

SB 782 Brief from Enterprise

Issue: The recently revised DMV requirements for the plating of new vehicles are causing a large number of vehicles to sit on the ground waiting for the Manufacturer Certificate of Origin (MCO) to arrive. This new requirement has predominantly negatively impacted the rental car industry, as this industry operates under a different need basis than an individual purchasing a car. Unlike an individual who purchases a car from a local dealer, rental car companies purchase most often direct from the manufacturer. The timing of the delivery of the vehicles and the arrival of the MCO can differ by several weeks. The manufacturer, however, does provide an electronic bill of sale inventory of arriving units immediately upon shipment. This electronic inventory list and proof of sale is specific to each individual vehicle and vin#.

Brief History: Prior to August 2016, the Oregon DMV and the prior vendor, Computerized Vehicle Registration (CVR) had a system where documents to register the vehicle (226 and MCO) had 30 days from when they were placed into the program to arrive at the CVR office before going to the OR DMV. This meant that an MCO delay did not cause any delay in license and title of a vehicle. When the DMV went to the new vendor, they directed a change in the software system that didn't allow for for this 30 day window. **This means that all paperwork now has to go to Motor Vehicle Software Corporation same day so that they can turn all paperwork into OR DMV within a five business day limit of the statute.**

It is a real problem: If an individual or business owner purchases a new or used vehicle, the dealer provides a temporary license paper that is placed in the rear window until the actual license plate arrives. This temporary plate option is not viable for rental car companies as it can be lost, or more importantly, stolen. This temporary plate should not fall into the wrong hands as it can impact law enforcement efforts.

It negatively impacts revenue: This costs the rental car industry in the form of both lost revenue and depreciation by having the car sit idle. It costs the DMV revenue from not having the Title and License fees generated at the first possible opportunity. This can be up to a month's worth of license fees lost.

Objective: Facilitate a process where the DMV can have a traceable ownership of each vehicle, while also preventing the down time under the current system.

SB 782 is designed to allow a bill of sale or virtual bill of sale to be used in place of the MCO document from the manufacturer. This document can be printed for each transaction through Motor Vehicle Software Corporation's VITU program. This document will be generated when registering each vehicle so that delays to the MCO will not cause costly delays in the licensing and titling of vehicles.

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