

## DEALER BOARD ONLINE SERVICES

The Virginia Motor Vehicle Dealer Board is the first state dealer licensing agency in the country to offer on-line dealer services.

The Motor Vehicle Dealer Board (MVDB) has partnered with [Virginia Interactive](#) to enable you to conduct nearly all of your transactions with the Board on-line to include dealer license renewals, salesperson license renewals, and place dealer plate, decal, and tag orders online. You will also be able to submit an application for a new salesperson and apply for a supplemental license plus much more. Dealers may electronically complete and submit all forms to the MVDB as a subscriber to the MVDB's interactive services. Subscribing dealers will be allowed to pay online for all of their online MVDB transactions.

In order to utilize this service, dealerships must become Virginia Information Providers Network (VIPNet) subscribers. Simply complete the VIPNet [Premium Service Subscription Agreement](#), the MVDB Addendum, and pay the annual subscription fee of \$50.00. For complete information and to see a demonstration of the various services, visit the VIPNet [Premium Services](#) page at [www.vipnet.org/premium](http://www.vipnet.org/premium). You can also see the demonstration at the Board's Web site ([www.mvdb.vipnet.org](http://www.mvdb.vipnet.org)).

The dealership will be billed for all transactions that have occurred during the month according to the billing preference that is specified in the subscription agreement. Payments are due by the 25<sup>th</sup> day of each month for services or records accessed during the previous month.

### Online Access to DMV Records

If your dealership is using the MVDB Online Services, you may also wish to apply for the online Department of Motor Vehicle Records Access Information Service that is included in the subscription fee. Dealerships will be able to check driving records for employment purposes and complete branded title searches on vehicles on-line. For online access complete the DMV Information Use Application. It can be sent with the other service agreement. This application must go through the DMV approval process before access will be granted.

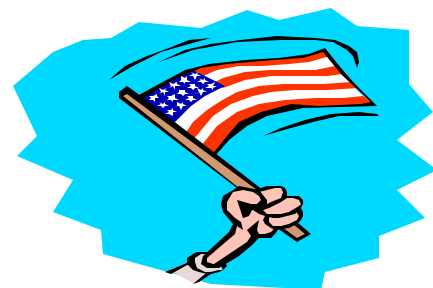
If you have any questions about gaining access to the online MVDB or DMV services, please contact VIPNet Customer Service at 804-786-3794 or toll free 877-482-3468 or e-mail [customerservice@vipnet.org](mailto:customerservice@vipnet.org).

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### State Holiday for the Month of **MAY**

In Observance of:



### MEMORIAL DAY

Our Office will be closed:

**May 28, 2001**

# LEGISLATIVE BRIEF

Nearly 2,650 bills were introduced to the 2001 session of the General Assembly. Of that number, the General Assembly passed 1,381. Before these bills become law, they must be signed by the Governor. The Governor has until March 26 to act on bills passed by the General Assembly.

At this time, we will report on three bills that have been signed by the Governor and are of interest to dealers. A more comprehensive list will be published in the next issue of Dealer Talk.

- **Discounts** A bill sponsored by the Dealer Board and carried by Senator Rerras of Norfolk, will give the Board authority to offer discounts in fees dealers pay, if they renew for two years or if they conduct their transactions with the Board on-line. (See the article on page 1 for more details concerning "On-Line Services.") Details on the discounts the Board may offer will be published in a future issue of Dealer Talk. The legislation does not specify the amount of the discount, rather it gives the Board the option of offering a discount beginning any time after July 1, 2001.
- **Transaction Recovery Fund** Another bill signed into law by the Governor and sponsored by the Dealer Board was carried by Delegate Wardrup of Virginia Beach. This bill, when it becomes law on July 1, 2001, raises the dollar limits on the Transaction Recovery Fund. Currently, if there are multiple claims against a single dealer, the Fund can pay a total of \$75,000. Under this new law, multiple claims will be covered for up to a total of \$100,000. Also, currently, the maximum amount the Fund can pay to an individual is \$15,000. Under this bill the maximum payment would be increased to \$20,000.
- **License Plate Holders** Current law prohibits license plate holders, colored glass or plastic from covering or obscuring a license plate number. Senate Bill 798 that was passed by the 2001 session of the General Assembly and effective as of July 1, 2001 expands that section of the law. The new law will prohibit license plate holders, colored glass or plastic from covering, not only the license plate number, but also the month and year decals on license plates, as well as the word "Virginia" and any logo displayed on a license plate.

