

LICENSE PLATE AUCTION GROUP (LPAG)

Colorado Department of Revenue

1881 Pierce, Boards & Commissions Conference Room, Lakewood Colorado

September 30, 2013

Minutes to the Meeting

Members in Attendance: Maren Rubino, Rich Medina (via telephone), Bobby Juchem, Mark Simon (via telephone), Bob Gall, Ryan Carson, and Peter Kopp (via telephone)

Guests in Attendance: Kit Sage (self), Tony Anderson (DOR), LeeAnn Morrill (AG's office) (via telephone), Chris Hochmuth (DOR), Dylan Ikenouye (DOR), and Eric Maxfield (AG's office)

CONVENE:

The meeting was convened by Maren at 10:06 a.m.

Welcome to new Members:

Maren welcomed Bob Gall, Ryan Carson, and Peter Kopp who have been officially appointed as members of the License Plate Auction Group. Maren asked Bob, Ryan and Peter to give a little background as to their credentials and interests in the group.

Secretarial duties:

Maren volunteered Chris Hochmuth to take minutes for today's meeting until such time as the new members are more acclimated and settled in.

Approval of the Minutes:

Maren noted that it would be appropriate to only have those who had been committee members at the time to vote on the minutes of the preceding meeting (August) but that a quorum of those people did not exist so she opted to hold the vote over until next month.

Open meetings Act Training:

Mark Simon asked that this training be provided the committee. Maren asked that pursuant to C.R.S. 24-6-402 3. (a) (II) there be a motion to move the committee to Executive Session for this training, on the advice of counsel. Bobby made the motion and Bob 2nd. The motion passed unanimously. At this point Mr. Maxfield noted that we needed a 2/3 majority vote of the committee and that such quorum did not exist (7 of 11). Mr. Maxfield also noted that it might be possible to waive attorney client privilege to continue, but even that we need the same 2/3's vote.

Mr. Maxfield offered to provide the training next month. Maren then asked if the Motion and 2nd could be withdrawn and put off until the October 28th meeting. It was so agreed.

NEW BUSINESS:

- Peter Pike – officers: Peter was not present today, as he had another engagement. Maren said she would send the document (*Options for Boards and Committees*) provided by Gina Robinson at the last meeting, to the new members of the Committee for their review. Then have Peter go over this in depth at the next meeting.

OLD BUSINESS:

- Loan Update – Mark Simon: Mark said that Kelly and the Chair of the Contract committee were working on the contract, as the loan had been approved by the Contract Committee. Peter Kopp asked that an e-mail be sent out to the Committee (especially the new members) so they could get up to speed on the loan. Maren also pointed out that the minutes to these meetings are posted on the License Plate Auction Group website.
- SOW/RFP Update – Peter Pike: Peter was not here to provide the update, however, Maren was able to update the group that the RFP had been posted and there had been no responses at all. Consequently the period has been extended. Mark thought it had been extended to October 4th. There had been some communications with MyPlates.com asking for some information as well as from another unidentified company. At this time it is unknown if either of these companies has or will submit any sort of proposal.
- DOR Rule Proposal – Tony Anderson (Title and Registration Sections Operations Director): Maren noted that this is only a proposed Rule at this point and will have to proceed through the entire Rule making process before it is put into place. Rule 36 is the Rule that the Department of Revenue will use to address how plates auctioned by the LPAG are handled within Title and Registration Sections, Department of Revenue. Tony presented Proposed Rule 36 (attached) section by section. Below, are itemized the suggestions, concerns or changes that the Committee had for a redraft to present back to the committee:
 - ❖ 1.4 – Strike the last portion of the last sentence “and registration numbers containing symbols.”
 - ❖ 2.1 – Strike the sentence “For the purpose of license plate auctions the registration number may include any symbol on the American keyboard excluding the asterisk ‘*’.”
 - ❖ 2.3 – Change all of the references from 25 and 26 months to 13 and 14 months.
 - ❖ 2.8 – Needs to be reworded for clarification of registering a plate vs. having won the number and not asking for a plate to be made. Additionally, there needs to be something that determines what it is the winner has actually won and how long they have the right to “it”.
 - ❖ 2.9 and 2.10 – Also needs to be re-written to address the same concerns as in 2.8.
 - ❖ 2.10 – consider re-wording to address concerns with May, Must and Shall.
 - ❖ 2.11 – needs to have wording added that the plate may be transferred back to LPAG
 - ❖ 2.7 and 2.12 should be combined.
 - ❖ 2.14 – Needs to be re-worded to accommodate fees due other non-profits whose group special plates might be personalized.
 - ❖ 2.16 – Strike the word “if”.

Tony will make the above revisions and send the revised copy back out to the Committee.

Other Business:

There was none.

