

TRANSPORTATION STUDY MOTOR VEHICLE DEALERS MOTOR VEHICLE AUCTIONS GENERAL ISSUE LICENSE PLATES

January, 1985

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STATE OF MAINE ONE HUNDRED AND TWELFTH LEGISLATURE

COMMITTEE ON TRANSPORTATION

January 31, 1985

Representative John N. Diamond, Chairman Legislative Council State House, Station 115 Augusta, ME 04333

Dear Representative Diamond:

Enclosed is the final report of the Joint Standing Committee on Transportation of the lllth Legislature. This report deals with 3 major subject areas: Motor Vehicle Auctions, and General Reissue of License Plates. This study was authorized by the Legislative Council which directed the Transportation Committee to set up a study subcommittee and report findings and recommendations to the 112th Legislature. We hope you will find this report helpful.

Senator Peter Danton Senate Chairman

Sincerely. Representative Raynold Theriault

House Chairman

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TRANSPORTATION STUDY

BACKGROUND

The Joint Standing Committee on Transportation was introduced to LD 2272, "AN ACT Concerning Car Auctions and the Validity of Motor Vehicle Titles," at a public hearing held on Monday, March 26, 1984. The bill raised a broad range of substantive and controversial issues that could not be resolved until a comprehensive study issues had been completed. These issues included:

1. Is there a need to develop licensing standards for motor vehicle auctions conducted in Maine?

2. Is there a need to review licensing fees for motor vehicle dealers and for motor vehicle auctioneers?

3. What means can be devised to reduce or stop the fraudulent resale of motor vehicles in Maine which have originated from outside the State of Maine?

4. What means can be devised to reduce the fraudulent sale of motor vehicles in Maine to retail and wholesale buyers?

The sponsor of LD 2272, Representative Jacques of Waterville agreed to accept a "Leave to Withdraw" report when the Legislative Council approved the study request, expanding greatly the scope of the inquiry to include a focus on standards for motor vehicle dealers and at the same time to also narrow the options for a proposed general issue of registration plates in 1986. This last feature of the study is a major issue that has been discussed for quite some time by the Transportation Committee, but no specific strategy emerged from these discussions.

CONDUCT OF STUDY

Information on the many issues facing the Transportation Committee in relation to this study was collected through a variety of means, including a general survey of other states, on-site visitations of motor vehicle dealers and actions, and subcommittee meetings. A copy of the questionnaire used in the general survey is included in the appendix of this report.

CONCLUSIONS AND RECOMMENDATIONS

In order to draw conclusions that are helpful in identifying options for legislative decision-makers, the Legislative Staff has prepared summary statements which define the problem areas. Immediately following each summary is listed suggested changes to the law which have been reviewed and discussed by the subcommittee.

I. STATEMENT OF THE PROBLEM: MOTOR VEHICLE DEALERS

The Division of Motor Vehicles (DMV) asserts that Maine law regulating motor vehicle dealers is loose, and this sentiment is shared to a considerable extent by the major associations that represent motor vehicle dealers of both new and used vehicles. Firstly of all, the entrance requirements to become a motor vehicle dealer impose minimal standards for the physical plant and display area There are no minimal sales figures established to maintain a motor vehicle dealer's license. A dealer's license which is obtained for a \$50 license fee also entitles the qualified dealer to obtain up to six dealer plates. Dealer plates cost \$20 and exempt the dealer from paying customary taxes associated with vehicle registrations, such as excise tax. The DMV argues that there is abuse of the use of motor vehicle dealer plates since they are so readily obtained, so inexpensive to acquire and so easy to use, for other than business reasons. Therefore, to create more sensible standards governing motor vehicle dealers and the distribution of dealer plates, the following recommendations are proposed by modifications in the law.

<u>Recommendation (1)</u>: Amend section 57 to allow the Secretary of State to withhold information of a "confidential" nature, such as control numbers used in automobile titles. Presently, the Secretary of State must respond to requests for information of this type from anyone, regardless of their motive.

Section 57, last sentence is amended to read:

Complaints in writing may be regarded as confidential <u>and</u> <u>certain control numbers used in the titling of motor vehicles</u> may be regarded as confidential as well.

