



**AUTOMOBILE
DEALERS
INDUSTRY
ADVISORY
BOARD**



**Annual Report
Fiscal Year 2011-2012**



Automobile Dealers Industry Advisory Board
2900 Apalachee Parkway, MS 66, Tallahassee, Florida 32399-0500



Berta Phelps
Chair

Thomas "Dino" Mercurio
Vice Chair

July 24, 2012

Ms. Julie L. Jones
Executive Director
Department of Highway Safety and Motor Vehicles
2900 Apalachee Parkway
Tallahassee, Florida 32399

Anita Castriota
Jonathan Chariff
Kathy Crynock
Joe Greco
Doris Maloy
Steve Marbais
Kevin O'Conner
Kenneth Richards
Tom Steckler
C. Boyd Walden

Dear Ms. Jones:

Section 320.275, Florida Statutes created the Automobile Dealers Industry Advisory Board to make recommendations on proposed legislation, rules and procedures, present motor vehicle industry issues to the Department of Highway Safety and Motor Vehicles for its consideration, consider any matters relating to the motor vehicle dealer industry presented to it by the Department, and submit an annual report to you with copies to the Governor, the President of the Senate, and the Speaker of the House of Representatives.

The Board has met twice since its last Annual Report to consider matters put forth by the Board or Department. The minutes of these meetings are part of this report and fully explain the discussions and recommendations of the Board. Further, the conclusion section of this report highlights certain matters considered by the Board.

We appreciate the opportunity to work with the Department on issues concerning the Florida motor vehicle dealer industry.

Sincerely yours,

Berta Phelps, Chair

Honorable Rick Scott
Honorable Mike Haridopolos
Honorable Dean Cannon



Automobile Dealers Industry Advisory Board
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Automobile Dealers Industry Advisory Board Membership

Berta Phelps, Chair

Manheim Auctions
6205 Peachtree Dunwoody Rd.
Atlanta, Georgia 30328

Thomas "Dino" Mercurio, Vice Chair

Prime Autos
P. O. Box 16127
West Palm Beach, Florida 33416

Anita Castriota

Castriota Chevrolet
12930 U.S. Hwy 19
Hudson, FL 34667-1745

Jonathan Chariff

South Motors/Vista Motors
4401 W. Sample Road
Coconut Creek, Florida 33073

Kathy Crynock

Better Business Bureau of Central Florida
1600 S. Grant Street
Longwood, FL 32750

Joe Greco

Sanford Automobile Dealers Exchange
2851 St. Johns Parkway
Sanford, FL 32771

Honorable Doris Maloy

Leon County Tax Collector
3425 Thomasville Road, Suite 19
Tallahassee, FL 32309

Steve Marbais, CMD

Marbais Enterprises, Inc.
1207 N. Lakewood Avenue
Ocoee, FL 34761

Kevin O'Connor

Vehicle Dealer Insurance
Division of ISCF
2910 Maguire Rd., Suite 2004
Ocoee, Florida 34761

Kenneth Richards

Florida Department of Revenue
2450 Shumard Oak Blvd., Room 1-2830
Tallahassee, Florida 32399

Tom Steckler

Department of Agriculture & Consumer
Services
Director, Division of Consumer Services
Mayo Building, Room 325
Tallahassee, Florida 32399-0800

C. Boyd Walden

Department of Highway Safety & Motor
Vehicles
Director, Division of Motorist Services
2900 Apalachee Parkway
Tallahassee, FL 32399



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Introduction

Statutory Authority and Brief Description of Board Duties and Responsibilities

320.275 Automobile Dealers Industry Advisory Board. —

- (1) AUTOMOBILE DEALERS INDUSTRY ADVISORY BOARD. --The Automobile Dealers Industry Advisory Board is created within the Department of Highway Safety and Motor Vehicles. The board shall make recommendations on proposed legislation, make recommendations on proposed rules and procedures, present licensed motor vehicle dealer industry issues to the department for its consideration, consider any matters relating to the motor vehicle dealer industry presented to it by the department, and submit an annual report to the executive director of the department and file copies with the Governor, the President of the Senate, and the Speaker of the House of Representatives.
- (2) MEMBERSHIP, TERMS, MEETINGS. --
 - (a) The board shall be composed of 12 members. The executive director of the Department of Highway Safety and Motor Vehicles shall appoint the members from names submitted by the entities for the designated categories the member will represent. The executive director shall appoint one representative of the Department of Highway Safety and Motor Vehicles, who must represent the Division of Motor Vehicles; two representatives of the independent motor vehicle industry as recommended by the Florida Independent Automobile Dealers Association; two representatives of the franchise motor vehicle industry as recommended by the Florida Automobile Dealers Association; one representative of the auction motor vehicle industry who is from an auction chain and is recommended by a group affiliated with the National Auto Auction Association; one representative of the auction motor vehicle industry who is from an independent auction and is recommended by a group affiliated with the National Auto Auction Association; one representative from the Department of Revenue; a Florida tax collector representative recommended by the Florida Tax Collectors Association; one representative from the Better Business Bureau; one representative from the Department of Agriculture and Consumer Services, who must represent the Division of Consumer Services; and one representative of the insurance industry who writes motor vehicle dealer surety bonds.



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- (b) 1. The executive director shall appoint the following initial members to 1-year terms: one representative from the motor vehicle auction industry who represents an auction chain, one representative from the independent motor vehicle industry, one representative from the franchise motor vehicle industry, one representative from the Department of Revenue, one Florida tax collector, and one representative from the Better Business Bureau.
2. The executive director shall appoint the following initial members to 2-year terms: one representative from the motor vehicle auction industry who represents an independent auction, one representative from the independent motor vehicle industry, one representative from the franchise motor vehicle industry, one representative from the Division of Consumer Services, one representative from the insurance industry, and one representative from the Division of Motor Vehicles.
3. As the initial terms expire, the executive director shall appoint successors from the same designated category for terms of 2 years. If re-nominated, a member may succeed himself or herself.
4. The board shall appoint a chair and vice chair at its initial meeting and every 2 years thereafter.
- (c) The board shall meet at least two times per year. Meetings may be called by the chair of the board or by the executive director of the department. One meeting shall be held in the fall of the year to review legislative proposals. The board shall conduct all meetings in accordance with applicable Florida Statutes and shall keep minutes of all meetings. Meetings may be held in locations around the state in department facilities or in other appropriate locations.
- (3) PER DIEM, TRAVEL, AND STAFFING. --Members of the board from the private sector are not entitled to per diem or reimbursement for travel expenses. However, members of the board from the public sector are entitled to reimbursement, if any, from their respective agency. Members of the board may request assistance from the Department of Highway Safety and Motor Vehicles as necessary.

History. --S. 27, Ch. 2001-196.



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AGENDA
November 10, 2011

- Item 1. Call to order at 10:00 AM.
- Item 2. Adopt Minutes of 6/10/11 meeting.
- Item 3. Dealer Licensing Process Enhancements.
- E-Communications.
 - Availability of information.
 - Electronic fingerprinting.
 - Online dealer handbook.
 - Online licensing and renewal.
- Item 4. BMVFO Reports.
- Curb Stoning.
 - Operational Workload.
 - Hearing Office Workload.
- Item 5. Status of NHSTA Odometer Petition.
- Item 6. GM-DOR Sales and Use Tax Case.
- Item 7. Dealer Export Customer Agreements.
- Item 8. Status of EFS Inquiry Fee.
- Item 9. Creation of a Curbstoning Task Force.
- Item 10. Review of Proposed 2011 Legislation.
- Department
 - FADA
 - FIADA
 - Other



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Agenda
November 10, 2011
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Item 11. Issue(s) from the Floor.

Item 12. Next meeting--date and place.

Item 13. Adjourn.



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November 10, 2011

Florida Auto Auction of Orlando
11801 West Colonial Drive
Ocoee, Florida 34761-3328

Agenda Item 1. Call to Order

The meeting was held by conference call and called to order by Chair Berta Phelps at 10:15 AM. All Board members were present except for Anita Castriota.

Other persons present were Chuck Stepter, Counsel for Manheim Auctions and General Counsel for the National Auto Auction Association; Ted Smith, President of the Florida Automobile Dealers Association (FADA); Lisette Mariner, Executive Director, Florida Independent Automobile Dealers Association (FIADA); Jim Taylor, Auto Data Direct; Bob Priselac, Title Tech; James Ward, Title Tech and Larry Peters, AICE.

Department participants were Gary Elmore, Motorist Services, Program Planning and Administration and Ed Broyles, Motorist Services, Chief, Bureau of Motor Vehicle Field Operations.

Agenda Item 2. Adopt Minutes of 6/10/11 Meeting.

Chair Phelps called for adoption of the June 10, 2011 minutes. They were moved by Board Vice Chairman Mercurio and seconded by Board Member Marbais. They were unanimously adopted without change.

Agenda Item 3. Dealer Licensing Process Enhancements.

Board member and Motorist Services Director Walden went over the following topics.

E-Communications.

The Department is collecting e-mail addresses for communication with dealers and other customers. The Department has moved towards this as the primary form of communication and



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is using email for renewal notices and renewal reminders, dealer advisories, notices and memos about changes in forms or in rules, etc. and lists of non-renewing dealers to actions. Over 56,000 emails have been sent so far this calendar year and are more cost effective than regular mail.

Dealers are requested to advise the Department if their email address changes. In this regard, the Florida Association of Automobile Dealers (new cars) and the Florida Association of Independent Automobile Dealers (used cars) volunteered to put this information in their newsletters. Ed Broyles, Motorist Services, Chief, Bureau of Motor Vehicle Field Operations, is to send an address to them for dealers to send updates.

Availability of Information.

The Department's website is a living document that updates often.

It contains:

1. information on becoming a dealer with step by step instructions.
2. information for current dealers, including all forms and instructions
3. common questions and the answers about licensing.
4. a list of dealer training schools.
5. a list of regional offices, addresses and phone numbers.
6. a list of dealer and technical advisories.

The URL for the website is--<http://flhsmv.gov/html/titlinf.html>

Electronic Fingerprinting.

The Department is moving to electronic fingerprinting which will eliminate the need for fingerprint cards. This is quicker, reliable and more convenient.

FDLE approved electronic fingerprint vendors will be used and there are 60 or so in Florida.

FDLE will stop accepting hard copy finger prints April 15, 2012.

On-Line Dealer Handbook.

