

Secretary of State  
**NOTICE OF PROPOSED RULEMAKING HEARING\***

A Statement of Need and Fiscal Impact accompanies this form.

Oregon Department of Transportation, Driver and Motor Vehicle Services Division		735	
Agency and Division		Administrative Rules Chapter Number	
Lauri Kunze	355 Capitol St. NE, Rm. 29, Salem OR 97301	lauri.g.kunze@odot.state.or.us	(503) 986-3171
Rules Coordinator	Address		Telephone

**RULE CAPTION**

Amends Rules Relating to Vehicle Dismantlers

Not more than 15 words that reasonably identifies the subject matter of the agency's intended action.

May 21, 2008	1:30 pm	355 Capitol St NE, Room 122, Salem OR 97301	David Eyerly
Hearing Date	Time	Location	Hearings Officer

*Auxiliary aids for persons with disabilities are available upon advance request.*

**RULEMAKING ACTION**

**ADOPT:** Secure approval of rule numbers with the Administrative Rules Unit prior to filing.

**AMEND:** 735-024-0070, 735-024-0080, 735-032-0020, 735-152-0000, 735-152-0040, 735-152-0050 and 735-152-0060

**REPEAL:**

**RENUMBER:** Secure approval of rule numbers with the Administrative Rules Unit prior to filing.

**AMEND & RENUMBER:** Secure approval of rule numbers with the Administrative Rules Unit prior to filing.

ORS 184.616, 184.619, 802.010, 803.140, 819.010, 819.012, 819.014, 819.016, 819.018, 822.125, 822.130, 822.135, 822.137 and Chapter 683, Oregon Laws 2007	None
Stat. Auth.	Other Authority
ORS 809.080, 809.110, 819.010, 819.012, 819.014, 819.016, 819.018, 819.030, 819.040, 819.140, 819.220, 803.380, 822.100, 822.105, 822.110, 822.115, 822.120, 822.125, 822.130, 822.133, 822.135, 822.137, 822.140, 822.145, 822.150 and Chapter 683, Oregon Laws 2007	
Stats. Implemented	

**RULE SUMMARY**

This rulemaking is needed to implement legislation enacted by the 2007 Legislative Assembly. Chapter 683, Oregon Laws 2007: (1) requires dismantlers to surrender a vehicle's title, ownership record or other ownership document to DMV within 30 days of date a vehicle is acquired for dismantling, (2) grants DMV additional authority to impose sanctions on vehicle dismantlers and requires DMV to adopt rules establishing appropriate sanctions, and (3) under the legislative initiative, dismantlers are no longer subject to the requirements of ORS 819.010.

Text of proposed and recently adopted ODOT rules can be found at web site <http://www.oregon.gov/ODOT/CS/RULES/>.

The Agency requests public comment on whether other options should be considered for achieving the rule's substantive goals while reducing the negative economic impact of the rule on business.

**May 21, 2008**

**Last Day for Public Comment**  
Last day to submit written comments to the Rules Coordinator

Signature

**Lauri Kunze**

Printed name

Date

\* The Oregon Bulletin is published on the 1st of each month and updates the rule text found in the Oregon Administrative Rules Compilation. Notice forms must be submitted to the Administrative Rules Unit, Oregon State Archives, 800 Summer Street NE, Salem, Oregon 97310 by 5:00 pm on the 15th day of the preceding month unless this deadline falls on a Saturday, Sunday or legal holiday when Notice forms are accepted until 5:00 pm on the preceding workday.

Secretary of State  
**STATEMENT OF NEED AND FISCAL IMPACT**

A Notice of Proposed Rulemaking Hearing or a Notice of Proposed Rulemaking accompanies this form.

