



December 2024

Issue 156

# DEALER TALK

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## Upcoming Events!

**Monday 1/13/2025**

Board Meeting In person at DMV  
2300 West Broad Street  
Richmond VA, 23220

[Click here for more details on the next Board Meeting Details](#)

## Executive Director Retires



William Childress, Executive Director of the Motor Vehicle Dealer Board, is retiring from state service effective January 1, 2025. William was appointed by the Dealer Board in February 2016 and his retirement culminates 31 years of state service. During his tenure with the Commonwealth William also worked for Departments of Transportation (VDOT) and Motor Vehicles (DMV). The Motor Vehicle Dealer Board members and Board staff would like to thank William for his years of dedicated service and wish him well in his future endeavors. He will be missed.

## Holiday Closures

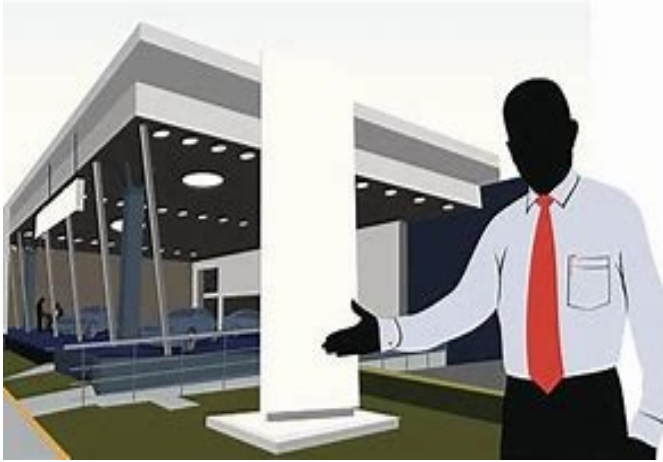
# OFFICE CLOSED

The MVDB will be closed for the following holidays:

- **New Year's Day -**
  - January 1, 2025
- **Martin Luther King Jr. Day -**
  - January 20, 2025
- **Presidents Day -**
  - February 17, 2025



## Change or Loss of Dealer Operator



### ***Do you know what to do in the event you change or lose your dealer operator?***

Virginia Code [§ 46.2-1513](#) Dealers must inform the Motor Vehicle Dealer Board (MVDB) promptly if there is a change in the dealer-operator due to reasons such as death, illness, retirement, or any circumstance that affects their ability to fulfill the role. The dealer has a maximum of 120 days to appoint a new dealer-operator after such a change occurs. The new dealer-operator must possess a valid salesperson license, in addition to being a qualified dealer operator. To update the dealer profile, the dealer must submit a [MVDB 10](#) form designating the replacement dealer-operator.

## MVDB Spotlight

Congratulations to M'Lissa Dunn, MVDB Board Member and Vice President of Dunn-Rite Auto Group, who was recognized as the 2024 State Quality Dealer Award recipient by the Virginia Independent Automobile Dealer Association. M'Lissa will be heading to Las Vegas next summer to compete for the title of National Quality Dealer of the Year. GOOD LUCK M'LISSA!



*From left to right: Alvin Melendez, VIADA Executive Director; Donald Sullivan Jr., VIADA President; M'Lissa Dunn, recipient of the State Quality Dealer Award; and Dr. Gerald Lackey, DMV Commissioner.*



On December 3, 2024, The Book Bindery held an Ugly Sweater contest where 3 winners were selected by receiving the most votes. Each winner selected an organization of their choice to receive a donation of \$500. LaTasha Hill, Editor of the Dealer Talk newsletter, was one of the winners and selected Fresh Start (Fresh Start for Single Mothers & Children) to receive the donation.

The dealer community has a responsibility to protect and safeguard all customer information, especially any Personally Identifiable Information (PII). Direct identifiers include their name, address, phone number, Social Security number or driver's license number. Indirect identifiers are information that can be used to identify a person in combination with other data, such as their date of birth, race or geographic location. Use an encryption software when sending PII via email to the Dealer Board.

## Man Finds Box of Documents Containing Over 200 People's Sensitive Information Near Trash

HARRISONBURG, Va. (WHSV) - In a secluded trash disposal area of the Burgess Road shopping center in Harrisonburg, one man said he found a box of documents containing the sensitive information of over 200 people.

"Every piece of information, from a photocopy of your ID, the certificate of title for your car, where you work, your phone number, your next of kin, emergency contacts and your address - you name it, it was in there," the man, who chose to go by David to protect his identity, said.

After discovering the files, David turned them in to the Harrisonburg Police Department. He said he was devastated after seeing people's sensitive information left in the open.