The Handbook is a complete guide for prospective and current dealers. It is also a



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reference guide that dealer's can use on a daily basis to find answers to common questions.

On-Line licensing and renewal.

The Department is working towards online licensing and renewals. Some documentation requirements will need to be resolved (original surety bonds, garage liability insurance). Accordingly, the Department is looking into what can be electronically transmitted by dealers and is looking at what programming is necessary.

The FL Department of Revenue has a group working on developing a One Stop Business Registration Portal. It is being designed to collect license fees and applications. This is a multi-agency initiative and the Department will be involved. Other states are doing this type of Portal, which includes South Carolina. It is currently in the RFI stage.

Board member Chariff commented that the concept of multi-year licenses for dealers is a good example of government and industry efficiency.

Agenda Item 4. Bureau of Motor Vehicle Field Operations Reports

Chair Phelps asked Ed Broyles, Chief, Bureau of Motor Vehicle of Field Operations, to provide a report on operations, curb stoning and hearing office activities.

Operations.

Mr. Broyles went over Exhibit A with Board members and other attendees. He pointed out consumer complaints are decreasing and may be attributable to records inspection activity by the Department.

Rebuilds are continuing to increase especially in Miami-Dade.

Vice Chair Mercurio asked if third party outsourcing might help in rebuilt inspections.

Board member and Motorist Services Director Walden stated that is worth considering to help with the regional office rebuilt workload.



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Curbstoning.

Mr. Broyles went over Exhibit B with Board members and other attendees.

The Miami-Dade Police Department is working towards but other law enforcement agencies participation on a statewide is not as high as expected. Staffing may be a possible reason for non-participation. The Department intends to continue encouraging this approach with law enforcement on a statewide basis.

Vice Chair Mercurio asked if the \$100 fee is not high enough to cover law enforcement agency participation.

Mr. Broyles responded he would ask them about the money aspect and what other things are holding them back from participating. He said from a Department perspective we get our fee and the process seems to work well.

Board member and Motorist Services Director Walden stated one thing which needs attention is the fact that “no Chapter 120 entry process” exists for violations.

Hearing Officer.

Mr. Broyles went over Exhibit C with Board members and other attendees. He pointed out that the numbers of revocations are down as well as the amount of fines collected.

Agenda Item 5. Status of NHTSA Odometer Petition.

Board member and Motorist Services Director Walden thanked Manheim and Chuck Stepter for their support of the Department’s petition to get a variance for odometer readings. The Petition was approved for casual sales but denied for dealer trade-in and lease sales by the National Highway Traffic Safety Administration (NHTSA).

Alternatives to be considered are:

- Electronic reassignments when the title is electronic and possibly using 3rd party vendors for this purpose. The costs and benefits of such an approach need to be explored by all affected parties to see it is feasible.



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The Department does not intend to resubmit a Petition to NHTSA until a new process is worked out with stakeholders.

Chair Phelps advised the American Financial Services Association is looking at ways to speed up lien releases.

Agenda Item 6. GM-DOR Sales and Use Tax Case.

Ted Smith, President of the Florida Automobile Dealers Association (FADA) brought to the attention of the Board this case involving the Florida Department of Revenue (DOR) and General Motors (GM). See attached court ruling, Exhibit D.

Board member and DOR employee Richards stated the case involves collecting sales/use tax on parts for warranty repairs to fix a motor vehicle. An appeal in January of 2012 is probable.

Agenda Item 7. Dealer Export Customer Agreements.

Ted Smith, President of the Florida Automobile Dealers Association (FADA) withdrew this item as it has been resolved with the Department.

Agenda Item 8. Status of EFS Inquiry Fees.

Board member and Motorist Services Director Walden brought the Board and other attendees up to date on the law that went into effect on 1/1/10 that required vendors to pay for FRVIS inquiries that do not result in transactions.

The Department must charge vendors retroactively and these costs will be passed on by the vendors to their customers. Several adjustments have been made and the latest under consideration will lessen the burden on dealers. Bills will be sent out to vendors after adjustments have been made by the Department.

Ted Smith, President of the Florida Automobile Dealers Association (FADA) asked if the largest individual customer bill would be around \$3,000 to \$4,000. This of course is dependent upon adjusted final bills and transaction counts by vendor customers.



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Bob Priselac of Title Tec stated his company has not made any final decisions on whether to pass on these costs yet. It will depend upon the final adjusted bills.

Agenda Item 9. Creation of A Curbstoning Task Force.

Board member and Motorist Services Director Walden told the Board and other attendees that curbstoning was an item of discussion at the FIADA convention. Historically, Department efforts have been enforcement in nature but could be better addressed by an approach involving prevention.

Open titles are probably the biggest contributor to Curbstoning. It was stated that open titles could be better caught if a “closing agent” was involved and e-titling used. Closing agents could be dealers, vendors and Tax Collectors. If the buyer and seller must appear together before a closing agent, this will cut down on open titles.

Curbstoning needs to be studied and a report written by August 2012 containing ways to better address it, including any necessary legislative changes. Board member and Motorist Services Director Walden asked for volunteers to comprise a Task Force and names are:

- Doris Maloy, Tax Collectors
- Dino Mercurio, FIADA
- Steve Marbais, FIADA
- Joe Greco, Independent Auctions
- Ken Richards, DOR
- Jim Taylor, Auto Data Direct
- James Ward, Title Tec
- Tom Mateo, FIADA
- DHSMV-Ed Broyles and Diane Buck

The Task Force Chair will be Dino Mercurio and this matter will be on the next Agenda.

Bob Priselac of Title Tec asked if education could also be a tool. Make it part of the curriculum for dealer schools.



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Agenda Item 10. Review of Proposed 2011 Legislation.

Department. Board member and Motorist Services Director Walden discussed the Department's legislative proposals. See Exhibit E.

FADA. Ted Smith advised that they had two areas of interest; 24 hour truck demo and multi-year licenses for dealers.

FIADA. Vice Chair Mercurio advised they had nothing at present; just defense.

A question arose about part of the Department's proposed legislation regarding posting a surety bond when the seller lacks a title. Board member O'Connor offered to look into the mechanics of this and costs. His e-mail answer post meeting is as follows:

I spoke with my bond broker in Georgia and she was very familiar with the bonding that will be required in the proposed change to 319.23.

The bond is called a "Lost Title Bond". It is readily available and not difficult to get issued. The premium is \$100.00 for a bond up to \$2,500 and \$200.00 for a bond \$2,500 to \$7,000. These are issued without credit checks.

They don't look at the credit score until the bond is over 7K at which point it is underwritten like any other bond. The price and availability is based on the applicant's ability to pay. The standard price is 3% of the bond amount but could be higher based on the underwriting.

As far as determining the value of the vehicle, she tells me in GA the DMV has some way of putting a value on the car. She mentioned they have a book they use but wasn't sure if it's NADA, Black Book or what.

In the event it's a collectors car or something unusual, the applicant must provide 2 appraisals and the bond amount is based on the higher of the two.

Hope this helps.

*Kevin C. O'Connor
Vehicle Dealer Insurance
a division of iscf*



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Agenda Item 11. Issue(s) From the Floor.

E-Titling Best Practices.

Board member and Motorist Services Director Walden advised that AAMVA has a project to adopt best practices to bring about uniformity between states. NMVTIS will be the footprint for e-titling across state lines.

Agenda Item 12. Next Meeting—date and place.

To be announced. Members will be polled later to determine the next meeting date, time and location. It will be held after the 2012 Legislative session ends.

Agenda Item 13. Adjourn.

With no further business, the meeting adjourned at 1:15 P.M.



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Exhibit A

	<i>FY 2009-10</i> July 1, 2009 Through June 30, 2010	<i>FY 2010-11</i> July 1, 2010 Through June 30, 2011	<i>FY 2011-12</i> July 1, 2011 Through September 30, 2011
AGENDA ITEM 4.			
BUREAU OF MOTOR VEHICLE FIELD OPERATIONS			
Number of Motor Vehicle Dealers Licenses Issued	10,888	11,475	628
Number of Manufacturers, Importers & Distributors Licenses Issued	487	443	319
Number of Mobile Home Dealers Licenses Issued	1,424	1,290	1,068
Total Licenses Issued (includes RV & MH Licenses)	12,844	13,208	2,015
Number of Motor Vehicle Dealer Records Inspections	6,615	5,800 *(1)	1,267
Number of Failed Motor Vehicle Dealer Records Inspections	1,571	1,429	287
Percentage of Failed MV Dealer Records Inspections to Total Inspections	23.74%	24.64%	22.65%
MV Failed Inspections % Change From Previous Year	-2.29%	.90%	NA
Number of Consumer Complaints Received	5,428	4,417	1,234
Number of Title Fraud Investigations	117	406 *(2)	32
Number of Odometer Fraud Investigations	52	82	0
Total Number of Title and Odometer Fraud Investigations	169	488	32
Title/Odometer Fraud Investigations As % Of All Complaint Investigations	3.02%	11.05%	2.59%
Number of VIN Verifications	20,085	20,343	4,975
Number of Odometer Inspections	49	37	19
Total Rebuilt, ASPT, VIN and Odometer Inspections	62,273	67,675	17,387
Number of Customer Service Assists	537,799	514,661	108,903



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**Bureau of Motor Vehicle
 Field Operations
 FY 2011-2012 Curbstoning
 Enforcement**

Exhibit B

AGENDA ITEM 5.

	Jul-11	Aug-11	Sep-11	1st Quarter Totals	Oct-11	Nov-11	Dec-11	2nd Quarter Totals	1st 6 Month Totals
Total Hours Curbstoning Enforcement	165.00	155.25	159.25	479.50					479.50
Weekday Hours	165.00	155.25	155.25	475.50					475.50
Weekend Hours	0.00	0.00	4.00	4.00					4.00
Unlicensed Dealer Investigations	86	111	85	282					282
Cease & Desist Letters Issued	69	54	76	199					199
Vehicles Towed	10	11	10	31					31

	Jan-12	Feb-12	Mar-12	3rd Quarter Totals	Apr-12	May-12	Jun-12	4th Quarter Totals	2nd 6 Month Totals
Total Hours Curbstoning Enforcement									
Weekday Hours									
Weekend Hours									
Unlicensed Dealer Investigations									
Cease & Desist Letters Issued									
Vehicles Towed									

	Year Totals
Total Hours Curbstoning Enforcement	479.50
Weekday Hours	475.50
Weekend Hours	4.00
Unlicensed Dealer Investigations	282
Cease & Desist Letters Issued	199
Vehicles Towed	31



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Exhibit C

AGENDA ITEM 4.

