

**MOTOR VEHICLE DEALER BOARD
MINUTES**

February 21, 2023

The regular meeting of the Dealer Board was held via video conference with Cisco Webex. The following persons were virtually present:

BOARD MEMBERS:

Charla Berens
Kathleen Chandler
Fletcher Flower
Amanda Gordon
David Guttenberg
Kevin Shaughnessy
Seth Wong

MEMBERS ABSENT:

EXECUTIVE SECRETARY:

Chris Rouze

DEPT. OF REVENUE SBG/AID STAFF:

John Opeka
Frank Agos
Gloria Breeden
Joshua Dexter
Michael Calo
Billy Maestas
Tim Rotter
Rob Urbach
Doug Knox
John Bulman
Cheryl Morrison
Arleen Criddell Tapanen

ATTORNEY GENERAL'S OFFICE:

Sarah Killeen
Sue Kim

VISITORS:

Matthew Groves, CADA
David Cardella, CIADA
Stover Farland

President, Amanda Gordon, opened the meeting of February 21, 2023, at 9:02 a.m. Ms. Gordon turned the floor over to Executive Secretary, Chris Rouze.
*Recording does not capture the start time.

AGENDA REVIEW AND ANNOUNCEMENTS

Ms. Rouze announced that meetings of the Colorado Motor Vehicle Dealer Board are opened to the public and are recorded. Members of the press may be in attendance and all comments, contributions, videos, images, and documents presented during the public session of the Colorado Motor Vehicle Dealer Board are considered public open records. Members of the media should direct any inquiries about this meeting and or open records to the Division's public information officer, Suzanne Karrer.

Ms. Rouze informed all that the Governor has appointed Mr. Matthew Gebhardt to the Board. Mr. Gebhardt will attend next month's meeting.

MINUTES

The minutes of the January 17, 2023, meeting was unanimously approved.

EXECUTIVE SECRETARY REPORT

Ms. Rouze presented the following to the Board:

- **Draft Agency Final Order - Michael James Cain, Motor Vehicle Salesperson License #30568** -Ms. Kim discussed the Draft Agency Final Order with the Board. Motion was made to adopt the final order as written - passed 5-1 (Mr. Wong opposed).
- **SB23-019 - Out-of-state Online Retail Vehicle Purchases** - This is a departmental bill. The bill has made it through the Senate and the House of Representatives and is on its way to the Governor's office for his signature. This bill requires online retailers selling motor vehicles or powersports vehicles to comply with Colorado laws and regulations and places them under the Board's jurisdiction when they sell a vehicle to a Colorado consumer. Once signed into law, the Division will work with stakeholders to provide guidance to out-of-state online sellers, and we may engage the Board in rulemaking activities if needed.

Ms. Rouze thanked Mr. David Cardella of CIADA and Mr. Michael Groves of CADA for their testimony and support of this bill.

Board members expressed their appreciation for the Division's diligence in walking the bill through the legislative process.

COMPLAINT INVESTIGATIONS REPORT

Mr. Opeka presented the following to the Board:

Statistical Reporting - Mr. Opeka informed the Board that we ended December with 297 cases, 106 new cases were opened, and 103 cases were closed, giving the Division a balance of 300 open cases. There were 137 background inquiries performed.

Affidavits of Probable Cause:

- **All-Wheel Drive Motors, Inc., DL #45238** - Motion that the Board find probable cause based upon the Affidavit of Probable Cause presented to the Board today respective to All-Wheel Drive Motors, Inc., Dealer License #45238; and that the case be assigned to the Office of Administrative Courts for a hearing on the merits and that the Executive Secretary be permitted to engage in settlement negotiations pursuant to C.R.S. 44-20-104 - passed unanimously.
- **Alpine Buick GMC South, Inc., DL #44338** - Motion that the Board find probable cause based upon the Affidavit of Probable Cause presented to the Board today respective to Alpine Buick GMC South, Inc., Dealer License #44338; and that the case be assigned to the Office of Administrative Courts for a hearing on the merits and that the Executive Secretary be permitted to engage in settlement negotiations pursuant to C.R.S. 44-20-104 - passed unanimously.
- **KEB Used Cars, DL #41769** - Motion that the Board find probable cause based upon the Affidavit of Probable Cause presented to the Board today respective to KEB Used Cars, Dealer License #41769; and that the case be assigned to the Office of Administrative Courts for a hearing on the merits and that the Executive Secretary be permitted to engage in settlement negotiations pursuant to C.R.S. 44-20-104 - passed unanimously.
- **Off-Road Automotive, DL #44485** - Motion that the Board find probable cause based upon the Affidavit of Probable Cause presented to the Board today respective to Off-Road Automotive, Dealer License #44485; and that the case be assigned to the Office of Administrative Courts for a hearing on the merits and that the Executive Secretary be permitted to engage in settlement negotiations pursuant to C.R.S. 44-20-104 - passed unanimously.
- **Premier Truck and Auto Center, DL #43752** - Motion that the Board find probable cause based upon the Affidavit of Probable Cause presented to the Board today respective to Premier Truck and Auto Center, Dealer License #43752; and that the case be assigned to the Office of Administrative Courts for a hearing on the merits and that the Executive Secretary be permitted to engage in settlement negotiations pursuant to C.R.S. 44-20-104 - passed unanimously.

- **Robert Finnegan, SL #21274** - Motion that the Board find probable cause based upon the Affidavit of Probable Cause presented to the Board today respective to Robert Finnegan, Salesperson License #21274; and that the case be assigned to the Colorado Department of Revenue Hearing Division for a hearing on the merits - passed unanimously.
- **Wayne Paul Stafford, Jr., SL #209007** - Motion that the Board find probable cause based upon the Affidavit of Probable Cause presented to the Board today respective to Wayne Paul Stafford, Jr., Salesperson License #209007; and that the case be assigned to the Colorado Department of Revenue Hearing Division for a hearing on the merits - passed unanimously.

New Business - Ms. Rouze stated that fee setting is coming up in April and that she, along with the Budget team, are working on scenarios for the Board's review. Ms. Rouze asked members if they felt the industry licensees will grow, contract or stay the same in the upcoming year.

Mr. Shaughnessy stated that his company's manufacturers are anticipating some level of growth in 2023 motor vehicle sales. He further stated that in 2022 sales were driven by consumer demand. Mr. Shaughnessy anticipates a slight growth in volume for both new and used vehicle sales in the upcoming year, which will be a supply-driven marketplace rather than a demand-driven marketplace. Overall, staffing for 2023 should remain stable.

The Board had a lengthy discussion regarding supply trends possibly supplemented by manufacturer incentives, online sales, brick and mortar sales, licensees paying their own fee as well as the Division being supported by fees.

Public Comment - Mr. David Cardella of CIADA commended Ms. Rouze and the Division for their work on SB23-019. He further stated that regarding fee setting, he would like to see fees remain the same if the budget allows.

Mr. Matthew Groves of CADA suggested that sometime this year the Board talk about the way people are licensed, specifically multiple licenses when entities are housed in the same location.

The meeting of the Motor Vehicle Dealer Board was adjourned at 10:02 a.m.

(Note: The Minutes of the Motor Vehicle Dealer Board 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 Board and the actions the Board took. The digital recording of the meeting is a permanent record of the Board, retained in the electronic filing system of the Auto Industry Division, and is available as a resource for review, as needed.)

Chris J. Rouze
Executive Secretary

