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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.

Motor Vehicle Dealer Board Mission Statement

The Motor Vehicle Dealer Board will administer sections of the Commonwealth's Motor Vehicle Dealer Laws and regulations as charged; while providing a high level of customer service for the automotive consumer and dealer community.

In This Issue

Print on Demand	.	.	pg 1
Board Actions	.	.	pg 2
DO Recertification	.	.	pg 3
Dealer Tags	.	.	pg 3
Dealer-Operator Course	.	.	pg 5



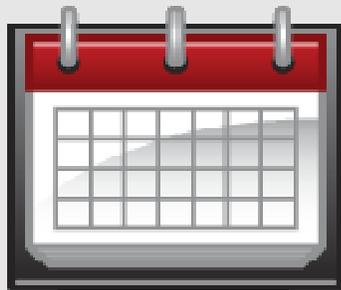
PRINT ON DEMAND

Virginia dealers now have the ability to print temporary tags from their own printers. DMV has partnered with Computerized Vehicle Registration (CVR) and triVIN to offer software that allows dealers to electronically produce and print temporary tags for customers.

Using software, you can send DMV vehicle information including the year, make, model, color and vehicle identification number (VIN). The dealer will also report owner information including name, address, customer number, date the vehicle was sold and indicate whether the vehicle will be titled in Virginia or in another state.

Once all necessary information is entered, the software will produce a unique temporary tag number and expiration date for the vehicle. The temporary tag will print on white 8 ½" x 11" paper from your printer. The tag attaches to the vehicle via a plastic sleeve that DMV will provide. The vehicle information, including your dealer's name, will appear on the tags. A temporary registration card will print on the same sheet and should be cut off for the customer to place in the vehicle.

DMV will store the vehicle information and the temporary tag's expiration date in its records. Law enforcement can access this information through the Virginia Criminal Information Network (VCIN).



Calendar of Events

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

Monday, January 11, 2010

Time: 9:00 a.m.

Dealer Practices Committee Meeting

Monday, January 11, 2010

Time: Immediately following

Dealer Practices

Licensing Committee Meeting

Monday, January 11, 2010

Time: Immediately following

Licensing

Advertising Committee Meeting

Monday, January 11, 2010

Time: Immediately following

Advertising

Transaction Recovery Fund

Committee Meeting

Monday, January 11, 2010

Time: 10:00 a.m.

Full Board Meeting

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

BOARD ACTIONS

Enaytullah Babe and Titan Motors (Formal Hearing)

Previously this dealer paid civil penalties of \$250 and \$1,000 for failing to maintain posted business hours. As this problem continued, a \$3,000 civil penalty was assessed by the executive director. Mr. Babe appealed this decision and on June 1, 2009, an informal fact-finding conference was conducted to address not only the failure to maintain hours, but also the alleged violation(s) of VA Code Sections 46.2-1515 (failure to display current dealer certificate), 46.2-1516 (Supplemental sales location), 46.2-1529 (Failure to maintain all dealer required records), 46.2-1550 (permit the illegal use of dealer's plates) and 46.2-1575(2) failure to comply with a written warning and (18) (failure to maintain liability insurance). At the July 13, 2009 Dealer Board Meeting, a resolution was adopted to assess a civil penalty of \$1,000 for violations of the above said Code Sections. Also, the Board suspended all licenses and certificates issued by the Board to Mr. Enaytullah Babe until what time Mr. Babe had a satisfactory inspection by a Motor Vehicle Dealer Board Field Representative. On August 3, 2009, Mr. Babe appealed the Board's decision and requested a formal hearing. On September 25, 2009, a formal hearing was conducted to address the above alleged violations. Based on the information provided at the hearing, the hearing officer recommended, and the Board agreed, to assess a \$2,000.00 civil penalty.

Anthony M. Tedesco, Salesperson (Formal Hearing) In December of 2008, it came to the attention of the Board staff that Mr. Tedesco had been convicted of a crime related to the dealer business. An informal fact finding conference was held on February 18, 2009, to address the alleged violation(s) of VA Code Sections 46.2-1575 (1) having made a material misstatement or omission in an application for a license; (4) defrauding any other person in the conduct of the licensee's business; (6) having used deceptive acts or practices; and (8) having been convicted any fraudulent act in connection with the business of selling vehicles. Under the authority granted by the Board to the executive director, the executive director assessed a \$500 civil penalty and revoked Mr. Tedesco's license. Mr. Tedesco appealed and requested a formal hearing. On October 17, 2009, a formal hearing was conducted to address the above alleged violations. Based on the information provided at the hearing, the Board assessed a civil penalty of \$750.00 and determined that Mr. Tedesco should not have a salespersons license.