DIVISION OF MOTOR VEHICLES	FY 2010-11 (July 1, 2010 to June 30, 2011)	FY 2011-12 1st Quarter Ending– September 30, 2011)
HEARING OFFICER		
Number of Administrative Cases*	324	85
Number of Motor Vehicle Dealer Licenses Revoked**	81	6
Number of Motor Vehicle Dealer Licenses Suspended***	225	59
Number of Motor Vehicle Dealer Licenses Cancelled****	394	61
Administrative Fines Collected	\$131,700.00	\$14,000.00

*Administrative Complaints and Emergency Suspension Orders.

**Primarily Voluntary Revocations and Abandoned Locations.

***Primarily Emergency Suspension Orders for Surety Bonds and Garage Liability Insurance.

****Primarily Voluntary Relinquishments.



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Exhibit D.

SEP - 2 2011

IN THE CIRCUIT COURT OF THE SECOND JUDICIAL CIRCUIT
IN AND FOR LEON COUNTY, FLORIDA

GENERAL MOTORS, LLC,

CASE NO: 2004 CA 2739

Plaintiff,

vs.

DEPARTMENT OF REVENUE,

Defendants.

ORDER DENYING PLAINTIFF'S MOTION FOR SUMMARY JUDGMENT

This case is before me on the Plaintiff, General Motors (GM)'s motion for summary judgment, asserting that, under the undisputed material facts and the applicable law, it is not liable for taxes assessed against it by the Defendant, Department of Revenue (DOR). I have considered the motion, the response thereto, the arguments of counsel and the supplemental memoranda provided after the hearing. For the reasons set forth below, I deny the motion.

The taxes were imposed on transactions in which GM dealers made repairs to the cars of certain designated GM customers without charge to the customers, but were reimbursed by GM. It was part of a "Goodwill Program" under which GM could, in its discretion, authorize repair for automobiles beyond the standard warranty period. GM argues that because the parts and labor were "owned" by the dealers at the time of these repairs and not by GM, it cannot be properly assessed a use tax on the transactions.¹

The Department argues that GM certainly did own the repairs because it decided what repairs would be made and paid for them, thus exercising rights incident to

¹ The Plaintiff has other arguments as to why it is not liable for the tax but has limited its motion to this one issue. I thus do not consider, for example, whether tax on the repairs was paid at the time of purchase.



Exhibit E

ADIAB LEGISLATIVE TALKING POINTS

319.225 Transfer and reassignment forms; odometer disclosure statements.—

(7) Subject to approval by the National Highway Traffic Safety Administration or any other applicable authority, if a title is held electronically and the transferee agrees to maintain the title electronically, the transferor and transferee shall complete a secure reassignment document that discloses the odometer reading and is signed by both the transferor and transferee at the tax collector's office or license plate agency. A dealer acquiring a motor vehicle that has an electronic title shall use a secure reassignment document signed by the person from whom the dealer acquired the motor vehicle. Upon transferring the motor vehicle to a purchaser, a separate reassignment document shall be executed.

Section 319.23, Florida Statutes, is amended to read:

319.23 Application for, and issuance of, certificate of title.

(7) If an applicant for a certificate of title is unable to provide the department with a certificate of title that assigns the prior owner's interest in the motor vehicle, the department may accept a bond in the form prescribed by the department, along with an affidavit in a form prescribed by the department, which includes verification of the vehicle identification number and an application for title.

(a) The bond must be:

1. In a form prescribed by the department;
2. Executed by the applicant;
3. Issued by a person authorized to conduct a surety business in this state;
4. In an amount equal to two times the value of the vehicle as determined by the department; and
5. Conditioned to indemnify all prior owners and lienholders and all subsequent purchasers of the vehicle or persons who acquire a security interest in the vehicle, and their successors in interest, against any expense, loss, or damage, including reasonable attorney's fees, occurring because of the issuance of the certificate of title for the vehicle or for a defect in or undisclosed security interest on the right, title, or interest of the applicant to the vehicle.



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(b) An interested person has a right to recover on the bond for a breach of the bond's condition. The aggregate liability of the surety to all persons may not exceed the amount of the bond.

(c) A bond under this subsection expires on the third 948 anniversary of the date the bond became effective.

(d) The affidavit must:

1. Be in a form prescribed by the department;
2. Include the facts and circumstances through which the applicant acquired ownership and possession of the motor vehicle;
3. Disclose that no security interests, liens, or encumbrances against the motor vehicle are known to the applicant against the motor vehicle; and
4. State that the applicant has the right to have a certificate of title issued.

Section 319.24, Florida Statutes, is amended to read:

319.24 Issuance in duplicate; delivery; liens and encumbrances.—

(8) Notwithstanding any requirements in this section or in s. 319.27 indicating that a lien on a motor vehicle or mobile home shall be noted on the face of the Florida certificate of title, if there are one or more liens or encumbrances on the motor vehicle or mobile home, the department shall may electronically transmit the lien to the first lienholder and notify the first lienholder of any additional liens. Subsequent lien satisfactions shall may be electronically transmitted to the department and shall include the name and address of the person or entity satisfying the lien. When electronic transmission of liens and lien satisfactions are used, the issuance of a certificate of title may be waived until the last lien is satisfied and a clear certificate of title is issued to the owner of the vehicle. In subsequent transfer of ownership of the motor vehicle it shall be presumed that the motor vehicle title is subject to a lien as set forth in s. 319.225(6)(a) until the title to be issued pursuant to this subsection is received by the person or entity satisfying the lien.



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Section 319.27. Florida Statutes is amended to read:

319.27 Notice of lien on motor vehicles or mobile homes; notation on certificate; recording of lien.—

(7) The department shall administer an electronic titling program that requires the recording of vehicle title information for new, transferred and corrected certificates of title electronically. Lienholders shall electronically transmit liens and lien satisfactions to the department in a format determined by the department. Individuals and lienholders who are not normally engaged in the business or practice of financing vehicles are not required to participate in the electronic titling program as determined by the department.

Section 320.02, Florida Statutes, is amended to read:

(2)(a) The application for registration shall include the street address of the owner's permanent residence or the address of his or her permanent place of business and shall be accompanied by personal or business identification information which may include, but need not be limited to, a driver's license number, Florida identification card number, or federal employer identification number. If the owner does not have a permanent residence or permanent place of business or if the owner's permanent residence or permanent place of business cannot be identified by a street address, the application shall include:

1. If the vehicle is registered to a business, the name and street address of the permanent residence of an owner of the business, an officer of the corporation, or an employee who is in a supervisory position.
2. If the vehicle is registered to an individual, the name and street address of the permanent residence of a close relative or friend who is a resident of this state.

If the vehicle is registered to an active-duty military member who is a Florida resident, the member is exempt from the requirement to provide a Florida residential address.

(19) All electronic registration records shall be retained by the department for not less than 10 years.



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Section 320.06, Florida Statutes, is amended to read:

320.06 Registration certificates, license plates, and validation stickers generally.

(1)(c) Registration license plates equipped with validation stickers subject to the registration period are valid for not more than 12 months and expire at midnight on the last day of the registration period. A registration license plate equipped with a validation sticker subject to the extended registration period is valid for not more than 24 months and expires at midnight on the last day of the extended registration period. For each registration period after the one in which the original metal registration license plate is issued, and until the license plate is required to be replaced, a validation sticker showing the month and year of expiration shall be issued upon payment of the proper license tax amount and fees and is valid for not more than 12 months. For each extended registration period occurring after the one in which the original metal registration license plate is issued and until the license plate is required to be replaced, a validation sticker showing the year of expiration shall be issued upon payment of the proper license tax amount and fees and is valid for not more than 24 months. When license plates equipped with validation stickers are issued in any month other than the owner's birth month or the designated registration period for any other motor vehicle, the effective date shall reflect the birth month or month and the year of renewal. However, when a license plate or validation sticker is issued for a period of less than 12 months, the applicant shall pay the appropriate amount of license tax and the applicable fee under s. 320.14 in addition to all other fees. Validation stickers issued for vehicles taxed under s. 320.08(6)(a), for any company that owns 250 vehicles or more, or for semitrailers taxed under the provisions of s. 320.08(5)(a), for any company that owns 50 vehicles or more, may be placed on any vehicle in the fleet so long as the vehicle receiving the validation sticker has the same owner's name and address as the vehicle to which the validation sticker was originally assigned.

(3)(a) Registration license plates must be ~~made of metal~~ ~~specialy~~ treated with a retroreflection material, as specified by the department. The registration license plate is designed to increase nighttime visibility and legibility and must be at least 6 inches wide and not less than 12 inches in length, unless a plate with reduced dimensions is deemed necessary by the department to accommodate motorcycles, mopeds, or similar smaller vehicles. Validation stickers must also be treated with a retroreflection material, must be of such size as specified by the department, and must adhere to the license plate. The registration license plate must be imprinted with a combination of bold letters and numerals or numerals, not to exceed seven digits, to identify the registration license plate number. The license plate must be imprinted with the word "Florida" at the top and the



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name of the county in which it is sold, the state motto, or the words “Sunshine State” at the bottom.

Apportioned license plates must have the word “Apportioned” at the bottom and license plates issued for vehicles taxed under s. 320.08(3)(d), (4)(m) or (n), (5)(b) or (c), or (14) must have the word “Restricted” at the bottom. License plates issued for vehicles taxed under s. 320.08(12) must be imprinted with the word “Florida” at the top and the word “Dealer” at the bottom. Manufacturer license plates issued for vehicles taxed under s. 320.08(12) must be imprinted with the word “Florida” at the top and the word “Manufacturer” at the bottom. License plates issued for vehicles taxed under s. 320.08(5)(d) or (e) must be imprinted with the word “Wrecker” at the bottom. Any county may, upon majority vote of the county commission, elect to have the county name removed from the license plates sold in that county. The state motto or the words “Sunshine State” shall be printed in lieu thereof. A license plate issued for a vehicle taxed under s. 320.08(6) may not be assigned a registration license number, or be issued with any other distinctive character or designation, that distinguishes the motor vehicle as a for-hire motor vehicle.