<u>Recommendation (2)</u>: Tighten the definition of immediate family to eliminate "son-in-law" and "daughter-in-law".

Section 341. <u>Definitions:</u> Section 5 is amended to read: "Immediate family" means wife, husband, son, daughter residing in the same household as the dealer.

Recommendation (3):

Section 341. Definitions: Expand the definition of "full-time salesman".

Section 12 is amended to read: "Full-time salesman" means any person who is employed by a dealer and works at his established place of business at least 30 hours per week <u>and is a person</u> <u>employed by a dealer who, under any form of contract, sells or</u> <u>offers for sale or attempts to negotiate a sale or exchange of</u> <u>an interest in a vehicle.</u>

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Recommendation (4):

Modify section 343 which contains provisions related to facility requirements, to eliminate inconsistent observation of those standards with which dealers comply.

Section 343 is amended to read:

Requirements

1. <u>Facilities and personnel</u>. To qualify as a dealer under this subchapter the applicant shall have <u>and maintain</u> the following facilities and personnel:

A. Proper facilities for the display of the vehicles being handled;

B. Repair department for the repair of 2 vehicles simultaneously;

C. Sufficient tools and equipment for proper servicing of the vehicles;

D. A suitable office from which business is to be conducted and records of the business are kept;

E. At least one mechanic, who may be the owner, who has thorough knowledge of the vehicles being handled; and

F. Each licensee shall maintain a current record of all full-time personnel employed at his established place of business. Such record shall at all times be available for inspection by the Secretary of State or his duly authorized agents.

Section 343, subsection 2, last sentence is amended to read:

However, the exemption from these requirements will expire in the case of any person who held used car dealer registration plates on January 1, 1964, in the event that he sells, discontinues <u>or is not licensed</u>, <u>using these exemptions</u>, for the year beginning January 1, 1985.

<u>Recommendation (5)</u>: Require every motor vehicle dealer to post a surety bond in the amount of no less than \$25,000. This additional protection afforded the consumer is a requirement imposed by most states on the motor vehicle sales industry. Section 344, paragraph E is enacted to read:

All vehicle dealers licensed pursuant to Chapter 5, subchapter III-a shall be required to file with the Secretary of State and maintain a liability bond in the amount of \$25,000 for the purpose of guaranteeing title and mileage on vehicles sold.

<u>Recommendation (6)</u>: Require an addition to section 345 which will strengthen special requirements to deal in new car sales by adding a penalty section.

Section 345, subsection 3 is added and enacted to read:

No person shall engage in the business of buying, selling, or offering to negotiate the sale of new vehicles unless licensed by the Secretary of State as a new vehicle dealer.

Failure to comply with this section is a Class E crime.

<u>Recommendation (7)</u>: Increase the fees to become a motor vehicle dealer and to maintain an active license. The Division of Motor Vehicles supports increased fees to cover costs of regulating and providing services to dealers.

Section 346 is amended to read:

The initial application for a license under this subchapter must be accompanied by a fee of $\frac{50}{50}$. This fee is not refundable.

Section 347, 1st sentnece and 2nd sentence is amended to read:

Except as 357 and 358 provide, the annual fee for each license shall be \$250. The annual fee for plates shall be \$50 per plate.

<u>Recommendation (8)</u>: Establishes a new fee for motor vehicle dealers maintaining branch or annex locations in their business.

Section 347 is amended by adding the following paragraph:

All branch or annex locations must be approved and licensed by the Secretary of State. The annual fee for each branch or annex location shall be \$150. <u>Recommendation (9)</u>: Require necessary tax information be supplied to the Secretary of State. A major consideration in reviewing an application from a prospective motor vehicle dealer is the integrity of the applicant, his previous business dealings and credit worthiness. The Department of Motor Vehicles, in the past, has attempted to gain access to the tax records of prospective motor vehicle dealers to make appropriate determinations, but strict interpretation of Title 36 §19 <u>confidentiality of tax records</u> does not specifically extend authority to another state agency, such as DMV to obtain the information requested.

