

Meeting Summary
Dealer Practices Committee
Monday November 13, 2023

Committee Vice-Chair Andrew Wiley called the Dealer Practices Committee meeting to order at 9:00 a.m. This meeting was conducted at the Department of Motor Vehicles, 2300 W. Broad Street, Executive Conference Room 702, Richmond, Virginia. Roll call confirmed the following Committee members being present: Dan Banister, Gardner Britt, Rob Fisher, David Lynn, Chris Maher, Geoff Malloy, R.J. Robinson, Nick Rush and Don Sullivan. Those absent included Ron Kody. Other Board members present: Gerald Lackey, Trevor Coley. Executive Director William Childress, Lisa Mack-Nelson, Ann Majors and Micah Bailey represented the Dealer Board. Christian Parrish represented the Attorney General's office.

The September 11, 2023 meeting summary was approved.

PUBLIC COMMENT – There was no public comment.

OLD BUSINESS

OLD BUSINESS FROM THE FLOOR – No old business from the floor.

NEW BUSINESS

Review and Action: Informal Fact-Finding Conferences:

Exclusive Auto Sale, LLC and Jilali Khalil #56401. On September 7, 2023, an informal fact-finding conference was conducted to address the alleged violations of VA Code Sections 46.2-1529, 46.2-1533, 46.2-1534, 46.2-1548 and 46.2-1575 (2). Based on the information provided at the conference, the hearing officer recommended assessing a civil penalty of \$850 (\$750 for 46.2-1533 after written warnings of 46.2-1575 (2) and \$100 for 46.2-1529, 46.2-1534 and 46.2-1548), a successful inspection within 30 days and to successfully complete the 2-day Dealer-Operator course.

Don Sullivan moved to increase the civil penalty to \$1,500 (\$750 for Va Code Section 46.2-1533 and \$750 for 46.2-1575 (2), satisfactory inspection within 30 days and to successfully complete the 2-day Dealer-Operator course. Chris Maher seconded. All in favor: 9 (Wiley, Banister, Lynn, Maher, Malloy, Robson, Rush, Sullivan). Opposed: 2 (Britt and Fisher). The motion carried.

American Eagle Motors and Najib Ahmad #35431. On October 13, 2023, an informal fact-finding conference was conducted to address the alleged violations of VA Code Sections 46.2-1533 and 46.2-1575 (2). Based on the information provided at the conference, the hearing officer recommended assessing a civil penalty of \$250.00 and a satisfactory inspection within 30 days.

Mr. Ahmad was present and spoke on his own behalf.

Chris Maher moved to issue a written warning. Nick Rush seconded. All in favor: 5 (Lynn, Maher, Malloy, Robinson, Rush). Opposed: 5 (Banister, Britt, Fisher, Sullivan and Wiley). Case will be discussed and voted on by the Board during its meeting.

Fast Track Auto, LLC and Brandon Kim #56102. On October 13, 2023, an informal fact-finding conference was conducted to address the alleged violations of VA Code Sections 46.2-1533 and 46.2-1575 (2). Based on the information provided at the conference, the hearing officer recommended \$1500.00 (\$750 for violations of VA Code Section 46.2-1533 and \$750 for violations of VA Code Section 46.2-1575 (2)) and a satisfactory inspection within 90 days.

Mr. Kim was present and spoke on his own behalf.

Chris Maher moved to reduce the civil penalty to \$750 and a satisfactory inspection within 30 days. Rob Fisher seconded. The motion carried unanimously.

NEW BUSINESS FROM THE FLOOR – No new business from the floor.

NEXT MEETING – January 8, 2024

The Dealer Practices committee meeting adjourned at 9:38 a.m.

