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Dealer Talk

New and Revised Forms

MVDB 61 – New Form –Please read carefully.

Effective 08/25/2017, The MVDB 61 form, Salesperson License Application, **replaces the DSD 7, Application for Certificate for Qualification/Salesperson license and MVDB 21, Criminal History Check.** The MVDB 61 simplifies the salesperson license application process. Applicants will now use **ONE** form to apply for original (initial), transfer, and renewal sales li-

cense and consent for criminal background check by the Motor Vehicle Dealer Board.

Dealers should immediately destroy all DSD 7 and MVDB 21 stock you may have at the dealership. Click [here](#) for the MVDB 61. The MVDB 61 form can be downloaded at www.mvdv.virginia.gov/forms.

There is NO change in salesperson license application fees as follows (checks or money orders

payable to Virginia Motor Vehicle Dealer Board:

- \$30 – Salesperson License (initial, transfer and renewal)
 - \$10 – Criminal Background Check
- Application fees, MVDB 61 (along with any additional forms that may be required, i.e., dealer certificate renewals) should be submitted to the MVDB, 2201 W. Broad St. Suite 104, Richmond VA 23221.

Upon receipt, MVDB will process the application

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Email Notification for Failure to Maintain Posted Business Hours

Beginning, October 2017, the Motor Vehicle Dealer Board is introducing an improved email notification process when dealers fail to maintain their posted business hours (46.2-1533). This improved process will allow the field representative at the time of site visit to send an email directly to the dealer in violation of 46.2

-1533. Prior to this system upgrade, 46.2-1533 violation emails were sent from MVDB in Richmond to dealers which caused a delay in email notifications. Upon sending receipt, the dealer will have seven (7) days to take notice. Any future violations of 46.2-1533 could result in a civil penalty being assessed, not to

exceed \$1,000 per violation. We are confident this improved process will ensure dealers take prompt action to avoid any future violations and remain open during posted business hours for customers. A sample 46.2-1533 email is provided in this newsletter for review.

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Email Notification

Field Representative Name (MVDB)

To: John_Doe_Dealer@DealershipEmail.com
Subject: RE: Violation 46.2-1533: Failure to maintain business hours.

Motor Vehicle Dealer Board

Notice of Attempted Dealer Inspection

Date: 9/26/2017 12:00:00 AM

To: Dealer: Dealership Name Certificate #: 0000

I have attempted to inspect your dealership during your posted business hours, only to find the dealership closed. In researching your dealer records, I could not find any prior notifications that your dealership would be closed today.

Based upon this attempted inspection, your dealership is in violation of 46.2 - 1533 of the Code of Virginia, which states in part that each motor vehicle dealer shall be open for business a minimum of twenty hours per week, at least ten of which shall be between the hours of 9:00 a.m. and 5:00 p.m. Monday through Friday. In addition, you must include your business hours on your original and renewal applications, and you must notify the Board immediately in writing of any changes in these hours.

It is important that you understand the process for informing the Board when you are not able to maintain your business hours. If the dealership will not be opened at all during the posted hours, you should notify the board via email: dboard@mvdb.virginia.gov or fax it to 804-367-1053 with this information. Please include your dealership name and certificate number in all correspondence with the Board. If you must close the dealership for a short period of time (e.g. 1 - 2 hours) during your posted hours, you may do so by posting a note conspicuously on the door or in the window of your dealership stating the date and time that you left and the time you will return. The MVDB website has a Temporary Closing form (MVDB 40) available for use. You will find the MVDB 40 by going to Forms, Publications and Resources on the Resources menu.

Your emailed response to me at (John.Doe@mvdb.virginia.gov) must be received within 7 days of the date of this email. This email serves as your initial written warning. Any further violation of VA. Code 46.2-1533 could result in the assessment of a civil penalty not to exceed \$1,000, or subject your dealership to an administrative hearing.

Should you have any questions please do not hesitate to contact me.

Sincerely,

Field Representative
 MVDB Field Representative
 Contact Number, (555) 123-4567

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Upcoming EVENTS

BOARD MEETINGS

All Meetings are held at DMV Headquarters

2300 W. Broad Street, Room 702

Richmond, VA

Monday, November 13, 2017

Dealer Practices Committee Meeting

Time: 9:00 a.m.