Two alternative avenues can be pursued to solve this problem, but the specific statutory modifications have not yet been developed. However, the proposed suggestions would either involve establishing an additional exemption under section 191 or requiring the Maine Sales Tax Division to respond to specific requests for necessary information from the Secretary of State.

<u>Recommendation (10)</u>: Establish an additional criterion as grounds for denying, suspending or revoking a motor vehicle dealer's license. If adopted, motor vehicle dealer's who do not generate sales above the minimum level will be scrutinized by the Department of Motor Vehicles.

Section 350-A. is amended to read by adding subsection L to this section:

L. Being a motor vehicle dealer, failure to sell a minimum of two vehicles per month or 24 vehicles within a 12 months period.

Recommendation (11): Modify language related to conditions of legitimate use for dealer plates and establish a separate classification and a new plate for service vehicles.

Section 354-A & B are amended to read:

A. For purposes directly connected with the business of buying, selling, testing, adjusting, demonstrating or exchanging those vehicles.

B. Anyone licensed pursuant to this subchapter as a new or used vehicle dealer may attach to their service vehicles a specially designed service vehicle plate that may only be used in the direct connection of the licensees business. No new or used vehicle dealer may obtain more than 3 service vehicle plates, and the weight limitation for service vehicles including combined weight of vehicle and any load shall not exceed 18,000 lbs. The fee for a specially designed service vehicle plate shall be the same as the fee for wreckers, as stipulated in section 354, subsection 3, second paragraph.

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Section 354, subsection III, second paragraph, is amended to read:

The fee for a specially designed dealer wrecker and <u>service</u> <u>vehicle plates is \$100 per plate annually, except that on</u> <u>application for additional plates applied for during the period</u> <u>of the first day of September and the thirty-first day of</u> <u>December in any year the fee is \$50 per plate</u>.

Recommendation (12): Modify sections 357 and 358 to provide fee adjustments:

Section 357, second paragraph, is amended to read:

Every manufacturer or dealer in motorcycles or motor driven cycles shall annually pay a fee of \$100 for a registration certificate to handle, demonstrate, sell and exchange motorcycles or motor driven cycles. Upon payment of \$50 per plate, plates shall be issued, the number to be determined by the Secretary of State, who is authorized to prescribe reasonable limitations on the use of such plates. Extra registration plates shall be furnished to replace lost or mutilated plates for \$20 each.

Section 358 is amended to read:

Every manufacturer or dealer in boat or snowmobile trailers shall annually pay a fee of \$100 for a registration certificate to handle, demonstrate, sell and exchange boat or snowmobile trailers. Upon payment of \$50 per plate, plates shall be issued, the number is to be determined by the Secretary of State, who is authorized to prescribe limitations on the use of such plates. Extra registration plates shall be furnished to replace lost or mutilated plates for \$20 each.

<u>Recommendation (13)</u>: Introduce a new category of eligibility <u>saluage</u> dealer for application to obtain a transporter registration license.

Section 360, 1st sentence is amended to read:

Garage owners, body shops, finance companies, banks and <u>salvage</u> dealers may apply for a transporter registration license and plates for the purpose of transportation and delivery of vehicles owned or temporarily in their custody.

<u>Recommendation (14)</u>: Introduce the word <u>licensee's</u> to insure compliance with the record keeping requirement in section 361. Section 361, 2nd paragraph is amended to read:

A complete record must be kept at the dealer's or licensee's place of business.

<u>Recommendation (15)</u>: Require enumeration of current mileage on valid Certificate of Title. One of the major features in consumer fraud involving sale of motor vehicles is odometer tampering. To assist the Department of Motor Vehicles in issuing a valid certificate of Title the description of the vehicle should include an enumeration of current mileage. Accordingly, sections 2364 and 2367 are modified:

Section 2364, subsection 1, subsection B is amended to read:

A description of the vehicle including, so far a the following data exists, its make, model, model year, identification number, type of body, the number of cylinders, <u>current mileage</u>, and whether new or used;

Section 2367, subsection 1, subsection E is amended to read:

A description of the vehicle including, <u>insofar</u> as the following data exists, its make, model, model year designation, identification number, type of body, number of cylinders, whether new or used, <u>current mileage</u>, and, if a new vehicle, the date of the first sale of the vehicle for use;

<u>Recommendation (16)</u>: Modify the following subsection of law to circumvent problems which have arisen when a subordinate lienholder unexpectedly emerges on the scene.