Section 320.061, Florida Statutes, is amended to read:

320.061 Unlawful to alter motor vehicle registration certificates, license plates, temporary license plates, mobile home stickers, or validation stickers or to obscure license plates; penalty.—

No person shall alter the original appearance of any registration license plate, temporary license plate, mobile home sticker, validation sticker, or vehicle registration certificate issued for and assigned to any motor vehicle or mobile home, whether by mutilation, alteration, defacement, or change of color or in any other manner. No person shall apply or attach any substance, reflective matter, illuminated device, spray, coating, covering, or other material onto or around any license plate that interferes with the legibility, angular visibility, or detectability of any feature or detail on the license plate or interferes with the ability to record any feature or detail on the license plate. Any person who violates this section commits a misdemeanor of the second degree, punishable as provided in s. 775.082 or s. 775.083.



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Section 320.27, Florida Statutes, is amended to read:

320.27 Motor vehicle dealers.—

(3) APPLICATION AND FEE.

The application for the license shall be in such form as may be prescribed by the department and shall be subject to such rules with respect thereto as may be so prescribed by it. Such application shall be verified by oath or affirmation and shall contain a full statement of the name and birth date of the person or persons applying therefor; the name of the firm or copartnership, with the names and places of residence of all members thereof, if such applicant is a firm or copartnership; the names and places of residence of the principal officers, if the applicant is a body corporate or other artificial body; the name of the state under whose laws the corporation is organized; the present and former place or places of residence of the applicant; and prior business in which the applicant has been engaged and the location thereof. Such application shall describe the exact location of the place of business and shall state whether the place of business is owned by the applicant and when acquired, or, if leased, a true copy of the lease shall be attached to the application. The applicant shall certify that the location provides an adequately equipped office and is not a residence; that the location affords sufficient unoccupied space upon and within which adequately to store all motor vehicles offered and displayed for sale; and that the location is a suitable place where the applicant can in good faith carry on such business and keep and maintain books, records, and files necessary to conduct such business, which will be available at all reasonable hours to inspection by the department or any of its inspectors or other employees. The applicant shall certify that the business of a motor vehicle dealer is the principal business which shall be conducted at that location. Such application shall contain a statement that the applicant is either franchised by a manufacturer of motor vehicles, in which case the name of each motor vehicle that the applicant is franchised to sell shall be included, or an independent (nonfranchised) motor vehicle dealer. Such application shall contain such other relevant information as may be required by the department, including evidence that the applicant is insured under a garage liability insurance policy or a general liability insurance policy coupled with a business automobile policy, which shall include, at a minimum, \$25,000 combined single-limit liability coverage including bodily injury and property damage protection and \$10,000 personal injury protection. A salvage motor vehicle dealer as defined in subparagraph (1)(c)5. is exempt from the requirements for garage liability insurance and personal injury protection insurance on those vehicles that cannot be legally operated on Florida roads, highways, or streets. Franchise dealers must submit garage liability insurance



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policy, and all other dealers must submit a garage liability insurance policy or a general liability insurance policy coupled with a business automobile policy. Such policy shall be for the license period, and evidence of a new or continued policy shall be delivered to the department at the beginning of each license period. Upon making initial application, the applicant shall pay to the department a fee of \$300 in addition to any other fees now required by law; upon making a subsequent renewal application, the applicant shall pay to the department a fee of \$75 in addition to any other fees now required by law. Upon making an application for a change of location, the person shall pay a fee of \$50 in addition to any other fees now required by law. The department shall, in the case of every application for initial licensure, verify whether certain facts set forth in the application are true. Each applicant, general partner in the case of a partnership, or corporate officer and director in the case of a corporate applicant, must file a set of fingerprints with the department for the purpose of determining any prior criminal record or any outstanding warrants. The department shall submit the fingerprints to the Department of Law Enforcement for state processing and forwarding to the Federal Bureau of Investigation for federal processing. The actual cost of state and federal processing shall be borne by the applicant and is in addition to the fee for licensure. The department may issue a license to an applicant pending the results of the fingerprint investigation, which license is fully revocable if the department subsequently determines that any facts set forth in the application are not true or correctly represented.

Section 320.7711, Florida Statutes, is amended to read:

320.771 License required of recreational vehicle dealers.

(1) DEFINITIONS.—As used in this section:

(d) A dealer may apply for a certificate of title to a recreational vehicle required to be registered under s. 320.08(9) using a manufacturer's statement of origin as permitted by s. 319.23(1) only if such dealer is authorized by a manufacturer/dealer agreement as defined in s. 320.3202(8) on file with the department to buy, sell, or deal in that particular line-make of recreational vehicle and is authorized by such agreement to perform delivery and preparation obligations and warranty defect adjustments on that line-make.

Section 320.95, Florida Statutes, is amended to read:

320.95 Transactions by electronic or telephonic means.

(1) The department may is ~~authorized~~ to accept any application provided for under this chapter by electronic or telephonic means.



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(2) The department may collect and use electronic mail addresses for the purpose of providing renewal notices in lieu of the United State Postal Service.



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AGENDA

June 8, 2012

- Item 1. Call to order at 10:00 AM.
- Item 2. Adopt Minutes of 11/10/11 meeting.
- Item 3. Organizational Changes—Division of Motorist Services and Department.
- Item 4. Discuss Concept of Centralized Issuance of License Plates.
- Item 5. Motor Vehicle Reports.
 - Curb Stoning.
 - Operational Workload.
 - Hearing Office Workload.
- Item 6. Requirement of Entry of Net Selling Price.
- Item 7. Interim Report--Curbstoning Task Force.
- Item 8. Review of 2012 Legislation.
- Item 9. Issue(s) from the floor.
- Item 10. Next meeting—date, time and place.
- Item 11. Adjourn.



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DRAFT

June 8, 2012

Florida Auto Auction of Orlando
11801 West Colonial Drive
Ocoee, Florida 34761-3328

Agenda Item 1. Call to Order

The meeting was called to order by Chair Berta Phelps at 10:05 AM. All Board members were present except for Anita Castriota and Joe Greco, which constituted a quorum.

Other persons present were Lisette Mariner, Executive Director, Florida Independent Automobile Dealers Association (FIADA); Jim Taylor, Auto Data Direct; James Ward, Title Tech; Navelchikwanda, CVR; Dale Agan, CVR and Larry Peters, AICE.

Department participants were Gary Elmore, Motorist Services, Program Planning and Administration and Felecia Ford, Motorist Services, Program Manager, Bureau of Issuance Oversight.

Agenda Item 2. Adopt Minutes of 11/10/11 Meeting.

Chair Phelps called for adoption of the November 10, 2011 minutes. They were moved by Board Member Marbais and seconded by Board Vice Chairman Mercurio. They were unanimously adopted without change.

Agenda Item 3. Organizational Changes --- Division of Motorist Services and Department.

Board member and Motorist Services Director Walden gave an overview of recent management changes at the Department and Division level.

At the Department level, four senior level changes have been made, which are:

- Diana Vaughn- Chief Financial Officer to Deputy Executive Director.



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- Stacy Arias- Motorist Services Chief Administrative Officer to HSMV Chief of Staff.
- Kim Banks- Senior Program Analyst of the Department's Office of Financial Management to Chief Financial Officer.
- Matthew Montgomery- He is a new hire as the Legislative Affairs Director. Prior to coming to work for the Department,-he was a lobbyist for the Southern Strategy Group and Department of Agriculture and Consumer Affairs.

Division of Motorist Services changes:

- Steven Fielder- HSMV Legislative Director to Deputy Director.
- Kevin Bailey- HSMV Chief of Purchasing and Contracts to Chief Administrative Officer.
- Ed Broyles- Chief of Motor Vehicle Field Operations to Chief, Bureau of Motorist Services Support.
- Felecia Ford-Program Manager, Dealer License section. She moved from the Bureau of Motor Vehicle Field Operations to the Bureau of Issuance Oversight.

Agenda Item 4. Discuss Concept of Centralized Issuance of License Plates.

Board member and Motorist Services Director Walden gave an overview of the concept of central issuance of license plates. The concept originated from a list of potential efficiencies that was shared with the Governor's office last year. It involves manufacturing a license plate only when requested by a customer and then mailing to them after being manufactured by PRIDE.

Currently, regular license plates are pre-purchased from PRIDE and distributed to Tax Collectors and their agents. It is necessary to purchase more license plates than required at any given point in time based upon the Department's inventory system calculations of maintaining a certain level of inventory.

To clarify to Board members and other meeting attendees, Board member and Motorist Services Director Walden advised the Department has reached out to stakeholders by holding meetings throughout Florida to solicit feedback on the feasibility of this concept. Everyone was reminded that changing the way license plates are issued would require two approvals, the Governor and Cabinet and then the Legislature.

At this point, nothing has been firmly decided but a decision needs to be reached by August 2012. If it is determined the concept is a go, it must be presented to the Governor and Cabinet in September 2012. The earliest implementation date would probably be 2014.



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Board member and Motorist Services Director Walden pointed out several facts to consider as the feasibility of change is investigated. They are:

- Current license plates are hard to read. Technology would be used to make them more readable.
- The Florida Department of Transportation is losing toll revenue due to license plates being hard to read.
- Efficiencies must be present for all parties involved.
- Eliminate waste when transitioning from one license plate design to another.
- Eliminate the need for specialty plate organizations to buy unused inventory when transitioning from one graphic design to another.
- 30% of license plate transactions are currently handled via mail.
- The Electronic Filing System (EFS) is about 15 years old and needs to be redesigned. Making EFS mandatory for all new motor vehicle dealers is a possibility for discussion with the Florida Automobile Dealers Association.
- Requirements for used motor vehicle dealers could be different.
- Broad abilities would be to transfer documents and money electronically in a more efficient manner.

The Department will continue to meet with stakeholders to develop a comprehensive fact sheet regarding the pros and cons of the concept. Stakeholders are encouraged to assess the impact of the change on their operations and report their findings to the Department. The Department will study these comments and use them in determining if this concept is presented to the Governor and Cabinet.

Vice Chair Mercurio shared concerns about buy here/pay here dealerships ability to collect payment of tag, title and registration. He also stated this concept should be delayed until next year to allow a full feasibility study. Further, he asked in casual sales if temporary tags would continue to be issued by Tax Collectors.

Board member Maloy shared Tax Collector's concerns about the concept and the timeline to make a decision if this is going to be presented this year to the Governor and Cabinet. She did not understand if both the existing way of issuing some types of license plates and the centralized concept would run parallel or just the centralized concept. Tax Collectors are supportive of the concept if it is going to improve customer service.

