

2013 HOUSE TRANSPORTATION

HB 1152

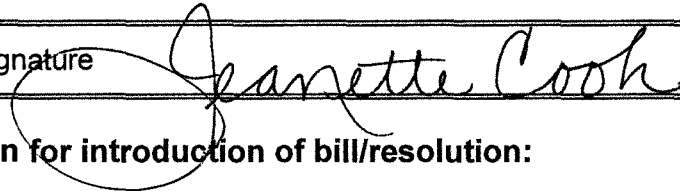
2013 HOUSE STANDING COMMITTEE MINUTES

House Transportation Committee Fort Totten Room, State Capitol

HB 1152
01-24-13
Job # 17695

Conference Committee

Committee Clerk Signature



Explanation or reason for introduction of bill/resolution:

A bill relating to motor vehicle dealer records.

Minutes:

Attachments 1-2

Chairman Ruby opened the hearing on HB 1152.

Matthew Larsgaard, MBA, Automobile Dealers Association of North Dakota, testified in favor of HB 1152. He provided written testimony. See attachment #1.

Chairman Ruby: When we updated the dealership laws and requirements there was a lot of discussion about keeping the records, the format, etc. What was the reason that we specified that the records had to be kept in one location?

Matthew Larsgaard: When this chapter (39:22), the dealer licensing law, was established, it was before my time. It is my understanding that the records were required to be kept at THE established place of business in an effort to help mitigate any impropriety that a dealer may attempt. This law also applies to used car dealers, not just new car dealerships.

Representative Delmore: Would there be electronic means to getting information at different branches of the main dealership?

Matthew Larsgaard: That is exactly the case. The dealers that will be able to utilize this bill, if passed, are the professional dealers that own multiple stores.

Tom Balzer, North Dakota Motor Carriers Association spoke to indicate the North Dakota Motor Carriers are also very much in support of this bill.

Linda Sitz, Director of Motor Vehicle, North Dakota Department of Transportation, spoke in support of HB 1152. She provided written testimony. See attachment # 2

There was no further support for HB 1152.
There was no testimony in opposition to HB 1152.

The hearing was closed on HB 1152.

House Transportation Committee
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Page 2

**Representative Gruchella moved a DO PASS on HB 1152.
Representative Drovdal seconded the motion.**

**A roll call vote was taken. Aye 12 Nay 0 Absent 2
The motion carried.
Representative Delmore will carry HB 1152.**

Date: _____
Roll Call Vote #: _____

2013 HOUSE STANDING COMMITTEE
ROLL CALL VOTES
BILL/RESOLUTION NO. 1152

House Transportation Committee

Check here for Conference Committee

Legislative Council Amendment Number _____

Action Taken: Do Pass Do Not Pass Amended Adopt
Amendment

Rerefer to Appropriations Reconsider

Motion Made By Gruchalla Seconded By Drovdal

Representatives	Yes	No	Representatives	Yes	No
Chairman Dan Ruby	X		Rep. Lois Delmore	X	
Vice Chairman Mark Owens	X		Rep. Edmund Gruchalla	X	
Rep. Rick Becker	X		Rep. Kylie Oversen	X	
Rep. David Drovdal	X				
Rep. Robert Frantsvog	X				
Rep. Brenda Heller	X				
Rep. Curtiss Kreun	X				
Rep. Mike Schatz	X				
Rep. Gary Sukut	X				
Rep. Don Vigesaa	A				
Rep. Robin Weisz	A				

Total (Yes) 12 No 0

Absent 2

Floor Assignment Delmore

If the vote is on an amendment, briefly indicate intent:

REPORT OF STANDING COMMITTEE

HB 1152: Transportation Committee (Rep. Ruby, Chairman) recommends **DO PASS** (12 YEAS, 0 NAYS, 2 ABSENT AND NOT VOTING). HB 1152 was placed on the Eleventh order on the calendar.

2013 SENATE TRANSPORTATION

HB 1152

2013 SENATE STANDING COMMITTEE MINUTES

Senate Transportation Committee
Lewis and Clark Room, State Capitol

HB 1152
3/15/2013
Recording job number 19974

Conference Committee

Committee Clerk Signature

Doris & Perez

Explanation or reason for introduction of bill/resolution:

Relating to motor vehicle dealer records.

Minutes:

Attached testimony: 2

Chairman Oehlke opened the hearing on HB 1152

Representative Nancy Johnson, District 37 Currently all the records for motor vehicle dealerships must be at the location where the vehicle is present. If a dealer has multiple locations this bill will allow them to have dealer's records in one central location, it would not be a requirement but an option.

Matthew Larsgaard Automobile Dealers Association in favor of this bill. Attached testimony #1

Chairman Oehlke Did you visit with North Dakota Department of Transportation (DOT) when you were putting this together, it has their blessing?

Matthew Larsgaard Yes we did.

Senator Campbell why was this a concern?

Matthew Larsgaard It is my belief this law was created to ensure transparency and fair dealings in the motor vehicles transactions. This law applies to used and new motor vehicle dealers. I believe the intent of the law was to ensure that the customer has all the documents readily available for their information to see if there is any branding in that title.

Linda Sitz, Director Motor Vehicle Division, North Dakota Department of Transportation (DOT) North Dakota Department of Transportation (DOT) supports this bill. Attached testimony # 2

Senator Flakoll how would it work regarding multistate dealership?

Matthew Larsgaard page 1 line 8 the last half of that sentence "the dealer will continue to maintain in North Dakota an established place of business".

