

Note: All deletions in this proposed amended administrative rule are [*bracketed and in italics*] and all new additional language is in **bold letters**.

137-020-0020

## Motor Vehicle Price **And** Sales Disclosure

1.[(1)] **Purpose** [*Purpose*]: The purpose of this rule is to declare as unfair or deceptive in trade or commerce certain motor vehicle pricing **and sales** practices. **Nothing in this rule, or the administrative rules to which it applies, modifies or diminishes the applicability of exemptions or limitations on enforcement of the Oregon Unlawful Trade Practices Act, including but not limited to those specified in ORS 646.605 and 646.612.**

2.[(2)] **Definitions**: For purposes of this rule, the following definitions shall apply:

*[(a) "Title and Registration Processing fee" means any monies or other thing of value, in an amount which is authorized by the Oregon Driver and Motor Vehicle Services Division (DMV), which a dealer charges for preparing or processing title and registration documents and collecting required fees for submission to DMV on behalf of a buyer or lessee;*

**OFFICIAL COMMENTARY:** *Oregon law and administrative rules permit dealers to act as a DMV agent and to complete and process the ownership and registration forms required by DMV. For providing this service, dealers are permitted to negotiate the Title and Registration Processing Fee not to exceed the amount established by DMV. This service is optional, however, and dealers are not required to charge this fee. It can not be represented as a government fee or a fee required by law. When consumers are involved in a motor vehicle transaction where there is no lien to perfect or release the dealer must disclose that the consumers have the right to complete and process their own title and registration and not pay this fee.]*

a. [(b)] "Advertisement", **including the terms "advertise" and "advertising,"** means any oral, written, **pictorial** or graphic notice given in a manner designed to attract public attention and includes, **but is not limited to** [*without limitation*], public broadcasts, mailings, **publications, internet sites, other internet applications, email, facsimiles** and published notices[.] **for a motor vehicle or for financing, goods, accessories, services, products or insurance sold in conjunction with the sale or lease of a motor vehicle. It includes, but is not limited to, any statement or representation made in a newspaper, magazine, or other publication; or made on radio, television or internet; or appearing in any notice, handbill, sign, billboard, banner, poster, display, circular, pamphlet, letter, or other printed material; or contained in any window sticker or price tag;**

b. "Advertiser" means the person on whose behalf any advertising material is published and includes the advertising agent (if any) used by the advertiser;

c. **“Advertising agent” means any person who produces, promotes or assists in the sale, production, or placement of any advertisement or participates in a sales event directly or through its employees or agents, on behalf of any person selling or leasing a motor vehicle or offering financing, goods, accessories, services, products or insurance sold in conjunction with the sale or lease of a motor vehicle;**

d. [(c)] An "average" person, viewer or listener means a person other than one allied with or employed by the motor vehicle industry;

e. **“Broker” means a motor vehicle broker as defined by ORS 822.047;**

f. [(d)] "Buy-down rate" means a financing rate which, due to a dealer's payment of finance charges to a third party, is below the prevailing market financing rate;

g. **“Buy-rate” means the lowest interest rate quoted to a dealer or broker by a financial organization for which a consumer qualifies, based upon the consumer’s credit history;**

h. **“Capitalized cost” means the amount the offeror places on a vehicle as the vehicle’s value for the purpose of offering the vehicle for lease to the public, not including any capitalized cost reductions or taxes, title, license fees, lease acquisition, Dealer Title and Registration Document Preparation Service Fee, insurance premiums, warranty charges, and any other product, service, or amount amortized in the lease. The capitalized cost for the purpose of this definition is the equivalent of the “offering price” for the purchase of a motor vehicle in a sales transaction.**

i. **“Capitalized cost reduction” means the total amount of any rebate, cash payment, net trade-in allowance or non-cash credit that reduces the capitalized cost.**

j. [(e)] "Clear and conspicuous," including the terms “clearly” and “conspicuously,” means that a message, **statement, information, representation or term** is conveyed in a manner that is readily noticeable, will be easily understood by the audience to whom it is directed, and is in a meaningful sequence. In order for a message to be considered "clear and conspicuous," it shall, at a minimum:

(1) [(A)] Not contradict or substantially alter any terms it purports to clarify, explain or otherwise relate to;

(2) **Be in close proximity to the message, statement, information, representation or term it clarifies, modifies or explains, or to which it otherwise relates;**