(Continued on page 3)

HOLIDAYS HOURS

In observance of the upcoming holidays, all state agencies, including the Dealer Board, will be closed on the following dates:

CHRISTMAS

December 24, 2009

December 25, 2009

NEW YEARS

January 1, 2010

LEE-JACKSON DAY

January 15, 2010

MARTIN LUTHER KING DAY

January 18, 2010



CORRECTION

In the August Issue of *Dealer Talk*, we reported that Governor Kaine appointed T.K. Hughes to the Motor Vehicle Dealer Board. In the article we incorrectly reported that T.K. Hughes Auto Sales was established in November of 1983. It was actually established in October of 1975. We apologize for the error.

BOARD ACTIONS

(Continued from page 2)

Karen D. Munns and Valley View Motors. At its September Board meeting the Board considered the results of an informal fact-finding conference for this dealer in reference to alleged violation(s) of VA Code Sections 46.2-1533 (failure to maintain posted business hours) and 46.2-1575(2) (failure to comply subsequent to receipt of a written warning/willful failure to comply). Based on the recommendation of the hearing officer, the Board determined that Ms. Munns must successfully complete the Dealer-Operator Course by November 14, 2009. If Ms. Munns does not successfully complete the course within that time frame, her license would be suspended. Ms. Munns appeared at the November meeting and requested that the Board reconsider the decision they made in September. After much discussion, the Board decided that Ms. Munns should pay a \$50 civil penalty.

DEALER-OPERATOR RECERTIFICATION REGULATIONS

In previous issues of Dealer Talk, we reported that the Motor Vehicle Dealer Board was working on proposed regulations related to mandatory, continuing education for independent dealer-operators.

Three public hearings on the proposal have been held. Input we received from the hearings and in writing; from the Department of Planning and Budget; and the Governor's Office have resulted in proposed regulations that would require anyone certified as an independent dealer-operator to recertify every three years.

In order to recertify, an independent dealer-operator would either complete a course of study or pass an exam. The proposed regulations are posted on the Board's WEB site. Go to www.mvdb.virginia.gov and under "What's Hot" click on one of the "Proposed Independent Dealer Operator Regulations" links.

The Board will hold a Public Hearing to receive comments on the proposed regulations on January 27, 2010 at 10:00 in the morning. The Hearing will be held at the Department of Motor Vehicles (DMV) headquarters building, 2300 West Broad Street, 23220; Room 119. We invite you to attend.

DEALER TAGS

We suggest that you periodically perform an inventory of your dealer tags. This is especially important for dealers that have a large number of tags. Reporting lost or missing tags is important so that we may "deactivate" them in the system. You are responsible for these tags as long as they remain active. You should also perform an inventory before you renew your dealer tags. We send you a "bill" at the time of renewal that includes the registration fee for each active dealer tag. We have had dealers contact us after they have paid their renewal fees and received their decals only to discover that tags are missing and as a result they have overpaid their renewal fees.

ADVERTISED PRICE

At the November Board meeting the Advertising Committee reviewed several advertisements where the dealer's advertised price was not the actual price the consumer would pay. The advertised price was the price the consumer would pay in addition to a specific cash down payment or trade-in allowance. A disclaimer at the bottom of the page or near the advertised price in much smaller print revealed the amount of cash down or value of a trade-in required in order obtain the vehicle at the advertised price.

The committee concluded that this type of advertising is not in compliance with Virginia law and regulations.

The advertised price of a motor vehicle is the price a consumer would pay excluding tax, title and registration fees; processing fee and freight (when applicable). An advertisement may not employ a disclaimer to reveal special conditions or criteria necessary in order to purchase the vehicle at the advertised price.

An advertised price that excludes a down payment or trade-in credit, even if the down payment or trade-in credit is disclosed elsewhere, is not permitted by Virginia law and regulations.