Meeting Summary
Dealer Licensing Committee
Monday, November 13, 2023

Vice Board Chair Rob Fisher called the Dealer Licensing Committee meeting to order at 9:38 a.m. This meeting was conducted at the Department of Motor Vehicles, 2300 W. Broad Street, Executive Conference Room 702, Richmond, Virginia. Roll call confirmed the following Committee members being present: Gardner Britt, Trevor Coley, David Lynn and R.J. Robinson. Those absent included Jeff Ballard, Tom Bates, Michael Bor, Dennis Ellmer and Maurice Slaughter. Other Board members present: Gerald Lackey, Dan Banister, Ron Kody, Chris Maher, Geoff Malloy, Don Sullivan and Andrew Wiley. Executive Director William Childress, Lisa Mack-Nelson, Ann Majors and Micah Bailey represented the Dealer Board. Christian Parrish represented the Attorney General's office.

No quorum; therefore, approval of the July 10, 2023 meeting summary will take place during the January 2024 meeting. No quorum present during the September 2023 meeting.

PUBLIC COMMENT

OLD BUSINESS

OLD BUSINESS FROM THE FLOOR

NEW BUSINESS

NEW BUSINESS FROM THE FLOOR

NEXT MEETING – January 8, 2024

Meeting Summary
Advertising Committee
Monday, November 13, 2023

Committee Chair Andrew Wiley called the Advertising Committee meeting to order at 9:40 a.m. This meeting was conducted at the Department of Motor Vehicles, 2300 W. Broad Street, Executive Conference Room 702, Richmond, Virginia. Roll call confirmed the following Committee members being present: Dan Banister, Trevor Coley, Rob Fisher, David Lynn, Geoff Malloy, R.J. Robinson and Nick Rush. Those absent included Michael Bor, Jeff Ballard, Tom Bates and Dennis Ellmer. Other Board members present: Gerald Lackey, Gardner Britt, Chris Maher and Don Sullivan. Executive Director William Childress, Lisa Mack-Nelson, Ann Majors and Micah Bailey represented the Dealer Board. Christian Parrish represented the Attorney General's office.

The September 11, 2023 meeting summary was approved.

PUBLIC COMMENT – No public comment.

OLD BUSINESS – No old business.

OLD BUSINESS FROM THE FLOOR – No old business from the floor.

NEW BUSINESS – No new business.

NEW BUSINESS FROM THE FLOOR – No new business from the floor.

NEXT MEETING – January 8, 2024

The Advertising committee meeting adjourned at 9:42 a.m.

Meeting Summary
Transaction Recovery Fund Committee
Monday, November 13, 2023

Committee Chair Chris Maher called the Transaction Recovery Fund Committee meeting to order at 9:42 a.m. This meeting was conducted at the Department of Motor Vehicles, 2300 W. Broad Street, Executive Conference Room 702, Richmond, Virginia. Roll call confirmed the following Committee members being present: Dan Banister, Rob Fisher, Geoff Malloy, Nick Rush, Don Sullivan and Andrew Wiley. Those absent include Jeff Ballard, Dennis Ellmer, Ron Kody and Maurice Slaughter. Other Board members present: Gerald Lackey, Trevor Coley, David Lynn and R. J. Robinson. Executive Director William Childress, Lisa Mack-Nelson, Ann Majors and Micah Bailey represented the Dealer Board. Christian Parrish represented the Attorney General's office.

The September 11, 2023 meeting summary was approved.

PUBLIC COMMENT

OLD BUSINESS – No old business.

OLD BUSINESS FROM THE FLOOR – No old business from the floor.

NEW BUSINESS – No new business.

NEW BUSINESS FROM THE FLOOR

Review and Action: Informal Fact-Finding Conferences:

Tamron James vs. Delta Motors, LLC #49701 & Austin's Auto Service, LLC #54683. On October 30, 2023, an informal fact-finding conference was conducted to address the alleged violations of VA Code Sections 46.2-1527.3 against Austin's Auto Service, LLC. Based on the information provided at the conference, the hearing officer recommended payment to Tamron James in the amount of \$13,716.98 from the Recovery Fund.

Rob Fisher moved to table this issue to the January 2024 meeting. Andrew Wiley seconded. The motion carried unanimously.

Note - The dealer has made a partial payment to Ms. Jones and the committee wants to allow him more time to pay the entire judgement.

