

Meeting Summary
Dealer Practices Committee
Monday November 9, 2020

Chairman Ron Kody called the Dealer Practices Committee meeting to order at 9:00 a.m. This meeting was conducted virtually using the GoToMeeting video conferencing application. Present were Committee members: Liza Borches, Steve Farmer, Rob Fisher, Randy Harris, Geoff Malloy, Chris Maher, Mark Riblett, Senior Saghafi and Andrew Wiley. (Absent: Michael Bor, Gardner Britt). Other Board members present: Rick Holcomb, Dan Banister, David Duncan, **Dennis Ellmer, Randy Harris, Maurice Slaughter, Don Sullivan. Executive Director William Childress, Rick Sipe, Micah Bailey and Ann Majors represented the Dealer Board. Christian Parrish represented the Attorney General's office.

Chairman Kody welcomed the Board's three new members, acknowledging that Dennis Ellmer, Mark Riblett and Andrew Wiley indicating that Mr. Riblett and Mr. Wiley were assigned to the Dealer Practices Committee.

**New Board Member Dennis Ellmer was listening but could not participate as a Board member. He was scheduled to be sworn in later this day.

The September 14, 2020 meeting summary was approved.

PUBLIC COMMENT

No public comment.

OLD BUSINESS

Update: Dealer Portal Sub-Committee – William Childress – William briefed the committee concerning updates since the last meeting. William, along with John Saul (MVDB IT) and Lana Shelley (DMV CIO) talked to Civix (vendor) and viewed their licensing solution currently used in Indiana. We also talked to the Virginia Departments of Health Professionals and Education about their licensing solution, "My License" which is being considered by the Board of Accounts. The "My License" software is licensed for use in Virginia by VITA and if selected, will not require a RFP or RFI. William and his staff will continue to work with Lana Shelley and will keep the Board updated. This was submitted for informational purposes only, no action required by the Board.

TABLED ISSUED: Review and Action: Informal Fact-Finding Conference:

Midtown Motors, Inc. and John D. Forney. On July 23, 2020, an informal fact-finding conference was conducted to address the alleged violations of VA Code Sections 46.2-1550. Based on the information provided at the conference, the hearing officer recommended assessing a civil penalty of \$250. Prior to the Dealer Practices Committee meeting, Mr. Forney called the Board and indicated that he had a court appointment in Newport News at 9:00 a.m. He requested that his case be tabled until the November meeting. Matt McQueen moved to table Midtown's Motors, Inc., and John D. Forney's case to the November 9, 2020 Board meeting. Chris Maher seconded. The motion carried unanimously.

Liza Borches moved to accept the hearing officer's recommendation of assessing a civil penalty of \$250. Randy Harris seconded. All in favor: 9 (Kody, Farmer, Borches, Fisher, Harris, Malloy, Riblett, Saghafi, Wiley). Opposed: 1 (Maher). The motion carried.

OLD BUSINESS FROM THE FLOOR

No old business from the floor.

NEW BUSINESS

Review and Action: Informal Fact-Finding Conferences:

Doc's Cars (License expired 09/20/20) and James Hill. On August 13, 2020, an informal fact-finding conference was conducted to address the alleged violations of VA Code Sections 46.2-1529 and 1575 (2). Based on the information provided at the conference, the hearing officer recommended assessing a \$2,000 civil penalty and revocation of the dealership's licenses for Doc's Cars and Mr. Hill's salesperson license.

Chris Maher moved to accept the hearing officer's recommendation of assessing a civil penalty of \$2,000 and revocation of all licenses. Rob Fisher seconded. The motion carried unanimously.

Blake Ford and Joseph B. Blythe. On September 17, 2020, an informal fact-finding conference was conducted to address the alleged violations of VA Code Section 46.2-1537. Based on the information provided at the conference, the hearing officer recommended assessing a \$600 civil penalty.

Mr. Blythe participated and spoke on his own behalf.

Steve Farmer moved to accept the hearing officer's recommendation of assessing a civil penalty of \$600. Mark Riblett seconded. All in favor: 7 (Kody, Farmer, Borches, Harris, Maher, Malloy Riblett). Opposed: 3 (Fisher, Saghafi, Wiley). The motion carried.

Hall Nissan Virginia Beach and William R. Baker. On September 22, 2020, an informal fact-finding conference was conducted to address the alleged violations VA Code Section 46.2-1537. Based on the information provided at the conference, the hearing officer recommended assessing an \$18,300 civil penalty. General discussion on the using the word "cap" when it comes to assessing civil penalties.

Mr. Baker participated and spoke on his own behalf.

Motion was made by Liza Borches to reduce the civil penalty to \$1,000 and table the discussion on the verbiage "civil penalty cap". Geoff Malloy seconded. The motion carried unanimously.

Review and Action: Formal Hearing:

Integrity Autohaus, LLC and Ivan & Nina Johnson. Historical Overview leading up to the formal hearing: On January 6, 2020, an informal fact-finding conference was conducted to address the alleged violations of VA Code Sections 46.2-1529 and 46.2-1539. Based on the information provided at the conference, the hearing officer recommended assessing a civil penalty of \$2,500. At the March 9, 2020 Committee and Full Board Meetings, the Board adopted a resolution agreeing with the hearing officer's recommendation of assessing a civil penalty of \$2,500. On March 23, 2020, Mr. Johnson appealed for a formal hearing. On October 15, 2020, a formal hearing was conducted to address the alleged violations. Based on the information provided at the hearing, the hearing officer recommended assessing a civil penalty of \$2,500.

Chris Maher moved to accept the hearing officer's recommendation of assessing a civil penalty of \$2,500. Rob Fisher seconded. The motion carried unanimously.

NEW BUSINESS FROM THE FLOOR

No new business from the floor.

NEXT MEETING

The next meeting is on January 11, 2021.

The meeting adjourned at 9:53 a.m.