Section 2405, subsection 2 is amended to read:

2. Lien'satisfied: title released. If the lien was satisfied in conjunction with the sale of the vehicle <u>and if a</u> <u>subordinate lienholder does not exist</u>, release the title to the owner or to any person who delivers to the lienholder an authorization from the owner to receive the certificate.

Section 2405, subsection 3 is repealed and replaced with:

3. <u>Certificate mailed to owner and Secretary of State</u> <u>notified</u>. Mail or deliver this certificate to the owner named on the certificate and notify the Secretary of State that the lien has been satisfied. <u>Such notification to be issued in a</u> <u>manner prescribed by the Secretary of State</u>.

<u>Recommendation (17)</u>: Change the application fee and annual license fee for recycled and scrap processors to achieve consistency in establishing higher fees.

Section 2452 is amended to read:

The initial application for a license under this subchapter shall be accompanied by \$50 nonrefundable application fee. The application fee for every license issued under this subchapter shall be \$250.

<u>Recommendation (18)</u>: Grant authority to the Secretary of State to claim possession of unclaimed vehicles. Presently under Maine law, there is no specific authority granted to the Secretary of State to claim possession of vehicles that are unclaimed, recovered stolen, or vehicles with unclear or invalid vehicle indentification numbers.

When impounded vehicles are not claimed, the garage involved, using the 30 day mechanic's lien, takes possession of these vehicles. In some cases, these vehicles have considerable value beyond storage and towing. In other cases, vehicles are held for long periods of time, waiting for a former owner, lienholder or insurance company to reclaim the vehicle.

Section 2442 is amended by adding a new subsection, subsection 4 which will read as follows:

As stipulated in Title 29 MRSA Chapter 21, impounded vehicles that are unclaimed, recovered stolen, or unidentifiable will become the property of the State of Maine and the Secretary of State will dispose of those vehicles in the following manner:

The Secretary of State shall notify within 10 days, after impoundment, by registered or certified mail, return receipt requested, the last known owner and all lienholders of record pursuant to 29 MRSA Chatper 21 - "Title of Motor Vehicles." The notice shall describe the year, make, model and vehicle identification number, if known. Further, the said notice shall state that the failure of the owner or lienholders to exercise their right to reclaim the vehicle within 30 days from receipt of notice shall be deemed a waiver by the owner or lienholders of all right, title and interest in the vehicle. After such notification, the Secretary of State may, in his discretion, dispose of the vehicle at a public auction.

<u>Recommendation (19):</u> Add 15 positions to Department of Motor Vehicles.

This first section of the transportation study concludes with a final recommendation calling for adding 15 staff persons to the Department of Motor Vehicles:

 To support the Department in development of data retrieval programs;

(2) To increase the capability of the department to monitor and serve motor vehicle dealers; (3) To provide educational workshops for dealers already licensed to inform dealers of statutory and regulatory requirements; and

(4) To provide educational programs to applicants of motor vehicle dealer's licenses and to support newly established dealers by explaining the paperwork requirements in operating a dealership.

Recommendation 20:

Provide the Department of Motor Vehicles with the following allocation:

	FY 1986	FY 1987
Positions	(15)	(15)
	236,299	334,518
Allotted	70,486	93,981
Capital	41,156	
	$\frac{247}{247}$	428 400
	347,941	428,499

II. STATEMENT OF THE PROBLEM: MOTOR VEHICLE AUCTIONS

There is a strong market for used cars in Maine and motor vehicle auctions serve two important purposes for car dealers. First, auctions provide a dependable outlet for franchised new dealers to trade used cars different from their manufacturer's models. Secondly, it enables used car dealers to augment their inventory of used cars by simply attending a central sale, eliminating costly travel to several different sales locations. Problems with fraudulent titles and odometer roll-backs have emerged at car auctions, but the Transportation Committee has determined that it is inappropriate, if not impossible, to place final responsibility on motor vehicle auction owners for the following reasons:

A. The Registration file and title file of the Division of Motor Vehicles are not sufficiently accessible to enable auction owners, prior to the auction, to check vehicles against DMV files;

B. Motor vehicle auction owners never hold title to a vehicle and it is legally very difficult, if not impossible, to hold the auction owner liable for fraudulent titles and odometer roll-backs; and

C. In many cases, the auction owner does not know anything about a vehicle except the information provided by the dealer. If a dealer provides false information, the auction owner may not realize it is false. During the course of this inquiry into the problems identified by LD 2272, the Transportation Committee reviewed and considered many options, including the following:

1. To require all out-of-state dealers who sell vehicles at Maine auctions to register and obtain a permit from the State of Maine, DMV.

2. To require all dealers who sell vechicles at Maine auctions to post a bond as a means of protecting other dealers and the general public.

3. To require motor vehicle titles to accompany the vehicles sold at auction and prohibit vehicles without current valid titles to be sold at auction.

a. In Maine, a "defective Title" bond has recently been made available to dealers at a cost of \$10 per \$1,000 of bond premium. This provides "liability insurance" for defective titles and odometer roll backs for a period up to 3 years. In order for the buyer of a vehicle with a fraudulent title or odometer roll back to collect a claim, the state must verify the fraud.

b. New Hampshire currently requires dealers to purchase defective title bonds in addition to a surety bond.

4. To require motor vehicle auction owners to post a defective title bond.

5. To establish, by statute, that a dealer is liable for any fraudulent titles or odometer roll-backs for vehicles sold at auctions.

6. To establish stiff penalties for violations of title and odometer laws and regulations.

7. To require a motor vehicle inspector to be at every motor vehicle auction.

 To inform the public about title fraud and odometer roll-backs.

After reviewing the possibilities for action, the Committee concluded that the following 2 recommendations will improve the situation relative to motor vehicle auctions:

<u>Recommendation 1:</u> Adopt recommendation 4 from the section of this report dealing with motor vehicle dealers. The recommendation calls for a liability bond. Section 344, paragraph E is enacted to read:

All vehicle dealers licensed pursuant to Chapter 5, subchapter III-a shall be required to file with the Secretary of State and maintain a liability bond in the amount of \$25,000 for the purpose of guaranteeing title and mileage on vehicles sold.

<u>Recommendation 2:</u> Require all dealers who sell vehicles at Maine auctions to post a bond as a means of protecting other dealers and the general public. This will eliminate the possibility that a car is sold without the opportunity to inspect the document before the sale of the vehicle is transacted.

29 MRSA Section 2373, subsection 2 is enacted to read:

Any vehicle being sold or displayed for sale at an auction as defined by Section 341, subsection 13 of this title must be accompanied by a valid certificate of title at the time of its sale or display for sale.

Any vehicle exempt under Section 2362 of this title and any vehicle coming from a jurisdiction which does not issue certificates of title must be accompanied by any information and documents the Secretary of State reasonably requires to establish the ownership of the vehicle and the existence or nonexistence of a security interest in it.

Failure to comply would be a Class E misdemeanor.

III. STATEMENT OF PROBLEM AND LEGISLATIVE SOLUTION

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The last general reissue of license plates in Maine was accomplished in 1974, and for the last several years the Department of Motor Vehicles and the Joint Standing Committee on Transportation have discussed the serious problems which have developed and grown in size because a decision has not yet been made to print and distribute new plates.

Last spring, the Motor Vehicle Division of the Department of Secretary of State requested the Joint Standing Committee on Transportation to allocate highway funds for a new general issue of registration plates in 1986. The Department of Motor Vehicles justified its request by explaining that registration plates were meant to have a useful life of 6 years, but current plates are 10 years old. As a result, many plates have deteriorated seriously and there is evidence to show that the battered condition of the plates seriously hampers law enforcement of registration law.