Christina Campfield vs. DMV Auto Finance, LLC #50064. On October 30, 2023, an informal fact-finding conference was conducted to address the alleged violations of VA Code Sections 46.2-1527.3 against DMV Auto Finance, LLC. Based on the information provided at the conference, the hearing officer recommended payment to Christina Campfield in the amount of \$25,000.00 from the Recovery Fund.

Andrew Wiley moved to accept the hearing officer's recommendation and pay Ms. Campfield's claim of \$25,000.00. Rob Fisher seconded. The motion carried unanimously.

NEXT MEETING – January 8, 2024

The Transaction Recovery Fund committee meeting adjourned at 9:46 a.m.

Meeting Summary
Motor Vehicle Dealer Board
Monday, November 13, 2023

Board Chair Gerald Lackey called the Dealer Board meeting to order at 10:02 a.m. This meeting was conducted at the Department of Motor Vehicles, 2300 W. Broad Street, Executive Conference Room 702, Richmond, Virginia. Roll call confirmed the following members being present: Dan Banister, Gardner Britt, Rob Fisher, Trevor Coley, David Lynn, Chris Maher, Geoff Malloy, R.J. Robinson, Nick Rush, Don Sullivan and Andrew Wiley. Those absent included Jeff Ballard, Thomas Bates, Michael Bor, Dennis Ellmer, Ron Kody and Maurice Slaughter. Executive Director William Childress, Lisa Mack-Nelson, Ann Majors and Micah Bailey represented the Dealer Board. Christian Parrish represented the Attorney General's Office. Alice Weedon was the recording secretary.

The September 11, 2023 meeting summary was approved.

PUBLIC COMMENT – No public comment.

STATUTORY COMMITTEE REPORTS

Dealer Practices Committee

Committee Vice-Chair Andrew Wiley summarized discussions held and actions taken during the Committee Meeting.

Review and Action: Informal Fact-Finding Conferences:

Exclusive Auto Sale, LLC and Jilali Khalil #56401. Committee Vice-Chair Andrew Wiley made the following motion: The Board has reviewed and considered the facts and evidence and the report of an informal fact-finding conference as prepared by the hearing officer concerning Exclusive Auto Sale and Jilali Khalil for alleged violations of Va. Code sections §46.2-1529, 46.2-1533, 46.2-1534, 46.2-1548 and 46.2-1575 (2). Based on due consideration, the Board believes that the following actions should be taken against Exclusive Auto Sale and Jilali Khalil; Assessed a civil penalty of \$1,500; and Exclusive Auto Sale shall be inspected by a Motor Vehicle Dealer Board field representative within 30 days and that inspection shall be satisfactory; and Jilali Khalil shall successfully complete the 2-day dealer-operator course by May 13, 2024. The Board mandates that Jilali Khalil is hereby assessed a civil penalty of \$1,500.00 and the Exclusive Auto Sale dealership shall satisfactorily pass an inspection conducted by a Motor Vehicle Dealer Board field representative on or before January 13, 2024, and Jilali Khalil shall successfully complete the dealer-operator course by May 13, 2024. Failure to comply with the Board's mandates by the required dates will result in the suspension of all licenses and certificates issued by the Board until such time the Exclusive Auto Sale dealership and Jilali Khalil successfully complies with the Board's mandates.

Rob Fisher seconded. The motion carried unanimously.

American Eagle Motors and Najib Ahmad #35431. Committee member Chris Maher made the following substitute motion: The Board has reviewed and considered the facts and evidence and the report of an informal fact-finding conference as prepared by the hearing officer concerning American Eagle Motors and Najib Ahmad for alleged violations of Va. Code sections §46.2-1533 and 46.2-1575 (2). Based on due consideration, the Board believes that the following actions should be taken against American Eagle Motors and Najib Ahmad: Issued a written warning for VA Codes §§46.2-1533 and 46.2-1575 (2). The Board mandates that Najib Ahmad hereby be issued a written warning regarding 46.2-1533 and 46.2-1575 (2).

Mr. Ahmad was present and spoke on his own behalf.

Nick Rush seconded. All in favor: 9 (Banister, Coley, Fisher, Lynn, Maher, Malloy, Robinson, Rush. Opposed: 3 (Britt, Sullivan and Wiley). The motion carried.

