

VISIT US ON THE WEB!

On March 12, 1999, the Motor Vehicle Dealer Board's Web site went "live" and became available to anyone with Internet access. The site includes all sorts of good information that you can use. For example, past issues of Dealer Talk are posted, the salesperson and dealer-operator study guides can be viewed and printed, and instructions on the quickest way to license a new salesperson are all included on the Web site.

This is just a small example of what you can find on the Motor Vehicle Dealer Board's Web site. Future plans for the site include adding a page for dealer and individual dealership information that will be password protected. We invite you to visit us on the Web at <http://mvdb.vipnet.org> or <http://www.mvdb.vipnet.org/>. Please let us know what you think. Also – if you have

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SEVEN-DAY LICENSE APPLICATION PROCESS

The Board and the staff of the Board have established a performance standard that states we will process "clean" initial applications for a salesperson's license within seven business days of receiving that application.

What is a "clean" application? A "clean" application is one that arrives in the office of the Board's headquarters complete and includes all fees and documents. In addition, when we run the "criminal history" background check through the Department of State Police, the results show that the applicant does not have a criminal history. Licenses for applications that meet these criteria will be mailed to the applicant within seven business days of our receiving the application.

If an application is not complete, the applicant will be contacted and requested to provide the missing information, etc. If the criminal history background check reveals a "hit", processing of the application will be delayed pending receipt of more information from the State Police. If you know that the applicant has a felony conviction, including attested copies of the conviction and other relevant information will speed-up the staff's review of the application.

From January through March, Board Staff have processed 100% of all "clean"

suggestions for future enhancements to the site let us know. The site includes a "hot link" for sending us E-mail.

REMINDERS & USEFUL TIPS

Transfer of a Salesperson's License.

Salespeople are licensed to a particular dealership. If you hire a salesperson that is or was previously licensed at another dealership, that individual must first obtain a license from the Board in the name of your dealership before he/she can go to work selling automobiles. This process is quick and easy. All you must do is have the employee complete the standard application form and submit the proper fee. Depending on the situation, this fee ranges from \$0 to \$45.00. If you contact the Board Office we can give you the exact fee for your situation. Also, if the previous dealer has not sent the Board the "old" license, you should send that to us along with the license application.

Another option you now have is to FAX a copy of the transfer application and a copy of the salesperson's old/current license to the Board Office (804) 367-1053 and call the Office at (804) 367-1100 with your credit card number. In this way we can update our automated system right away and FAX back to you evidence that the license has been transferred and your "new" salesperson can begin work. Please note that the actual license cannot be issued until we receive the original application. So, if you decide to use this method—you must send or deliver the original forms right away or mailing of the actual license will be delayed.

Record of Sales (DLD 21). In the last issue of Dealer Talk, it was noted that as part of the dealer inspection process, the Motor Vehicle Dealer Board field representatives will be verifying the information listed on form DLD 21. ("RECORD OF ALL WHOLESALE SALES AND RETAIL SALES REGISTERED OUT-OF-STATE") Please note that only sales to other dealers and to consumers who will be registering the vehicle out-of-state can be listed on this form. Do not list sales to consumers who will be registering the vehicle in Virginia.

DEALER TALK

A Bi-monthly newsletter of The Virginia Motor Vehicle Dealer Board

Bruce Gould, Executive Director
Peggy Bailey, Office Manager
Debbie Allison, Field Representative Supervisor

Virginia Motor Vehicle Dealer Board
2201 West Broad Street
Suite 104
Richmond, Virginia 23220
Phone: (804) 367-1100
FAX: (804) 367-1053

NOTE: We make every effort to ensure information in *Dealer Talk* is accurate, but it is not a substitute for legal advice.