Licensing Committee Meeting

Time: Immediately following Dealer Practices Committee

Advertising Committee Meeting

Time: Immediately following Licensing Committee

Transaction Recovery Fund Committee Meeting

Time: Immediately following Advertising Committee

Full Board Meeting

Time: 10:00 a.m. or 15-30 minutes immediately following Transaction Recovery Fund Committee meeting.

MVDB will be closed



- ◆ Monday, October 9, 2017
- ◆ Friday, November 10, 2017
- ◆ Wednesday, November 22, 2017
(close at 12:00 noon)
- ◆ Thursday, November 23, 2017
- ◆ Friday, November 24, 2017

The following are reminders to ensure MVDB can communicate promptly with Dealers:

1. An "official" email address registered with MVDB. This is a requirement (effective July 2013) for all dealers to have their email on record with the MVDB (46.2-1510.4). If you need to submit or update your email address please send to dboardreply@mvdb.virginia.gov or FAX 804-367-1053. Please include your Dealer Certificate number for processing.
2. Often review your dealership's posted business hours to ensure what is posted "matches" MVDB records. If it is necessary to update your business hours, provided they meet the minimum requirements, the suggested methods are : Email dboardreply@mvdb.virginia.gov , or FAX at 804-367-1153.
3. At the time of dealer license renewal, accurately indicate on the MVDB 10 - (Section 4) posted business hours

MVDB staff makes every effort to promptly and accurately record dealer business hours including updates; therefore if there are any questions, please contact your local Field Representative or MVDB staff in Richmond at 804-367-1100.

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New and Revised Forms

and if all review requirements are met, a sales license is usually issued within 7-10 business days to the dealership where you will be employed. Below is a summary listing of all recently revised forms, including new form MVDB 61. Dealers should immediately destroy all old stock they may have at their dealership. As a best practice, current forms are available to download and print a www.mvdb.virginia.gov/forms. As a reminder, forms should be completed accurately and complete, please do not mark "Same" on any field even if there is no change from previous year.

On the MVDB 10 in Section 9 on the second page, we have added a question (I) regarding licensed manufacturers and distributors. This question is added to ensure licensed manufacturers and distributors do not own or operate dealerships in the Commonwealth.

Reminders...

Please be aware that you may receive emails or phone calls regarding your use of obsolete forms. The purpose of this email or call will be a reminder to you to destroy all old stock of obsolete forms, and offer you links to where you may download the newest form for future use. For example, if you send in an old form of the DSD 7, the Board may send you an email letting you know there is a new form, MVDB 61. The Board will process your applications, but the use of old forms may delay processing.

FORM NUMBER	TITLE	INSTRUCTIONS	COMMENT REPLACES/OBSOLETES FORM
<u>MVDB 61</u> (08/25/2017)	Salesperson License Application	Used to apply for Salesperson License (Original, Transfer, Renewal). Applicants complete Sections 1, 2, and 3. Employing dealership complete section 4. Submit to MVDB along with fees	REPLACES DSD 7, Application for Certificate for Qualification/Salesperson License AND MVDB 21, Criminal History Form DESTROY ALL DSD 7 AND MVDB 21 STOCK \$30 for 1 year license expiration date \$60 for 2 year license license expiration date.
<u>MVDB 57</u> (08/25/2017)	Dealer Operator/Salesperson Qualification Test	No change in instructions	DESTROY OLD MVDB 57 STOCK (07/01/2015) Minor change to update new form MVDB 61 in section "Additional Qualification Test Information"
<u>MVDB 58</u> 08/25/2017)	Self-Inspection Checklist	Dealer-Operators review, initial each item and sign. Submit with renewal package	DESTROY OLD MVDB 58 STOCK (08/01/2016) Updates Items#11 and #17
<u>MVDB 34</u> New Rev.	Motor Vehicle Dealer-Operator Study Guide	No change in study guide material	Minor editing changes on page i "Introduction" DESTROY OLD MVDB 34 STOCK (all revisions)
<u>MVDB35</u> (08/25/2017)	Motor Vehicle Dealer Salesperson Study Guide	No change in study guide material	Minor editing changes on page i "Introduction" DESTROY OLD MVDB 35 STOCK (all revisions)
<u>MVDB 10</u> (07/25/2017)	Motor Vehicle Dealer License	Dealer License Application for Initial/Renewal/Change	Update to Section 9, Question I regarding licensed manufacturers and distributors.

