

## Office of Attorney General State of Oklahoma

## ATTORNEY GENERAL OPINION 2017-229A

Roy K. Dockum, Executive Director Oklahoma Motor Vehicle Commission 4334 N.W. Expressway, Suite 183 Oklahoma City, OK 73116 March 31, 2017

Dear Mr. Dockum:

This office has received your request for a written Attorney General Opinion regarding agency action that the Oklahoma Motor Vehicle Commission intends to take pursuant to a consent agreement with licensee 370. The proposed action is to impose a fine of \$1,000 on the licensee for failing to comply with a written agreement with a consumer involving the sale of a new motor vehicle. The dealer sold the consumer's trade-in vehicle before the transaction was completed. The finance company declined the application and the dealer was unable to return the vehicle to the consumer because it was prematurely sold. The sale of the trade-in vehicle violated the Retail Delivery Agreement between the dealer and consumer, which requires the dealer to keep all consumers' trade-in vehicles in storage until completion of the transaction.

Oklahoma law authorizes the Oklahoma Motor Vehicle Commission to "impose a fine not to exceed . . . [\$1,000] against a dealer per occurrence" for several reasons, including "fail[ure] or refus[al] to perform any written agreement with any retail buyer involving the sale of a motor vehicle." 47 O.S.Supp.2016, § 565(A), (A)(5)(d). Other reasons include "false or misleading advertising," unlawful bundling of features, and committing "fraudulent act[s]." *Id.* § 565(A) (5)(a), (b), (f). Enforcement powers against violations of agreements and false advertising are related to the Legislature's policy statement on new motor vehicles, which states that the new motor vehicle statutes exist to "promote the public interest and the public welfare," to "prevent unfair practices," and to "foster and keep alive vigorous and healthy competition." 47 O.S.2011, § 561. The action seeks to advance this policy by holding dealers to their agreements.

It is, therefore, the official opinion of the Attorney General that the Oklahoma Motor Vehicle Commission has adequate support for the conclusion that this action advances the State of Oklahoma's policy to promote the public interest and prohibit unfair practices in the sale of new motor vehicles by holding dealers to their written agreements with consumers.

MIKE HUNTER

ATTORNEY GENERAL OF OKLAHOMA

SHELLY PERKING

ASSISTANT ATTORNEY GENERAL