Board member Chariff advised that FADA will support the Department's decision if it makes sense and offers benefits. He advised that FADA did a poll and 78% of its members are opposed to centralized issuance and suggested a fact sheet be developed to educate franchise dealers and other stakeholders.



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Board member Marbais supports the concept subject to further study by stakeholders.

Jim Taylor, Auto Data Direct, suggested using ADIAB for stakeholder meetings.

Board member and Motorist Services Director Walden agreed to share information with the board as it becomes available.

Chair Phelps asked for a recommendation from the board. D. Mercurio recommends that the board should be involved in this process.

Board member and Motorist Services Director Walden stated information would be distributed to Board members as it is developed and asked they contact their constitute groups for input.

Agenda Item 5. Motor Vehicle Reports.

Felecia Ford, Motorist Services, Bureau of Issuance Oversight, presented the motor vehicle report. She went over attached Exhibits A, B and C.

With regard to Operations and Curbstoning, activities are at about the same level as Fiscal Year 2010-11. Exhibit B shows all licensed independent dealers except for those renewing during the delinquent renewal period.

The Department does not conduct curbstoning as a primary workload item. Due to legislative changes, the Department does aid law enforcement in curbstoning and works cases in conjunction with other activities.

Exhibit C shows hearing office activity for the last quarter of this fiscal year. It appears there is a reduction in administrative actions and fines. The Department feels this is attributable to better compliance with laws and rules by motor vehicle dealers. Also, it appears increased dealer education that is available on the Department's website and training by dealer training schools is paying dividends.

Board member Mercurio discussed the heavy workload for rebuilt inspections and questioned whether this program could be being privatized. The Department is losing money as the inspections fees do not cover costs.

Larry Peters, AICE, advised that his tag agency collects the paperwork and schedules inspections on site to assist with the Department's workload.



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Board member and Motorist Services Director Walden added that this is also done in South Florida. Further, he stated this may be a viable function to privatize.

Chair Phelps questioned whether this was a viable option to be privatized.

Agenda Item 6. Requirement of Entry of Net Selling Price.

Board member and Motorist Services Director Walden asked Board member Richards to address this matter since it is a FL Department of Revenue initiative. He stated this is a collaborative effort between the Department of Highway Safety and Motor Vehicles and the Florida Department of Revenue to create efficiencies in the dealer sales tax administration process. It requires the entry of a vehicle's net selling price in FRVIS before completing a titling transaction. See attached Dealer Advisory.

Board member Chariff stated the Florida Automobile Dealers Association would like to see this postponed due to privacy issues.

Board member Richards advised him that the FL Department of Revenue can exempt this information from the public records law.

Larry Peters, AICE, asked if service contracts were included in the net selling price.

Board member Richards advised him the answer was "yes."

Board member and Motorist Services Director Walden advised the Department would experience a short delay in implementing this as a FRVIS requirement.

Agenda Item 7. Interim Report – Curbstoning Task Force.

At the November 10, 2011 Board meeting, it was decided that curbstoning needed to be studied and a report written by August 2012 containing ways to better address it, including any necessary legislative changes. Board member and Motorist Services Director Walden asked for volunteers to comprise a Task Force, which are:

- Doris Maloy, Tax Collectors
- Dino Mercurio, FIADA
- Steve Marbais, FIADA
- Joe Greco, Independent Auctions
- Ken Richards, DOR
- Jim Taylor, Auto Data Direct



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James Ward, Title Tec
Tom Mateo, FIADA
DHSMV-Ed Broyles and Diane Buck

Vice Chair Mercurio was appointed the Task Force Chair.

At today's meeting, Vice Chair Mercurio spoke about curbstoning and emphasized the following:

- It is an on-going conversation at Board meetings.
- It is primarily an independent motor vehicle dealer issue.
- The scope of enforcement changed two years ago with legislative changes.
- The purpose of the legislative changes was to promote more local enforcement but this has failed to materialize in any significant way statewide.

Vice Chair Mercurio stated the apparent pluses and minuses of the current approach are:

Pluses.

- It was intended to help collect sales tax on motor vehicles.
- It was intended to help the Department enforce the law.

Minuses.

- Local governments having to enact ordinances.
- Is the \$100 fine high enough to cover the costs of enforcement?

In an email, Vice Chair Mercurio asked Board member Maloy about how Tax Collectors handle open titles. She stated Leon County rejected such a transaction and based upon input from other Tax Collectors they handle it in a similar way.

This Agenda Item has three Exhibits, which are:

- Curbstoning Task Force update.
- Statutory change proposal.
- Miami-Dade Curbstone Enforcement Guidelines.

The statutory change proposal and Miami-Dade Curbstone Enforcement Guidelines were given to Vice Chair Mercurio by Les Cravens. He is with the Florida Auto Theft Intelligence Unit (FATIU) and also recently retired from the Miami Dade Police Department (MDPD). The board discussed the proposed statutory changes and concluded:

- Subject to further legal review, it may be appropriate to delete the requirement for an ordinance contained in s. 316.1951(4), F.S.



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- The proposed changes to s. 316.1951(20), F.S., (4), (6), and (9) appear beneficial.
- The proposed change to s. 316.1951(8), F.S., is not beneficial for motor vehicle owners.

Vice Chair Mercurio was concerned that anyone can come in and pay the \$100 to pick up a vehicle that has been towed. A recommendation was made to change the form so that Law enforcement agencies (LEA) would require \$100 fee and require proof of ownership prior to being issued a release. The tow company would require towing fee, vehicle release form and proof of ownership. This recommendation should address the issues we are having with curbstoners violating two laws:

1. Operating a dealership without a license.
2. Skipping titling of the vehicle to avoid sales tax.

We believe this change can be implemented with a policy change, form revision and education to law enforcement and towing companies.

There was also discussion about raising the fee in s. 318.18(21), F.S., to help offset the costs of investigations, enforcement, and training about motor vehicle crimes.

Agenda Item 8. Review of 2012 Legislation.

Gary Elmore, Motorist Services, Programming and Administration, gave an overview of 2012 legislation. See attached Exhibit to Agenda Item 8.

Vice-Chair Mercurio told the Board he likes the electronic titles and lien program. It is however a learning/transition process for buy/here pay/here dealers.

Board member Maloy feels Tax Collectors need FRVIS tools to correct or modify electronic titles and liens. She also questioned the necessity for a 10 day grace period for renewal of vehicle registrations.

Board member and Motorist Services Director Walden agreed with Board member Maloy and stated that these area needs to be studied.



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Agenda Item 9. Issue(s) from the floor.

Transporter Tags.

Board member Marbais discussed issues with dealers using transporter tags for use on personal owned vehicles. The board asked how many transporter tags are currently issued. A quick count was obtained and Department records showed 8,184 transporter tags.

Board member and Motorist Services Director Walden said there may be a problem with both dealer and transporter license plates-quantity of them issued. Need suggestions for rewriting the applicable sections of Chapter 320, F.S., concerning dealer and transporter plates.

Due to concerns that dealers are able to drive vehicles using a transporter tag without proper insurance, Board member O'Connor motioned that the board create task force to research the use of transporter tags. The motion was second by Board member Chariff and the motion passed.

Chair Phelps told Board members and other attendees that Georgia ties the number of dealer plates to sales volume.

Board member O'Connor will serve as the task force Chair. Other Task force members are Board members Marbais, Chariff and Vice Chair Mercurio. Larry Peters of AICE will serve as a consultant to the Task Force.

Board member Marbais discussed issues where a customer purchased a vehicle and a 6-month insurance policy. The insurance company cancelled the policy retroactively and returned the customers premium. Unfortunately the customer was in a crash and now she has a car payment with an inoperable vehicle.

On-line Dealer Licensing System.

Board member and Motorist Services Director Walden advised the Department is proposing a FY 2013-14 Legislative Budget Request for an on-line dealer licensing system.

Board member O'Connor relied to a question about the feasibility of electronic notification from surety bond and garage liability companies to the Department. He felt this was doable from the insurance industry.



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VIN Cloning.

Jim Taylor, Auto data Direct, discussed a VIN cloning case, which involved a dealer to dealer transaction. Rather than law enforcement or other state official, a notary verified the VIN which turned out to belong to another motor vehicle. He stated reports from the National Motor Vehicle Title Information System (NMVTIS) could have caught this transaction upfront. The state of California is requiring NMVTIS reports for all used motor vehicle sales.

Chair Phelps praised the benefits of using NMVTIS and electronic titling.

Agenda Item 10. Next meeting—date, time and place.

To be announced. Members will be polled later to determine the next meeting date, time and location. It will be held in the fall before the 2013 Legislative session begins.

Note: This was the last meeting for Gary Elmore due to his retirement from the Department this fall. The Board commended Gary for his dedicated service and presented him with a Certificate of Appreciation.

Felecia Ford, Program Manager, Bureau of Issuance Oversight, Dealer License section is the new Ex- Officio secretary for the board.

Agenda Item 11. Adjourn.

With no further business, the meeting adjourned at 1:00 P.M.



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Bureau of Motor Services
 Support
 FY 2011-2012 Curbstoning
 Enforcement

Exhibit
 A

AGENDA ITEM 5.