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DMV News

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Dealer Title Only (DTO) Transactions

Dealer titles only (DTO), also known as “title flips”, are transactions whereby a dealer titles a vehicle in the dealership’s name without registration. This title transaction is processed similar to a customer transaction; except the dealer is the customer and these are tax exempt. It provides a convenience to prospective purchasers and dealers by eliminating the need to wait for the title at the time of sale. Each online dealer vendor system is programmed with DTO functionality. The functionality gives the dealer the option to have the title mailed from DMV Headquarters in 1 to 3 days or to place a “Customer (CUST)” held indicator on the DMV record of the vehicle. The “CUST” held holds the title

from printing, to allow the dealer to visit a DMV location and pick it up. Any full service DMV Customer Service Center is able to remove this indicator and print the title. To ensure you have this capability or to learn how to use it, check with your vendor who can provide further details about their system. By utilizing the online option, online dealer participants can avoid the manual transaction fee charged to every dealer who visits a Customer Service Center (CSC) or dealer center to process transactions in excess of 20 per month.

Dealer Title Service

Available to dealers throughout the state of Virginia is “Dealer Title Service”, a training tool developed by DMV to help title clerks and staff to properly complete the re-

quired forms to transfer ownership and register a motor vehicle. This tool is designed to improve accuracy and reduce errors in the paperwork process through education. It explains the various parts of each form, and emphasizes the information needed to properly complete each form. Dealer Title Service is at no cost to the automobile community. It also includes reminders for online dealer participants about the bundle process, and the various transactions that may be processed through vendor systems. To access the training tool, visit www.dmvnow.com click commercial and the link is located under Dealer Services. The training tool may also be accessed through www.mvdb.virginia.gov or www.viada.org.

Location Change

§ 46.2-1515 states in part “In the event any licensee intends to change a licensed location, he shall provide the Department, or in the case of motor vehicle dealers, the Board, 30 days' advance written notice and a successful inspection of the new location shall be required prior to approval of a change of location.” This particular dealer failed to make application to the Board for a change in location. If you want to change licensed locations, dealers must do the following:

1. Get zoning approval for the new location of the dealership ([MVDB 19](#)).
2. PRIOR to 30 days before you move, send in a [MVDB 10](#) application along with your zoning approval ([MVDB 19](#)) designating the new address of your dealership .
3. After the Board has processed your application for location change, a Field Representative will contact you to set an appointment to open your new location. Please note that your new location is not licensed to conduct business until the Field Representative has authorized the location.

If you need further assistance, please do not hesitate to contact the Board.



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Temporary Off-Site Sales

APPLICATION FOR a Temporary Supplemental Sale (Off-Site sale) MUST be received at MVDB fifteen (15) days prior to SALE DATE

Any licensed Franchise and Independent Dealer applying for a temporary supplemental sales (off-site sale) license MUST submit a MVDB 22, Supplemental Sales Application with the appropriate fees 15 DAYS PRIOR TO THE SALE DATE. **There will be NO exceptions to this process if an application is received at MVDB later than the 15 day time period.**

A temporary sales license may be issued for a period not to exceed seven (7) days for cars/trucks OR fourteen (14) days for motorcycles, trailers, and recreational vehicles. Dealers may have up to eight (8) supplemental licenses per year, and no more than one sale consecutively in the same jurisdiction. MVDB has a system to keep track of dealer's supplemental sales licenses applications.

In addition, there are very specific notification and location requirements franchise and independent dealers must meet in order for the Board to grant a temporary sales license. When a dealer conducts a sale outside their jurisdiction or outside an adjacent/contiguous jurisdiction, the dealer must notify (invite) all dealers in the jurisdiction the off-site sale is taking place. This notification must be made by certified mail, and this certified mail notice must take place more than 30 days prior to the date of the off-site sale, to allow the dealers in who were notified ample time to join the sale and apply for their off-site license at MVDB. Each dealer who

participates is required to get their own Temporary license.

