

INTERNET TASK FORCE

The Dealer Board's Task Force examining motor vehicle sales using the Internet had its first meeting on May 16, 2000. Judging by the number of individuals in the "audience", this issue has high interest. Those in the audience included franchise and independent dealers, Internet companies, advertising and marketing professionals, a representative from the Maryland DMV, and manufacturers.

Task Force membership includes Dealer Board members, both franchise and independent dealers who are not on the Board, representatives from the dealer associations, manufacturer representatives, a representative from an internet company, the Virginia Division of Consumer Services, the Office of the Attorney General, the Department of Motor Vehicles, the Virginia Information Providers Network and the Virginia Council on Information Management. A representative from the advertising industry will be added to the Task Force.

The first meeting was centered around introducing members of the Task Force and the audience, soliciting general comments and setting parameters for future meetings. The Task Force will next meet on July 11, 2000 at 2:00 at the DMV headquarters Building in Richmond. Task Force members will be submitting suggested agenda items for the next meeting to the Dealer Board Staff. If you would like to receive a copy of the agenda, please contact the Board Office. The agenda should be ready in late June or early July. If you have thoughts on this issue and are unable to attend the meeting, please send them to the Board at the address, FAX number or e-mail address found on page 2 of this newsletter.

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State Holiday for the Month of July
Our office will be closed on
July 4, 2000, in observance of:



4TH OF JULY

State Holiday for the Month of September
Our Office will be closed on
September 4, 2000 in observance of:



LABOR DAY

ACTIONS FROM THE MAY BOARD MEETING

- **Motor Vehicle Transaction Recovery Fund:** The Dealer Board considered one claim against the Fund. After careful consideration and study, the Board determined that no payment should be made.
- After reviewing a report of an informal fact finding conference, the Motor Vehicle Dealer Board determined that a dealer in Southwest Virginia should be assessed a \$5,000 civil penalty for paying commissions to individuals who were not licensed salespeople. The severity of the civil penalty was due to the number of sales made by unlicensed salespeople and the nature of some of these sales. The dealer had conducted a special, advertised sale that included use of outside (not licensed) sales staff.
- An informal fact finding conference was held for an Arlington area dealer who, after a series of educational attempts, continued to accumulate violations including: failure to properly maintain records; failure to properly maintain odometer disclosure statements; misuse of license plates; and willful failure to comply with a written notice or with any provision of the Dealer Act. The Board voted to revoke the dealer's license and to levy a \$1,500 civil penalty.
- The Board considered the report prepared by a hearing officer in reference to a dealer who was not maintaining his posted hours. After careful consideration, the Board assessed a \$100 civil penalty on the dealer.
- The Board considered the report and recommendations of a hearing officer in assessing a dealer in the Northern Neck area a civil penalty in the amount of \$1,500 for compensating an unlicensed individual in connection with the sale of motor vehicles.

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
Toll Free: (877) 270-0203 (Intra-State only)
E-mail: dboard@mvb.state.va.us
Website: www.mvdb.vipnet.org

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, July 10, 2000:
Time: 9:00 a.m.
Dealer Practices Committee Meeting

Monday, July 10, 2000:
Time: 10:00 a.m.
Franchise Law Committee Meeting

Monday, July 10, 2000:
Time: 10:45 a.m.
Licensing Committee Meeting

Monday, July 10, 2000:
Time: 1:30 p.m.
Transaction Recovery Fund Committee Meeting

Monday, July 10, 2000:
Time: 2:15 p.m.
Advertising Committee Meeting

Monday, July 10, 2000
Time: 3:00 p.m.
Personnel Committee Meeting

Tuesday, July 11, 2000:
Time: 8:30 a.m.
Finance Committee Meeting

Tuesday, July 11, 2000:
Time: 9:30 a.m.
Full Board Meeting

NOTE: Meetings may begin later, but not earlier than scheduled. Meeting end times are approximate.