The Joint Standing Committee on Transportation requested authorization to study this problem and to come up with a solution. The Transportation Committee learned two important pieces of information which require action necessary to resolve the problem, as soon as possible:

(1) A survey of evasion of motor vehicle registration in Maine undertaken by the Department of Transportation shows an evasion rate of 4.7% which translates into an annual loss of \$500,000 in registration fees to the Highway Fund and an annual loss of \$1,100,000 in excise tax revenues to municipalities.

(2) Registration files at the Motor Vechicle Department must be purged. Current Motor Vehicle Division files do not indicate active, valid registrations; inactive registrations; or invalid registrations. Presently, the Department of Motor Vechicles estimates that over 500,000 invalid registrations appear in their records, but they cannot be readily distinguished.

The Transportation Committee reviewed several proposals and finally directed the Department of Motor Vehicles to develop the following legislative authorization. It calls for a general issue of registration plates every six (6) years and first new general issue will begin on July 1, 1986:

Section 1 of the bill provides authority to purchase, through the bidding process, registration plates for a new plate issue. Section 2 of the bill establishes the date for a new plate issue and a fee for the new plate, which should generate revenue of approximately \$1.7 million in FY87.

Section 3 of the bill provides for the reservation of plate numbers.

Section 4 of the bill provides funds to carry out the purpose of this Act.

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FIRST REGULAR SESSION

ONE HUNDRED AND TWELFTH LEGISLATURE

Legislative Document

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No.

STATE OF MAINE

IN THE YEAR OF OUR LORD NINETEEN HUNDRED AND EIGHTY FIVE

AN ACT Relating to a New Registration Plate Issue

Be it enacted by the People of the State of Maine as follows:

Sec. 1. 29 MRSA §5, 1st ¶ as amended by PL 1971, c. 360, §2 is further amended as follows:

§5. Plates to be manufactured at State Prison.

The Secretary of State or the duly designated official in charge of vehicle registration shall purchase and cause to be installed at the State Prison the necessary equipment and materials for the production of all vehicle registration plates used in the State. No such plates shall be purchased for state use except such as cannot be produced at the prison or are to support a new general issue referred to in §131. Purchases under this section will be in accordance with Title 5 MRSA, c. 155, §1816.

Sec. 2. 29 MRSA Article 1-A is enacted to read:

Article 1-A. Issue of Registration Plates

§131. Registration Plate Issues

The Secretary of State shall provide a new general issue of registration plates every six years for all vehicles required

to be registered in this State for operation on Maine highways. The first new general issue of registration plates shall commence on July 1, 1986, and successive new general issues of registration plates shall be issued every six years thereafter.

Each new general issue of registration plates as required by this section shall be easily distinguishable from the preceding general issue.

The Secretary of State shall adopt rules in accordance with Title 5, Chapter 375, to implement this Article. In these rules, the Secretary of State may include provisions, to protect the integrity of the Maine motor vehicle registration plate, to provide for the issue of replacement plates, and any other provisions to facilitate the implementation of this Article.

<u>§132. Fees for New issues of Registration Plates</u>

A fee of \$1.00 for each registration plate shall be collected by the Secretary of State from the vehicle registrant for new registration plate issues as referred to in §131. This fee shall be in addition to any other registration fees required by Title 29.

<u>Sec. 3. 29 MRSA §191</u>, as enacted by PL 1977, c. 481, §6 is repealed and the following enacted in its place:

<u>§191. Reservation of same number</u>

1. Plate issue year. Persons wishing to retain their same registration numbers for the succeeding registration year shall notify the Secretary of State in writing by July 1. The Secretary of State shall reserve the same registration numbers until July 1 for persons who had plates issued to them in the preceding year prior to April 1. Holders of initial plates shall pay the sum of \$15.00 which will be credited towards renewal of the initial plates reserved. If a person wishes to retain his registration number and does not have a vehicle to register on siad July 1 he may hold his registration number for a maximum of 2 registration years by depositing with the Secretary of State the new sum of \$10.00 for each year. These fees are not refundable and shall not be applied as part payment of the registration fee.

All numbers other than those reserved shall be released and issued in rotation after said July 1, except that a person wishing to select a number out of rotation may do so by paying his registration fee and a reserved number fee of \$5.00. 2. Nonplate issue year. When a person fails to reregister during a nonplate issue year and the registration remains expired for 3 consecutive months, then his reservation of the same number may cease and the number becomes available for reissuance, reassignment, or both.