	Jul-11	Aug-11	Sep-11	1st Quarter	Oct-11	Nov-11	Dec-11	2nd Quarter	1st 6 Month
				Totals				Totals	Totals
Total Hours Curbstoning Enforcement	165.00	155.25	159.25	479.50	268.70	161.00	172.25	601.95	1,081.45
Weekday Hours	165.00	155.25	155.25	475.50	227.70	144.00	166.25	537.95	1,013.45
Weekend Hours	0.00	0.00	4.00	4.00	41.00	17.00	6.00	64.00	68.00
Unlicensed Dealer Investigations	86	111	85	282	143	74	74	291	573
Vehicles Towed	10	11	10	31	25	3	11	39	70

	Jan-12	Feb-12	Mar-12	3rd Quarter	Apr-12	May-12	Jun-12	4th Quarter	2nd 6 Month
				Totals				Totals	Totals
Total Hours Curbstoning Enforcement	122.75	156.20	172.25	451.20	87.50			87.50	538.70
Weekday Hours	122.75	154.70	172.25	449.70	87.50			87.50	537.20
Weekend Hours	0.00	1.50	0.00	1.50	0.00			0.00	1.50
Unlicensed Dealer Investigations	66	89	94	249	27			27	276
Vehicles Towed	0	8	2	10	0			0	10

	Year Totals
Total Hours Curbstoning Enforcement	1,620.15
Weekday Hours	1,550.65
Weekend Hours	69.50
Unlicensed Dealer Investigations	849
Vehicles Towed	80



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**Exhibit B
 AGENDA ITEM 5**

	<i>FY 2009-10 July 1, 2009 Through June 30, 2010</i>	<i>FY 2010-11 July 1, 2010 Through June 30, 2011</i>	<i>FY 2011-12 July 1, 2011 Through March 31, 2012</i>
DIVISION OF MOTORIST SERVICES			
Number of Motor Vehicle Dealers Licenses Issued	10,888	11,475	4960
Number of Manufacturers, Importers & Distributors Licenses Issued	487	443	402
Number of Mobile Home/Recreation Vehicle Dealers Licenses Issued	1,424	1,290	1496
Total Licenses Issued (includes RV & MH Licenses)	12,844	13,208	6858
Number of Motor Vehicle Dealer Records Inspections	6,615	5,800 *(1)	3,924
Number of Failed Motor Vehicle Dealer Records Inspections	1,571	1,429	908
Percentage of Failed MV Dealer Records Inspections to Total Inspections	23.74%	24.64%	23.14%
MV Failed Inspections % Change From Previous Year	-2.29%	.90%	-1.5%
Number of Consumer Complaints Received	5,428	4,417	3,086
Number of Title Fraud Investigations	117	406 *(2)	223
Number of Odometer Fraud Investigations	52	82	51
Total Number of Title and Odometer Fraud Investigations	169	488	274
Title/Odometer Fraud Investigations As % Of All Complaint Investigations	3.02%	11.05%	8.88%
Number of VIN Verifications	20,085	20,343	16,869
Number of Odometer Inspections	49	37	38
Total Rebuilt, ASPT, VIN and Odometer Inspections	62,273	67,675	54,221
Number of Customer Service Assists	537,799	514,661	320,953



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Exhibit C
AGENDA ITEM 5

DIVISION OF MOTORIST SERVICES	FY 2010-11 (July 1, 2010 to June 30, 2011)	FY 2011-12 1st- 3rd Quarter Ending- March 31, 2012)
HEARING OFFICER		
Number of Administrative Cases*	324	229
Number of Motor Vehicle Dealer Licenses Revoked**	81	42
Number of Motor Vehicle Dealer Licenses Suspended***	225	147
Number of Motor Vehicle Dealer Licenses Cancelled****	394	246
Administrative Fines Collected	\$131,700.00	\$59,000.00

*Administrative Complaints and Emergency Suspension Orders.

**Primarily Voluntary Revocations and Abandoned Locations.

***Primarily Emergency Suspension Orders for Surety Bonds and Garage Liability Insurance.

****Primarily Voluntary Relinquishments.



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Agenda Item 6.



**DEALER ADVISORY
DIVISION OF MOTORIST SERVICES
BUREAU OF ISSUANCE OVERSIGHT**

To:	All Dealers	
Subject:	Update Regarding Implementation of Net Selling Price	
Advisory Date: July 5, 2012	Implementation Date: Immediate	
Advisory Number:	BIO/12-06	

UPDATE TO BIO/12-05; DATED 06/28/12

Last Friday the Department issued a Dealer Advisory BIO/12-05, subject “Update Regarding Implementation of Net Selling Price.” To clarify last week’s advisory; the Electronic Filing System (EFS) was modified to delay the mandatory entry of the net selling price. However, the FRVIS system was not and as of July 1, 2012, was rejecting transactions without this information.

Tuesday night, July 3, 2012, we modified the FRVIS system to allow additional time before mandating the entry of the net sales price. This information can continue to be entered and we encourage dealers and tag agents to begin entering this information if they have it available. However, mandatory entry of the net sales price will be delayed and required for any transactions with an acquired date of August 1, 2012 or later.

Thank you for your patience in this matter. Please continue to work with your dealers to get this data entered into the system as soon as possible. If you have any questions, please contact the Field Support Helpdesk.



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AGENDA ITEM 7.

CURBSTONING TASK FORCE UPDATE

Curbstoning is the practice of selling motor vehicles by parking and displaying the vehicles for sale in public from a location that is not a dealership. These locations are on city, county or state right of ways, utility easements, or businesses' parking lots such as shopping centers, convenience stores, supermarkets or gas stations. Persons selling vehicles by curbstoning do so in violation of numerous laws and gain an unfair competitive advantage over licensed dealerships.

Florida statute 316.1951 was modified during the 2010 legislative session to allow for the towing of vehicles displayed for sale and requires that any vehicle removed under this statute shall not be released from the impound, towing, or storage facility before a DHSMV release form (HSMV 84060S) is obtained from the government agency or authority that ordered the removal of the vehicle and a fine is paid.

Beginning in June 2011, the Auto Theft Task Force began enforcing the curbstone statute in an effort to combat the other crimes that occur when vehicles are sold in this manner. In approximately two months, twenty-nine (29) vehicles displayed for sale in violation of statute 316.1951 were cited and towed. Owners of all twenty-nine (29) vehicles responded to the Auto Theft Task Force Office to obtain the required DHSMV release form and remit the required fine. Twenty-one (21) were identified as being sold by persons who were trying to avoid titling the vehicle in their own name to avoid the transfer fees and sales tax they are required to remit. In other words, these persons operate as unlicensed dealers and conceal their ownership interest. All twenty-one (21) of these persons were required to transfer their vehicle into their own name and pay the required transfer fees and sales tax. All twenty-one have complied. Additionally, eight (8) vehicles were identified as being connected to dealers who were either selling from a location other than their authorized lot, who were allowing someone to buy and sell under their license for a fee, or who had provided a dealer tag to use on a vehicle not part of their inventory. Complaints were filed against these licensed dealers through the Miami Regional DHSMV office.



STATUTORY CHANGE PROPOSAL

316.1951 Parking for certain purposes prohibited; sale of motor vehicles; prohibited acts.—

(1) It is unlawful for any person to park a motor vehicle, as defined in s. [320.01](#), upon a public street or highway, a public parking lot, or other public property, or upon private property where the public has the right to travel by motor vehicle, for the principal purpose and intent of displaying the motor vehicle thereon for sale, hire, or rental unless the sale, hire, or rental of the motor vehicle is specifically authorized on such property by municipal or county regulation and the person is in compliance with all municipal or county licensing regulations.

(2) The provisions of subsection (1) do not prohibit a person from parking his or her own motor vehicle ~~or his or her other personal property~~ on any noncommercial private real property which the person owns or leases or on noncommercial private real property which the person does not own or lease, but for which he or she obtains the written permission of the owner, or on the public street immediately adjacent thereto, for the principal purpose and intent of sale, hire, or rental of a vehicle properly titled and registered in his own name or his company's name.

(3) Subsection (1) does not prohibit a licensed motor vehicle dealer from displaying for sale or offering for sale motor vehicles at locations other than the dealer's licensed location if the dealer has been issued a supplemental license for off-premises sales, as provided in s. [320.27](#)(5), and has complied with the requirements in subsection (1). A vehicle displayed for sale by a licensed dealer at any location other than the dealer's licensed location is subject to immediate removal without warning.

(4) ~~A local government may adopt an ordinance to allow the towing of a motor vehicle parked in violation of this section.~~ A law enforcement officer, compliance officer, code enforcement officer, or inspector from any local or state government agency, or ~~supervisor~~ of the department may issue a citation and cause to be immediately removed at the owner's expense any motor vehicle found in violation of subsection (1), except as provided in subsections (2) and (3), or in violation of subsection (5), subsection (6),



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subsection (7), or subsection (8), and the owner shall be assessed a cost or investigative expense recovery penalty as provided in s. [318.18](#)(21) by the government agency or authority that orders immediate removal of the motor vehicle. A motor vehicle removed under this section shall not be released from an impound or towing and storage facility before a release form prescribed by the department has been completed verifying that the motor vehicle has been properly titled to the current owner selling the motor vehicle and the fine has been paid to the government agency or authority that ordered immediate removal of the motor vehicle. However, the owner may pay towing and storage charges to the towing and storage facility pursuant to s. [713.78](#) before payment of the fine or before the release form has been completed.

(5) It is unlawful to offer a vehicle for sale if the vehicle identification number has been destroyed, removed, covered, altered, or defaced, as described in s. [319.33](#)(1)(d). A vehicle found in violation of this subsection is subject to immediate removal without warning.

(6) It is unlawful to knowingly attach to any motor vehicle a registration license plate or temporary tag that was not assigned or lawfully transferred to the vehicle pursuant to s. [320.261](#). A vehicle found in violation of this subsection is subject to immediate removal without warning.

(7) It is unlawful to display or offer for sale a vehicle that does not have a valid current registration as provided in s. [320.02](#). A vehicle found in violation of this subsection is subject to immediate removal without warning. This subsection does not apply to vehicles and recreational vehicles being offered for sale through motor vehicle auctions as defined in s. [320.27](#)(1)(c)4.

(8) ~~A vehicle is subject to immediate removal without warning if it bears a telephone number that has been displayed on three or more vehicles offered for sale within a 12-month period.~~ It is unlawful to display or offer for sale a vehicle at a commercial business or commercial business parking lot that is not a license motor vehicle dealer.

(9) Any other provision of law to the contrary notwithstanding, a violation of subsection (1), subsection (5), subsection (6), subsection (7), or subsection (8) shall



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subject the owner of such motor vehicle to towing fees reasonably necessitated by removal and storage of the motor vehicle and a cost and investigative recovery fine as required by s. [318.18](#).

(10) This section does not prohibit the governing body of a municipality or county, with respect to streets, highways, or other property under its jurisdiction, from regulating the parking of motor vehicles for any purpose.

(11) A violation of this section is a noncriminal traffic infraction, punishable as a nonmoving violation as provided in chapter 318, unless otherwise mandated by general law.

318.18 (21) One hundred dollars, to offset the cost or investigative expense, for a violation of s. [316.1951](#) for a vehicle that is unlawfully displayed for sale, hire, or rental. Notwithstanding any other law to the contrary, fines collected under this subsection shall be retained by the governing authority that authorized towing of the vehicle and must be used for the investigation, enforcement, and training of motor vehicle crimes including but not limited to the unlawful display of motor vehicles for sale, hire, or rental. Fines collected by the department shall be deposited into the Highway Safety Operating Trust Fund.