An advertised price that takes into account incentives or rebates can be advertised provided the applicable incentives and rebates are clear and conspicuous. We recommend disclosing incentive and rebate information adjacent to the advertised price. This method minimizes potential misunderstands and the chances that your advertisement might be considered "deceptive."

PRINT ON DEMAND

Continued from page 1

The system will track the number of temporary tags issued to each dealer on a monthly basis. Dealers will pay \$2 for each set of temporary tags issued and can issue reprints at no additional charge. The payments will be made to DMV through the vendor.

Benefits to dealers include:

- No inventory to track
- No requirement to obtain DMV permission to purchase or issue subsequent sets
- No increase in cost
- Ability to inquire on a tag number and get owner name, address, vehicle description, as well as issue expiration dates
- Real-time update to DMV's records
- No need to order or stock temporary tags
- No unauthorized use of temporary tags
- Quality product tested in extreme weather conditions in Arizona, Florida and Montana
- Both regular and motorcycle sizes
- Ability to recall transactions
- Ability of dealership to display corporate logo

This new customer-friendly service was created with dealer and law enforcement input to ensure your business needs are met.

This service is now available through CVR and will be available through triVIN in early 2010. It may be available through other vendors later in 2010. Contact Scott O'Laughlin with CVR at solaughlin@crrreg.com or (919) 753-8008 or Mike Audette with triVIN at maudette@trivininc.com or (860) 448-3177 ext. 4645.

If you would like to participate in the Print on Demand Temporary Tags program, you should begin depleting your existing stock of cardboard temporary tags. Refunds will only be given for unopened boxes of 50 plates.

For more information, visit www.dmv.virginia.gov/webdoc/commercial/dealer/pod_intro.asp or contact the Print on Demand Help Desk at (804) 367-1474 or podtemptag@dmv.virginia.gov.

Dealer-Operator Course

The Virginia Community College System and the Virginia Independent Automobile Dealers Association (VIADA) have teamed up to present a two-day Dealer-Operator course. The following is a list of up-coming classes. The list is regularly updated on our WEB site at <http://www.mvdb.virginia.gov/licensingprocess.htm>.

IMPORTANT NOTICE TO ALL PROSPECTIVE DEALERS

The dealer-operator of any new independent motor vehicle dealership is required to successfully complete a course of study before they will be allowed to take the independent dealer-operator qualification test at any DMV Customer Service Center. "Grandfathered" dealer-operators, title clerks and salespersons are encouraged to take the course as well.

Course Schedule

2010

January 5 & 6 - Germanna Community College, Fredericksburg

Contact: Susan Brown; 540-891-3012; www.gcc.vccs.edu/workforce

January 19 & 20 – New River Community College, Dublin

Contact: Kathy Ridpath at 540-674-3633; www.nr.edu/workforce/

February 9 & 10 – Northern Virginia Community College, Reston

Contact: Claire Wynn; 703-450-2551; www.nvcc.edu/loudoun/continuing

February 23 & 24 - Paul D. Camp Community College, Franklin

Contact: Renee Brown; 757-569-6050, www.pdc.edu/workforce-development

March 9 & 10 - Lord Fairfax Community College, Middletown

Contact: Registration; 540-868-7021; www.lfccworkforce.com

March 23 & 24 - Community College Workforce Alliance at J. Sargeant Reynolds - Community College, North Run Campus, Henrico, County Contact: Sandy Jones; 804-523-2292; www.ccwa.vccs.edu

April 6 & 7 - Blue Ridge Community College, Weyers Cave

Contact: Lisa or Sandy; 540-453-2215; www.brcc.edu

April 20 & 21 - Virginia Western Community College, Roanoke

Contact: Tina Trudeau; 540-857-6676; www.virginiawestern.edu

May 4 & 5 – Thomas Nelson Community College, Hampton

Contact: WTCE Customer Service; 757-825-2937; www.tncc.edu

May 19 & 19 - Germanna Community College, Fredericksburg

Contact: Susan Brown; 540-891-3012; www.gcc.vccs.edu/workforce

June 8 & 9 - Danville Community College, Danville

Contact: Melissa Cross; 434-797-6437; www.dcc.vccs.edu/workforce

Registration materials and information are available from each of the Community Colleges' WEB site or by calling the individual college.

The cost is \$325 if you register at least two weeks prior to the date of the course. The fee is \$375 after that date.