

## 90% there

### **Motor Vehicle Dealer Board Sunset Review Process Underway**

By Jeremy Cottrell

Sunset Review for the Motor Vehicle Dealer Board, our every ten-year ritual to retain dealer oversight of the industry, has a name and face - Senate Bill 221.

After numerous meetings, headaches, a few heartaches and negotiations, we have agreement with the Department of Regulatory Agencies (DORA) on nine of the ten issues up for review.

The single issue of objection is the make-up of the Motor Vehicle Dealer Board (MVDB.) Our CAR position to keep the composition of the board as it currently exists of three new dealers, three used dealers and three public members is challenged by DORA's position of reducing dealer representation to two new, two used, three public, one county clerk, and one person with banking knowledge or background.

As a self-funded, self-regulated industry the auto retail industry through the MVDB has effectively and efficiently dealt with complaints, violations of rules, regulations, and law, held hearings to preserve due process rights, and handed down sanctions and punishments depending on the severity of violations. This process, as it currently exists, has proved to be an effective and successful model.

During the testimony stage, no evidence, opinion, or facts were offered to dispute the effectiveness or fairness of the MVDB. However, in supporting our position to retain the composition as it currently exists, we had the testimony and support of current and past MVDB Presidents, current and past public members, current new car dealers, used car dealers, auto brokers, and power-sports dealers.

Rather than expanding the public ratio on the board, public members with first-hand experience expressed their reluctance in losing valuable and credible expertise offered by the dealers. Instead, they supported a board in which industry polices industry most effectively. Who better to identify a subtle nuance of auto industry violation than someone who is engaged in its practice on a daily basis?

Unfortunately, a combination of confusion and cold feet led our amendment sponsor to not only fail to offer this amendment but to ultimately vote in opposition to it. As a result the amendment failed 4-3.

We have garnered the support of the President of the Colorado Senate, Joan Fitz-Gerald, to support our position and to speak in favor of it when it reaches the Senate floor. Having served as a former county clerk, Senator Fitz-Gerald recognizes the value of the industry to the state economy and the effectiveness of the MVDB as it exists.

We have currently secured another Senate sponsor to re-offer this amendment during the second reading of the bill and we expect to secure another on the opposite side of the aisle in order to maximize support from both parties.

While cannot claim a total victory we are 90 percent there in the current Senate version.