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Miami-Dade Police Department
AUTO THEFT TASK FORCE

9105 NORTHWEST 25TH STREET
MIAMI, FLORIDA 33172
(305) 994-1000

CURBSTONE ENFORCEMENT GUIDELINES

Curbstoning is the practice of selling motor vehicles by parking and displaying the vehicles for sale in public from a location that is not a dealership. Usually these locations are on city, county or state right of ways, utility easements, or businesses parking lots such as shopping centers, convenience stores, supermarkets or gas stations.

Persons involved in curbstoning vehicles in order to sell them are frequently doing so in order to violate other laws and gain an unfair competitive advantage over legitimate dealerships. Some of the types of illegal curbstoning sales are:

- 1) Seller is selling stolen vehicles that have altered manufacturer's identification numbers.
- 2) Seller purchases vehicles under an associate's dealer license from an auction and is now selling the vehicles without ever titling the vehicle in his own name, paying the required sale's tax or obtaining his own dealer and occupational licenses.
- 3) Seller purchases the vehicles from private persons and is holding an open title to sell the vehicle without titling the vehicles in his own name, paying the required sales tax, or obtaining his own dealer and occupational licenses.
- 4) Seller purchases wrecked vehicles, rebuilds them, and sells the vehicles to the buyers without revealing the past conditions and processing the vehicles through the Florida "rebuilt" procedure.
- 5) Seller is a licensed dealer that is curbstoning vehicles sometimes near his competitor's dealerships.
- 6) Seller is parking a vehicle that has not been titled or registered in this state and is selling without having law enforcement or DHSMV verify the identity.
- 7) Seller is an out of State dealer selling vehicles in Florida without obtaining Florida licenses and/or titling the vehicle in his company's name.



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- 8) Seller poses as a buyer from another country enabling him to purchase vehicles for export at auctions without paying sales tax or having a Florida dealer's license and then sells the vehicles domestically in Florida without a license or titling the vehicles in his name.
- 9) Seller is selling vehicle without satisfying a lien holder's interest after obtaining a title fraudulently.
- 10) Seller has obtained title illegally by doing a fraudulent Towing & Storage lien or Mechanics lien and is trying to sell the vehicle.
- 11) Seller parks vehicles in a manor where it creates an obstructed view of oncoming or cross traffic which contributes to traffic accidents.

Florida statute 316.1951 was modified during the 2010 legislative session to allow for any law enforcement officer, compliance examiner/officer, or code enforcement officer from DHSMV or any local government that has an ordinance that allows for the towing of vehicles displayed for sale, or supervisor of DHSMV to issue a citation and cause the vehicle to be immediately removed at the owner's expense for any violation of 316.1951(1), 316.1951(6), 316.1951(7) or 316.1951(8). The statute also requires that any vehicle removed under this statute shall not be released from the impound, towing, or storage facility before a DHSMV release form (HSMV 84060S) is obtained from the government agency or authority that ordered the removal of the vehicle and a \$100.00 fine is paid to that government agency or authority.

The Florida statute (316.1951) (*attachment 1*) and county ordinance (30-388.31.1) (*attachment 2*) that prohibit the parking of vehicles for sale illegally and allows for the towing and impound of the vehicles is attached. The Miami-Dade Auto Theft Task Force (ATTF), located at Headquarters' complex has developed the following procedure for vehicles found in violation of this statute and ordinance and towed by MDPD officers.

- 1) Citation issued for violation of 316.1951.
- 2) Police case number obtained, vehicle impounded and towed by contract wrecker service.
 - a. Miscellaneous Incident Report (MRI) or Offense Incident Report (OIR) completed.
 - b. Hold placed on vehicle and ATTF notified. (Copy of citation, tow sheet, and MIR or OIR should be faxed to ATTF at 305-994-1004 or 305-499-4725).



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- 3) Vehicle Data Entry Unit notified of impound and advised that there is a “Curbstone Violation” hold for ATTF. Vehicle Data Entry Unit should enter into FCIC/NCIC as an impounded vehicle with the curbstone hold information. *(This prevents vehicle from being reported stolen to the police after the seller returns to find It missing.)*
- 4) Seller who contacts Vehicle Data Entry Unit, MDPD District, or the Contract Wrecker Service to claim a vehicle towed as a result of a violation of 316.1951 should be referred to the ATTF (Phone # 305-994-1000).
- 5) DHSMV release form (*attachment 3*) and receipt (*attachment 4*) for the \$100.00 fine provided to seller by ATTF Detective. Seller responding to the ATTF to obtain this DHSMV release form shall be required to:
 - a. Produce his title and identification if he is the owner of record on file with DHSMV and pay the \$100.00 fine.
 - b. If the person is holding an open title, properly endorsed over to him without his information filled in as buyer, then he should be required to transfer the vehicle into his name and pay any required sales tax & transfer fees before being provided any release. Once this is done and he produces a title in his name he must pay the required fine and can then be provided the release.
 - c. If the vehicle was purchased legitimately by a licensed dealer, the dealer must produce the title, properly endorsed over to his dealership, and pay the \$100.00 fine. Person claiming a vehicle purchased by a dealer must be the licensed dealer or have written and verifiable authorization from that dealer to act on their behalf to retrieve that vehicle.
 - d. If the person trying to obtain the release had purchased the vehicle under some other person’s dealer license with his own funds, then he should be required to have the vehicle transferred into his own name and pay the required sales tax & transfer fees before being provided the DHSMV release form and paying the \$100.00 fine.
- 6) Supplemental MIR report or Offense Incident Supplemental report should be completed by ATTF Detective documenting who produced a legit and/or properly endorsed title and made payment in order to obtain the required DHSMV form. ATTF Detective will also record the incident in a Curbstone Violation Log



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(attachment 5), which will help identify any repeat offenders and identify other violations of law as indicated below.

Curbstoning violations will frequently lead to other offenses. If the facts indicated that the person retrieving the vehicle and paying the \$100.00 fine was buying and selling without a dealer license and occupational license or has been using some other person's licenses then he may also be investigated and warned or charged for not having those licenses. A complaint (attachment 5) can also be completed and sent to the Miami Regional DHSMV office (7795 West Flagler Street Suite 82C, Miami, Florida 33144) when it involves a licensed dealer curbstoning from a location that is not his dealer lot or who is allowing someone to use his dealer license illegally. Additionally, it may be learned during the release process of the vehicle that a vehicle title fraud or a fraud involving a lien holder's security interest has been committed and that should be investigated before any release of the vehicle is completed.

NOTES:

Officers may use discretion when the vehicle being offered for sale is titled and registered, with the proper tag attached, to a seller who is not a dealer. Issuing a citation or having the owner remove the vehicle without towing is an option available to the officer.

ATTF Investigators doing the follow-up may also use some discretion and allow the person claiming the vehicle to pay the fine and get the release after producing a title that has been properly endorsed over to them but not yet transferred into their name. This would allow the person claiming the vehicle to avoid additional storage fees and should only be done when the Investigator is satisfied that the person claiming the vehicle will comply and title it in their name before selling the vehicle. A later check to insure this was done should be made by the investigator.



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(Attachment #1)

Statute 316.1951

316.1951 Parking for certain purposes prohibited; sale of motor vehicles; prohibited acts.—

(1) It is unlawful for any person to park a motor vehicle, as defined in s. [320.01](#), upon a public street or highway, a public parking lot, or other public property, or upon private property where the public has the right to travel by motor vehicle, for the principal purpose and intent of displaying the motor vehicle thereon for sale, hire, or rental unless the sale, hire, or rental of the motor vehicle is specifically authorized on such property by municipal or county regulation and the person is in compliance with all municipal or county licensing regulations.

(2) The provisions of subsection (1) do not prohibit a person from parking his or her own motor vehicle or his or her other personal property on any private real property which the person owns or leases or on private real property which the person does not own or lease, but for which he or she obtains the permission of the owner, or on the public street immediately adjacent thereto, for the principal purpose and intent of sale, hire, or rental.

(3) Subsection (1) does not prohibit a licensed motor vehicle dealer from displaying for sale or offering for sale motor vehicles at locations other than the dealer's licensed location if the dealer has been issued a supplemental license for off-premises sales, as provided in s. [320.27\(5\)](#), and has complied with the requirements in subsection (1). A vehicle displayed for sale by a licensed dealer at any location other than the dealer's licensed location is subject to immediate removal without warning.

(4) A local government may adopt an ordinance to allow the towing of a motor vehicle parked in violation of this section. A law enforcement officer, compliance officer, code enforcement officer from any local government agency, or supervisor of the department may issue a citation and cause to be immediately removed at the owner's expense any motor vehicle found in violation of subsection (1), except as provided in subsections (2) and (3), or in violation of subsection (5), subsection (6), subsection (7), or subsection (8), and the owner shall be assessed a penalty as provided in s. [318.18\(21\)](#) by the government agency or authority that orders immediate removal of the motor vehicle. A motor vehicle removed under this section shall not be released from an impound or towing and storage facility before a release form prescribed by the department has been completed verifying that the fine has been paid to the government agency or authority that ordered immediate removal of the motor vehicle. However, the owner may pay towing and storage charges



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to the towing and storage facility pursuant to s. [713.78](#) before payment of the fine or before the release form has been completed.

(5)It is unlawful to offer a vehicle for sale if the vehicle identification number has been destroyed, removed, covered, altered, or defaced, as described in s. [319.33\(1\)\(d\)](#). A vehicle found in violation of this subsection is subject to immediate removal without warning.

(6)It is unlawful to knowingly attach to any motor vehicle a registration that was not assigned or lawfully transferred to the vehicle pursuant to s. [320.261](#). A vehicle found in violation of this subsection is subject to immediate removal without warning.

(7)It is unlawful to display or offer for sale a vehicle that does not have a valid registration as provided in s. [320.02](#). A vehicle found in violation of this subsection is subject to immediate removal without warning. This subsection does not apply to vehicles and recreational vehicles being offered for sale through motor vehicle auctions as defined in s. [320.27\(1\)\(c\)4](#).

(8)A vehicle is subject to immediate removal without warning if it bears a telephone number that has been displayed on three or more vehicles offered for sale within a 12-month period.