In an effort to ensure that your customers do not encounter difficulties with law enforcement, please ensure that any license plate holders placed on vehicles sold by your dealership conform to these new regulations.

We will publish a more complete list and description of bills passed by the General Assembly and signed by the Governor in the next issue of Dealer Talk.

## DEALER TALK

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

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**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

**All Meetings held at DMV Headquarters  
2300 W. Broad Street, Room 702, Richmond, VA**

Monday, May 7, 2001:

Time: 9:00 a.m.

Dealer Practices Committee Meeting

Monday, May 7, 2001:

Time: 10:00 a.m.

Franchise Law Committee Meeting

Monday, May 7, 2001:

Time: 10:45 a.m.

Licensing Committee Meeting

Monday, May 7, 2001:

Time: 1:30 p.m.

Transaction Recovery Fund Committee Meeting

Monday, May 7, 2001:

Time: 2:15 p.m.

Advertising Committee Meeting

Monday, May 7, 2001:

Time: 3:00 p.m.

Personnel Committee Meeting

Tuesday, May 8, 2001:

Time: 8:30 a.m.

Finance Committee Meeting

Tuesday, May 8, 2001:

Time: 9:30 a.m.

Full Board Meeting

**NOTE:** Meetings may begin later, but not earlier than scheduled.

## ACTIONS FROM THE MARCH BOARD MEETING

- **Record Keeping.** The Board conducted an informal fact finding conference for a Richmond area dealership who was cited for several, repeated record keeping related violations. Ongoing problems cited included: failing to properly maintain records, including forms and records related to temporary plates.  
  
After considering the evidence and reviewing the hearing officer's report, the Motor Vehicle Dealer Board determined that the dealer should be assessed a civil penalty of \$1,000.
- **Bird-Dogging.** The Board agreed with the recommendation of a hearing officer to levy an \$800 civil penalty on a Fredericksburg area dealer in connection with a "BONUS REFERRAL PLAN." In this plan, which the dealer learned about at a national seminar, customers who referred other buyers to the dealership would be eligible to receive a \$50 referral fee. The dealer had paid-out on three referrals before he ended the program when informed by a field representative that he may be in violation of the law.
- **Bird-Dogging.** After considering the evidence and listening to testimony made on behalf of a dealer and reviewing a report of an informal fact finding conference, the Motor Vehicle Dealer Board determined that a dealer headquartered in the Tidewater area should be assessed a \$5,000 civil penalty for paying commissions to individuals who were not licensed salespersons for the dealerships in question. In these two instances, the dealer in question was paying a commission or "bird-dogging" fee to salespersons at other dealerships for sending customers to the offending dealerships. A commission was paid if the referral resulted in a sale.

The owner of this multi-location dealership had been assessed civil penalties for similar violations that occurred during the same time frame. Previously, the dealer stated that the earlier cases were not an indication that other locations owned by this dealer participated in bird-dogging payments.

In addition, the Board levied \$1,000 civil penalties on the dealer-operators of the offending dealership as these two individuals played a key roll in the bird-dogging activities.

## ACTIONS FROM THE MARCH BOARD MEETING

- **Revocation** Based on the recommendation of a hearing officer who had conducted a formal hearing for a Roanoke area dealer, the Board voted to revoke the dealer's license for having been convicted of a number of felonies and misdemeanors related to the sale of automobiles. The most recent conviction was for altering a title. The dealer has the option of appealing this decision to the local circuit court.
- **Advertising** Two dealers were assessed civil penalties for repeated violations of the dealer advertising laws and regulations. In each of these cases, the Board agreed with the findings and recommendations of a hearing officer.

In the first case, a Warrenton area dealer was assessed a \$500 civil penalty for "Truth in Lending" violations. In the second case, a King George area dealer was also found in violation of the "Truth in Lending" regulations and was assessed a \$500 civil penalty.

