



# The Ohio Vehicle Leasing

**Association** – Celebrating 51 Years of Industry Advocacy, Education, & Service

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August 20, 2007

The Honorable Marc E. Dann  
Attorney General of Ohio  
30 E. Broad St.,  
Columbus, OH 43215-3400

ATTN: Nadine L. Ballard, Consumer Protection Section Chief

Mr. Attorney General:

The Ohio Vehicle Leasing Association or The OVLA strongly believes the recently rendered Ohio Attorney General Opinion 2007-24 is in error as it requires the participation of motor vehicle leasing dealers in the Ohio Title Defect Recision Fund or TDRF. This is a departure (as stated in the your Aug. 10 letter) from the practice of the last ten years and, we believe, is contrary to the intent of the Ohio General Assembly in enacting this law.

The TDRF was created in 1996 by the General Assembly to enable new and used motor vehicle dealers to sell vehicles without a "title in hand" (resulting from the inability of the financial industry to process paperwork in a timely manner) and to protect Ohio consumer ownership rights. Until now, motor vehicle lessors did not participate in TDRF as they, by law, are prohibited (Title 45) from selling new and used vehicles to the public.

To enable a motor vehicle leasing dealer to sell a vehicle to a consumer it also must have either a license as a new or used dealer in addition to the leasing license. Many licensed vehicle leasing dealers have used vehicle dealer licenses to enable them to sell "off-lease" vehicles to consumers and, therefore, do participate – as required by law – in TDRF. The OVLA also has several members who are licensed as new, used, and leasing dealers as required by Ohio law.

The OVLA believes Opinion 2007-24 is in error in requiring vehicle dealers licensed only to lease vehicles to pay into the fund. It also appears that some of our members, with all three licenses – new, used, and leasing – will be required to pay \$450 (or bonded) each time TDRF shrinks below the \$300,000 threshold – as you say in your Aug. 17 letter it has. Also, many licensed used dealers are licensed as leasing dealers and thus must pay twice as opposed to once in the past. This places an unfair burden on these dealers, many of which are small, independent Ohio business people.

The OVLA, inclosing, strongly urges the Ohio Attorney General to reconsider requiring motor vehicle leasing dealers licensed by Ohio to lease vehicles (not sell them) from being required to pay \$150 into the fund on or before September 17, 2007, as they, by law, are not permitted to sell vehicles under Ohio law.

Sincerely,

The Ohio Vehicle Leasing Association

*/s/ Richard E. Lightner*

Executive Vice President

CC: Board and Membership of The OVLA  
OADA President Tim Doran – Attn: Joe Cannon  
OIADA Executive Director James R. Mitchell