(3) [(B)] Use abbreviations or terms only if they are commonly understood by the average person or approved by federal or state law;

(4)[(C)] In the case of radio advertising:

(a)[(i)] The information required to be disclosed by law shall be spoken with sufficient deliberateness, clarity, and volume so as to be **audible and understandable** by the average radio listener;

(b)[(ii)] The information shall not be obscured by sounds which interfere with or distract from the disclosure;

(c) **All disclaimers shall be at a speed equal to the average speed of other messages, statements, information, representations or terms contained in the advertisement;** and,

(d)[(iii)] Any information required in radio advertising **by the Federal Consumer Leasing Act and Oregon law and administrative rules** shall be deemed to be clear and conspicuous if the ad complies with 15 USC § 1667c(c) [(b)] **and also discloses the capitalized cost of the lease**[*and any disclosure required by 15 USC § 1667c(b)(C) also includes all disclosures required by Oregon law*].

(5)[(D)] In the case of television advertising:

(a)[(i)] The information required to be disclosed by law shall be completely disclosed audibly, visually, or using a combination thereof;

(b)[(ii)] Any visual message shall be presented unobscured by other images and in a size and time sufficient to allow an average viewer to read with reasonable ease;

(c)[(iii)] Any audible message shall be presented with sufficient deliberateness, clarity, and volume so as to be understood by the average television listener unobscured by other sounds which interfere with or distract from the disclosure; [*and*]

(d) **For required superimposed written copy ("super") in a television advertisement or advertisements in any other audio-visual medium the minimum height of supers shall be:**

(1) **For Standard Definition Television - no less than 22 video scanlines for capital and lower case letters together, or no less than 18 video scanlines for use of capital letters only;**

(2) **For High Definition Television – no less than double the scanlines required for Standard Definition Television; and**

**the supers must appear on the screen for a duration sufficient to allow a viewer to have a reasonable opportunity to read and understand the statement, representation or term;**

**(e) It shall be a rebuttable presumption that the super is sufficient if the super on-screen display time is no less than three seconds for the first line of text and one second for each additional line.**

**(6)[(E)] In the case of printed advertising:**

**(a)[(i)] The information shall be in close proximity to the terms it purports to clarify, explain or otherwise relate to; and**

**(b)[(ii)] The information shall be of sufficient prominence in terms of print style, size and contrast as compared with the remainder of the advertisement so as to be readily noticeable to an average person in the audience to whom it is directed. Print size which is 8 point type or larger in display advertisements which are less than 200 square inches in size or print size which is 10 point type or larger in display advertisements which are 200 square inches or larger in size shall be rebuttably presumed to be of sufficient size to be readily noticeable.**

**(7) In the case of internet advertising:**

**(a) Disclosures shall be near, and when technologically possible, on the same screen as the triggering claim;**

**(b) Use of text or visual cues shall direct consumers to scroll down a Web page when it is necessary to view a disclosure;**

**(c) When using hyperlinks to lead to disclosures:**

**(1) Make the hyperlink obvious;**

**(2) Label the hyperlink appropriately to convey the importance, nature and relevance of the information it leads to;**

**(3) Use consistent hyperlink styles throughout the Web site;**

**(4) Place all hyperlinks in close proximity to relevant information; and**

**(5) Hyperlinks shall take consumers directly to a disclosure on the click-through page.**

**(d) Disclosures shall be displayed prominently prior to purchase;**

**(e) Disclosures shall be prominently displayed so they are noticeable to consumers in relation to the size, color and graphic treatment of other parts of the Web page;**

**(f) Disclosures shall be repeated on lengthy Web sites when there are multiple or repeated claims;**

**(g) Audio disclosures are required when audio claims are made on the Web site and must be presented in a volume and cadence so that consumers can hear and understand them;**

**(h) Visual disclosures shall be displayed for a duration sufficient for consumers to notice, read and understand them; and**

**(i) Clear language and syntax shall be used in such a manner that an ordinary consumer can understand the disclosures.**

**k. [(f)] "Dealer" means a person who buys, sells, trades or exchanges, leases, displays or offers [for] to buy, [sale] sell, trade or exchange motor vehicles [or offers to negotiate or purchase motor vehicles on behalf of third parties] either outright or by means of any conditional sale, bailment, lease, security interest, consignment or otherwise or who is a broker. "Dealer" does not include [a security interest holder as shown by the vehicle title issued by any jurisdiction or] any person excluded by ORS 822.015[(1) to (4) or 822.015(6) to (9)];**

