson nominated as Vice Chair.

Update from Secretary Lawson- Updating board members on the replacement of our dealer licensing system, miscellaneous office investigations, and a new car buying policy applicable to Secretary of State employees that work on dealer related matters.

Ethics Rules- Melissa Reynolds discussed the ethics requirements for the board members, including completion of the online training course, conflicts of interest, and state contracts. Jerry Bonnet provided additional detail concerning the ethics requirements and passed out a guide to completing the online ethics training course, including login information. Melissa stated she would be sending emails to each board member reminding them of the ethics training and their login information by the end of the week.

Expense Reimbursement - Melissa Reynolds explained that the board members are eligible for reimbursement for mileage and per diem for attendance at board meetings, including electronic participation. Chris Stanton requested forms to be submitted by Monday, September 21, 2015 in order to receive the per diem for this meeting.

Sale and Financing Questions- Questions to the board from Rachael Ehlich regarding date of sale.

What does a dealer consider to be “date of sale” or when is a sale considered final by the dealer? There was much discussion amongst the board members about what is considered a “sale.” Fritz mentioned that although they are under contract upon signing the buyer agreement and he allows the purchaser to take possession of the vehicle, he does not consider the sale to be final until the deal is fully funded. Mark Fuson also weighed in on this question and indicated it depends on a number of factors. Mark mentioned that he does not consider the sale to be final until marketable title is received.

Legislative Update from Melissa Reynolds:

The board went through the legislative summary previously emailed by Liz to discuss each topic.

Potential clarification to the unfair practice statutes was briefly mentioned.

The board agreed that by increasing the title delivery window from 21 days to 31 days, and by increasing the interim license plate from 30 days to 45 days, 98% of the title delivery problems currently experienced will be resolved. The board agreed this is a good time frame.

Melissa asked the board whether rebuilders should be authorized to sell only to other licensed dealers or otherwise having to comply with used dealer requirements. The board expressed some concern about these limitations and was not sure it needed to be changed.

Melissa discussed amending the definition of “dealer” to exempt those selling manufactured homes exclusively within the manufactured home community. The board agreed.

The lack of fees charged for several documents currently issued by the Secretary was discussed.

Melissa discussed the need to clarify bond and insurance requirements, and the board agreed.

Cory Archbold asked whether the office could consider adding watercraft plastic plates to Plates on Demand since they can be laminated. Melissa stated the office could look into that.

Melissa proposed and the board discussed the possibility of increasing the fees for all licenses to \$100 due to Indiana’s fees being lower than most other states’ fees.

The board discussed potential changes to allow the issuance of an interim license plate in certain situations (spot delivery). Melissa mentioned the possibility of adding a requirement that a dealer maintain a trade in vehicle until the deal is finalized. There was some discussion about what is required for a deal to be “final.”

Melissa proposed amending the term “automobile auctioneer” to “automobile auction” since the office licenses the business not the auctioneer. The board agreed. Senator Kruse advised the office to look at the new auctioneer statutes to ensure the office is consistent with those changes.

Melissa mentioned the possibility of amending the threshold for being a dealer from twelve (12) vehicles per year to five (5) vehicles per year to be consistent with the federal law and most other states. There was a lot of discussion about this proposed change. A few members were concerned about this change. Cory Archbold mentioned that he is unaware of why the threshold for watercraft dealers is six (6) watercraft per year, but did not see a problem with changing it to five (5) watercraft a year to be consistent.

The board discussed courtesy deliveries and the possibility of permitting new motor vehicle dealers to issue an interim license plate in certain situations. The board agreed with the office’s proposal.

Organizational day is Tuesday November 17th.

Suggested Meeting Date: Monday November 16th from 12:30 p.m. to 3:30 p.m..

Meeting adjourned: 4:30 p.m.