Sec. 4. Allocation. The following funds are allocated from the Highway Fund to carry out the purpose of this Act.

1985-86 1986-87

SECRETARY OF STATE, DEPARTMENT OF THE

Motor Vehicle Division

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Positions Personal Services All Other Capital	(19) \$102,128 2,043,988 <u>6,216</u>	(19) \$220,039 227,220
Total	\$2,152,332	\$447,259

APPENDIX

Thomas A. Power, Director Division of Motor Vehicles Department of Safety Hazen Drive Concord, New Hampshire 03301

Dear Mr. Power,

The Maine Legislature's Joint Standing Committee on Transportation is investigating three issues this summer which impact the general citizenry of Maine: (1) the distributional methods and financing techniques for issuing new license plates; (2) the reasons for, and abuse of, new and/or used car dealer plates; and (3) the impact of fraudulent motor vehicle sales at auctions.

We are seeking information about the way your State is confronting, or has confronted, these same issues. The information that you could provide us with would be of tremendous value as we attempt to define these issues and construct some workable solutions.

The attached questionnaire asks a number of questions concerning each of the three issues cited above. It would be greatly appreciated if it could be completed and returned in the enclosed self-addressed envelope by August 24, 1984.

If you have any questions concerning this study or this questionnaire, please contact Transportation Committee staffers Christos Gianopoulos or Ted Potter at (207)289-2486.

Thank you for your cooperation.

Sincerely,

Peter W. Danton, Senate Chair Joint Standing Committee on Transportation George A. Carroll, House Chair Joint Standing Committee on Transportation

STATE OF MAINE MOTOR VEHICLE ISSUES QUESTIONNAIRE

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ate gani spon		ion 's Name Title Phone #	1 () () () () () () () () () (
Li	.cens	se Plate Issuance	
1.		es your State have a periodic reissuance of all ates?	license
	P 1 0	Yes (If	No No, go to lestion #6)
2.		what time interval is it mandated that license Issued (eg, every 5 years, 10 years, etc.)?	
3.	a,)
	b.	Yes Is this interval set by administrative rule-ma	No aking?
		Yes	No
, 4 ,	Dat	e of last reissuance?	
5.	a,	issued in a single year?Yes	No
	b.	Or, were plates issued over a period of years commercial vehicles in Year 1; non-commercial Year 2; etc)?	vehicles in
	с.	Yes What are the advantages and disadvantages of y of distribution?	
6.	Whe	ere are the license plates used in your State ma	unufactured?
7.	fir	; is the production and distribution of license nanced (eg, user fee per plate; general or highu propriation;etc.)?	lay fund

8. Does your State require one license plate per vehicle or two?

- 9. What is the penalty for driving without proper registration and license plate(s)?
- 10. What is the cost "per plate" to the State of issuing license plates?
- 11. Please use this space to expand upon any of the answers to the questions listed above:

II. Motor Vehicle Dealer Plates

 Briefly describe the process by which a motor vehicle dealer can obtain "dealer plates", including the standards the State requires (such as minimum amount of showroom space needed, minimum # of sales per year required, repair facilities, etc)

 Please list the number of dealer plates that have been issued in your State by type (eg, "new" car dealer, "used" car dealer, etc):

 Does possession of a dealer plate entitle the holder to any special privileges such as exemptions from state sales tax, local excise tax, etc.:

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4. What penalties are in effect to prevent abuse of the dealer plates?

5. Please list the advantages and disadvantages of your State's dealer plate registration and distribution system:

III.Fraudulent Motor Vehicle Sales Via Auctions 1. Are motor vehicle auctions allowed in your State? Yes No 2. How many motor vehicles are sold via auctions on an annual basis in your State? 3. Where do the vehicles sold at these auctions come from (eg, instate, out-of-state, etc)? 4. Has the general public experienced problems with vehicles sold at these auctions such as fraudulent titles of odometers? 5. What are the most prevalent problems? 6. What measures has your State taken to resolve these problems?