**l. "Dealer Title and Registration Document Preparation Service Fee" means any monies or other thing of value, in an amount which is authorized by the Oregon Driver and Motor Vehicle Services Division of the Oregon Department of Transportation (DMV), which a dealer charges for preparing or processing title and registration documents and collecting DMV fees on behalf of a consumer;**

**m. [(g)] "Extension sticker" means a label (other than a Monroney sticker or other label bearing the manufacturer's suggested retail price), affixed to a new motor vehicle, displaying the offering price of the motor vehicle;**

**n. "False advertisement" means any advertisement which is false, misleading or deceptive in a material respect. In determining whether any advertisement is false, misleading or deceptive, not only representations made or suggested by statement, word, design, device, sound or any combination thereof will be taken into account, but also the extent to which the advertisement fails to reveal facts material in light of representations made;**

**o. "Financial Organization" means any person who finances a sale or lease of a motor vehicle;**

**p. "Manufacturer" means any entity which:**

**(1) Manufactures or assembles new motor vehicles for sale or distribution;**

**(2) Distributes new motor vehicles through franchised dealerships;**

**(3) Is engaged in the business of importing new motor vehicles for sale or**

distribution to dealers or through distributors, or factory branches; or

**(4) Is a subsidiary of a manufacturer including one that offers motor vehicle financing.**

o. [(h)] "Manufacturer's Suggested Retail Price" or "MSRP" means the Monroney price, or if there is no Monroney sticker, then the total price of the vehicle after all factory installed options and factory costs have been added together, less any option package savings offered by the manufacturer;

q. [(i)] "Monroney sticker" means the label required by [Section 3 of] the Automobile Information Disclosure Act, 15 USC [Section] § 1232;

r. [(j)] "Motor Vehicle" means any self-propelled vehicle normally obtained for personal, family, or household purposes, including all terrain vehicles, snowmobiles, **self-propelled motor homes**, [and] personal watercraft, [other than] boats and, **for the purposes of this definition, any motor home, recreational vehicle or trailer pulled by a self-propelled vehicle.** Motor vehicle does not include aircraft;

s. **"Negative equity" means the amount by which an existing lien on a trade-in vehicle exceeds the true market value of the trade-in vehicle.**

t. **"Negative equity adjustment" means an equal amount which is added to both the purchase or lease price of a vehicle and the trade-in allowance for the trade-in vehicle in a transaction.**

u. [(k)] "Offering price" means the full cash price for which a dealer will sell or lease a motor vehicle to every [purchaser] **consumer** or member of the general public without exception, excluding only taxes, license and registration costs, **Department of Environmental Quality [DEQ] fees** and a **Dealer Title and Registration [Processing] Document Preparation Service fee;**

[(l)] *"Pattern" means repeated acts that are the same or similar in nature and appear to have some overall connection;*

v. **"Person" means natural persons, corporations, trusts, partnerships, incorporated or unincorporated associations, and any other legal entity except bodies or officers acting under statutory authority of this state or the United States and includes, but is not limited to, dealers, brokers, manufacturers, publishers, advertisers or advertising agents;**

[(m)] *"Practice" means, for purposes of OAR 137-020-0050(2)(k), often, repeated, or customary action;*

w. [(n)] "Personal Watercraft" means a jet ski or other aquatic device of similar design;

x. "Publish" means to disseminate, mail, or otherwise make available to the public at large, or any section of the public, in whatever form and by whatever means any information;

y. "Publisher" means any person who publishes any advertisement;

z. [(o)] "Rebate" means:

- (1) [t/ The payment of money to a consumer or payment to a **person** [dealer or third party] on behalf of a consumer on the condition that the consumer purchase or lease a motor vehicle; or
- (2) The return of any part of a payment made by a consumer in conjunction with the sale or lease of real estate, goods or services and includes, but is not limited to, an offer of a future cash refund, a direct or indirect payment of money to a consumer or a voucher for future payments;

aa. "Recreational vehicle" has the meaning given that term in ORS 650.300;

bb. "Sale," "Sell" or "Buy" means any transaction for the sale, purchase, trade, exchange or lease of a motor vehicle;

cc. "Spot Delivery" means delivery of a motor vehicle by a dealer or broker to a consumer when the consumer has committed to buy or lease the vehicle, whether or not there is a finalized transaction or final approval of financing;

dd. [(p)] "Taxes, license and registration costs" means those usual taxes, charges and fees payable to or collected on behalf of governmental agencies and necessary for the transfer of any interest in a motor vehicle or for the use of a motor vehicle; [and]

ee. [(q)] "Used vehicle" means any vehicle which has been previously:

(1) D[d]elivered to any person for his or her discretionary use for personal or business purposes and for more than a try-out before a contemplated purchase or preparation for sale;

(2) Titled or registered to any person, whether or not it was used for the person's own discretionary personal or business purposes; or

(3) Spot delivered.

ff. "Vehicle identification number" or "VIN" means a number, a letter, a character, a datum, a derivative, or a combination thereof, used by the manufacturer or a Department of Motor Vehicles for the purpose of uniquely identifying a motor vehicle. For the purpose of this definition, any time a motor vehicle advertisement requires the publication of a "vehicle identification number,"

use of the last six numbers, letters or other characters will constitute compliance with the rule.

gg. "Yield Spread Premium" means the difference between a higher interest rate quoted to a consumer by a dealer or broker and the buy rate offered to the dealer or broker by the financial organization.

3.[(3)] **Violations:** Failure by a [dealer] person, in the course of the person's business, vocation or occupation, to comply with this rule constitutes unfair or deceptive conduct in trade or commerce.

a.[(a)] **Mandatory Posting of Offering Price** - Any motor vehicle offered for sale or lease in an advertisement stating an offering price or capitalized cost for the motor vehicle shall have affixed to it a clear and conspicuous label or extension sticker stating the **advertised** offering price of the motor vehicle listed in the advertisement. If a motor vehicle bears a label which states a MSRP and the MSRP is the offering price or capitalized cost for the vehicle, no additional label or extension sticker is required;

b.[(b)] **Extension Sticker** - Any motor vehicle offered for sale bearing a Monroney sticker or a label stating a MSRP shall have an extension sticker affixed stating the offering price of the vehicle if the offering price is greater than the Monroney sticker price or the stated MSRP;

c.[(c)] **Offering Price** - Any price stated in an advertisement or in a written or oral price quotation given to a [prospective buyer or lessee] **consumer** shall be the offering price, excluding only taxes, license, registration costs, **DEQ fees** and a **Dealer Title and Registration [Processing] Document Preparation Service fee**. *Any written or oral price quotation given in good faith to a prospective buyer or lessee, which is less than or on different terms than the offering price on the motor vehicle, may be given by an agent subject to approval by the dealer*;

d.[(d)] **Limitations on Offering Price** - An extension sticker shall accurately itemize and describe the charge(s) added to or subtracted from the MSRP to reach the offering price. No charge may be added for goods or services not actually provided. No charge may be added for services required by the manufacturer or distributor which are performed by a dealer prior to delivery of a motor vehicle to a retail [buyer] **consumer**. No charge may be added for any overhead expense such as warehousing, flooring, advertising, and clerical costs; or for transportation costs charged by the manufacturer or distributor to the dealer and included in the MSRP. In the case of inland freight, setup and dealer preparation, the charge listed must be the dealer's actual cost for freight from the port of entry to the dealership, and the actual cost of setup and dealer preparation and not included in the MSRP;

e.[(e)] **Additional Dealer Mark-up** - If the offering price is greater than the MSRP, the portion of the difference shown on the extension sticker between the offering price and the MSRP not representing additional goods or services shall be described as "additional

dealer profit," "additional mark-up" or by a term of similar import;

**f.[(f)] Unconscionable Add-on Pricing - A [dealer] person may not make false or misleading representations concerning the nature or amounts of charges [listed on a label or the extension sticker by listing charges] for additional goods, accessories, [or] services, **products or insurance sold in conjunction with the sale or lease of a motor vehicle [provided] by selling them at a price which [are] is unconscionably [substantially] higher than the [charges] price used by the [dealer] person for the sale of the same or substantially similar goods, accessories, [or] services, products or insurance to other consumers [buyers];****

**g.[(g)] Disclosing "DOC" Fee - The Dealer Title and Registration [Processing] Document Preparation Service fee may be separately stated in all advertisements and sales documents. If separately stated, the disclosure shall be clear and conspicuous; [and]**

**h.[(h)] "DOC" Fee Not Government Required - A [dealer] person shall not represent a Dealer Title and Registration [Processing] Document Preparation Service fee as a governmental fee or one required by government;[.]**