Chairman Oehlke we are concerned only about the vehicles that are sold in North Dakota

No additional testimony Hearing closed

Senator Flakoll moved a DO PASS

Senator Campbell seconded

No discussion

Roll call vote: Yes 6 No 0 Absent not voting 1

Carrier: Senator Campbell

Date: 3/15/13
Roll Call Vote #: 1

**2013 SENATE STANDING COMMITTEE
ROLL CALL VOTES
BILL NO. 1152**

Senate _____ **TRANSPORTATION** _____ Committee

Check here for Conference Committee

Legislative Council Amendment Number _____

Action Taken: Do Pass Do Not Pass Amended Adopt Amendment
 Rerefer to Appropriations Reconsider

Motion Made By Senator Flakoll Seconded By Senator Campbell

Senators	Yes	No	Senator	Yes	No
Chairman Dave Oehlke	X		Senator Tyler Axness	X	
Vice Chairman Kelly Armstrong			Senator George Sinner	X	
Senator Margaret Sitte	X				
Senator Tim Flakoll	X				
Senator Tom Campbell	X				

Total (Yes) 6 No 0

Absent Vice Chairman Armstrong

Floor Assignment Senator Campbell

If the vote is on an amendment, briefly indicate intent:

REPORT OF STANDING COMMITTEE

HB 1152: Transportation Committee (Sen. Oehlke, Chairman) recommends DO PASS
(6 YEAS, 0 NAYS, 1 ABSENT AND NOT VOTING). HB 1152 was placed on the
Fourteenth order on the calendar.

2013 TESTIMONY

HB 1152

#1

House Bill 1152
Testimony before House Transportation Committee
Matthew C. Larsgaard, MBA
Automobile Dealers Association of North Dakota
9:30 a.m., January 24, 2013

1/22/13

Mr. Chairman and members of the committee. My name is Matthew Larsgaard and I am appearing in support of House Bill 1152 on behalf of the Automobile Dealers Association of North Dakota which consists of our state's franchised new car dealers.

This bill was introduced at the request of North Dakota's new car dealers. Within our industry there is an emerging trend toward dealership consolidation which has resulted in a need to update the current law. In 2008 there were 16 multiple store dealers that operated 37 stores in North Dakota; today there are 20 multiple store dealers that operate 57 stores.

As you will see on lines 20-22, motor vehicle dealers are currently required to store and maintain all records related to a single dealership, including motor vehicle records, at that specific dealership location. Dealers who own multiple stores do not currently have the opportunity to consolidate any of their stores' records at one central headquarters.

This legislation would allow commonly owned dealerships the option to store and maintain business records at one location instead of at each branch store location. This "centralization" may allow dealers to lower their administration costs, increase file storage & maintenance efficiencies, and better utilize their staff.

Mr. Chairman, this concludes my testimony. Thank you.

Matthew C. Larsgaard, MBA
Automobile Dealers Association of North Dakota

2

HOUSE TRANSPORTATION COMMITTEE

January 24, 2013 – 9:30 a.m. – Fort Totten

**North Dakota Department of Transportation
Linda Sitz, Director of Motor Vehicle Division**

House Bill 1152

Mr. Chairman and members of the committee - I'm Linda Sitz, Director of the Motor Vehicle Division at the North Dakota Department of Transportation (DOT). Thank you for giving me the opportunity to present information to you today.

The DOT supports this bill which will allow multiple dealers licenses to keep and maintain their records at their headquarters for the established place of business requirement. This bill change will help multiple dealers to stream line their organization so they can process paperwork for their vehicles at one central location.

Currently, each dealership is required to maintain their records at each established place of business. With this bill change communication within the dealerships, their headquarters and DOT will need to be enhanced.

Mr. Chairman, I would be happy to answer any questions at this time. Thank you.

House Bill 1152
Testimony before Senate Transportation Committee
Matthew C. Larsgaard, MBA
Automobile Dealers Association of North Dakota
9:00 a.m., March 15, 2013

3/9/13

Mr. Chairman and members of the committee. My name is Matthew Larsgaard and I am appearing in support of House Bill 1152 on behalf of the Automobile Dealers Association of North Dakota which consists of our state's franchised new car dealers.

This bill was introduced at the request of North Dakota's new car dealers. Within our industry there is an emerging trend toward dealership consolidation which has resulted in a need to update current law. In 2008 there were 16 multiple store dealers that operated 37 stores in North Dakota; today there are 20 multiple store dealers that operate 57 stores.

As you will see on lines 20-22, motor vehicle dealers are currently required to store and maintain all records related to a single dealership, including motor vehicle records, at that specific dealership location. Dealers who own multiple stores do not currently have the opportunity to consolidate any of their stores' records at one central headquarters.

This legislation would allow commonly owned dealerships the option to store and maintain business records at one location instead of at each branch store location. This "centralization" may allow dealers to lower their administration costs, increase file storage & maintenance efficiencies, and better utilize their staff.

Mr. Chairman, this concludes my testimony. Thank you.

Matthew C. Larsgaard, MBA
Automobile Dealers Association of North Dakota

SENATE TRANSPORTATION COMMITTEE

March 15, 2013 – 9:30 a.m. – Lewis and Clark

**North Dakota Department of Transportation
Linda Sitz, Director of Motor Vehicle Division**

House Bill 1152

Mr. Chairman and members of the committee - I'm Linda Sitz, Director of the Motor Vehicle Division at the North Dakota Department of Transportation (DOT). Thank you for giving me the opportunity to present information to you today.

The DOT supports this bill which will allow multiple dealers licenses to keep and maintain their records at their headquarters for the established place of business requirement. This bill change will help multiple dealers to stream line their organization so they can process paperwork for their vehicles at one central location.

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