NOTE: During Committee meeting the vote was 5 to 5.

Fast Track Auto, LLC and Brandon Kim #56102. Committee Vice-Chair Andrew Wiley made the following motion: The Board has reviewed and considered the facts and evidence and the report of an informal fact-finding conference as prepared by the hearing officer concerning Fast Track Auto and Brandon Kim for alleged violations of Va. Code sections §46.2-1533, 46.2-1575 (2). Based on due consideration, the Board believes that the following actions should be taken against Fast Track Auto and Brandon Kim: Assessed a civil penalty of \$750.00; and Fast Track Auto shall be inspected by a Motor Vehicle Dealer Board field representative within 30 days and that inspection shall be satisfactory. The Board mandates that Brandon Kim hereby be assessed a civil penalty of \$750.00 and the Fast Track Auto dealership shall satisfactorily pass an inspection conducted by a Motor Vehicle Dealer Board field representative on or before January 13, 2024. Failure to comply with the Board's mandates by the required dates will result in the suspension of all licenses and certificates issued by the Board until such time the Fast Track Auto dealership and Brandon Kim successfully complies with the Board's mandates.

Chris Maher seconded. All in favor: 11 (Banister, Britt, Coley, Fisher, Lynn, Maher, Malloy, Robinson, Rush, Wiley and Lackey). Opposed: 1 (Sullivan). The motion carried.

Licensing Committee

Vice-Committee Chair Rob Fisher reported that there was not a quorum present, therefore, the committee did not meet. The next meeting is scheduled for January 8, 2024.

Advertising Committee

Committee Chair Andrew Wiley reported quorum in place; however, no discussions or actions were on the agenda and no old or new business was brought forward for the committee to consider. The next meeting is scheduled for January 8, 2024.

Transaction Recovery Fund Committee

Committee Chair Chris Maher summarized discussions held and actions taken during the Committee Meeting.

Review and Action: Informal Fact-Finding Conferences:

Tamron Jones, vs. Delta Motors, LLC #49701 and Austin's Auto Service, LLC #54683.

Committee Chair Chris Maher moved to table this matter until the January 2024 Board meeting to allow the dealer the opportunity to make additional payments to Ms. Jones.

Rob Fisher seconded. The motion carried unanimously.

Christina Campfield vs. DMV Auto Finance, LLC #50064. Committee Chair Chris Maher moved the following: Pursuant to Section § 46.2-1527.1 et seq. of the Code of Virginia, which is known as the Motor Vehicle Transaction Recovery Fund (Fund), the Board has reviewed and considered claims for payment from the Fund, and the recommendations of the Hearing Officer on the claims. Based on due consideration and the recommendation of the Hearing Officer, the Board approves and acknowledges that Christina Campfield's claim should be payable from the fund. The Board hereby approves and reaffirms the payment in the amount of \$25,000 to Christina Campfield from the fund.

Trevor Coley seconded. The motion carried unanimously.

OLD BUSINESS:

Transaction Recovery Fund – William Childress/Micah Bailey

1. During the September 2023 Board meeting, Chairman Lackey directed the Transaction Recovery Fund Committee to meet, discuss and bring back to the body recommendations regarding the following:
 - a. Look at the possibility of increasing the Transaction Recovery Fund from its \$25,000 maximum (Mr. Bates)
 - b. Adding loss or damage resulting from a breach of an extended service contract to the recovery fund. This element is allowed under the Bonding aspect, but not under the Fund.
2. Meetings not arranged until now because;
 - a. 3 or more Board members constitutes a public hearing, which means that the meetings must be posted on Town Hall.
 - b. When Chairman Lackey made the assignment, he wasn't aware of the requirements, i.e., posting on town hall, public meeting, meeting in person, etc.
 - c. Recommendations of the committee and subsequent Board approval could result in legislation, which will be for 2025 General Assembly to consider.
3. Initial committee meeting will take place on January 8, 2024 immediately following the Board meeting. Location (DMV) will be decided and disseminated to the committee and to the public.

