

**Meeting Summary  
Dealer Practices Committee  
Monday May 13, 2024**

Committee Vice-Chair Andrew Wiley called the Dealer Practices Committee meeting to order at 9:03 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: Alexis Barker-Taplett, Tom Barton, M'Lissa Dunn, Chip Lindsay, Chris Maher, Timothy Pohanka, Nick Rush and Donald Sullivan. Those absent included David Lynn. Other Board members present: Gerald Lackey, Jeff Ballard, Trevor Coley, Maurice Slaughter. Executive Director William Childress, Lisa Mack-Nelson and Ann Majors represented the Dealer Board. Christian Parrish represented the Attorney General's office.

**The March 11, 2024 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:**

**River Auto Sales and Susana Kim #49398.** On March 5, 2024, an informal fact-finding conference was conducted to address the alleged violations of VA Code Section(s) 46.2-1547 and 46.2-1575 (2). Based on the information provided at the conference, the hearing officer recommended assessing a civil penalty of \$5,300.00 (\$4,800 for Code Section 46.2-1547 and \$500 for Code Section 46.2-1575 (2)) and a satisfactory inspection to be conducted within 90 days.

Susan Kim was present and spoke on her own behalf.

Nick Rush moved to accept the hearing officer's recommendation, with the exception of lowering the civil penalty to \$2,500.00. Don Sullivan seconded. The motion carried unanimously.

**BC Auto and Stephen Kehrer #1352.** On February 29, 2024, an informal fact-finding conference was conducted to address the alleged violations of VA Code Section 46.2-1550. Based on the information provided at the conference, the hearing officer recommended assessing a civil penalty of \$500.00.

Stephen Kehrer was present and spoke on his own behalf.

Chris Maher moved to not accept the hearing officer's recommendation and issue a warning letter. M'Lissa Dunn seconded. The motion carried unanimously.

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

**NEXT MEETING** – July 8, 2024

The Dealer Practices committee meeting adjourned at 9:32 a.m.

Meeting Summary  
**Dealer Licensing Committee**  
Monday, May 13, 2024

Committee Chair Maurice Slaughter called the Dealer Licensing Committee meeting to order at 9:32 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: Jeff Ballard, Alexis Barker-Taplett, Trevor Coley, M'Lissa Dunn, Timothy Pohanka. Those absent included Tom Bates, Dennis Ellmer, David Lynn. Other Board members present: Gerald Lackey, Tom Barton, Chip Lindsay, Chris Maher, Nick Rush, Don Sullivan and Andrew Wiley. Executive Director William Childress, Lisa Mack-Nelson and Ann Majors represented the Dealer Board. Christian Parrish represented the Attorney General's office.

**The March 11, 2024 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.

**Review and Action: Formal Hearing:**

**Kasey Strosnider, Salesperson & Dealer-Operator, BK Motors, LLC #54390.** On December 19, 2023, a Formal Hearing was conducted to address the alleged violations of VA Code Section(s) 46.2-1575 (8), 46.2-1575 (9) and 46.2-1575 (13). Based on the information provided at the conference, the hearing officer recommended assessing a civil penalty of \$2,250.00 (\$750.00 for Code Section 46.2-1575 (8), \$750.00 for 46.2-1575 (9) and \$750.00 for Code Section 46.2-1575 13)) and revocation of her Dealer-Operator license and suspension of your sales license for one year and satisfaction of financial obligations owed.

Kasey Strosnider was present and spoke on her own behalf.

Trevor Cooley moved to allow Ms. Strosnider to keep her sales license, dealer-operator's license, take the 2-day Dealer-Operator course and assess a civil penalty of \$2,250.00. There was no second to the motion, therefore, the motion failed.

Jeff Ballard moved to revoke her Dealer-Operator's license, allow her to maintain her sales license and assess her a civil penalty of \$2,250.00. Tim Pohanka seconded. The motion carried unanimously.

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

**NEXT MEETING** – July 8, 2024

The Licensing Committee meeting adjourned at 9:53 a.m.

