

- Administration
- **Bureau of Motor Vehicles**
- Emergency Management Agency
- Emergency Medical Services
- Office of Criminal Justice Services
- Ohio Homeland Security
- Ohio Investigative Unit
- Ohio State Highway Patrol



TDR Sub-committee Meeting Minutes **August 10, 2009**

Acting Registrar Carolyn Y. Williams opened the meeting at 3:05 p.m. Welcomed everyone for attending and acknowledged Assistant Registrar Jeffrey Coleman who would be her alternate if she was unable to attend.

Nancy Crespo did the roll call as follows. All were in attendance except Noreen Saunders, President, Ohio Clerk of Courts Association who arrived later. Carolyn Williams, Acting Registrar, Bureau of Motor Vehicles; Anne Vitale, ODPS Legal Counsel; Adam Coridan, Budget/Management Analyst, General Government, Ohio Office of Budget and Management; Rae Ann Estep, Director of Consumer Advocacy, Ohio Attorney General's Office; Michael Sliwinski, Assistant Attorney General, Ohio Attorney General's Office; Joe Cannon, Vice President, Government Relations, Ohio Auto Dealer's Association; Tim Lynch sat in for Senator Tom Patton, 128th Ohio General Assembly, The Ohio Senate, 24th District. Rick Barga, Deputy Director, Department of Public Safety arrived later.

Ms. Williams stated that the Director has asked for a chairperson for this committee and Michael Sliwinski has volunteered. Ms. Williams asked if there were objections to Mr. Sliwinski chairing this committee; there was none and the meeting was turned over to Mr. Sliwinski.

Mr. Sliwinski reviewed his experience with TDR over the past 1½ - 2 years and asked the group to start our meeting with discussing the TDR program and how it operates, experiences, and ways to fix problem areas.

Mr. Cannon gave a summary of the TDR program, how it began and how it is implemented on behalf of the consumer and dealer. This program is working well from the OADA perspective.

Mr. Sliwinski stated that prior to TDR the consumer's only option was to sue the Dealer when title was not delivered. He recommended the following Items for discussion.

1. Funds need to be expanded (suggestions of how to)
2. Review Statute (current and suggested changes)
3. Change from temporary to permanently funding TDR
4. Insure all MV dealers need to pay into fund (Used car dealers \$150.00)
5. Make funds available to all consumers, regardless of whether the dealer is in TDR

Ms. Estep volunteered to prepare a report on how many problems occurred with dealers who were not part of the TDR program, as well as a report covering all transactions/issues of those who did not pay into the TDR fund where funds were used.

Mission Statement

"to save lives, reduce injuries and economic loss, to administer Ohio's motor vehicle laws and to preserve the safety and well being of all citizens with the most cost-effective and service-oriented methods available."

Mr. Cannon suggested making ATPS \$0.50 per re-sale title (currently temporary until 2011) permanent. This is from HB 2. Ms. Vitale stated that from the BMV perspective they would need to determine how the loss of \$0.50 / dealer title impacts the ATPS Funds. She also suggested that we need to look at the fund threshold, to determine if \$300,000 is enough or should it be increased because the intent is to cover more people.

Mr. Cannon suggested if funding (the extra \$.50) exceeds a certain amount we could utilize a trigger method and apply funds back into the ATPS fund.

Ms. Estep stated that currently, enforcement options for failing to pay into the TDR fund now would be to sue and for the small amount of money we are seeking this is not worth doing. There is no real hammer in place. She also stated that there has been some concern from the Auditors office regarding checks and balances between the Attorney General's Office and the BMV regarding the fund.

Ms. Saunders stated that the Clerks have no objections to a funding the TDR by making the HB 2 solution permanent.

The BMV Comptroller was present and was asked the impact on the ATPS fund if the HB 2 temporary solution is made permanent. Ms. Brickman stated that the impact would cause a loss in the ATPS fund of approximately \$750,000 annually.

Ms. Vitale wanted to provide a side note to ATPS funding that the ATPS fund titling fees are constitutionally protected. We need to be aware of this when discussing funding.

Ms. Estep wanted to know if this is an AG Opinion regarding the constitutionality issue. Ms. Vitale stated that she will look into that but suggested that another funding source be looked into other than ATPS.

Mr. Cannon asked about interest bearing accounts, and could the TDR money be placed in an interest bearing account? Mr. Coridan stated that the Statute currently states that monies placed in an interest bearing account, that all interest accrued is designated to be placed in the GRF.

Mr. Sliwinski discussed coverage of full refunds of monies being refunded to consumer when financial lenders also have a stake. All committee members agreed this should be a potential problem and should be addressed.

Mr. Sliwinski asked the group for enforcement suggestions.

The following items were discussed by the committee for Enforcement options:

1. Dealer losing license if monies not paid into TDR
2. Additional license renewal fee
3. Warning Letter from Registrar
4. Give enforcement to dealer board

Mr. Cannon stated that it is his opinion that we create an incentive for dealers to pay into the fund.

Ms. Vitale wanted to discuss matching 40-day time frame for Dealers to give title to customer to match BMV 30 day tag time frame.

Mr. Cannon stated the dealers need as much time as possible to process the paper work especially where liens are involved Rachel Eaton, the acting Administrator for Support Services at the BMV recommended the 30 day time frame. There would be IT programming issues for the BMV to switch from 30-day tags to 40 to days. This would require a lot of programming, testing and training of staff and public awareness for the consumer.

Mr. Sliwinski reviewed all items of discussion and identified the following items to work on for recommendations to the full Study Committee:

1. Funding
2. Coverage
3. Enforcement

All committee members agreed.

Mr. Sliwinski proposed agenda topics for next meeting:

1. Claims against non TDR members (provided by Ms. Estep)
2. Funding issues – (OADA, BMV, AG)
3. Enforcement – Warning letters (BMV)
4. Matching Dealer's 40 days with BMV 30-day tags
5. Coverage – (Mike)

A request was made to change the next meeting date from 9/8 to 9/10 or 9/11. An e-mail will be sent to all committee members of the new date, time and location.

Ms. Estep suggested everyone e-mail their ideas for submission to the agenda by the 8th.

Meeting adjourned at 4:10 p.m.