(9)Any other provision of law to the contrary notwithstanding, a violation of subsection (1), subsection (5), subsection (6), subsection (7), or subsection (8) shall subject the owner of such motor vehicle to towing fees reasonably necessitated by removal and storage of the motor vehicle and a fine as required by s. [318.18](#).

(10)This section does not prohibit the governing body of a municipality or county, with respect to streets, highways, or other property under its jurisdiction, from regulating the parking of motor vehicles for any purpose.

(11)A violation of this section is a noncriminal traffic infraction, punishable as a nonmoving violation as provided in chapter 318, unless otherwise mandated by general law.



(Attachment #2)

Sec. 30-388.31.1. - Parking prohibited for display for sale.

(a)

No person shall park a vehicle upon a public or private street, public right-of-way, parking lot, vacant lot, or private property for the principal purpose of displaying such vehicle or other personal property thereon for sale or rental in violation of the zoning provisions of Chapter 33 of this Code or the applicable licensing provisions of Florida Law, unless said property is properly zoned for that type of business at that location and the vendor is duly licensed to transact such business at that location.

(b)

Police officers, Code Enforcement Officers, or such other persons designated by the County Manager, shall be authorized to have the vehicle towed to a garage designated or maintained by the County or a County contracted towing company.

(c)

All violations of this section shall be punishable by a fine of one hundred dollars (\$100.00) for the first vehicle on a first offense and five hundred dollars (\$500.00) per vehicle for each additional vehicle and any repeat violation of this section. Any vehicle in violation of this section shall be towed if not removed immediately by the owner. (Vehicle owners will be responsible for all fines, towing fees, storage fees, and any administrative and enforcement fees that result from the enforcement of this section.) The County may lien the vehicle and any real property owned by the violator in Miami-Dade County until all fines, enforcement costs, and administrative costs are paid by the violator.



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AGENDA ITEM 8
2012 Legislation of Interest to Dealers.

SB 226 Disabled Parking Permit

Effective Date: 7/1/12

Signed by the Governor on 4/13/12

320.0848(1)(d) Effective October 1, 2012 a disabled parking permit may only be renewed if the person provides a certificate of Disability issued within the last 12 months.

320.0848(8) Placards that are obtained by fraud or unlawfully used can be confiscated and the person may not apply for a new disabled parking permit for 4 years.

HB 393 RV Dealers

Effective Date: 7/1/12

Signed by the Governor on 3/16/12

320.771(1) Recreational vehicle dealers may apply for title only if the dealer is authorized by a manufacturer agreement to buy, sell or deal in that particular line-make.

HB 599 Transportation

Effective Date: 7/1/12

Signed by the Governor on 4/27/12

320.01(42) The term "low speed vehicle" is modified to remove the requirements that the vehicle be electric and is no longer limited to neighborhood electric vehicles.

HB 763 Vehicle Registrations

Effective Date: 7/1/12

Signed by the Governor on 4/13/12

320.07 Clarifies that the vehicle registration in the name of a natural person expires at midnight on the owner's birthday.



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320.15 A motor vehicle registrant who has renewed a motor vehicle registration during the advance renewal period and surrenders the license plate for the vehicle before the end of the renewal period may apply for a refund of the license plate.

HB 1101 Insurance

Effective Date: 7/1/12

Signed by the Governor on 4/24/12

320.27 A salvage motor vehicle dealer is exempt from the requirements for garage liability insurance and personal injury protection insurance on those vehicles that cannot be legally operated on road, highways, or streets in this state.

HB 1207 Autonomous Technology

Effective Date: 7/1/12

Signed by the Governor on 4/13/12

316.003(89) An autonomous vehicle is defined as any vehicle equipped with autonomous technology that allows the vehicle to be operated without the active control of a human operator.

SB 922 Veterans

Effective Date: 10/1/12

Signed by the Governor on 4/13/12

320.089 New license plates are created for veterans of the Vietnam War, Korean Conflict and recipients of the Combat Infantry Badge upon proof of eligibility.

320.0892 New license plates are created for recipients of the Silver-Star, Distinguished Service Cross, Navy Cross, or Air Force Cross.



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HB 1223 DHSMV

Effective Date: 01/01/13

Signed by the Governor on 4/27/12

- 319.23(6)(a) Application must be made for the title of a mobile home within 30 days after the consummation of the sale of the home.
- 319.23(7) A titling method is created for cases in which the previous owner is not available and the title document transferring the vehicle to the new owner cannot be located.
- 319.24(8) Liens must be transmitted electronically.
- 319.27(7) The Department shall establish and administer an electronic titling program that requires the electronic recording of vehicle title information. Lien holders shall electronically transmit liens and lien satisfactions to the Department. Individuals electronically transmit liens and lien satisfactions to the Department. Individuals and lien holders who the Department determines are not normally engaged in the business or practice of financing vehicles are exempt from the electronic titling requirements.
- 319.30(10) The Department may adopt rules to implement an electronic system for issuing salvage certificates of title and certificates of destruction.
- 319.40(2)&(3) The Department may issue an electronic title in lieu of a paper title. The Department may collect electronic mail addresses and use electronic mail in lieu of the United State Postal Service except for notices regarding forfeiture or foreclosure. (The use of electronic mail addresses is also placed in chapters 320, 322 and 328.)
- 320.06(5)&(6) The Department may conduct a pilot program to evaluate designs, concepts and technologies for alternative license plates. All license plates issued pursuant to this chapter are the property of the state.



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- 320.0605(2) A new registration document is created for rental vehicles to specify the specific information about the rental that identifies the vehicle, the driver and the date and time of the rental.
- 320.061 Added language to specify that it is unlawful to alter a temporary license plate, (Currently, the law only specifies vehicle registrations certificates and license plates.)
- 320.13(1) A dealer of heavy trucks may secure one or more dealer license plates that are valid for use on vehicles owned or are in inventory and for sale and are used only for demonstration purposes.



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Fiscal Year Highlights:

Division of Motorist Services:

The Department has continued to realign the newly created Division of Motorist Services, which is a merger of the Divisions of Driver Licenses and Motor Vehicles. The realignment has resulted in the Department streamlining processes and reducing the number of bureaus. The Department recently announced several changes in leadership that resulted from the realignment and scheduled retirements.

Partnerships:

The Department partnered with the Florida Association of Automobile Dealers (new cars) and the Florida Association of Independent Automobile Dealers (used cars) to put information in their newsletters about this shift toward using technology as a means of communication.

The Department continues to partner with the local law enforcement agencies to conduct curbstome enforcement throughout the state.

Fingerprinting:

April 1, 2011 the Department is moving to electronic fingerprinting which will eliminate the need for fingerprint cards. This is quicker, reliable and more convenient.

Use of Technology:

The Department has moved towards using email as the primary form of communication and is using email for renewal notices and renewal reminders, dealer advisories, notices and memos about changes in forms or in rules, etc. and lists of non-renewing dealers to auctions. Over 56,000 emails were sent out last year. Email is cost effective and provides information to the stakeholders faster than regular mail.

The Department has posted an On-line Dealer Handbook – it is a complete guide for prospective and current dealers.

The Department will continue to utilized technology to work smarter as the Division moves forward with modernization projects.

Odometer Disclosures:

The Department's petition to the National Highway Traffic Safety Administration to get a variance for odometer readings was approved for casual sales but denied for dealer trade-in and lease sales.



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Division Projects:

The concept of centralized issuance of license plates will require legislative approval. The Department has identified the following facts:

- Providing a more legible plate will improve enforcement on our highways and increase enforcement of toll collection on our toll roads.
- A 3,000,000 plate reduction in inventory - we typically print 18,000,000 plates per year. With the change we will only need to print of 15,000,000.
- Eliminate waste when transitioning from one license plate design to another.
- Eliminate the need for specialty plate organizations to buy unused inventory when transitioning from one graphic design to another.
- 30% of transactions are currently handled via mail.

Another project is on-line licensing and renewals. Some documentation requirements will need to be resolved (original surety bonds, garage liability insurance). Accordingly, the Department is looking into what can be electronically transmitted by dealers and is looking at what programming is necessary.

The FL Department of Revenue has a group working on developing a One Stop Business Registration Portal. It is being designed to collect license fees and applications. This is a multi-agency initiative and the Department will be involved. Other states are doing this type of Portal, which includes South Carolina. It is currently in the RFI stage.

Hearing Office Data:

The hearing officer's data for the first three quarters of this Fiscal year indicates a reduction in administrative action being taken against motor vehicle dealers. The reduction is attributed to an increase in education by the dealer training schools and revised educational material on the Department's website.

Advisory Board Taskforces:

At the November 10, 2011 Board meeting, Board members recommend the formation of a curbstoning taskforce. The task force was asked to conduct a study and submit a written report by August 2012 containing ways to better address curbstoning including legislative changes. The chair of the taskforce Dino Mercurio presented the report.

Chair Phelps recommended the formation of a task force to research the use of transporter tags. Due to concerns that dealers are able to drive vehicles using a transporter tag without proper insurance, Board member O'Connor motioned that the board create task force to research the use of transporter tags. The motion was second by Board member Chariff and the motion passed.



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Board member O'Connor will serve as the task force Chair. Other Task force members are Board members Marbais, Chariff and Vice Chair Mercurio. Larry Peters will serve as a consultant to the taskforce.

General comments:

The Board wishes to acknowledge Gary Elmore, who has been the ex-office secretary for the board since its inception and is scheduled to retire from the Department on October 31, 2012. Gary's dedication and service to the Board is greatly appreciated.

Also, the Board wishes to acknowledge the contributions of Board members Anita Castriota and Kathy Crynock whose terms have expired and are not seeking reappointment to the Board.

The minutes and exhibits that are contained in this report show the diversity of issues discussed this past year. These meetings provide an excellent forum to discuss such matters and the board extends its appreciation to the department for its participation in these discussions to better serve the motor vehicle industry.



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OUR MISSION

Providing Highway Safety and Security
Through Excellence in Service, Education,
and Enforcement.

OUR VISION

A Safer Florida!

OUR VALUES

We Believe in:

Service by exceeding expectations;
Integrity by upholding the highest ethical standards;
Courtesy by treating everyone with dignity and respect;
Professionalism by inspiring confidence and trust;
Innovation by fostering creativity, and

EXCELLENCE IN ALL WE DO!

Compiled by:

Department of Highway Safety and Motor Vehicles
Division of Motorist Services
Program Planning and Administration
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