For example, if you are a franchise or used car dealer applying for an off-site USED car temporary license, and the location is not within your franchise area, and not in a contiguous jurisdiction, then the certified mail 30 day prior notice (invite) is required.

If your used car off-site sale falls within your jurisdiction or contiguous to your jurisdiction, you do not need to invite other dealers via certified mail.

If you are a Franchise applying for a NEW car off-site temporary license, you must certify that your franchise geography agreement is being followed. Our MVDB 22 requires you certify that you have met all requirements for your off-site sale.

For specific information it is strongly suggested dealers review §46.2-1516 to avoid any processing delays.

FTC

Here is a good resource regarding disclosures. [FTC .com Disclosures](#)



Also, if you are a “buy here, pay here” dealer, you may be interested in the new Small Entity Compliance Guide: Arbitration Agreements Rule 1.0 issued by the CFPB. To support implementation of the recently issued Arbitration Agreements Rule, the CFPB has published a Small Entity Compliance Guide.

You can access the Small Entity Compliance Guide on the dedicated Arbitration implementation [webpage](#).

Reminders...

Virginia Law requires that in each advertisement or online advertisement, your ad must include either the name of your dealership or “VA DLR” in the body of each posting. Just posting advertisements under the category “By Dealer Only” does not satisfy the requirement. If the listed price does not include your processing fee, the amount of your processing fee must be disclosed in each online advertisement. Even if you are not listing any motor vehicles in the posting, but rather advertising financing – you must include the “VA DLR” or the dealership name. An example would be if your advertisement is one that does not include any vehicles, and only a credit application.

Finally, if dealers sell vehicles over the Internet, all of the paperwork, disclosures, etc. that are required for selling a vehicle are the same as the requirements for a more “traditional” sale. All documents must be signed and completed in full.

Flood Vehicles

If history is any guide, the first flood-damaged vehicles from Harvey are days away from changing hands, and dangers to unsuspecting buyers are greater than ever, a veteran fraud fighter warns.

Automakers, insurers, lenders and dealers have implemented several levels of screening to prevent criminals from making superficial repairs, obtaining scrubbed titles and reselling flood-damaged vehicles.

Historically, about half the vehicles damaged by flooding are resold, some to unsuspecting buyers, Carfax Inc. estimates.

With an estimated 300,000 to 500,000 vehicles damaged by the massive rainfall and flooding after Harvey and Irma first hit, the opportunity for fraud is substantial. The peak in fraudulent sales of flood-damaged vehicles is most likely to come in two or three months as insurers process claims and reimburse victims.

It's not illegal to repair and resell a flood-damaged car, as long as the damage is disclosed to the buyer



on the title. But especially after Katrina, more criminals learned how to wash titles by reregistering damaged cars in states that would reissue titles without notice of damage.

Tips on How to Spot a Flood-Damaged Car:

- Examine the interior and the engine compartment for evidence of water and grit from suspected submersion.
- Check for recently shampooed carpet, and check under the floorboard carpet for water residue or stain marks from evaporated water not related to air-conditioning pan leaks.
- Look for rusting on the inside of the car and under interior carpeting, and

visually inspect all interior upholstery and door panels for evidence of fading. Large stains or differences in color between lower and upper upholstery sections may indicate that standing water was in the vehicle. A used car with brand-new upholstery is also a warning sign since a seller may have tried to remove the flood-damaged upholstery altogether.

- Check for rust on screws in the console or other areas where water would normally not reach unless submerged.
- Complete a detailed inspection of the electrical wiring system, looking for rusted components, water residue or suspicious corrosion.

According to Fraud Guides, if you suspect a local car dealer is committing fraud by knowingly selling a flood car or a salvaged vehicle as a good-condition used car, contact your auto insurance company, local law enforcement agency or the National Insurance Crime Bureau at 800-TEL-NICB (800-835-6422).

Reminders...

ALL IDO's of independent dealerships must at some point in time, recertify their IDO qualification every three years by either taking an online course, classroom course, or by passing a DMV test. Click [HERE](#) for more information and [HERE](#) to determine your recertification deadline. Please note that dealers with **Franchise** endorsements are exempt from recertification. If you are unclear on your recertification deadline, or any other recertification questions, please contact Ann Majors at the MVDB. She may be reached at 804-367-1100 x 3016, or email at ann.majors@mvdb.virginia.gov.

