



**Newsletter of the
Colorado Motor Vehicle
Dealer Board
and
Auto Industry
Division**
AUGUST 2001, Vol. XXVII, No. 4

Jeff Carlson Joins Board

Jeff is a Colorado native born and raised in Greeley, Colorado. He graduated from University of Northern Colorado with a BA in Political Science. Jeff is married to Nancy Barney Carlson and has two grown children, Zach and Amanda. Nancy is a Mom, fund-raiser, has her real estate license, and is a great homemaker. Zach works at the dealership with Jeff in sales and Amanda just graduated from Wake Forest University. She will move to New York and become a business consultant for Accenture. Jeff states he loves the automobile business and has been in it for 28 years, 6 with Ford Motor Co. and 22 as a dealer. Jeff's professional memberships include chairman for the Ford Dealer Council Zone and Director for the Ford Dealer Advertising Fund. In the past Jeff has been the Vice President, Secretary and Director for the Colorado Automobile Dealers Association. He is currently the Chairman for CADA for 2001-2002.

In his spare time Jeff enjoys fishing, flying, hunting, and traveling. He plays golf but hasn't figured out how to enjoy it yet.

ROUTING BOX

Owner
Finance Manager
General Manager
Sales Manager

Director's Desk

by Kirk Martelon, Exec. Secretary/Director

Dealer Board – New Member and New Officers

Elections were held July 10, 2001 for the Motor Vehicle Dealer Board 2001-2002 officers. **Steve Perkins** of Centennial Leasing and Sales in Lakewood was elected President of the Board. First Vice President is **Fred Emich** of Auto Nation USA in Denver. **Lee Payne** of Planet Honda in Golden was elected Second Vice President.

Emich, Payne and new Board member **Jeff Carlson** of Glenwood Springs Ford are the new vehicle representatives to the Dealer Board. **Perkins** and **Mark Striegnitz** of Mark's Auto Sales in Denver represent used vehicle dealers. One of the used vehicle member positions is vacant. Public members of the Board are **Jim Varner**, **Gretchen Eberhardt** and **Greg Sopkin**.

Mike Faricy (former Board President) left the Board after his term expired on June 30th. After selling his dealership, **Mike Wieman** resigned his seat after 1 year of service on the Board. The Board and Auto Industry Division staff extends their good wishes and gratitude to Mike and Mike.

Governor Owens re-appointed Jim Varner to a three-year term and appointed Jeff Carlson to a three-year term.

Board members are appointed by the Governor for staggered three-year terms. The Board has the power to grant, deny, suspend, revoke and fine dealer and salesperson licenses. The Board also is empowered to adopt regulations that have the force of law as well as conduct hearings and monthly meetings. The license fees are also set by the Dealer Board each fiscal year.

The Dealer Board typically meets the second Tuesday of each month for a business meeting and the fourth Tuesday of each month for hearings. The meetings are open to people in the industry and the general public.

Investigation Insight

by Mary Marvin, Investigator Supvr.

The Gramm-Leach-Bliley Act requires the disclosure of a Privacy Policy regarding non-public consumer information. All buy-here/pay-here dealers must notify all customers that are still making payments to the dealer. All dealers assisting in arranging finance for a customer and all dealers who take a credit application from a customer must comply with this new law. The purpose of this act is to insure that financial institutions respect the privacy of their customers and protect the security of non-public personal information. Non-public information includes, but is not limited to, account balance information, payment history and credit card information;

information a consumer provides on an application to obtain a loan or any information that a consumer provides to a dealership or information otherwise obtained in connection with collecting or servicing a credit account. As soon as it is determined that you will be involved in the financing of a vehicle, before a credit application is taken, the consumer should be advised of your privacy policy. For detailed information you may wish to contact your dealers association.

Canadian vehicles are infiltrating the States. Make sure to thoroughly check your purchases. More on Canadian vehicles in the next issue.

Compliance Corner

by Mary Marvin, Compliance Mgr.

Many dealers are still confused with the Colorado State Statute regarding title delivery and the issuance of 60-day temporary registration permits. Colorado State Statute, 42-6-112 **has not changed**. 42-6-112 C.R.S., states "in order to facilitate initial registration of a vehicle, any dealer of motor vehicles, shall have

not more than thirty days from the date of sale of such vehicle to deliver or facilitate the delivery of the certificate of title to a purchaser or the holder of a chattel mortgage on such motor vehicle." Therefore, even though the temporary registration permit time frame has been increased to 60 days, all dealers must deliver title within thirty days.

Licensing Leads

by Larry Dyslin, Licensing Manager

We have received some license renewals where the dealer or salesperson is reporting a criminal conviction that occurred several months or even a year ago. The Dealer Law and Board Regulations require any licensed dealer, wholesaler or salesperson to give the Board written notice of any conviction of a felony or any crime pursuant to Title 18, articles 3, 4, or 5 of the Colorado Criminal Code. Such notice must be given within 30 days after receiving final judgment from the court. The licensee is responsible for providing complete information including copies of final judgments and pre-sentence reports. The law also states that failure to provide the required information is grounds for suspension or revocation of a license. We are asking all dealers and managers to cover this requirement in staff meetings so no one has a license revoked because of failure to provide the required notification. Your cooperation will

be appreciated.

Colorado law includes trailers in the definition of motor vehicles. Therefore, any dealer who sells trailers must be licensed. If the trailers are new, the dealer must have a franchise or letter from the manufacturer appointing the dealer as an authorized dealer. The manufacturer must also be licensed whether or not they are located in Colorado. When a dealer purchases boats as a package with the trailer included, it is the dealer's responsibility to make sure that the various manufacturers of boat trailers are licensed to do business in Colorado. Check with your boat supplier to obtain a list of trailer manufacturers and ask them if they are licensed in Colorado. This will help you avoid problems and possibly complaints from your customers when their application for title is rejected by the county clerk because the manufacturer is not licensed.