REMINDERS & USEFUL TIPS

- **Do you photocopy your customers' drivers license?** If a customer is going on a test drive, you may make a photocopy of his or her drivers license. Please remember that you must either destroy the photocopy or give it to the customer when they return from the test drive. You may not make or keep a photocopy of the license for any other purpose. It is also advised that you get the customer to sign the photocopy as an indication that they have given you permission to make a copy of their drivers license.
- **Temporary Transport Plates.** Please remember that you must maintain records documenting the receipt and use of temporary transport plates. Virginia Code Section 46.2-1550.2 states in part that "Every dealer who has applied for temporary transport plates shall maintain a permanent record of (i) all temporary transport plates delivered to him, (ii) all temporary transport plates issued by him, and (iii) any other information pertaining to the receipt or the issuance of temporary transport plates which may be required by the Department [of Motor Vehicles]."
- **Need a form?** You can now get many of your dealer and salesperson forms directly from the MVDB Website at <http://mvdb.vipnet.org/home.html>. From the MVDB Website homepage, select the *Dealer/Salesperson* button. From the *Dealer/Salesperson* homepage, select the *Forms* button, and the list of available forms will appear. Just select the form(s) you need and print. (Adobe Acrobat Reader is required--but that's available free from our website too.) A few forms have been converted in size from vendor cards to 8-½ x11 pages. But that's the only difference--nothing else has changed.
- **Temporary Closing.** As we have noted in past issues of Dealer Talk (April 2000) we recognize that on occasion, it is necessary to close your dealership for a short period of time in order to take a vacation, or because of illness, etc. On page 7 of this newsletter, we have included, for your conveyance, a form you may use to notify us of a temporary closing. You may want to make a photocopy of the form so that you can use it in the future.

CURBSTONING REPORT

Since the last Dealer Board meeting, the Board Field Representatives and DMV Special Agents have issued 244 curbstoning notice forms. This is almost double the number of forms issued during previous reporting periods.

- A Board field representative referred a report to DMV indicating an individual in Carroll County had an excessive number of vehicles displayed on his property. The DMV Special Agent corroborated the individual had over 20 vehicles in his possession with open titles. Due to extenuating circumstances, criminal charges were not filed. However, the individual did properly title all of the vehicles and paid all DMV fees due, which totaled \$1,625, and also removed the vehicles from his lot.
- **Update on 3 "Repeat Curbstoner" Cases.** As you will remember, the Board staff identified individuals who, according to DMV records, had sold 10 or more vehicles during the past year. Some of those individuals had received a warning letter from the Board in 1998, yet continued to sell vehicles without being properly licensed. Those cases were forwarded to DMV for follow-up investigations.
- One of the individuals on the "repeat curbstoner" list from Roanoke had already been charged and convicted in November 1999 of selling vehicles without being properly licensed. Since his conviction, he has not sold any vehicles. No further action on this case is anticipated, unless activity resumes.
- Another individual in Roanoke acknowledged that he received the Board's letter in 1998, but construed the letter to prohibit further sales only for the duration of that calendar year. So, he began selling vehicles again during 1999. A DMV Special Agent gave him a copy of the dealer licensing laws, along with a stern warning that future unlicensed sales activity would result in criminal charges. DMV and the Board will continue to monitor this situation.
- The third case involved an individual from New York, who purchased numerous vehicles from dealers in the Roanoke and Christiansburg area and titled the vehicles in his name. DMV records indicate these vehicles were subsequently sold; however, none of the sales occurred in Virginia. DMV will notify New York authorities of this individual's activity.

WELCOME NEW DEALERS!

The Motor Vehicle Dealer Board formally welcomes the following new dealers for March & April! 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.