**i. Vehicle Availability - A dealer or broker may not advise prospective customers that an advertised vehicle is available when the vehicle is not available for sale, or that an advertised vehicle is not available for sale when the vehicle is available for sale;**

**j. Undisclosed Price Packing - A dealer or broker may not sell or lease a motor vehicle to a consumer with the cost of any additional goods, accessories, services, products or insurance added to the sale or lease, without the customers' actual knowledge, written consent and individual itemization of all such additional costs listed on any purchase or lease agreement;**

**k. Undisclosed Fee Payments - A person who sells or leases a motor vehicle to a consumer and makes any payment to any non-employee third-party in conjunction with the sale or lease, other than a referral fee of \$100 or less (also known as a "bird-dog" payment), must specifically itemize such payment on the consumer's lease or purchase agreement;**

**l. False Representations Regarding Financing or Goods - A person may not falsely represent to a consumer that the person:**

- (1) Will not sell or lease a motor vehicle to the consumer; or**
- (2) Cannot provide financing for the consumer**

**unless the consumer purchases additional goods, accessories, services, products or insurance or that such additional goods, accessories, services, products or insurance are free or included in the price of a motor vehicle or the financing;**

**m. Payment Price Packing** - During negotiations for the sale or lease of a motor vehicle, a dealer or broker may not quote to a consumer a monthly payment or total price for the sale or lease of a motor vehicle that includes the cost of any additional goods, accessories, services, products or insurance, including but not limited to extended warranties, security products, protectants, credit life or gap insurance, that are sold in conjunction with the sale or lease of a motor vehicle, unless the dealer or broker also clearly and conspicuously separately discloses in writing, prior to any purchase or lease agreement being executed by a customer:

(a) The individual price of each additional good, accessory, service, product or insurance; and

(b) The total cost of the lease or sale of the vehicle and the monthly payment, without such additional items included.

**n. Disclosure of Warranty Coverage** - A dealer may not misrepresent or fail to clearly and conspicuously disclose the following terms or conditions of an extended service contract sold in conjunction with the sale or lease of a motor vehicle: the length of the coverage, what parts or systems of the vehicle are covered by the contract, any exclusions in the coverage, and if there is an existing manufacturer's warranty which provides the same or similar coverage;

**o. Disclosure of Material Nonconformities and Defects** - A dealer or broker shall disclose existing material nonconformities and defects about which the dealer or broker knows or should have known, prior to sale or lease of a motor vehicle;

**p. False or Unsubstantiated Representations** - A dealer or broker may not make a misrepresentation or a false or incomplete statement of fact in conjunction with the sale or lease of a motor vehicle, or any other representation or statement which the dealer or broker does not have sufficient information upon which a reasonable belief in the truth of the representation could be based;

**q. False Statement of Broker Fees** - A broker may not misrepresent the source or nature of any profit, compensation or fee which the broker will receive for its services or cause a consumer to believe the services are free or at no cost to the consumer, when they are not;

**r. Disclosure of Dealer/Broker Status** - A dealer or broker may not misrepresent or fail to disclose whether it is acting as a dealer or broker when it has done anything to cause a consumer to believe it is acting as a broker for the consumer in the purchase or lease of a motor vehicle;

**s. False Credit Applications** - No person shall for any motor vehicle transaction:

(1) Knowingly prepare, participate or assist in the preparation or submission of a

false, misleading or deceptive credit application;

(2) Direct any person to prepare or submit a false, misleading or deceptive credit application;

(3) Request or allow a consumer to sign a blank or incomplete credit application;  
or

(4) Knowingly accept or submit a false, misleading or deceptive credit application.

t. Illusory or Deferred Down-Payments - Hold Check Agreements – In any transaction for a motor vehicle:

(1) No person shall request or accept from a consumer as payment for any part of a purchase or lease, or list the same as a down payment on any purchase order, lease agreement, retail installment contract, or credit application, any of the following:

(a) A promissory note for future payment, without clearly disclosing on the purchase order, lease agreement, retail installment contract, or credit application: the amount of the promissory note given by the consumer, the terms of repayment, any interest rate and that such amount is in the form of a promissory note;

(b) A check that the person knows or should have known is drawn upon an account with insufficient funds, without clearly disclosing on the purchase order, lease agreement, retail installment contract, or credit application: the amount of such check, the terms of repayment, that there were insufficient funds in the checking account at the time the check was drawn and the date the check is expected to have sufficient funds available for its payment; or,

(c) A post-dated check that the consumer has given the person for payment at a future date, without clearly disclosing on the purchase order, lease agreement, retail installment contract, or credit application: the amount of such check, that the check is post-dated, and the date the check is due and payable.