Titles and Registrations Legislative Update

By Mary Tuttle and Chris Lowe

State Sales Tax Rate Reduction for Heavy Trucks (HB 00-1259)

Beginning July 1, 2001 through June 30, 2002, the Colorado State sales tax rate will change from 2.9% to .01% on purchases or new leases of new and used heavy trucks. This rate reduction is temporary and applies when the excess revenue fund balance exceeds \$350,000,000 (as adjusted annually).

The rate reduction only applies to state sales tax - not to any local jurisdiction sales tax.

Heavy trucks include new or used commercial trucks, truck tractors, tractors, semitrailers, or vehicles used in combination there with that have a *gross vehicle weight rating* (GVWR) in excess of 26,000 pounds.

Permanent and Temporary Title Fee Increase (HB 01-1100)

Effective September 1, 2001, there will be a \$.70 increase to all title applications. In addition to this permanent increase, there will be a temporary title fee increase of \$2.30 on new title applications effective until September 1, 2004. This temporary increase does not apply to refinance or duplicate title applications.

Summary of new title fees as of September 1, 2001:

New title application	\$ 9.50
Refinance (includes name change, adding or dropping name)	\$ 7.20
Duplicate title application	\$ 8.20

COMMERCIAL VEHICLE DEFINITION (SB 01-005)

Effective August 16, 2001, a use-based definition for commercial vehicles will be established. Vehicle owners will be required to declare, at time of

registration, whether or not their vehicle(s) is used for commercial purposes.

BROOMFIELD COUNTY (SB 01-102)

Effective November 15, 2001, the City and County of Broomfield becomes a designated agent of the Department of Revenue for the purpose of titling, registration of vehicles and the collection of vehicle ownership fees and taxes.

Legal Name(s) Required on All Title Applications

Effective August 1, 2001 all title applications should be completed in the legal name of the individual(s). Vehicles titled in the name of a business or trust should have the full name of the entity on the application.

The Application for Title and/or Registration (DR 2411) will be modified to indicate that the legal name is required with a brief definition of legal name and requesting that the name is the same as listed on the individual(s) driver's license, if applicable.

A copy of the driver's license is not required to be submitted with the title application when the application is in the name of an individual.

Share The Wheels

Owners, managers, salespersons and office staff can all benefit from reading *Wheels*. The articles provide information on topics that affect the many different employee functions. Keep you staff knowledgeable, "Share the Wheels".

DEALER BOARD ACTIONS

Gary Anderson, dba Anderson Motors-Burlington #8604 – failure to perform a written agreement. **LICENSE REVOKED.**

William Hamilton, dba Hamilton Motors -Englewood - #8174 –failure to deliver title in 30 days, failure to issue a certificate of emissions compliance at time of sale. **LICENSE REVOKED.**

Jim Glibertson, dba Hwy 50 Auto Plex-Pueblo #8416 – Odometers and misrepresentation. **\$2,000 FINE, 6-MONTH PROBATION-RESTITUTION.**

Michael Burgio, dba Big Mikes Auto & Truck Center-Berthoud #4305 – failure to deliver title (8 counts), failure to honor written agreement and place of business. **LICENSE REVOKED**

Ed Schmidt, dba Schmidt Imports-Sterling #0311 – failure to deliver title, written agreement, fraudulent transaction, misrepresentation, aggravated motor vehicle theft, possession of a stolen vehicle, defrauding a secured creditor, place of business. **LICENSE REVOKED.**

Arvin Martensen, Salesperson – fraudulent business practice, violating any state or federal laws and acting as an unlicensed dealer. **LICENSE REVOKED.**

Pat Welsh, Salesperson. **LICENSE DENIED.**

Bruce Devenyns, Salesperson-Misrepresenting himself as salesperson, fraudulent business practice and unlicensed salesperson. **LICENSE SUMMARILY SUSPENDED.**

Mohammad Saffi, Salesperson – Criminal record and material misstatement. **LICENSE REVOKED.**

DEALER BOARD MEMBERS

President, Steve Perkins

First Vice President, Fred Emich

Second Vice President, Leo J. Payne

Gretchen Eberhardt, Jeff Carlson, Greg Sopkin,

Mark Striegnitz, Jim Varner

Executive Secretary, Kirk J. Martelon

AUTO INDUSTRY DIVISION

Division Director, Kirk J. Martelon

Licensing Manager, Larry Dyslin

Investigator Supervisor, Mary Marvin

Public Information Officer, Kaye Kopecky

Correspondence is welcome. Address to:

Auto Industry Division

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E-mail: dealers@spike.dor.state.co.us

Internet: www.mv.state.co.us/dealer.html

C A L E N D A R

Dealer Board Business Meeting: Second Tuesday of each month at 9:00 am, 1881 Pierce St, Lakewood.

Dealer Board Hearings: Fourth Tuesday of each month, if necessary, at 9:00 am, 1881 Pierce St, Lakewood.

License Law Seminar - Colorado Springs: First Tuesday of each month at 10:00 am, 3650 Austin Bluffs Pkwy, Ste. 188, in the Shops of the Bluffs Mall, Colorado Springs.

License Law Seminar - Lakewood: Third Tuesday of each month at 9:00 am, 1881 Pierce St, in the Department of Revenue Building, Conf. Rm. C, Lakewood.

Note: Times and locations are subject to change.

Call the Auto Industry Division at (303) 205-5604.

Please note: While every effort is made to make the information in *Wheels* as accurate and helpful as possible, it is not offered as a substitute for legal advice.

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