Meeting Summary  
**Advertising Committee**  
Monday, May 13, 2024

Committee Vice-Chair Don Sullivan called the Advertising Committee meeting to order at 9:53 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: Jeff Ballard, Trevor Coley, Chip Lindsay, Timothy Pohanka and Nick Rush. Those absent included Tom Bates, Dennis Ellmer and David Lynn. Other Board members present: Gerald Lackey, Alexis Barker-Taplett, Tom Barton, M'Lissa Dunn, Chris Maher, Maurice Slaughter and Andrew Wiley. Executive Director William Childress, Lisa Mack-Nelson and Ann Majors represented the Dealer Board. Christian Parrish represented the Attorney General's office.

**The March 11, 2024 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** – Tim Pohanka questioned the legality of recent Tesla's advertisements. The advertisements show an adjusted final sales cost based on projected fuel savings and EV rebates. Ann Majors, Board staff Operations Manager, assured the committee and Board that Board staff will review the Tesla ads (received from the VADA) and take the appropriate actions based on Virginia laws and Board policies.

**NEXT MEETING** – July 8, 2024

The Advertising committee meeting adjourned at 10:03 a.m.

Meeting Summary  
**Transaction Recovery Fund Committee**  
Monday, May 13, 2024

Committee Chair Chris Maher called the Transaction Recovery Fund Committee meeting to order at 10:04 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: Jeff Ballard, Tom Barton, M'Lissa Dunn, Trevor Coley, Chip Lindsay, Nick Rush, Maurice Slaughter, Don Sullivan and Andrew Wiley. Those absent included Tom Bates. Other Board members present: Gerald Lackey, Alexis Barker-Taplett, Timothy Pohanka. Executive Director William Childress, Lisa Mack-Nelson and Ann Majors represented the Dealer Board. Christian Parrish represented the Attorney General's office.

**The March 11, 2024 meeting summary was approved.**

**PUBLIC COMMENT**

**OLD BUSINESS** – No old business.

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

**NEW BUSINESS**

**Review and Action: Informal Fact-Finding Conferences:**

**Antoine and Lisa Davis vs. Car Central, LLC #52514 (OB).** On May 2, 2024, an informal fact-finding conference was conducted to address the alleged violations of VA Code Sections 46.2-1527.3 against Car Central, LLC. Based on the information provided at the conference, the hearing officer recommended \$6,464.47 should be considered from the Transaction Recovery Fund.

Andrew Wiley moved to accept the hearing officer's recommendation approving the recommended payment of \$6,464.47 from the Transaction Recovery Fund. Maurice Slaughter seconded. The motion carried unanimously.

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

**NEXT MEETING** – July 8, 2024

The Transaction Recovery Fund committee meeting adjourned at 10:10 a.m.

Meeting Summary  
**Motor Vehicle Dealer Board**  
Monday, May 13, 2024

Board Chair Gerald Lackey called the Dealer Board meeting to order at 10:25 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: Jeff Ballard, Alexis Barker-Taplett, Tom Barton, Trevor Coley, M'Lissa Dunn, Chip Lindsay, Chris Maher, Timothy Pohanka, Nick Rush, Maurice Slaughter, Don Sullivan and Andrew Wiley. Those absent included Tom Bates, Dennis Ellmer and David Lynn. Executive Director William Childress, Lisa Mack-Nelson and Ann Majors represented the Dealer Board. Christian Parrish represented the Attorney General's Office. Alice Weedon was the recording secretary.

**The March 11, 2024 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:**

**River Auto Sales and Susana Kim #49398.** Committee Vice-Chair Wiley moved the following: 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 River Auto Sales and Susana Kim for alleged violations of VA. Code sections §46.2-1547 and 46.2-1575 (2). Based on due consideration, the Board believes that the following actions should be taken against River Auto Sales and Susana Kim: Assessed a civil penalty of \$2,500.00; and River Auto Sales shall be inspected by a Motor Vehicle Dealer Board field representative within 90 days and that inspection shall be satisfactory. The Board mandates that Susana Kim hereby be assessed a civil penalty of \$2,500.00 and the River Auto Sales dealership shall satisfactorily pass an inspection conducted by a Motor Vehicle Dealer Board field representative on or before August 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 River Auto Sales dealership and Susana Kim successfully complies with the Board's mandates.

