

MINUTES
AUTO INDUSTRY ENFORCEMENT DIVISION
RULEMAKING WORKING GROUP 2

Meeting of September 28, 2017
 9:00 am – Noon

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)
 Corey Amend, Deputy Senior Director of Enforcement - CDOR
 Chris Hartman, CDOR – Auto Industry Division
 John Opeka, CDOR – Auto Industry Division
 Frank Agos, CDOR – Auto Industry Division
 Leland Bebee, CDOR – Auto Industry Division
 Helen Hayden, CDOR – Auto Industry Division
 Steve Perkins – Board Member – Centennial Leasing & Sales
 Michael Dommermuth, Esq. – CADA
 Matthew Groves, CADA
 Tim Jackson, CADA
 Brad Jones (Colorado Attorney General’s Office)
 Jep Seaman – Motorcycle Industry Council and the Alliance of Automobile Manufacturers

Director Zulauf opened the 2nd meeting of Group 2 stakeholders to review and discuss written comments provided from stakeholders and the Division’s subject matter experts in regards 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 agreed there was no need for substantive changes to many of the rules under review.

Mr. Dommermuth asked what would be the consequence if an individual failed to respond to a Default Judgment due to an address change.

Mr. Jones replied, the Division would only be required to use last known address.

Rule 12-6-104 (3) (e). The matter was opened to the floor and a lengthy discussion followed. There will be no substantive changes to this rule.

12-6-504 (1) (e) (l) – Subject matter experts and stakeholders will enter into Rulemaking to draft Powersports regulation.

Rule 12-6-105(1) (b) – The Division suggests modification to the last paragraph and authorize Executive Secretary to make recommendations to the Board to grant or deny “all” applications.

Mr. Bebee stated the need to change the actual Rule to 12-6-105 (2) (b). In addition, Mr. Bebee advised it is no longer necessary to use the “CRS” when referring to state statues, which would be consistent with the OLLS standards.

Mr. Seaman requested clarity about the need for subpoenas, etc. to be in written form. Mr. Jones said all would be in writing versus oral notifications by the Division. The matter was opened to the floor and a lengthy discussion followed.

Mr. Dommermuth re-visited concern in regards to the power the Executive Secretary position carries, such as setting the monthly Agenda for the Board. A lengthy discussion followed.

12-6-504 (1) (b) – Subject matter experts and stakeholders will enter into Rulemaking to draft Powersports regulation.

Group took a 10 min. break - Reconvened at 10:10 a.m.

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

12-6-504 (1) (j) – Subject matter experts and stakeholders will enter into Rulemaking to draft Powersports regulation.

Rule 12-6-115 (6) – All agreed to change language to “4 days” and discussion followed.

12-6-517 (6) – Subject matter experts and stakeholders will enter into Rulemaking to draft Powersports regulation.

Rule 12-6-504 (1) (I) – Mr. Seaman stated that the Motorcycle Industry Council wants to make sure Colorado rule recognizes the “Recreational Off-Highway Vehicle” classification and secondly, that the rule be drafted in a manner that as Federal rules change, Colorado rules also change. The matter was opened to the floor and a lengthy discussion followed.

Mr. Bebee, Mr. Abboud and Mr. Seaman will work together to devise a draft for review.

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. The matter was opened to the floor and a lengthy discussion followed.

Mr. Zulauf suggested inclusion of a reasonable timeframe for process and issuance of Off-Premise permits. A timeframe of 14 days would suffice.

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

Mr. Bebee distributed Mr. Troy Allen’s written submission and Mr. Opeka gave the group an overview of Mr. Allen’s concerns.

Mr. Dommermuth suggested omitting the word “Display”. A lengthy discussion followed.

CADA agreed to work on rule language and submitted their recommendations by October 12th so they can be distributed to stakeholders before the next meeting.

12-6-502 (16) – Subject matter experts and stakeholders will enter into Rulemaking to draft Powersports regulation.

Director Zulauf requested that stakeholders submit their informal ideas/drafts in writing by close of business Thursday, October 12. The next stakeholder meeting is scheduled for Tuesday, October 17 at 1:30 p.m.

Public Comment: None

Director Zulauf thanked everyone for their participation and adjourned the meeting at 12:15 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.)