

MOTOR VEHICLE DEALER BOARD MINUTES

April 21, 2020

The regular meeting of the Dealer Board was held at the Department of Revenue, Division of Gaming office, Lakewood, Colorado. The following persons were virtually present:

BOARD MEMBERS: Carrie Ann Baumgart
Charla Berens
Ramona Graves Bode
Fletcher Flower
John Linton
Matthew Porter
Luke Walch
Jason White
Michael Widhalm

SENIOR DIRECTOR OF ENFORCEMENT: Cory Amend

ACTING EXECUTIVE SECRETARY: Chris Rouze

**DEPT OF REVENUE,
AID, ENFORCEMENT
DIVISION STAFF:** Chris Hartman
Gloria Breedon
Arleen Criddell Tapanen

ATTORNEY GENERAL'S OFFICE: Brad Jones

VISITORS: Todd O'Connell, CIADA
David Cardella, CIADA
Suzanne Karrer, SDO

President, John Linton, opened the meeting of April 21, 2020 at 9:01 a.m. Mr. Linton turned the floor over to Acting Executive Secretary, Chris Rouze.

AGENDA REVIEW AND ANNOUNCEMENTS

Ms. Rouze informed the Board there were no changes to the agenda as posted.

FEE SETTING

Ryan Reather, Budget Director, informed the Board that we are starting the fiscal year with a zero fund balance. Due to the COVID 19 pandemic, a decline in the industry market is anticipated. Utilizing trends of previous years; specifically, 2008 when there was a significant increase in fees (90%) a 50% fee increase is being recommended. This would raise the original salesperson license fee to \$231 and the original dealer license fee to \$959.

Mr. Reather further stated that if there were no increase to fees, it would result in revenues totaling \$1M short of what expenditures typically would be. With the 50% fee increase, we would get the fund balance a little over \$600K and around 15%, which is slightly under the required 16.5%.

Assistant Attorney General, Brad Jones, reminded the Board of their statutory obligation to make a recommendation to the Executive Director of what the Board believes the fees should be based on their knowledge of the industry and the economy.

Ms. Rouze stated that historically, fees have been raised or lowered based on how well the economy and industry has been performing during a fiscal year while maintaining the required 16.5% in the reserve balance fund.

Mr. Porter made a motion to accept the proposed fee increase – passed unanimously.

MINUTES

The minutes of the February 18, 2020 meeting were approved unanimously.

BACKGROUND INVESTIGATIONS REPORT

Ms. Breeden presented the following to the Board:

Dealer Applications:

- **Big D Auto Sales #44628** – Motion to deny the license based on incomplete application and unfitness of financial character – passed unanimously.
- **CAA Autos #44676** – Motion to deny based on incomplete application and unfitness of financial character – passed unanimously.
- **EJ Exports LLC #44720** – Motion to grant the license – passed 7-1 (Berens opposed).
- **Tec Truck & Trailer (class change) #43070** – Motion to table for 30 days – passed unanimously.
- **Zipnby Motors LLC #44673** – Motion to table for 30 days – passed unanimously.

PERSONNEL UPDATE

Mr. Amend informed the Board that Chris Rouze has been appointed Director of the Auto Industry Division.

Mr. Jones recommended a formal motion be made to adopt Ms. Rouze as Executive Secretary of the MVDB.

Mr. White made a motion to adopt Director Rouze as Executive Secretary to the Motor Vehicle Dealer Board – passed unanimously.

New Business – None

Public Comment – None

The meeting of the Motor Vehicle Dealer Board was adjourned at 9:41 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