## REMINDERS

- **Temporary Closing.** When you send a faxed notice to the Board that you are going to be closed for a day or two or for vacation be sure to include your dealership name, location and dealer number. We have received faxed notices that simply state "our dealership will be closed on "DATE" and will reopen on "DATE", without including any information as to whom the FAX came from! If you would like a form that you can use to notify us of a closing, please contact us and we will be glad to send a copy to you.
- **FORMS.** All DMV and Dealer Board forms are available from our website. Please visit [www.mvdb.vipnet.org](http://www.mvdb.vipnet.org) to download.

## JUDY LEWIS RETIRES

One of our most valued employees, Judy Lewis, will be retiring as of May 1, 2001. Judy has been a member of the Board's staff from the very beginning. Many of you have worked with Judy over the years. Her knowledge of the dealer licensing process and her computer skills made her a leader among her peers. She always provided outstanding customer service in "going the extra mile" for her dealer customers. We will miss Judy and wish her the best as she enters a new chapter of her life.

# CURBSTONING REPORT

Since the last Board Meeting, we have posted 370 curbstoning notices issued by DMV Special Agents and Dealer Board Field Representatives.

The Dealer Board mailed advisory letters to two property owners in Fairfax and Richmond, advising them they may be in violation of dealer licensing laws by allowing vehicles to be displayed for sale. Both DMV and the Dealer Board have issued curbstoning notices to vehicles at these locations, but the activity has continued.

In the Roanoke District, a complaint was received alleging an individual was curbstoning. A subsequent search of DMV records revealed he had sold 5 vehicles in 1998, 25 in 1999, 8 in 2000 and 1 in 2001. The individual advised the investigating Agent he had previously been charged by another DMV Agent for curbstoning and, thus, was aware of the law. He was charged with selling vehicles without being properly licensed. Court date is pending. Four other individuals in the Roanoke District were also charged with selling vehicles without being properly licensed. One of those individuals was fined \$25.00. Court dates on the other three cases are pending.

In Spotsylvania County, an individual was observed displaying several vehicles in his yard; however, none had "for sale" signs. DMV records indicated the individual had sold 24 vehicles in the past 24 months. When asked about his activity, the individual claimed he was selling vehicles via the Internet. The DMV Agent advised him of the dealer licensing laws, and is continuing to work with the Spotsylvania County Zoning Administration on this issue. Although no criminal charges have yet been filed, the case is still under investigation.

# CURBSTONING REPORT

In Rockingham County, an individual remarked to the Customer Service Center clerk that he was making a \$5,000 profit on the sale of the 2001 model Chrysler PT Cruiser he was titling. The clerk alerted a DMV Special Agent. The Agent verified the individual was a licensed motor vehicle salesperson, who independently made the retail sale. He was charged and convicted of selling vehicles without being properly licensed, because a salesperson cannot independently sell vehicles off the premises of the licensed location. He was fined \$2,000. A case summary is also being forwarded to the Board for whatever action deemed appropriate.

In the City of Harrisonburg, an individual purporting to be a licensed salesperson from Maryland, came into the Customer Service Center with a person who had just purchased a vehicle from him. Since the individual could not produce a salesperson's license, he was required to title the vehicle in his name first before endorsing the title over to the purchaser. The clerk thought the transaction was unusual, so she forwarded the paperwork to a DMV Agent. The individual reiterated to the Agent he was a licensed salesperson from Maryland, but explained he was working under his father's dealer's license. He stated this was the only vehicle he had sold retail in Virginia, and he was taking the other vehicles to the Harrisonburg Auto Auction. The Agent subsequently determined the individual's father is licensed as a Maryland dealer. He was charged with selling vehicles without being properly licensed. Court date is pending.

In the Portsmouth District, an investigation was initiated after receiving information regarding possible altered 30-day temporary plates. DMV's investigation revealed, and the individual also admitted to, curbstoning and fraudulently obtaining temporary plates from a Customer Service Center. He was charged with both violations. Court date is pending.

## WELCOME NEW DEALERS!

The Motor Vehicle Dealer Board formally welcomes the following new dealers for January & February! Should you have comments, suggestions or questions, please do not hesitate to contact the staff of the Dealer Board. Our telephone and FAX numbers, mailing address and e-mail address are all listed on Page 2.

