



DIEGO MORALES
SECRETARY OF STATE

STATE OF INDIANA AUTO DEALER SERVICES DIVISION

Motor Vehicle Advisory Board April 17, 2024 Meeting Minutes

Adoption of November 1, 2023 Minutes

- Tom Kelley moves to adopt.
- Rachael Hazaray seconds.
- All in favor, none opposed.

Office updates

- Jared Staudenmeier is the Division's new enforcement attorney since July 2023.
- 2 new examiners hired, one started last week, one starts next week.
 - Both are bilingual in Spanish.

2024 Legislative Session Review

- Senate Enrolled Act 222 (effective July 1, 2024)
 - Dealer training is now required for used car dealer applicants who do not have more than 2 licenses already.
 - Working on a course design, roll out to start July 2024.
 - Salvage/rebuilt disclosure state form is now required.
 - Records can be kept electronically but should be available to the Division within 10 days of request.
- E-titles will roll out in July 2024.

HEA 1623 – rule readoption updates

- The first phase was completed in November 2023.
 - No comments from the public, all rules were readopted effective January 2024.
- Fines and civil penalties must go before the budget committee for approval.
 - Hearing set for this Friday with the budget committee to review the fines policy.
 - After review, they must be passed into rules, will require a formal rule change.
 - 6-9 months to pass rules.
 - No changes to the Division's rules and policies, just need to be put into rule to comply with HEA 1623.
 - The Division can look at updating or changing rules as early as July 1, 2025.

Member Open Discussion

- Non-delivery of title upgrading from misdemeanor to felony.
 - Unfortunately, the prosecutor's office will not often prosecute these types of offenses.
 - The Division will look into how other states handle this situation.



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- The Division is working on making sure that all owners are listed on the license rather than just allowing someone to operate a dealership with only a family member or friend being the only owner listed on the license.
- Records being able to be kept electronically would help dealers immensely and also help the Division with enforcement.
- Towing companies
 - Still experiencing issues with towing companies failing to notify the owner of the tow within a reasonable amount of time, leading to excessive fees.
 - Would like to see the timeline and these fees regulated.
- Credit unions tend to reject financing external warranties and are insisting the consumer purchase warranties directly from the credit union.
- Stop-sale orders issued by manufacturers for vehicles under certain recalls.
 - New car dealers get reimbursed by the manufacturer if they cannot sell the vehicle.
 - Manufacturers do not pay out independent dealers, only franchised dealers.
- Bond regulations
 - Division would like to increase the bond to \$50,000.
 - Concern that this will unfairly impact dealers with the increased cost of the bond.
- FTC rule related advertising cost and fees for vehicle sales.
 - Original date effective date was July 2025 but is on hold and under litigation.
- Looking into adding a watercraft manufacturer board member.
 - Nomination has been given to the governor's office.

Closure

- Tom Kelley moves to close.
- Rachel Hazaray seconds.
- All in favor, none opposed.