

A public hearing will be held by the Office of Attorney General Mike DeWine on Friday, November 8th, 2013 at 9:30 a.m. in the B-1 Lobby Hearing Room of the Rhodes State Office Tower, located at 30 East Broad Street, Columbus, Ohio 43215.

The purpose of the hearing is to solicit comment on amended rule 109:4-3-16 "Advertisement and sale of motor vehicles." Specifically, the additions to OAC 109:4-3-16 are being proposed in order to regulate the manner in which suppliers may advertise and collect freight charges related to the sale of motorcycles and related vehicles. The rule is being proposed so that motorcycle and powersports dealers can advertise a vehicle price and clearly and conspicuously disclose whether the costs associated with packaging and delivery of the motorcycle are included in the price or are an additional cost to the consumer.

The specific amended language of the rule is as follows:

109:4-3-16 Advertisement and sale of motor vehicles.

(A)(16) "Freight Charge" in a transaction involving the sale of a new motorcycle, a new motorized bicycle, new utility vehicle, new all-purpose vehicle, or other similar type of new vehicle that is not subject to the Automobile Information Disclosure Act of 1958, means the cost paid for the packaging and delivery of a vehicle to a motor vehicle dealer from a manufacturer or distributor. For the purposes of this rule, all references to the word "freight" shall include within that term all other words of similar import and meaning, including "shipping", "delivery", and "destination".

(B) It shall be a deceptive and unfair act or practice for a dealer, manufacturer, advertising association, or advertising group, in connection with the advertisement or sale of a motor vehicle to:

(35) In a transaction involving the sale of a new motorcycle, a new motorized bicycle, new utility vehicle, new all-purpose vehicle, or other similar type of new vehicle that is not subject to the Automobile Information Disclosure Act of 1958, to contract for and collect from a purchaser a freight charge in an amount that exceeds the dealer's actual cost of such charge, if such charge is assessed to the dealer by the manufacturer or distributor.

If a dealer contracts and collects from a purchaser a freight charge which is not included in the manufacturer's suggested retail price, the amount must:

(a) Be specified in writing by the dealer

(b) Reflect the dealer's actual freight charge from the manufacturer or distributor; and

(c) The dealer must make the actual invoice, or a copy thereof, or other documentation furnished by the manufacturer or distributor, available to the customer upon request.

(36) Advertise the price of a new motorcycle, new motorized bicycle, new utility vehicle, new all-purpose vehicle, or other similar type of new vehicle that is not subject to the Automobile Information Disclosure Act of 1958, without clearly and conspicuously disclosing:

(a) That the advertised price includes a freight charge and enumerates the amount of the charge;
or

(b) If the advertised price does not include a freight charge, that such charge will be assessed, and enumerates the amount of the charge.

If either (a) or (b) applies, the dealer must make the actual invoice, or a copy thereof, or other documentation furnished by the manufacturer or distributor available to the customer upon request.

A freight charge shall not exceed the actual costs associated with transporting the goods from the manufacturer or distributor to the dealer.

Nothing herein shall require a dealer to charge an amount for freight.

All interested parties are invited to attend the hearing and present oral and/or written testimony. Written comments may also be submitted prior to the hearing to the attention of Amber Aimar, Policy and Public Affairs Section, Office of the Ohio Attorney General Mike DeWine, 30 East Broad Street, Floor 17, Columbus, Ohio 43215, or Amber.Aimar@OhioAttorneyGeneral.gov no later than Thursday, November 7th, 2013 by close of business.