(2) No person shall accept any check listed in (t)(1)(b) or (c) above without having a written hold check agreement, clearly disclosing on the purchase order, lease agreement or retail installment contract all terms and conditions of the hold check agreement, and disclosing the fact that there is a hold check agreement on any credit application;

(3) No person shall accept any payment listed in (t)(1)(a), (b) or (c) above without properly listing such payment as required by Regulation Z or Regulation M in any retail installment contract or lease agreement; and

(4) No deferred portion of a down payment may be treated as part of the down payment if it is payable later than the due date of the second otherwise regularly

scheduled payment and is not subject to a finance charge.

u. **Yield Spread Premium Disclosure** - Any dealer or broker that charges a consumer a yield spread premium for arranging financing for the consumer:

(1) Shall clearly and conspicuously disclose in writing, prior to the consumer applying for credit or executing a purchase or lease agreement:

(a) That the dealer or broker is receiving additional compensation from the consumer for arranging the financing which may be in the form of a fee or additional loan points; and

(b) That interest rates quoted by the dealer or broker may be negotiable; and

(2) Shall not, during the negotiation for the sale or lease of a motor vehicle, quote a monthly payment calculated using an interest rate that is more than 3 points higher than the buy rate, unless the dealer or broker discloses in writing the yield spread premium to the consumer, if the dealer or broker quoting the rate knows the consumer's credit score or has the ability to obtain the consumer's credit score at the time the monthly payment is quoted.

v. **Misleading or Deceptive Tying Requirements** - No person shall represent or imply that the person requires a consumer to purchase anything additional, in conjunction with the sale or lease of a motor vehicle, including but not limited to any goods, accessories, products, insurance, extended service or maintenance contracts, in order to:

(1) Purchase or lease a motor vehicle, unless the person requires all consumers to purchase the same additional items in order to purchase or lease any vehicles from that person; or

(2) Obtain financing for a motor vehicle unless the person requires all consumers to purchase the same additional items in order to obtain financing for that person's motor vehicles; and

the person will not sell, lease or obtain financing for any motor vehicles without the sale of such additional items to any other consumer, whatsoever.

w. **Deceptive Financing Representations** - No dealer or broker shall falsely represent that a transaction is conditioned upon the consumer financing the transaction with the dealer or broker when in fact the consumer is able to finance through other means or sources;

x. **Unlawful Spot Delivery** - No dealer or broker shall spot deliver a vehicle to any consumer unless the dealer or broker has a reasonable basis to believe the consumer could qualify for the terms of financing quoted to the consumer at the time of

delivery.

y. **Misrepresentation Regarding Failure to Finance** - No dealer or broker, who has spot delivered a vehicle to a consumer and thereafter fails to complete the transaction in accordance with the terms offered in the purchase order, lease agreement or retail installment contract, shall misrepresent to a consumer the reason that the consumer does not qualify for financing or misrepresent why the transaction cannot be completed according to the terms offered;

z. **Anti-Bushing Rule** - In any transaction in which the dealer or broker has spot delivered a vehicle to a consumer and the consumer does not qualify for the terms offered, the dealer or broker shall actually return all items of value received from the consumer as part of the transaction prior to negotiating or entering into new terms for the purchase or lease of the vehicle. This includes, but is not limited to, any down payment, trade-in or other thing of value given as part of the transaction. Simply informing a consumer of the consumer's right to get back his or her down payment and trade-in and having the consumer sign a waiver or rescission form is not sufficient. The consumer's down payment and trade-in must be returned to the consumer contemporaneously with the return of the sale vehicle, not at a later date or time. If a consumer has paid a down payment with a check, the dealer does not need to refund the down payment until the consumer's check has cleared.

aa. **Unlawful Negative Equity Adjustment** - No person shall make a negative equity adjustment in the sale or lease of a motor vehicle.

bb. **Negative Equity Disclosure** - Any negative equity of a vehicle taken in trade as part of any motor vehicle transaction shall be clearly and conspicuously disclosed in any purchase order, lease agreement or retail installment contract.