"With the way the world is right now, I couldn't leave it there," David said. "It's about trust; it's about honesty...imagine if that was someone you knew."

Each file was marked with the logo for CMF Auto Sales and Detailing, a used car business in Staunton that has been permanently closed since 2020. It's left many wondering how the files ended up in the shopping center 30 minutes away, and why it happened four years after the business shut down.

"If I bought a car from there, and somebody found a box like that, I don't know how I'd feel," David said. "You don't know how you'd feel until it happens, but I know how I felt and it wasn't even me."

According to law enforcement, businesses are required to burn or shred important documents after five years. If improperly disposed of, sensitive information may end up in the wrong hands. In severe cases, it can put people at risk of identity theft. WHSV was able to contact the owner of CMF Auto Sales, Dustin Finnell, who said he burned most of the documents and did not know they were even in Harrisonburg, let alone left in a shopping center.

"I'm sorry this happened, and it shouldn't have happened. It wasn't my fault," Finnell said. "Thank you to the good citizen who turned it in."

Lieutenant Chris Monahan with the Harrisonburg Police Department confirmed they received the documents, and the incident is under investigation.

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Virginia Code [§ 46.2-1529](#) requires all dealer records to be retained for a period of 5 years and shall be maintained on the premises of the licensed location of the Dealership, unless, a written request has been submitted by the dealer and the Board approves for good cause shown.

Virginia Code [§ 46.2-1528](#) requires records to be available for inspection during posted business hours.



## FTC Takes Action Against Auto Dealer Group

For Discriminating Against Black and Latino Consumers and Charging for Unwanted Add-Ons.

The Federal Trade Commission is acting against a large automotive dealer group, for systematically charging consumers for costly add-on items they did not agree to or were falsely told were required as part of their purchase. The FTC also alleges that the dealer group discriminates against Black and Latino consumers, targeting them with unwanted and higher-priced add-ons.



In an administrative complaint, the FTC alleges that three Texas dealerships owned by Asbury that operate in Ft. Worth, Frisco, and Irving, along with the general manager of those dealerships, engaged in a variety of practices to sneak hidden fees for unwanted add-ons past consumers. These tactics included a practice called “payment packing,” where the dealerships convinced consumers to agree to monthly payments that were larger than needed to pay for the agreed-upon price of the car, and then “packed” add-on items to the sales contract to make up that difference.

“The FTC will continue to crack down on illegal hidden fees and discrimination, which have no place at car dealerships,” said Samuel Levine, Director of the FTC’s Bureau of Consumer Protection. “Like the Combating Auto Retail Scams (CARS) Rule, today’s action underscores our commitment to protecting consumers shopping for cars and leveling the playing field for honest dealers.”

Numerous consumers complained about their practices. Consumers reported being charged thousands of dollars without their knowledge for add-ons that range from supposedly protective chemical coatings and service contracts to life and disability insurance policies, according to the complaint.

While some consumers reported that salespeople never discussed these products during the sales process, others said that they specifically declined these products only to find they were added on without consent. The FTC says that the sales and financing process made it difficult, if not impossible, for consumers to know they were being charged for these add-ons, with consumers being asked to sign documents on electronic devices that showed only the places where they should sign and not the full documents. In other cases, consumers who noticed the add-on charges were falsely told they were mandatory.

A survey of customers across the dealerships showed that as many as 75 percent of consumers reported that they were charged for add-on products and services they did not authorize or were falsely told were mandatory. In addition, according to the complaint, company documents show that the dealerships treated Black and Latino consumers differently from non-Latino White consumers, charging them hundreds of dollars extra on average for add-ons – including those add-ons for which they were charged without consent. The complaint alleges that there was no non-discriminatory reason for these higher costs.

This happened in financed transactions across each of the dealerships, with one charging Black consumers, on average, \$298 more for the same add-ons, and Latino consumers, on average, \$214 more for the same add-ons than non-Latino White consumers.

The complaint alleges that the Auto Group and the three dealerships, along with the general manager, violated the FTC Act and the Equal Credit Opportunity Act.

### REMINDER

### Advertising Fees

If you are charging fees that are not included in the advertised price of the vehicle, you may be in violation of Virginia Code advertising laws. §46.2-1581.8 states in part “the advertised price or credit terms shall include all charges which the buyer must pay to the seller, except buyer-selected options, state and local fees and taxes, and manufacturer's or distributor's freight or destination charges, and a processing fee, if any. If a processing fee or freight or destination charges are not included in the advertised price, the amount of any such processing fee and freight or destination charge must be (i) clearly and conspicuously disclosed ...” The dealer’s processing fee is the fee that the dealer has on file with the Board. Additional fees may not be added at the time of sale, they must be added into the advertised price of the vehicle. Adding fees specifically not allowed by Virginia law to the advertised price is deceptive, and misleading.