Peter Pike had joined the call and Maren asked him if he had anything he wanted to add in the last 5 min. of the meeting. He noted that the new RFP expired today. He believed that the subcommittee would have to be convened to review the applicants.

Mark moved and Bob 2nd that if there were one or less respondents to the RFP by end of day at 9:30 then it be extended 15 more days. Motion passed. Peter would inform Kelly about this motion. Bobby asked if the

committee were opening itself up to lawsuits, in case someone met and followed all of the requirements of the RFP and then had to wait while the RFT was extended to solicit other bids. Maren suggested a conversation take place with Kelly to find out what our options are, that the motion be withdrawn, and then take action only if it's necessary. Bob said he would do so.

Based on this discussion the motion was withdrawn by Mark and Bob.

Maren adjourned the meeting at 12:05 p.m.

Respectfully submitted
Chris Hochmuth
Administrative Services Supervisor
Title and Registration Sections
Department of Revenue

DEPARTMENT OF REVENUE

Division of Motor Vehicles – Title and Registration Section

1 CCR 204-10

RULE 36. AUCTIONED LICENSE PLATES

Basis: The statutory bases for this regulation are 42-1-204, 42-1-401, 42-1-402, 42-1-403, 42-1-404, 42-1-405, 42-1-406, 42-1-407, 42-3-201, 42-3-202, 42-3-203 and 42-3-211, C.R.S.

Purpose: The following rules and regulations are promulgated to establish requirements for auctioned license plate.

1.0 Definitions

- 1.1 “Alternative Materials” means a material that is not currently used in the manufacturer of license plates, but was previously used. Alternative materials may include, but are not limited to, porcelain, steel, alternative grade of aluminum than current grades being used.
- 1.2 “Department” for the purpose of this regulation means the Department of Revenue, Title and Registration Sections.
- 1.3 “Design Standards” or “Security Features” means the standards established in 42-3-201, 42-3-202 and 42-3-203, C.R.S.
- 1.4 “Non-Standard Numbering” means any registration number that is not standard numbering. Non-Standard typically means personalized license plates and for the purpose of auctioned license plates means single character registration numbers, and registration numbers containing symbols.
- 1.5 “Personalized License Plates” means license plates approved, manufactured, issued and registered to vehicles pursuant to 42-3-211, C.R.S.
- 1.6 “Registration Number” means the unique combination of letters and numbers assigned to a vehicle by the Department under section 42-3-201 and required to be displayed on the license plate by section 42-3-202.
- 1.7 “Rendered Unusable” means destruction, recycling, or other permanent disposal of license plates pursuant to 42-3-201(6), C.R.S. and Code of Colorado Regulation 1 CCR 204-10 Rule 41. License Plate Destruction, Recycling and Disposal.
- 1.8 “Reserved for Auction” means the License Plate Auction Group requested registration number to be reserved in motor vehicle and manufacturing systems to prevent the manufacturing, issuance, registration, renewal or any other transaction from being performed on the registration number until the registration number is released by the License Plate Auction Group.
- 1.9 “Standard Numbering” means the registration numbering formats and schemes used on license plates manufactured using standard processes. Current standard numbering means three numbers and three alphas (###AAA) and three alphas and three numbers (AAA###) that may or may not be separated by a dash “-”.

2.0 Requirements

- 2.1 Registration number refers to the actual license plate number and not the license plate type, vehicle type or inventory type. For the purpose of license plate auctions the registration number may include any symbol on the standard American keyboard excluding the asterisk “*”. All registration numbers and license plates that the auction winner elects to place the registration numbers on must meet the standards and criteria established by the Department.

- 2.2 The Department shall confirm availability of a registration number upon receipt of requests from the License Plate Auction Group pursuant to 42-1-404(2)(a), C.R.S.
- a. Requests shall only be submitted to the Department once every six months.
 - b. Requests shall be provided in writing listing each specific registration number, and registration number format exactly how the License Plate Auction Group will be listing the registration number for auction.
 - c. Additional requests outside of the once every six month statutory requirement may be requested upon obtaining prior approval from the Department.
- 2.3 Registration number availability shall be determined available to be reserved for auction by the below status of the registration number at the time of request by the License Plate Auction Group. Based on the status the Department shall report back to the License Plate Auction Group the availability of the registration number for auction.
- a. If the registration number is currently registered to a vehicle.
 - i. Registration number is not available to be reserved for auction.
 - b. If the registration number was previously registered to a vehicle and the length of time that it has not been registered (expired) from the last registration record on file.
 - i. If expired less than 25-months, registration number is not available to be reserved for auction.
 - ii. If expired greater than 26-months, registration number will be reserved for auction.
 - iii. If the License Plate Auction Group desires to check status of these registration numbers to determine if they remain expired the registration numbers shall be placed on the next request, as listed in paragraph 2.2a and 2.2b above, from the License Plate Auction Group.
 - c. If the registration number has been approved for issuance as a personalized license plate, but the Department has not received payment from the approved applicant required by 42-3-211, C.R.S.
 - i. If pending payment less than 25-months, registration number will not be reserved for auction.
 - ii. If pending payment greater than 26-months, registration number will be reserved for auction.
 - iii. If the License Plate Auction Group desires to check status of these registration numbers to determine if they remain a pending registration the registration numbers shall be placed on the next request, as listed in paragraph 2.2a and 2.2b above, from the License Plate Auction Group.