Nick Rush seconded. All in favor: 11 (Ballard, Barker-Taplett, Barton, Coley, Dunn, Lindsay, Maher, Pohanka, Rush, Sullivan, Wiley). Opposed: 2 (Lackey, Slaughter). The motion carried.

**BC Auto and Stephen Kehrer #1352.** Committee Vice-Chair Wiley moved the following: 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 BC Auto and Stephen Kehrer for alleged violations of VA. Code section §46.2-1550. Based on due consideration, the Board believes that the following action should be taken against BC Auto and Stephen Kehrer: Issued a written warning for VA Code Section §46.2-1550. The Board mandates that Stephen Kehrer hereby be issued a written warning regarding 46.2-1550.

Trevor Coley seconded. The motion carried unanimously.

### **Licensing Committee**

Committee Chair Maurice Slaughter summarized discussions held and actions taken during the committee meeting.

#### **Review and Action: Formal Hearing:**

**Kasey Strosnider, Salesperson & Dealer-Operator, BK Motors, LLC #54390.** Committee Chair Slaughter moved the following: The Board has reviewed and considered the facts and evidence and the report of a formal hearing as prepared by the hearing officer concerning Kasey Strosnider for alleged violations of VA. Code sections §46.2-1575 (8), (9), and (13); and based on due consideration, the Board believes that the following actions should be taken against Kasey Strosnider: Assessed a civil penalty of \$2,250.00; and Revocation of Dealer-Operator qualification. The Board mandates that Kasey Strosnider hereby be assessed a civil penalty of \$2, 250.00, and the Board has revoked her Dealer-Operator qualification. Failure to comply with the Board's mandates will result in the suspension of her salesperson license until such time Kasey Strosnider successfully complies with the Board's mandates.

Chris Maher seconded. The motion carried unanimously.

### **Advertising Committee**

Committee Vice-Chair Sullivan reported quorum in place; however, no discussions or actions were on the agenda for the committee to consider.

### **Transaction Recovery Fund Committee**

Committee Chair Maher summarized discussions held and actions taken during the committee meeting.

**Antoine and Lisa Davis vs. Car Central, LLC #52514 (OB).** Committee Chair Chris Maher made the following motion: 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 recommendation of the Hearing Officer, the Board approves and acknowledges that the applicant's Antoine and Lisa Davis's claim should be payable from the fund. The Board hereby approves and reaffirm the following claim and up to payment amount subject to compliance by the claimant with statutory requirements:

<b><u>Claimant</u></b>	<b><u>Judgement Amount</u></b>	<b><u>Fund Payment</u></b>
Antoine and Lisa Davis	\$6,464.47	\$6,464.47

M'Lissa Dunn seconded. The motion carried unanimously.

## **OLD BUSINESS:**

**UPDATE: Dealer Portal Update.** William Childress updated Board members concerning the status of the dealer licensing system. Since the last March 2024 Board meeting, Chairman Lackey has assigned a DMV project manager and appointed a team, to include the System's Automation project manager and the MVDB IT Manager, to review the project plan to ensure nothing was overlooked or omitted. The team is also focusing on ensuring that appropriate security and data transfer requirements are in place to meet DMV's requirements.

**Recovery Fund Committee Recommendation** - Committee Chair Chris Maher provided his report to the Board members. The committee was charged by the Board Chair to look at two items; 1) should the Transaction Recovery Fund maximum payout be increased? and 2) Are there any recommended legislative changes to the Fund, i.e., should 46.2-1527.2 iii be added to 46.2-1527.3? The committee met on January 8 and March 13, 2024 and a quorum was present for both meetings. The VADA and the VIADA participated in the meetings and Board staff provided historical data concerning past Fund claims and information about the bonding process. The committee voted unanimously to not increase the maximum payout for the fund or to make any other legislative changes to the fund at this time. (Report submitted).