Board Actions

Dealer Practices

Informal fact-finding conferences:

Rolling Motors, LLC and Denise Campbell - On July 7, 2017, an informal fact-finding conference was conducted to address the alleged violations of dealer records, odometer disclosure, proof of safety inspection prior to retail sale, transferable license plates, and failure to comply with previous written warnings. Based on the information provided at the conference, the Board assessed a civil penalty of \$750 and successful completion of the Dealer-Operator course. Also, the Board recommended that Mr. George Anen, the Dealer-Operator for Rolling Motors, complete the Dealer-Operator course. Ms. Campbell may appeal this Board action to a Formal Hearing.

Administrative Actions:

Goldstar South, and Thomas K. Maad. Paid a \$1,000 civil penalty for an unlicensed salesperson.

Gary's Auto Sales, and Hilton Hamblin. Sent to debt sett-off for failing to pay a civil penalty for failure to insure each D-tag.

A 1 Auto Sales of Dulles, and Alvin C. Leach, Jr. Suspended for failure to pay a \$4,000 civil penalty for Salespersons on a W-2, proof of safety inspection prior to retail sale, and failure to insure each D-tag.

European Autohaus, and Leslie Weaver. Paid a \$250 civil penalty for failure to provide proof of safety inspection prior to retail sale.

International auto Wholesalers, and Davood Moghadam. Paid a \$250 civil penalty for unlicensed salesperson.

Northern Valley Motors, LLC ad Younes Darraj. Turned over to debt set-off for failing to pay a \$250 civil penalty for failure to maintain posted business hours.

Vikhen Motors, Inc. and Emmanuel H. Squire. Paid a \$250 civil penalty for failure to maintain posted business hours.

Licensing

Informal fact-finding conferences:

Matthew L. Hopkins, Sales Applicant - On July 19, 2017, an informal fact-finding conference was conducted to address the alleged violations of having been convicted of a felony. Based on the information provided at the conference, the Board approved Mr. Hopkins to apply for a sales license.

Elisa Amato, Sales Applicant - On August 16, 2017, an informal fact-finding conference was conducted to address the alleged violations of having been convicted of a felony. Based on the information provided at the conference, the Board approved Ms. Amato to apply for a sales license.

Board Actions

Advertising

Administrative Actions:

Auto Warehouse and Huso Gabeljic. Paid a \$1,500 civil penalty for advertising vehicles on Craigslist under the "owner" category instead of the "dealer" category. Also, the ad failed to disclose the name of the dealership or VADLR and disclosed a contact number that did not belong to the dealership.

Manassas Automobile Gallery and Habib Sanie. Paid a \$250 civil penalty for advertising vehicles on Craigslist under the "owner" category instead of the "dealer" category, which is considered misleading. Also, the ad failed to disclose the name of the dealership or VADLR and disclosed a contact number that was not the number listed on record for the dealership.

BVM Group and Khanh Nguyen. Paid a \$250 civil penalty for advertising vehicles on Craigslist under the "owner" category. Also, failed to disclose the processing fee and the dealer name or VADLR. Also, disclosed a contact number that was not the number listed on record for the dealership.

Priority Hyundai and Dennis Ellmer. Paid a \$250 civil penalty for rebate advertising the price of the vehicle included rebates and incentives that were not available to everyone. The ad was considered bait, misleading, and deceptive.

EZ Auto Sales Corp. and Muhammad Baig. Paid a \$500 civil penalty for advertising on Craigslist as owner when should be listing under dealer category, which is considered misleading. Dealer failed to disclose their name or VADLR. Dealer also disclosed a phone that did not belong to the dealership.

Car Line and Usman Nasim. Paid a \$250 civil penalty for advertising on Craigslist under the category "owner" instead of the "dealer" category, which is considered misleading. The ad failed to disclose the processing fee and disclose the dealership name or VADLR. Also, ad disclosed a contact number that was not a number to the dealership.

For prior issues of Dealer Talk click [HERE](#)

IMPORTANT NOTICE TO PROSPECTIVE DEALERS

The path to a Dealer-Operator license begins with a required two-day course of study each month at various community colleges in Virginia with the curriculum and instruction provided by VIADA.