Oregon Department of Transportation, Driver and Motor Vehicle Services Division

735

Agency and Division

Administrative Rules Chapter Number

In the Matter of the Amendment of OAR 735-024-0070, 735-024-0080, 735-032-0020, 735-152-0000, 735-152-0040, 735-152-0050 and 735-152-0060

**Rule Caption:** Amends Rules Relating to Vehicle Dismantlers

**Statutory Authority:** ORS 184.616, 184.619, 802.010, 803.140, 819.010, 819.012, 819.014, 819.016, 819.018, 822.125, 822.130, 822.135, 822.137 and Chapter 683, Oregon Laws 2007

**Other Authority:** None

**Statutes Implemented:** ORS 809.080, 809.110, 819.010, 819.012, 819.014, 819.016, 819.018, 819.030, 819.040, 819.140, 819.220, 803.380, 822.100, 822.105, 822.110, 822.115, 822.120, 822.125, 822.130, 822.133, 822.135, 822.137, 822.140, 822.145, 822.150 and Chapter 683, Oregon Laws 2007

**Need for the Rule(s):** This rulemaking is needed to implement legislation enacted by the 2007 Legislative Assembly. Chapter 683, Oregon Laws 2007: (1) requires dismantlers to surrender a vehicle's title, ownership record or other ownership document to DMV within 30 days of date a vehicle is acquired for dismantling, (2) grants DMV additional authority to impose sanctions on vehicle dismantlers and requires DMV to adopt rules establishing appropriate sanctions, and (3) under the legislative initiative, dismantlers are no longer subject to the requirements of ORS 819.010.

The proposed rulemaking amends DMV's dismantler rules. This includes the addition of new definitions and clarification of the sanctions and civil penalties that DMV may impose against dismantlers found in violation of applicable laws and rules. Other DMV rules are amended to reflect that dismantlers are no longer subject to ORS 819.010.

DMV filed temporary rules to become effective January 1, 2008 because there was not sufficient time to complete the permanent rulemaking process to coincide with the effective date of Chapter 683, Oregon Laws 2007. DMV now intends to permanently amend these rules.

**Documents Relied Upon and where they are available:** Chapter 683, Oregon Laws 2007. To request a copy of the document, please contact David Eyerly at 503-945-5243. Alternatively, the document is available electronically at: <http://www.leg.state.or.us>

**Fiscal and Economic Impact, including Statement of Cost of Compliance:** The establishment of new sanctions under OAR 735-152-0040 to 735-152-0060 to implement Chapter 683, Oregon Laws 2007, relating to the operation of vehicle dismantling businesses, may have a negative economic impact on dismantlers who violate relevant statutes and DMV rules. There are 271 dismantler businesses in Oregon. DMV cannot quantify the cost of compliance with these rules because the number of future violations is impossible to predict.

Agency costs resulting from these rules include the potential increase in requests for contested case hearings by dismantlers found in violation of relevant statutes and DMV rules. Savings to the agency and the public will occur if, as intended, violations of laws and rules related to vehicle dismantlers are deterred.

These rule changes have no known financial impact on other agencies, or business, including small business, except vehicle dismantlers. There is no additional financial impact from this rulemaking beyond the financial impact of the legislation.

Projected reporting, recordkeeping and other administrative activities required for compliance: None beyond those requirements already set forth by statute and Chapter 683, Oregon Laws 2007.

Equipment, supplies, labor and administration required: None beyond those requirements already set forth by statute and Chapter 683, Oregon Laws 2007.

**How were small businesses involved in the development of this rule?** On August 13, 2007, DMV met with members of the Northwest Trades Association (NWTa) to discuss rule concepts for the temporary rulemaking process. NWTa and its members were the primary sponsors of Chapter 683, Oregon Laws 2007 (House Bill 3377). The Association's membership is comprised of individuals who own or operate dismantler businesses. Most of those businesses are small businesses. DMV will continue to work with the NWTa during the permanent rulemaking process.

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**Administrative Rule Advisory Committee consulted?: No**

**If not, why?:** As explained above, DMV met with members of NWTAs while drafting temporary rules and did not feel it was necessary to consult an Administrative Rule Advisory Committee in drafting the permanent rules. Members of the Oregon Dealer Advisory Committee (ODAC) will be given a copy of these proposed rules and may comment on them during the rulemaking process.

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Authorized Signer

Lauri Kunze

Printed name

Date

Administrative Rules Unit, Archives Division, Secretary of State, 800 Summer Street NE, Salem, Oregon 97310.

ARC 925-2005