## **Legislative Updates – VADA and VIADA -**

**VADA:** Anne Gambardella, nothing to report.

**VIADA:** Alvin Melendez, nothing to report.

**July 1 2023 Laws** - William Childress briefed the Board regarding three laws that will become effective on July 1, 2024. The Uninsured Motor Vehicle Fee will no longer be an insurance option for motorist. On vehicles on the road in Virginia will be required to have insurance. Dealers should direct their questions to the DMV Dealer Services Work Center. HB 1106 (Del. Wyatt) and SB 452 (Sen. Marsden) provides all Dealer-Operators the ability to recertify by testing at any DMV CSC. The test is \$50.00 per test. With the DMV testing option back on the table, Dealer-Operators have three options to recertify their Dealer-Operator qualifications. HB 1107 (Wyatt) allows the Board to establish the cost for examinations (inspections) when a violation is found. Collected fees will stay with the Board and not go to the Department of Transportation. Prior to this change, actual cost had to be used.

## **OLD BUSINESS FROM THE FLOOR** – There was no old business from the floor.

## **NEW BUSINESS:**

**Notice of Periodic Review** – Ann Majors briefed the Board members regarding the Board's three regulations. The regulations are: Public Participation Guidelines, Motor Vehicle Dealer Fees (Dealer Plates) and Motor Vehicle Dealer Advertising Practices and Enforcement Regulations. These regulations are reviewed every four years. The regulations have gone through review and the public comment period, with no feedback. Board staff has recommended no changes to the regulations. The Board voted unanimously in favor of the staff's recommendation.

**NEW BUSINESS FROM THE FLOOR** – Chairman Lackey brought two matters before the Board. 1) The E-titling Working Group will comprise of two components, a Steering Committee and a Research Council. The Steering committee will probably meet at least 2 times a year and will be comprised of partners, i.e., VADA, VIADA and others. The research Council will meet quarterly and will be the technical side. Phrase I will take place sometime this year (TBD). 2) Should there be a minimum number of vehicles sold to hold a Virginia Dealer's license? A group may be formed to look into this matter. Anne Gambardella, Don Sullivan, Tim Pohanka and Lexie Barker-Taplett volunteered to participate on the Steering Committee.

Chairman Lackey also expressed interest in looking at modifying the DSD 27 (DMV) to include a statement forbidding hauling or transporting items using a dealer plate to be signed by the user of the dealer tag. Chairman Lackey also wants to distinguish the difference between a loaner and purchaser regarding the DSD 27.

Tom Pohanka inquired about a Wholesale license and why doesn't Virginia offer one. Several comments included many states are experiencing problems wholesalers, especially with consumers and wholesalers are held to the same standard as dealers in Virginia, the license is the same. William Childress volunteered to send the Board members a copy of the AAMVA white paper on Wholesalers for their personal background information.

**Examination Fee Policy** - William Childress reminded the Board that HB 1107 (Wyatt) becomes effective on July 1, 2024. This bill allows the Board to set the examination fee for inspections when a violation is found. William went over the various types of inspections that the field reps perform, and the likelihood of a violation being found associated with each inspection category. Random inspections and investigative inspections are the scenarios when this fee most likely will come into play. William recommended the inspection fee be set at \$50.00. This fee includes the average hourly salary for the field reps, the cost of computer/cell phone, 21 miles at \$.54 per mile and the cost of the vehicle (includes gas). Inspections times range from 30 minutes to a couple of hours. But for this purpose, one hour is the time proposed to apply for all cases where collection of the fee is warranted. Board members asked questions and discussed the proposal for a few minutes.

M'Lissa Dunn moved to accept the recommended \$50.00 examination fee. Don Sullivan seconded. The motion carried unanimously.

Chairman Lackey announced that the next Board meeting will take place on July 8, 2024.

**EXECUTIVE DIRECTOR'S REPORT** – William Childress introduced Ann Majors as the new Operations Manager, effective April 10. William thanked the Board for their engagement and discussions during the Committee and Board meetings.

There being no further business to come before the Motor Vehicle Dealer Board, Chairman Lackey adjourned the meeting at 11:56 a.m.