- d. If the registration number has been reserved for issuance as a personalized license plate pursuant to 42-3-211(9), C.R.S.
 - i. Registration number will not be reserved for auction.
 - e. If the registration number has been approved for issuance as a personalized license plate and the Department has received payment from the approved applicant required by 42-3-211, C.R.S.
 - i. If pending registration to the applicants' vehicle less than 25-months, registration number will not be reserved for auction.
 - ii. If pending registration to the applicants' vehicle greater than 26-months, registration number will be reserved for auction upon receipt of the license plate from the applicants' county and the plate being rendered unusable.
 - iii. If the License Plate Auction Group desires to check status of these registration numbers to determine if they remain a pending registration the registration numbers shall be placed on the next request, as listed in paragraph 2.2a and 2.2b above, from the License Plate Auction Group.
 - f. If the registration number has been manufactured and has not been issued. This validation will also determine which inventory location the registration number is on hand at.
 - i. License plate will be pulled from inventory, rendered unusable and the registration number will be reserved for auction.
 - g. If the registration number is offensive or misleading to the general public.
 - i. Registration number will not be reserved for auction.
 - h. Upon an owner and the License Plate Auction Group performing incentives for owners to turn in currently issued registration numbers for auction pursuant to 42-1-403(2)(k), C.R.S.
 - i. The License Plate Auction Group shall inform the Department, in writing, of the registration number turned in for incentives and the owners' name.
 - ii. Upon the owner performing a transaction replacing the registration number with a different registration number on his/her vehicle the registration number turned in as an incentive will be reserved for auction.
- 2.4 The License Plate Auction Group may release a registration number by successfully auctioning it or by informing the Department that it will no longer be offered for auction.
- 2.5 Upon successful auction of a registration number, the License Plate Auction Group shall provide written notification to the Department including the registration number and auction winners' name, phone number and mailing address.

- 2.6 Auction winner may determine which license plate the registration number will be placed on. The auction winner and/or vehicle must meet all requirements for the selected license plate before the registration number will be placed on the license plate. These requirements may be, but are not limited to, pre-certification requirements, vehicle type requirements, person specific requirements, payment of donations etc.
- 2.7 Upon successful payment of taxes and fees the license plate with winning registration number will be registered to the auction winners' vehicle.
- 2.8 If the auction winner fails to register the license plate to his/her vehicle within 13-months of the license plate being shipped to the county motor vehicle office the license plate will be returned to the Department and will be rendered unusable. The License Plate Auction Group will be informed to make a determination on what the status of the winning registration number should be placed at.
- 2.9 A License Plate, and the registration number on the license plate, is owned by all persons on the vehicle record that the registration number is registered to with the exception of auctioned registration numbers which shall be solely owned by the auction winner.
- 2.10 The auction winner may relinquish the rights to the registration number by contacting the Department in writing. The License Plate Auction Group will be informed to make a determination on what the status of the relinquished registration number should be placed at.
- 2.11 The auction winner and auctioned registration number are not transferrable.
- 2.12 The Department will not provide the license plate with winning registration number to the auction winner without the auction winner completing all title and registration requirements to register the registration number to his/her vehicle.
- 2.13 Upon the expiration of the registration number pursuant to 42-3-102 and 42-3-114, C.R.S., the License Plate Auction Group reserves the right to refuse the auction winner the right to retain the registration number and may allow the registration number to be placed back into the auction process.
 - a. If the License Plate Auction Group desires to check status of these registration numbers to determine if they remain registered to the auction winner the registration numbers shall be placed on the next request, as listed in paragraph 2.2a and 2.2b above, from the License Plate Auction Group.
- 2.14 The graphics, logos, fonts, tag lines, design standards and security features may not be altered or changed in any way. Specialty license plates may require additional approval from the license plate non-profit sponsor to allow the use of the images and colors owned and registered to that non-profit on license plates displaying auctioned registration numbers.
- 2.15 All non-standard numbering will result in the license plate logo being removed regardless of the number of digits.

- 2.16 Registration number auction winners may choose to place the auctioned registration number on license plates made of alternative materials if approved by the Department.
- a. Alternative materials must meet safety and security requirements required by the Department.
 - b. The auction winner shall pay all costs associated with obtaining and manufacturing the registration number on the alternative materials.