<b>JANUARY</b>	
Julian Grahams Autoland of Providence Forge 9111 Pocahontas Trail Providence Forge, Virginia 23140	West Broad Audi 9001 West Broad Street Richmond, Virginia 23294
The Automotive Connection 5391 Lee Highway Atkins, Virginia 24311	Franklin Auto Sales 300 N. Mechanic Street Franklin, Virginia 28351
Puckett Dodge, Chrysler, Jeep, Inc. 3625 Old Halifax Road South Boston, Virginia 24592	Virginia Auto-Motive LLC 333 Weems Lane Winchester, Virginia 22601
River Motorcar Co., Inc. 700 N. Main Street, P.O. Box 107 Woodstock, Virginia 22664	South Loudoun Auto Sales 1013 S. Loudoun Street Winchester, Virginia 22601
The Salvation Army 4307 W. Broad Street Richmond, Virginia 23230	Ladysmith Auto Salvage, Inc. 16223 Jefferson Davis Highway Ruther Glen, Virginia 22546
Ideal Truck Center, LLC 7953 Angleton Court Lorton, Virginia 22079	Executive Auto Wholesalers 8503-K Euclid Avenue Manassas, Virginia 20111
McGuire Auto Center, II 7546 Midlothian Turnpike Richmond, Virginia 23225	Mark Reese Motor Co., Inc. 102 Maple Lane South Hill, Virginia 23970
The Auto Connection 6336 E. Virginia Beach Boulevard Norfolk, Virginia 23502	Auto Choice of Virginia, Inc. 792 South Military Highway Virginia Beach, Virginia 23464
Skyline Auto Sales, Inc. 100 South Stuart Street Elkton, Virginia 22877	Appalachian Car Sales 2701 Lee Highway Bristol, Virginia 24201
Plantation Motor Sports, Inc. 11005-D Midlothian Turnpike Richmond, Virginia 23235	Y & A Auto Sales, Inc. 3904 Jeff Davis Highway Stafford, Virginia 22554
Progressive Collision, Inc. 10360 Chester Road Chester, Virginia 23831	Premier Auto Sales 421 Front Street, P.O. Box 2523 Coeburn, Virginia 24230
The Price Is Right Car Sales, Inc. 16455 Brandy Road Culpeper, Virginia 22701	R K Toyota 2301 West Mercury Boulevard, Suite T Hampton, Virginia 23666

## JANUARY (continued)

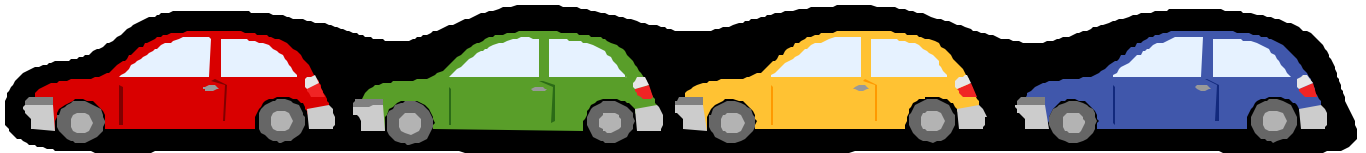
R K Volvo 2301 West Mercury Boulevard, Suite V Hampton, Virginia 23666	Berglund Farrell Quality Used Cars 3530 Franklin Road Roanoke, Virginia 24014
Basic Auto Sales 4905 W. Broad Street Richmond, Virginia 23230	Quality Motors, LLC 1500 Greensboro Road Martinsville, Virginia 24112
Autohausweb, LLC 10416 Central Park Drive Manassas, Virginia 20110	Car Express 813 West Danville Street South Hill, Virginia 23970
Sloper & Sloper Auto Sales 1010-A W. Mercury Boulevard, P.O. Box 7657 Hampton, Virginia 23666	Flathead Junction, L.L.C. 3200 A. L. Phlipott Highway Axton, Virginia 24054