## Print on Demand (POD) Temporary License Plates

The PoD program is intended to allow individuals who recently purchased a vehicle the opportunity to immediately drive the vehicle for up to thirty days while ownership is being transferred. The following are instances when PoD temporary license plates may be issued:

- Purchaser is NOT a Virginia resident and will be titling the vehicle in their home state.
  - Out of state purchasers are allowed 2 reissues.
- Purchaser is a Virginia resident and wants a personalized plate message.
- Purchaser is a Virginia resident and wants to order a plate not stocked at the dealership.
- Dealership does or does not have the title or ownership document readily available to transfer ownership at the time sale.
  - A second set of 30 day temporary tags may be issued if ownership isn't transferred within 30 days of first issuance.
    - Dealer must submit to DMV the application for certificate of title, copy of the bill of sale, payment of the Sales and Use tax, and a written statement of fact describing the efforts being taken to secure the ownership document before issuing a second set to Virginia customers.
    - The second set must be issued within 5 days of 1st set expiring.
    - A 30 day extension may be granted on the second set by the DMV Dealer Services Work Center if ownership hasn't been transferred or if the dealer needs an additional 30 days to produce the title.



Issuing PoD temporary license plates for vehicles not sold at the issuing dealership, or issuing PoD temporary license plates to individuals other than the vehicle owner or purchaser constitutes misuse and is a Class 1 misdemeanor.

All PoD temporary tags must be printed on the weather resistant paper supplied by the DMV Dealer Services Work Center. PoD tags are not authorized to be emailed or faxed to customers. Orders for the PoD

paper are accepted through the DMV Dealer Services Work Center. To place an order, send an email to: [podtemptag@dmv.virginia.gov](mailto:podtemptag@dmv.virginia.gov) with the following information: dealer name, dealer number, shipping address, order quantity, paper size(s) (standard/ motorcycle), and your printer make/ model number. Approved order requests will be shipped within five business days.



## REMINDER

Code Section [§ 46.2-1510](#) (4) requires an email address and working telephone listed in the name of the dealership. If using a cell phone as your Dealership phone number, the account must be active and in the name of the dealership.

To update your dealership profile's contact information, you are required to submit the necessary documentation, such as [MVDB10](#), an email, or a letter from authorized dealership personnel (owner or dealer-operator). Please refrain from leaving voice messages for important updates or changes that require written documentation. If you leave a voice message regarding an issue that requires written documentation, it may not be addressed or processed. If you are uncertain, please email your issues or requests to [dboard@mvdb.virginia.gov](mailto:dboard@mvdb.virginia.gov). This ensures that the Board staff has written documentation to respond to your request in a timely manner.

# Board Actions

## Dealer Practices

### Informal Fact-Finding Conferences

**Latest Motors, Inc. and Tanseer Shabbir** - On August 20, 2024, an informal fact-finding conference was conducted to address the alleged violations for failure to sell vehicles from a licensed/authorized location, failure to maintain dealer records, failure to provide proof of safety inspection prior to retail sale, and failure to have licensed salespersons. Based on the information provided at the conference, the Board assessed a civil penalty of \$1,000.00, a satisfactory inspection and to successfully complete the 2-day Dealer-Operator course. The dealer has the right to appeal to a formal hearing.

**All Stars Automotive and Rene E. Carey** - On September 11, 2024, an informal fact-finding conference was conducted to address the alleged violations for failure to maintain business hours. Based on the information provided at the conference, the Board assessed a civil penalty of \$750.00, satisfactory inspection on or before February 1, 2025 and to successfully complete the 2-day Dealer-Operator course.

**Street Action Discount Auto Sales and Donald J. Neal** - On September 12, 2024, an informal fact-finding conference was conducted to address the alleged violations for failure to maintain business hours. Based on the information provided at the conference, the Board issued a warning. The dealer has the right to appeal to a formal hearing.

**Car Zone Inc. and Maroun Chaoul** - On September 17, 2024, an informal fact-finding conference was conducted to address the alleged violations for failure to maintain dealer records, misuse of PoD tags, failure to comply after written warning. Based on the information provided at the conference, the hearing Board assessed a civil penalty of \$10,000.00, satisfactory inspection of dealer records with dealer present and proper use of POD system and to successfully complete the 2-day Dealer-Operator course. The dealer has appealed the Board's decision.

**Carvau LLC and Muhammad Usama/Hyder Cheema** - On October 2, 2024, an informal fact-finding conference was conducted to address the alleged violations for failure to maintain business hours, failure to maintain dealer records and failure to comply after written warning. Based on the information provided at the conference, the Board assessed a civil penalty of \$2000.00, a satisfactory inspection and successful completion of the 2-day dealer-operator course within 60 days. The dealer has the right to appeal to a formal hearing.



