

**MINUTES**  
**AUTO INDUSTRY ENFORCEMENT DIVISION**  
**RULEMAKING WORKING GROUP 1**

**Meeting of September 4, 2019**  
**1:30 p.m.**

**1881 Pierce St.**  
**Lakewood, CO 80214**

**Working Group Members Present**

- Bruce Zulauf (Chair, CDOR – Auto Industry Division)
- Chris Rouze (Co-Chair, CDOR – Auto Industry Division)
- Chris Hartman, CDOR – Auto Industry Division
- Leland Bebee, CDOR – Auto Industry Division
- Beth Spellerberg, CDOR – Auto Industry Division
- Frank Agos, CDOR – Auto Industry Division
- Joshua Dexter, CDOR – Auto Industry Division
- John Opeka, CDOR – Auto Industry Division
- Suzanne Karrer, CDOR – SDO Enforcement
- Cory Amend, CDOR – Senior Director of Enforcement
- Brittany Wirth, CDOR – Legislative & Rules Coordinator
- Steve Perkins – President, Centennial Leasing & Sales
- Todd O’Connell, Executive Director – CIADA
- Michael Dommermuth, Esq. – CADA
- Matthew Groves, CADA
- Brad Jones (Colorado Attorney General’s Office)

Director Zulauf opened the meeting of Group 1 to review the 2019 Regulatory Agenda. 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:

<b>Regulation 44-20-121(3)(a)</b>	<b>Motor Vehicle Regulation – Definition of “Material Misstatement”</b>
<b>Regulation 44-20-121(6)(a)</b>	<b>Motor Vehicle Regulation – Definition of “Material Misstatement”</b>
<b>Regulation 44-20-420(3)(a)</b>	<b>Powersports Regulation – Definition of “Material Misstatement”</b>
<b>Regulation 44-20-420(5)(a)</b>	<b>Powersports Regulation – Definition of Material Misstatement”</b>
<b>Regulation 44-20-404(1)(1)</b>	<b>Powersports Regulation – ANSI Requirements</b>

Regulation 44-20-108(1)(b)	Motor Vehicle Regulation – Compensation Disclosures
Regulation 44-20-408(1)(b)	Powersports Regulation – Compensation Disclosures
Regulation 44-20-121(3)(c)	Motor Vehicle Regulation – Licensee self-reporting of criminal convictions
Regulation 44-20-121(6)(h)	Motor Vehicle Regulation – Licensee self-reporting of criminal convictions
Regulation 44-20-420(3)(c)	Powersports Regulation – Licensee self-reporting of criminal convictions
Regulation 44-20-420(6)(h)	Powersports Regulation – Licensee self-reporting of criminal convictions
Regulation 44-20-121(6)(f)	Motor Vehicle Regulation – Issuing, Reissuing and Posting Licenses
Regulation 44-20-420(5)(f)	Powersports Regulation – Issuing, Reissuing and Posting Licenses

**Working Group Meeting Scope – Topics and Discussion**

- Review drafts of proposed revisions to rules;
- Determine if a second Group meeting is needed.

Director Zulauf explained the rulemaking process, which consists of reviewing the rules and discussing input written and verbal provided by stakeholders and the Division’s subject matter experts.

Mr. Bebee commented that this regulatory compilation provides an initial framework for Stakeholders to discuss each listed regulation in the course of the Stakeholder meetings. The regulations appear as a solitary or in rule groupings to ensure concurrent consideration of parallel regulations respective to Motor Vehicles and Powersports Vehicles.

The 2019 Rule Group 1 compilation of regulation comments are as follows:

**Regulation 44-20-121(3)(a) & Regulation 44-20-121(6)(a)12-6-104(3)(o)** - The Division's proposed recommendations were reviewed.

Mr. Dommermuth, Esq – CADA suggested change of verbiage to sub-paragraph (d) throughout. The current version grants the Motor Vehicle Dealer Board broader discretion when reviewing applications.

**Regulation 44-20-420(3)(a) & Regulation 44-20-420(5)(a)** - Mr. Dommermuth suggests changes to paragraph 1 sub-section (c).

After a lengthy discussion, all concurred with change to language recommendations made by Mr. Jones.

**Regulation 44-20-404(1)(1)** - Mr. Bebee stated that he has spoken with Jerry Abboud, Executive Director of the Powersports Association of Colorado and he agrees with the Division's proposed recommendations.

After discussion, all concurred with proposed recommendation.

**Regulation 44-20-108(1)(b) & Regulation 44-20-408(1)(b)** - After a lengthy discussion, all parties concur with the recommended revisions to the language.

Group took a 15 min. break - Reconvened at 3:26 p.m.

**Regulation 44-20-121(3)(c) & Regulation 44-20-121(6)(h)**

Mr. Jones stated that rules 44-21-21 and 44-21-21(3)(c) would be combined to make a single regulation so that rules will apply to all licenses issued by the Motor Vehicle Dealer Board.

After a lengthy discussion, there was a collective recommendation to make additions to verbiage in paragraph 2. All parties concurred.

**Regulation 44-20-420(3)(c) & Regulation 44-20-420(6)(h)**

All parties concur with the recommended revision to Powersports parallel rule.

**Regulation 44-20-121(6)(f) & Regulation 44-20-420(5)(f)** - The Division recommends merging these rules into two other existing rules to achieve a more comprehensive set of rules that will track procedures already in use and clarify responsibilities.

The collective working group concurred with the recommendation for motor vehicle and powersports rules respectively.

A consensus was reached by all parties to move forward with recommended revisions by close of business Friday, September 6, 2019.

Director Zulauf stated that once revisions are made and all public comments received, the formal notice to the Secretary of State's office will be made and a Rulemaking Hearing scheduled for October 15, 2019 at 1:00 p.m.

Public Comment - Mr. Perkins stated that it has been an honor and privilege to work with Mr. Zulauf and he appreciated his tutelage through the years.

Mr. Dommermuth expressed his gratitude for Mr. Zulauf's tremendous leadership.

Director Zulauf thanked everyone for their participation and adjourned the meeting at 4:40 p.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.)***