



COMMONWEALTH of VIRGINIA

Motor Vehicle Dealer Board

MEMO

From: William R. Childress, Executive Director, Motor Vehicle Dealer Board
To: Virginia Licensed Dealers
Date: February 8, 2018
Subj: Maintaining Business Hours

Dealers failing to maintain posted business hours continue to be on the increase. This has resulted in much effort from MVDB field staff attempting to conduct inspections, and the main office staff with assessing and collecting civil penalties, processing appeals, and holding hearings. More importantly, dealerships failing to maintain their posted business hours have a negative impact on consumer confidence in dealerships and the consumers' inability to access services provided at these dealerships when they are not open as scheduled.

"§46.2-1533 of the Virginia Code states that each motor vehicle dealer must be open a minimum of 20 hours per week of which 10 hours shall be between the hours of 9:00 am – 5:00 pm, Monday through Friday."

At the November 2017 and January 2018 Board meetings, discussions focused on this problematic issue and what actions the Board needed to take to improve dealer business hour practices. ***Effective March 1, 2018:***

MVDB 40 Dealership Notice of Temporary Closing – Revision (03/01/2018)

Dealerships are not allowed to close for short periods of time during business operating hours as allowed in the past. ***Anytime*** a dealership is closed, you must notify the MVDB by email (dboard@mvdb.virginia.gov) or fax (804-367-1053). Submit the closing date and time as well as the return date and time by completing a MVDB 40, Dealership Notice of Temporary Closing (03/01/2018) or an alternative notice with the required information. The MVDB 40 or alternative notice is to be posted at or in close proximity

of the dealership's front entrance so that it is visible to the public. Dealers closing within 24 hours or less are encouraged to text or call their local field representative in addition to submitting the required information to the MVDB. For a current listing of field representatives and their telephone numbers, click on <http://www.mvdb.virginia.gov/about/directory.aspx>.

Twenty (20) Authorized Closings per License Year

Recognizing that dealers do take time away from their business, the Board will continue to authorize twenty (20) closings for all dealers per license year. As previously stated, completing the MVDB 40 is a convenient way to notify the MVDB; however, if using an alternative notice be sure the same information indicated on the MVDB 40 is included. Upon receipt, MVDB staff will automatically subtract the closing day (s) from the dealers' 20 authorized closings for the license year.

The Board reiterated that dealerships have the flexibility to maintain business hours by using a "split" work schedule. A "split" schedule may enable a dealer to conduct routine business as well as other tasks (i.e., lunch, bank, medical appointments, etc.) outside of the dealership. The following is an example of a split business hour schedule:

Posted Business Hours – Example of a split schedule

	Sunday	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday
From	9:00 AM	10:00 AM		10:00 AM			9:00 AM
To	2:00 PM	1:00 PM		1:00 PM			2:00 PM
		CLOSED 1-3 PM		CLOSED 1-3 PM			
From		3:00 PM		3:00 PM			
To		5:00 PM		5:00 PM			
HOURS	5 HOURS	5 HOURS		5 HOURS			5 HOURS

In the example above the minimum business hours requirements (§46.2-1533) are met. The dealership is open for 10 hours between the hours of 9 am and 5 pm Monday – Friday and is open for 10 hours over the weekend, for a total of 20 hours.

A split schedule allows flexibility, and should be considered by dealers who are sole proprietors, as an effective strategy to take care of dealer related or personal tasks outside of the dealership and still meet the minimum hours of operation as required by law.

Keep the MVDB Informed

The Board strongly recommends that dealers work closely with their local field representatives and central office staff to ensure dealership's current business hours, email address, and other information on file is correct. In addition, submit the day(s) the dealership will be closed to MVDB as soon as possible. The MVDB should receive these submissions at least a week prior to the planned closing date, but will accept them up to the day the dealership will close. These best practices will help keep you in compliance.

Educational Warning and Civil Penalty

The Board, out of concern for consumers, the industry's reputation, dealership success, and Virginia's economy, directed the MVDB staff to implement the following actions regarding Virginia Code §46.2- 1533 violations:

- 1st 1533 violation: Dealer receives an educational warning (email or letter notification)
- 2nd violation, a \$750 civil penalty (if appealed, granted an informal hearing)
- 3rd violation, the dealer will be advised of an informal hearing on 1533 violations, Failure to maintain Business Hours

In summary:

1. Dealerships are authorized 20 excused closure days per license year.
2. Dealerships will not be allowed to close for short periods of time during scheduled opening hours without proper notice to MVDB. Any short or brief closing will count towards your 20 closure days.
3. The following are acceptable methods of notification to MVDB, Email: dboard@mvdb.virginia.gov or FAX 804-367-1053. To modify/update the dealership's current business hours or any other information, send an email or fax to the MVDB.

The MVDB staff will update revised business hours and will ensure the submission meets regulatory requirements.

4. Advance notification: Ideally the MVDB should be notified at least 7 days prior to scheduled closing of the dealership. Complete the MVDB 40 or an alternative notice, submit to the MVDB by email or fax and post visible the MVDB 40 or alternate notice for the public at or in close proximity of the dealership's entrance.
5. Immediate notification (less than 24 hours) – Complete the MVDB 40 or alternative notice and email or fax it to the Board. In addition, follow up with a text message or phone call to the local Field Representative in your area so to inform them that the dealership will be closed during normally scheduled business hours.
6. Include on the MVDB 40 or alternate notice, the date and time your dealership will be closed and the date and time the dealership will reopen.
7. An accelerated penalty process is in place to address 1533 violations.