## Administrative Actions:

**3D Auto Group** - License suspended and placed in Debt set-off for failure to pay a \$1000 civil penalty for failure to provide proof of safety inspections prior to retail.

**A & K Motor Company Inc** - Agreed to pay \$1200 civil penalty for failure to provide proof of insurance for dealer plates.

**All In One Auto Group, LLC** - Paid \$250 civil penalty for failure to maintain dealer records.

**Celebrtiy Motors VA** - Paid a \$250 civil penalty for failure to maintain dealer records.

**Carofmine** - License suspended and placed in Debt set-off for failure to pay a \$750 civil penalty for failure to maintain posted business hours and failure to comply with previous written warnings.

**Commonwealth RV** - Paid a \$250 civil penalty for failure to have licensed salespersons.

**Curtis Auto Group, LLC** - Paid a \$500 civil penalty for failure to maintain dealer records, failure to have licensed salespersons, and failure to provide proof of safety inspection prior to retail sale.

**Enterprise Rent-A-Car** - Paid a \$250 civil penalty for allowing the unlawful use of a dealer plate.

**EZ Rides 4 U, LLC** - Agreed to pay \$36,100 civil penalty for failure to maintain dealer records.

**J A Lovoie Equipment** - Paid a \$250 civil penalty for failure to maintain dealer records.

**Lease Return Center** - Paid a \$500 civil penalty for failure to have all salespersons license and failure to provide disclosure indicating a vehicle did not pass state safety inspection to a retail buyer.

**Redline Performance Motorsports, Inc** - Agreed to pay a \$1000 civil penalty for failure to sell vehicles at a licensed location.

**Speed Car Auto Sales, LLC** - License suspended and placed in Debt set-off for failure to pay a \$1000 civil penalty for failure to provide proof of safety inspection prior to retail sale.

**Sureshot Auto Sales** - Paid \$750 civil penalty for failure to maintain posted business hours and failure maintain dealer records.

**Vermeer Mid Atlantic, LLC** - Paid a \$500 civil penalty for failure to maintain business hours and failure to maintain business hours.

**Yes Auto Sales** - License suspended and placed in Debt set-off for failure to pay a \$2000 civil penalty for failure to maintain dealer records, and failure to comply with previous written warnings.





## Independent Dealer Operator Course 2024 Schedule

The Following Courses are Registered Through the VIADA

Dates	City	Location	Address
1/6-1/7	Suffolk	Hilton Garden Inn Chesapeake/Suffolk	5921 Harbor View Boulevard Suffolk, VA 23435
1/8-1/9	Midlothian	VIADA Home Office	1525 Huguenot Road Midlothian, VA 23113
2/3-2/4	Chantilly	Home 2 Suites	43340 Defender Drive Chantilly, VA 20152
2/5-2/6	Midlothian	VIADA Home Office	1525 Huguenot Road Midlothian, VA 23113
3/3-3/4	Lynchburg	Hilton Garden Inn	4025 Wards Road Lynchburg, VA 24502
3/5-3/6	Midlothian	VIADA Home Office	1525 Huguenot Road Midlothian, VA 23113

[View Full Schedule here](#)

### REMINDER

### Independent Dealer-Operator (IDO)

Every two years, IDOs from independent dealerships must recertify their qualifications by taking either an instructor-led online course or attending a classroom course. Another option is to take the dealer-operator examination at any Department of Motor Vehicles Customer Service Centers. For further information, click [here](#). Dealers with Franchise endorsements are exempt from this requirement. If you have questions about your recertification deadline or any questions regarding recertification, please contact LaTasha Hill at the MVDB at 804-367-1100 x 3003# or email [latasha.hill@mvdv.virginia.gov](mailto:latasha.hill@mvdv.virginia.gov).



## MVDB Mission Statement

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

## We are located at:

2201 West Broad St.  
Suite 104  
Richmond, Va. 23220  
Inside  
The Book Bindery Building

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LaTasha Hill

## What's Wrong With This Picture?



### Improper Use of Dealer Tags

Dealer tags cannot be used on a vehicle utilized for another business—in this instance it would be for a towing business.

Dealer tags are not permitted for use to tow another vehicle.

[§ 46.2-1550](#) states in part: It shall be unlawful for any dealer to cause or permit dealer's license plates to be used on:

- ⇒ Vehicles used in conjunction with any other business.
- ⇒ Tow trucks, wrecking cranes or other service motor vehicles.
- ⇒ Vehicles used to deliver or transport other vehicles.

**DEALER TALK**

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