Calendar of Events

Monday, May 17, 1999:
Place: DMV Headquarters
Time: 9:00 a.m.
Transaction Recovery Fund Committee Meeting

Monday, May 17, 1999:
Place: DMV Headquarters
Time: 10:00 a.m.
Licensing Committee Meeting

Monday, May 17, 1999:
Place: DMV Headquarters
Time: 1:00 p.m.
Dealer Practices Committee Meeting

Monday, May 17, 1999:
Place: DMV Headquarters
Time: 3:00 p.m.
Advertising Committee Meeting

Tuesday, May 18, 1999
Place: DMV Headquarters
Time: 8:30 a.m.
Finance Committee Meeting

Tuesday, May 18, 1999
Place: DMV Headquarters
Time: 9:00 a.m.
Franchise Law Committee Meeting

Tuesday, May 18, 1999
Place: DMV Headquarters
Time: 9:30 a.m.
Full Board Meeting

ACTIONS:

- The Board considered two claims against the Motor Vehicle Dealer Transaction Recovery Fund. After reviewing each claim, the Board voted to approve both claims for payment from the Fund. One claim was in the amount of \$1,575.00 and the second was for \$2,500.00. Dealers who are the subjects of these claims will be given 30 days to pay the consumer. If the dealer fails to pay the consumer, then payment will be made from the Fund. Once that is done, the dealer will have 30 more days to repay the Fund. Failure to repay the Fund will result in license revocation.
- Advertising Violations: During the months of January and February, Board staff issued 49 first violation "educational/warning letters". Common problems included: Advertising a "Free Item" when a purchase is necessary to receive the "free" item; incomplete Truth in Lending; failure to clearly disclose that the vehicles are "used"; offering a "guaranteed" trade-in allowance; improper use of the term "wholesale"; disclosure not conspicuous; and failing to include a "Sale End Date" when advertising a "sale".
- The Board voted to allow a dealer whose license was revoked last year for accepting food stamps for payment of a vehicle, to apply for a salesperson's license. The application of another applicant was denied based on bank fraud convictions and the recommendations of a hearing officer.

(Continued next column)

ACTIONS: *(Continued)*

- Based on recommendations of a hearing officer who conducted a formal fact finding conference, the Board assessed a \$2,500 civil penalty against a dealer who employed, in a sales capacity, an individual that was not licensed as a salesperson.
- An independent dealer was assessed a civil penalty in the amount of \$1,000 for selling motor vehicles for another dealer. The dealer was arranging for the sale and receiving compensation for the sale of new vehicles in the inventory of a franchised motor vehicle dealer in another state.
- The Board denied the request of a dealer who had asked for a complete exemption from the business hours requirements.

Editors Note: Dealers have the option of "appealing" any of the above Dealer Board decisions by requesting a hearing in front of a hearing officer.

NATIONAL TITLING SYSTEM

The Virginia Department of Motor Vehicles (DMV) has been selected as one of seven states to participate in the pilot program entitled, **National Motor Vehicle Titling Information System (NMVTIS)**. Required under the Federal Anti-Car Theft Act of 1992, NMVTIS is an electronic system that is designed to help reduce motor vehicle theft and fraud nationwide. When fully implemented, all DMV's in the nation will be able to access this electronic national clearinghouse of vehicle information. DMV employees will be able to quickly find out where vehicles are titled or verify the authenticity of a title. NMVTIS will also contain information about stolen vehicles or any brands on vehicles.

Arizona, Florida, Indiana, Kentucky, Massachusetts and New Hampshire will join Virginia in the pilot program. The Virginia DMV will implement its program in June. Before the end of the year, all of the pilot states are scheduled to be up and running. Most states, whether in the pilot or not, will have loaded their title data into the central NMVTIS databases.

Later this year, DMV will offer customers a new service called Prospective Purchase Inquiry or PPI. For a fee, customers will be able to obtain limited information about a vehicle as long as the state where the vehicle is titled has loaded their data onto NMVTIS. Watch for more information on this program in future issues of Dealer Talk.

TITLE SECURITY

As of March 1, 1999, DMV instituted a new security feature to the Virginia Title. From now on, the odometer readings on each title will include an asterisk ("*") at the beginning and at the end of the numbers to prevent forgery or alteration. For example, an odometer reading on the current title appears as "9899,A". Under the new format, it will appear as "*9899*,A". (All previously issued titles will remain valid.)

