

MINUTES
AUTO INDUSTRY ENFORCEMENT DIVISION
RULEMAKING WORKING GROUP 2

Meeting of September 19, 2017
1:00 p.m. – 3:30 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
John Opeka, CDOR – Auto Industry Division
Frank Agos, CDOR – Auto Industry Division
Leland Bebee, CDOR – Auto Industry Division
Gloria Breeden, CDOR – Auto Industry Division
Jason White – Board Member – Fay Myers Motorcycle World
Steve Perkins – Board Member – Centennial Leasing & Sales
Michael Dommermuth, Esq. – CADA
Matthew Groves , Legal Compliance - CADA
Brad Jones (Colorado Attorney General’s Office)
Jerry Abboud, Executive Director - PDAC

Director Zulauf opened the 1st meeting of Group 2 stakeholders to discuss their written input along with the Division’s subject matter experts with regard to the following Rules:

Regulation 12-6-102(16)	Off Premise Permits and Books/Records
Regulation 12-6-502(16)	Powersports – New Rule
Regulation 12-6-104(3)(e)	Default Authority by the Executive Secretary
Regulation 12-6-504(1)(e)(l)	Powersports – New Rule
Regulation 12-6-504(1)(l)	ANSI Requirements for Powersports Vehicles
Regulation 12-6-105(1)(b)	Additional Delegations of Authority to Exec. Secy.
Regulation 12-6-504(1)(b)	Additional Delegations of Authority to Exec. Secy.
Regulation 12-6-104(3)(i)	Dealer Signage for New and Used Motor Vehicle Dealers
Regulation 12-6-504(1)(j)	Dealer Signage for New and Used Powersports Dealers
Regulation 12-6-115(6)	Service of Process for Motor Vehicle Dealer Licensee on Executive Secretary
Regulation 12-6-517(6)	Service of Process for Powersports Dealer Licensee on Executive Secretary

Working Group Meeting Scope – Topics and Discussion

- Review the existing Regulations, above, including the impact of Senate Bill 17-240
- Consider the proposed Regulations, above, including the impact of Senate Bill 17-240.

Mr. Zulauf began by stating that the Division subject matter experts suggested no changes to Rule **12-6-104 (3) (e)**. The matter was opened to the floor and a lengthy discussion followed.

12-6-504 (1) (e) (I) – Format same as Motor Vehicle for proposed Powersports rule.

Mr. Dommermuth asked how an Affidavit of Probable of Cause is served on a Dealer. Mr. Zulauf provided a detailed scope of the process.

Mr. Jones stated that the AGO follows APA procedures when filing Notice of Charges.

Rule 12-6-105(1)(b) – The Division suggests modifying language to add “any type” of license.

12-6-504 (1) (b) – Format same as Motor Vehicle for proposed Powersports rule.

Mr. Dommermuth stated there is some concern in regards to the power the Executive Secretary position carries, such as setting the monthly Agenda for the Board.

Mr. Bebee reminded the group that a chain of command exists if abuse of power is occurring. A lengthy discussion followed.

Rule 12-6-104 (3) (i) – The Division suggest no changes. A lengthy discussion followed.

12-6-504 (1) (j) – Format same as Motor Vehicle for proposed Powersports rule.

Group took a 5 min. break - Reconvened at 2:45 p.m.

Rule 12-6-115 (6) – The Division suggest no change. Mr. Dommermuth suggests using the term “business days”. A lengthy discussion followed.

12-6-517 (6) – Format same as Motor Vehicle for proposed Powersports rule.

Rule 12-6-504 (1) (I) – The Division suggest change in language of the last sentence. Mr. Abboud believes clarity of the sentence would be in order.

Mr. Bebee and Mr. Abboud will work together to devise generic language to match the statute.

Rule 12-6-102 (16) – Mr. Zulauf states that this regulation has several components and there are concerns that the rule is attached to a definition.

In the past, CADA suggested comprising tiers. Mr. Dommermuth suggests moving the rule under the statute.

Mr. Zulauf suggested inclusion of a reasonable time-frame for process and issuance of Off-Premise permits. A lengthy discussion followed.

12-6-502 (16) – Format same as Motor Vehicle for proposed Powersports rule.

Director Zulauf requested that stakeholders submit their informal ideas in writing by close of business Monday, September 25.

Public Comment: None

Director Zulauf thanked everyone for their participation and adjourned the meeting at 3:55 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.)