

MINUTES
AUTO INDUSTRY ENFORCEMENT DIVISION
RULEMAKING WORKING GROUP 2

Meeting of September 11, 2018
9:00 a.m.

1881 Pierce St.
Lakewood, CO 80214

Working Group Members Present

Bruce Zulauf (Chair, CDOR – Auto Industry Division)
Chris Rouze (Co-Chair – Auto Industry Division)
Chris Hartman, CDOR – Auto Industry Division
Leland Bebee, CDOR – Auto Industry Division
Beth Spellerberg, CDOR – Auto Industry Division
Brad Jones (Colorado Attorney General’s Office)
John Opeka, CDOR – Auto Industry Division
Frank Agos, CDOR – Auto Industry Division
Joshua Dexter, CDOR – Auto Industry Division
Todd O’Connell, Executive Director – CIADA
Michael Dommermuth, Esq. – CADA
Matthew Groves, CADA
Jerry Abboud – Powersports Dealers
Randall Biles – CADA

Director Zulauf opened the 2nd meeting of Group 2. Each working group member introduced themselves. These stakeholder meetings will be recorded and the audio posted on the Auto Industry Division website.

The following rules are under review:

Regulation 12-6-102(12)	Definition of “New” Motor Vehicle
Regulation 12-6-502(11)	Proposed Powersports Regulation – Definition of New Powersports Vehicle
Regulation 12-6-102(18)	Motor Vehicle Regulation – Various Wholesaler Matters
Regulation 12-6-506(20)	Proposed Powersports Regulation – Various Wholesaler Matters
Regulation 12-6-108(1)(e)	Motor Vehicle Regulation – Additional Wholesaler Matters

Regulation 12-6-508(1)(f)	Proposed Powersports Regulation – Additional Wholesaler Matters
Regulation 12-6-108(1)(h)(l)	Motor Vehicle Regulation – Wholesale Motor Vehicle Auction Dealer insurance and guarantee provisions
Regulation 12-6-108.5(2)	Motor Vehicle Regulation – Out-of-state temporary motor vehicle dealer’s license
Regulation 12-6-509(2)	Powersports Regulation – Out-of-state temporary motor vehicle dealer’s license
Regulation 12-6-109	Motor Vehicle Regulation – license posting requirements and place-of-business staffing requirements for sales activities
Regulation 12-6-510	Proposed Powersports Regulation – license posting requirements and place-of-business staffing requirements for sales activities
Regulation 12-6-117	Motor Vehicle Regulation – initial and on-going place-of-business requirements, including, e.g., adequate sanitary facilities
Regulation 12-6-519(1)	Powersports Regulation – initial and on-going place-of-business requirements, including, e.g., adequate sanitary facilities

Working Group Meeting Scope – Topics and Discussion

- Finalize the proposed changes in the set of rules on the Group 2 pairs for motor vehicles and powersports.

Mr. Bebee commented that the Rules that follow are in the same Rule Pairs as presented at the August 23, 2018 Initial Stakeholders/Working Group Meeting for the 2018 Rule Group 2 on the Motor Vehicle Dealer Board’s 2018 Regulatory Agenda.

Mr. Jones stated, based on the discussion from last stakeholder meeting, that motor homes (3500 miles) would be classified as a “new” motor vehicle per definition outlined in regulation 12-6-102(21). The Board has authority to make exceptions to the rule. The exceptions can be tied over to powersports vehicles.

The 2018 Rule Group 2 compilation of regulation comments/recommendations are as follows:

Rule Pair 1:

Regulation 12-6-102(12) – Motor Vehicle

Regulation 12-6-502(11) – Powersports

There was a lengthy discussion which resulted in concurrence by all parties.

Group took a 10 min. break - Reconvened at 10:19 a.m.

Rule Pair 3

**Regulation 12-6-108(1)(e) including materials formerly part of CCR205-1, Regulation #12-6-102(18)
Deletion of 12-6-102(18 and Revision of 12-6-108(1)(e) with modifications**

There was a lengthy discussion which resulted in concurrence by all parties.

Ms. Rouze inquired, with designated DMV staff regarding possible Title issues that may arise with new regulations. All information provided will be communicated to working group participants.

Rule Pair 5

Regulation 12-6-108.5(2)

Regulation 12-6-509(2)

There was a lengthy discussion which resulted in concurrence of modifications by all parties.

Rule Pair 6

Regulation 12-6-109

Regulation 12-6-510 - Create new Regulation with recommended modifications

There was a lengthy discussion which resulted in concurrence of modifications by all parties.

Rule Pair 7

Regulation 12-6-117

Regulation 12-6-519(1)

There was a lengthy discussion which resulted in concurrence by all parties.

**Regulation 12-6-102(18) – Delete regulation accompanied by combination of substantive materials
from Regulation 12-6-108(1)(e)**

Regulation 12-6-506(2) – Proposed Regulation Number

Regulation 12-6-108(1)(h)(I) – Deletion

There was a lengthy discussion which resulted in concurrence by all parties.

Director Zulauf stated that a Rulemaking Hearing for Group 2 rules is scheduled for Thursday, October 25, 2018.

Director Zulauf thanked everyone for their participation and adjourned the meeting at 10:50 a.m.

(Note: The minutes of these rulemaking working groups are very general in nature and only summarize the contents of the meeting. They are not verbatim transcripts and are based principally upon the digital recording of the meeting and upon the later collaboration of staff attendees to ensure that the summary faithfully captures the matters before the working group and the discussion the group had. The digital recording of the meeting is a permanent record of the Division, retained in the electronic filing system of Division, and is available on the Division's website.)