## FEBRUARY

Subaru of Richmond, Saab of Richmond 9177 West Broad Street Richmond, Virginia 23294	Larry's Motor Company 513 East Third Street Farmville, Virginia 23901
Copart Auto Auctions 12360 U S Highway 29 Chatham, Virginia 24531	Public Auto Auction 12619 Newland Hallow Road Weber City, Virginia 23290
Frank's Cars, LLC 1345 E. Little Creek Road Norfolk, Virginia 23519	Best Buy Auto Sales, Inc. 100 West Shirley Avenue Warrenton, Virginia 20164
Reines RV Center, Inc. 10850 Balls Ford Road Manassas, Virginia 20109	Dominion Auto Repair, Inc. 4084 Germanna Highway Locust Grove, Virginia 22508
Power Line Rent Equip., Inc. 42 Noble Avenue Roanoke, Virginia 24012	Hughes Automotive 6207 George Washington Memorial Highway Grafton, Virginia 23692
R C Hyman, LLC 7837 Carousel Lane Richmond, Virginia 23294	A D Weddle Co., Inc. 1675 Grandby Street, N.E., P.O. Box 5252 Roanoke, Virginia 24012
Elliott Chevrolet, Inc. 1633 Greenville Avenue Staunton, Virginia 24401	R & K Used Cars 1301 North Main Street Hillsville, Virginia 24343
Providence Auto Brokers 280 George Washington Highway Charlotte Ch, Virginia 23923	J & M Automotive 1609 Dixon Street Fredericksburg, Virginia 22401
Smartbuy Auto Company, Inc. 8707 Timberlake Road Lynchburg, Virginia 24502	MBH of Virginia, Inc. 635 Virginia Beach Boulevard Virginia Beach, Virginia 23451

## FEBRUARY (continued)

Dominion Auto Sales, Inc. 6328 E. Virginia Beach Boulevard Norfolk, Virginia 23502	Solomon Auto Sales Bypass Route 17, P.O. Box 1517 Saluda, Virginia 23149
Autovilla, Inc. 3314 Jefferson Davis Highway Stafford, Virginia 22544	Sky Rays Auto 453 East Washington Street Suffolk, Virginia 23434



### CROSS BORDER AGREEMENT

#### North Carolina/Virginia Cross-Border Program

North Carolina and Virginia have entered into an agreement similar to that between Maryland and Virginia where each state permits their online dealers to also participate in the other state's online program. Both of Virginia's and North Carolina's two vendors, CVR and triVIN are approved to sign up dealers for this program. Through such participation, a Virginia dealer will be able to title and register vehicles in North Carolina, including plating the vehicle at the dealership. This avoids either the dealer or the customer having to visit a North Carolina DMV office. North Carolina is expected to approve Virginia dealers beginning in July, 2001. For details contact either your on-line vendor (CVR, eVIN or triVIN) or Joseph H. Owsiak.

### TEAMWORK HELPS BREAK

#### MULTI-STATE AUTO THEFT & FRAUD RING

On March 6, 2001, a representative from East End Auto Sales, Richmond, became suspicious of an individual who was attempting to sell him a 1996 Chevrolet Tahoe at far less than market value. Though the individual was no longer at the dealership, the dealer contacted DMV's Investigative Services Office (ISO) for assistance. The vehicle was not reported stolen at the time, and the DMV record did not reveal any discrepancies. The dealer's notification, however, enabled DMV to put a note on the vehicle record requesting that any further inquiries on this vehicle be directed to ISO.

The following day, Kirk Simmons of Kirk's Auto Sales, Newport News, contacted DMV's Newport News Customer Service Center to ask questions about the same vehicle. An individual was also attempting to sell him the Tahoe for a really good price. Per the note on the vehicle record, the Customer Service Center notified ISO. A DMV Special Agent responded to the dealership and, with Mr. Simmons assistance, stalled the individual and his three companions until additional law enforcement officers arrived. Though Mr. Simmons was not aware of the exact nature of the investigation, he readily assisted without regard to his personal safety.

The actions of these two dealers were instrumental in solving a multi-state auto theft & fraud ring, which operated from Atlanta to Pennsylvania. The vehicles being sold by the ring members were purchased from unsuspecting individuals using altered cashiers checks. Thus far, authorities have arrested four persons, two of whom were fugitives with assumed identities, and recovered three late model vehicles.

Many thanks to all involved for their cooperation. This is a great example of what can be accomplished when everyone works together!

# **ATTENTION ALL DEALERS:**

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