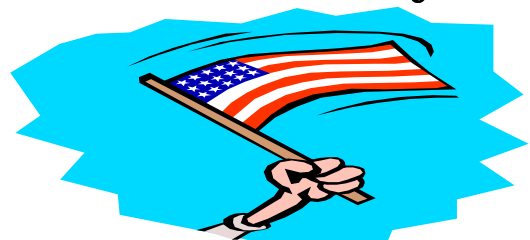
Blank spaces between the asterisks and numbers in the odometer reading will immediately signal a potential buyer and DMV of possible fraud. The branding information regarding the odometer reading (A=actual mileage; E=exceeds mechanical limits; N=not actual miles) will appear after the asterisk.

State Holiday for the Month of May

Our office will be closed on:

May 31, 1999, in observance of:

Memorial Day!



CURBSTONERS CONVICTED

DMV and the Dealer Board continue their efforts to put curbstoners out of business. Recently, DMV was successful in obtaining convictions in Roanoke City, Rockingham County and Smyth County. In Roanoke City, an individual was convicted of "curbstoning" and was fined \$1,000 and received a 30 day jail sentence, which was suspended. The curbstoner was ordered by the judge to pay \$150 in restitution to one of his "customers".

Working jointly with the Zoning Board in Rockingham County, an individual was convicted of "curbstoning" in connection with selling seven vehicles in a twelve-month period. The curbstoner was fined \$2,500 and was warned by the court that future violations would result in jail time.

A joint effort between Board staff and DMV has resulted in a conviction of selling vehicles without a license in Smyth County. The fine and court costs levied on the curbstoner totaled \$280. The curbstoner had first been identified in the Board's "Top 100" list of curbstoners and received a "warning" letter. When his name reappeared on our last computer run designed to identify curbstoners, his file was sent to DMV for further action.

DMV Investigator Johnson and Assistant Commonwealth's Attorney Powell used the evidence gathered by the Board to successfully prosecute this case.

Successes as described above depend on cooperation from Commonwealth's Attorneys. If you know your local Commonwealth's Attorney, please take the time to educate them on the issue of curbstoning. If they need more information on curbstoning, call Bruce Gould at (804) 367-1100, he will be glad to follow-up.

GOOD LUCK, DEL!

Delorme ("Del") Mahaffey, our field representative in Clarke, Culpeper, Frederick, Orange, Rappahannock, Spotsylvania, Stafford and Warren Counties and the City of Fredericksburg has left our employ. Del, who had been with us from the very beginning of the creation of the Board, will be missed. We wish Del all the best as he embarks on a new career. We are now in the process of searching for a replacement for Del. In the meantime, Bernie Goletz (Pager Number (703) 701-0091) will be the contact for Frederick, Warren and Clarke Counties. John Smith (Pager Number (804) 997-0671) will pick-up Fredericksburg and Stafford and Spotsylvania Counties and Art King (Pager Number 1-800-277-8493) will fill-in at Rappahannock, Culpeper and Orange Counties.

TEMPORARY TRANSPORT TAG

In the last issue of Dealer Talk, it was noted that "Temporary Transport Tags" should never be used by a customer to test drive a vehicle. This statement was incorrect. There are actually two circumstances where Temporary Transport Tags can be used to "test drive" a vehicle. The first is when a customer is taking a demonstration drive in a vehicle type that you have taken in on trade but are not licensed to sell. (For example, you have an independent dealer's license and you take a motorcycle in on trade. You can sell the motorcycle and the Temporary Transport Tag can be used for consumer demonstration drives.) The second instance allows a potential customer for a truck or tractor truck to use a Temporary Transport Tag for demonstration purposes under specific conditions.

THIRTY-DAY TEMPORARY TAGS

DMV has instituted a number of steps to discourage and prevent illegal use and distribution of thirty-day tags. Your help is needed in furthering this goal. Please keep a careful inventory of these plates and be sure they are stored in a secure location. DMV is monitoring the number of thirty-day tags bought

ATTENTION ALL DEALERS:

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