MARCH	
Valley BMW 2824 Franklin Road, SW Roanoke, Virginia 24014	Route 1 Pontiac Buick GMC, Inc. 14534 Jefferson Davis Highway Woodbridge, Virginia 22191
Payless Car Sales 6348 East Virginia Beach Boulevard Norfolk, Virginia 23502	Redwine International, Inc. 728 North Main Street/P.O. Box 1093 Emporia, Virginia 23847
M & M Motors & Exhaust, Inc. Box 1650, Highway 19, Route 3 Cedar Bluff, Virginia 24609	Jones Auto Sales Old 58, P.O. Box 265 Ewing, Virginia 24248
Executive Import 14662 Moneta Road, Suite G Moneta, Virginia 24121	P C Auto Sales 101 Purple Cow Road Crimora, Virginia 24431
R. T. of Virginia, Inc. 6000 Mechanicsville Pike Mechanicsville, Virginia 23111	Hutchen's Import Car Clinic, Inc. 153 N. Charlotte Avenue Waynesboro, Virginia 22980
Keys, Inc. 5564 Virginia Beach Boulevard Virginia Beach, Virginia 23462	Williams Auto Mart 14214 Carrollton Boulevard Carrollton, Virginia 23314
Swope Auto Sales, LC 3986 Linville Road Linville, Virginia 22834	European Autohaus, LTD 289 East Washington Street Harrisonburg, Virginia 22802
C & C Motor Sales, Inc. US 33 & Route 752/P.O. Box 100 Hinton, Virginia 22831	R J Auto Sales 9927 Jefferson Davis Highway Richmond, Virginia 23237
Apperson Auto 1524 Apperson Drive Salem, Virginia 24153	National Used Auto Sales, Inc. 951 East Little Creek Road Norfolk, Virginia 23518
Ryder Truck Rental, Inc. 1950 Old Greenbrier Road Chesapeake, Virginia 23320	Madison Motors, Inc. 580 E. Madison Street Covington, Virginia 24426
Swedish Motor Car, Inc. 551 N. Washington Street Falls Church, Virginia 22046	Select Wheels 1944 Virginia Beach Boulevard Virginia Beach, Virginia 23454
RPM Motor Sales 3013B Airline Boulevard Portsmouth, Virginia 23701	Daewoo of Falls Church 2931 Annandale Road Falls Church, Virginia 22046
Winchester Automotive Group, Inc. 1500 N. Shenandoah Front Royal, Virginia 22630	Altavista Motors 1163 Wards Road/P.O. Box 509 Altavista, Virginia 24517

MARCH (continued)

Altavista Motors 305 S. Main Street Gretna, Virginia 24557	Altavista Motors 318 S. Main Street/P.O. Box 618 Gretna, Virginia 24557
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APRIL

Don Beyer Volvo Dulles 21830 Pacific Boulevard Dulles, Virginia 20166	Chester Auto Sales, Inc. 9618 Jefferson Davis Highway Richmond, Virginia 23237
Crider Auto Sales 1008 South Boston Road Danville, Virginia 24540	Everybody Drives 420 Commonwealth Boulevard Martinsville, Virginia 24112
Real Deal Auto Sales 4024 Wards Road Altavista, Virginia 24517	J & N Truck Sales 1470 Fort Chiswell Road Max Meadows, Virginia 24360
Appalachian Automotive 9837 Roanoke Road Elliston, Virginia 24087	Midlothian Tire & Auto, Inc. 5460 Midlothian Turnpike Richmond, Virginia 23225
Speedtrap Motors, Inc. 24800 Virgil Goode Highway Boones Mill, Virginia 24065	Bosley Motor Company 17A 1 st Street, SE Leesburg, Virginia 20175
Cohen, Inc. 5700 Curlew Drive, Suite B Norfolk, Virginia 23502	Ed Loving Auto Sales, Inc. 36423 Tidewater Trail #B Laneview, Virginia 22504
Clarks Automotive Post Office Box 157 Route 623 Green Bay, Virginia 23942	Airport Auto Sales 1521 Jefferson Davis Highway Stafford, Virginia 22554
City View Auto Sales, Inc. 1920 East Broad Street Richmond, Virginia 23219	Zero's Auto Sales, Inc. 9370 Virginia Avenue Bassett, Virginia 24055
Spanky's Auto Sales 740 Franklin Street Roanoke, Virginia 24151	Affordable Cars & Trucks, Inc. 2520 Tyler Road Christiansburg, Virginia 24073
Atlantic Machinery & Equipment, Inc. 8351 Brook Road Richmond, Virginia 23227	A & R Used Cars 612 Ivanhoe Road Fries, Virginia 24330
Ricks Auto Sales 233 Elswick Bridge Road, P.O. Box 1425 Chilhowie, Virginia 24319	Auto Bank 1038 North Garfield Street Arlington, Virginia 22201
J & R Auto Sales, LLC 8810 Jeff Davis Highway Richmond, Virginia 23237	T and S Auto 5255 Hull Street Road Richmond, Virginia 23224
Real 4x4's, LLC 3716 Garman Road Roanoke, Virginia 24153	

News From The General Assembly

The 2000 General Assembly passed several bills that will have direct impact on motor vehicle dealers. These bills, which all go into effect as of July 1, 2000, are summarized below.