UPDATE: Dealer Portal Update (Timeline):

1. Over the past several months the vendor (System Automation), the DMV IT (Vehicles) staff, and Board staff have been meeting and discussing system interfaces, data exchange requirements, data formats and system updates.

2. When we signed the contract with Systems Automaton, the DMV mainframe was not a part of the equation, DMV was scheduled to off the main frame, which has changed since the arrival of Commissioner Lackey and termination of contract with vendor.
3. With the mainframe in place, our licensing system must be able to communicate with DMV's mainframe...we share dealer info (business names, addresses, dealer plates, salespersons, online dealer (Y or N), etc.) and the frequency in which we update records in DMV's system is important.
4. Meetings between DMV, SA and MVDB staff are scheduled to take place no less than 2 times weekly. Hopefully we will come to an agreement on all requirements sooner versus later. Once an agreement is in place, we will have a projected go live period for the system. We still must do UAT (Unit Acceptance Training) and develop user training materials for the dealer community.

Association Updates – VADA and VIADA

VADA: Anne Gambardella had no updates to present; however, she indicated that she's looking forward to the next legislative session.

VIADA: Aida Gonzalez indicated there was nothing to report at this time.

OLD BUSINESS FROM THE FLOOR

Chairman Lackey informed the Board that the DMV was finishing up two studies commissioned by the 2023 General Assembly. The studies dealt with the feasibility of licensing out of state dealers and the hearing process for manufacturers desiring to become a licensed dealer. The results of the two studies will be provided to the General Assembly prior to the start of the 2024 session.

NEW BUSINESS:

Barbara Arkwright (DMV LE Field Operations Director) informed the Board members about an outreach effort between her division and dealers. Part of this effort is to provide information/training in various areas of interest to the dealers. Barbara quired the Board members for topics to be discussed. The initial seminar, tentatively scheduled for December 7, 2023 will be in conjunction with the Motor Vehicle Dealer Board. Some of the topics offered included the following; Identity thief, odometer rollback, non-profit advertising and demolishers destroying vehicles without proper ownership documents (titles, ID, etc.).

NEW BUSINESS FROM THE FLOOR:

Dan Banister raised the question of the Board authorizing the salesperson test being offered in Spanish. This matter was discussed freely amongst the Board members and arguments on both sides carried merit. This request does not include dealer paperwork or documents, just the salesperson test that is offered at the DMV. Chairman Lackey asked the trade associations to check with their membership and report back their findings during the January 2024 meeting.

The next meeting will be on January 8, 2024

EXECUTIVE DIRECTOR'S REPORT – William Childress:

Games of Skill, this matter has been on the Board radar for some time. A recent State Supreme Court ruling made these games illegal. Jurisdictions are working with the businesses featuring these machines to remove them. However, most are awaiting the outcome of the pending court case in December. If the outcome of the court case confirms the State Supreme Court, the Board staff will work with the dealerships in question in conjunction with their Zoning officials. The Board staff will take the appropriate actions if the dealership does not meet their required 250 square feet of space dedicated solely to the dealership.

Since April of this year, the MVDB staff has met with representatives from approximately 85 Zoning offices and localities. The Board staff attended 4 regional Zoning Officials conferences to discuss our licensing processes, address their concerns with dealerships and answer questions in general. The Board staff will work closely with Zoning Officials and will include DMV when appropriate. The Zoning community will have their state-wide conference in Charlottesville, VA and we will attend if invited.

William spoke to the illegal internet activity and how the Board staff is dealing with it. We don't have the resources to look at it every day, but we do look for illegal internet activities and when we find it or hear of it, we will take the appropriate steps to address the issue - which may mean notifying the DMV's Law Enforcement Division. William encouraged Board members and dealers to alert the Board staff to illegal internet activities.

William introduced Thomas Campbell to the Board. Thomas is a licensing technician who recently joined the Dealer Board staff. Thomas comes to the Board from the DMV.

There being no further business to come before the Motor Vehicle Dealer Board, Chair Gerald Lackey adjourned the Board meeting at 11:20 a.m.