- Under current law, dealers must include a copy of their buyer's order with their license renewal package. Beginning July 1, this will no longer be necessary. The renewal application (DSD 10) will be modified to include a space where you will be required to note any processing fee you may charge. Board field representatives will review your buyer's order for compliance during routine visits to your dealership.
- Dealers will be able to retain records not only in their original form, but also in film, magnetic, or optical media (including but not limited to microfilm, microfiche, or other electronic media). The change in the law to allow dealers to keep records in an electronic form, stipulates that the records must "look" like the original form when they are viewed in their electronic format.
- Qualifying nonprofit organizations will be able to obtain a certificate from the Dealer Board that will allow them to title and then consign donated vehicles to licensed motor vehicle dealers. The dealers would have to conduct a safety inspection before selling at retail and issue a pass/fail sticker. The dealer will also be allowed to use dealer tags on vehicles consigned to them from certified nonprofit organizations. A consignment agreement will be needed.
- A replacement or a duplicate dealer plate registration card will carry a \$2 fee.
- Action by the General Assembly removes automatic issuance of a salvage certificate for unrecovered stolen vehicles and revises the definition of late model vehicle from the current model year through the five preceding model years to current model year through the six preceding model years.
- Prospective buyers will be able to purchase vehicle history information from DMV.
- Another bill passed by the General Assembly provides that an application for the registration or recordation of a security interest is deemed perfected on the date it is filed with the Department of Motor Vehicles. In order to ensure that your interest is protected in the event the customer files bankruptcy, you should submit your application to DMV within 20 days. Please consult your attorney for further information.
- Franchise dealers: The Commissioner of DMV will have the authority to levy civil penalties for noncompliance of decisions made in reference to franchise laws.
- As of July 1, the law on paying sales and use tax on leased vehicles that are purchased by the lessee will change. If the lessee paid the sales and use tax when he leased the vehicle, and then the lessee purchases the vehicle, he will not be required to pay a sale and use tax as part of the sales transaction. The customer must have proof that he had previously paid the tax when he leased the vehicle.



CONGRATULATIONS SHEREETA

The Motor Vehicle Dealer Board and staff congratulate Shereeta Wooden on her recent graduation from Virginia Commonwealth University. Shereeta has worked part time in the Board Office since October of 1997. Shereeta's primary job is to fill your requests for forms. This task can be frustrating for Shereeta as she is driven to provide the best customer service and is not always able to do so because the demand for forms exceeds our ability to secure new supplies. Shereeta also assists other office staff with filing and data entry.

Shereeta is a hard worker and a delightful person. We are all hoping that she will continue her education (Masters Degree) so that she can continue to be part of our team.

Shereeta majored in psychology and is interested in pursuing a career in physical therapy.

NOTIFICATION OF DEALERSHIP TEMPORARY CLOSING

NAME AND ADDRESS OF DEALERSHIP:

DEALER NUMBER(S): _____

DATES DEALERSHIP WILL BE CLOSED (Not to exceed two weeks):

REASON DEALERSHIP WILL BE CLOSED (Vacation, Illness, etc.):

Please mail or FAX this information to:

*Motor Vehicle Dealer Board
2201 W. Broad Street, Suite 104
Richmond, VA 23220
FAX (804) 367-1053*

Unless it is an **EXTREME** emergency, this information should be forwarded to the Dealer Board office *at least one week prior to closure*. Failure to notify the Dealer Board could possibly result in the dealership receiving a reprimand for failing to maintain the required hours.

ATTENTION ALL DEALERS:

Inside this issue, please read about the following:

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