The course takes the attendee from establishing the dealership under local zoning and Dealer Board requirements, through the sales process with its multitude of forms, laws and regulations, in to a sampling of opening and operating expenses, and ending with a discussion on ethics.

The course is open to all existing dealers and their employees.

The course offers 1.6 continuing education credits transferable to any college.

Date	College	Contact Information
2017		
Oct 10-11	Northern Virginia Community College, Reston	Claire Wynn 703-450-2551 www.nvcc.edu/workforce
Nov 07-08	Blue Ridge Community College, Weyers Cave	Registration 540-453-2215 www.brcc.edu
Nov 28-29	Germanna Community College, Fredericksburg	Registration 540-937-2913 www.germanna.edu/workforce
Dec 12-13	Lord Fairfax Community College, Middletown	Registration 540-868-7021 www.lfccworkforce.com

Reminders...

VA Law requires that Dealers must retain proof of a completed Safety Inspection on every vehicle sold at retail and prior to sale at retail. Proof could be a copy of state police automated record; or a repair order/receipt from the inspection station that includes the make; model and VIN of the vehicle and the date of inspection. Virginia Code Section 46.2-1539 states in part that “No . . . dealer . . . shall sell at retail any motor vehicle which is intended by the buyer for use on the public highways, . . . unless between the time the vehicle comes into the possession of the dealer and the time it is sold at retail it is inspected by an official safety inspection station. In the event the vehicle is found not to be in compliance with all safety inspection requirements, the dealer shall either take steps to bring it into compliance or shall furnish any buyer intending it for use on the public highway a written disclosure, prior to sale, that the vehicle did not pass a safety inspection....” A careful reading of the law reveals that before the customer signs a buyers order, (A contract to purchase a vehicle.) the vehicle must be safety inspected. To ensure compliance, the Board recommends that once you take possession of a motor vehicle and begin to actively market/display the vehicle, have it safety inspected, and maintain the record of inspection with the vehicle file for a period of five (5) years.

After 22 years with the MVDB, Tony Lundy Retires in his own words

I volunteered for the delayed enlistment program while a Senior in high school and upon graduation from John D. Bassett High School in 1968, I left for the U. S. Marine Corps recruit training, Parris Island, S. C. After training assignments were completed I spent the next four years with various assignments with the 2nd Reconnaissance Battalion, 2nd Marine Division, 1st Scout Sniper Platoon. I then started my career as a Police Officer with the Roanoke City Police and later with the Roanoke County Sheriff's office. I was called back to active duty for two more years with the Marine Corps. I came back home with the Henry County Sheriff's office. I volunteered for the H.I.T Team (High Intensity Target Team). While with the Henry County Sheriff's office I attended several schools including the FBI Surveillance and Covert Operations School,



Instructors School, Accident Reconstruction School, DUI Detection and Apprehension, Breathalyzer Operator School, Radar Operator and Instructor School and later received one of only ten scholarships awarded by MCI Electronics to attend the Traffic Institute in Chicago Illinois. In 1995 I was offered a position to come on board for the starting up of a new agency within the state. This was the beginning of the Motor Vehicle Dealer Board (Dealer Board). During this time I decided to continue my education. I have also been in

the ministry for 25 years. In 2006 I received my Graduate of Theology Degree. In 2007 my Bachelor of Theology degree. In 2015 my Master of Theology and after what seemed like forever, my Doctorate in Systematic and Pastoral Theology. After reaching my goal, I retired from the Dealer Board on September 1st, 2017 at the age of 67. I am now continuing my true passion in life as a full time Pastor of Axton Baptist Church, Axton, VA. So far it is taking a lot getting used to (but pretty nice also) having only one thing to do. I think I'll get the hang of it. I would like to take this time to thank all of the dealers and others that I had the opportunity to work with while serving District 2. Most of all, I would like to say to the men and women who I have served with throughout the years, that it has been a pleasure working with you.

What's Wrong With This Picture?



§ 46.2-1508.2 states in part that “the licensed dealer is not displaying for sale or selling a motor vehicle at a location other than his specific business location...”

Equifax Data Breach

Equifax is one of three nationwide credit-reporting agencies that track and rate the financial history of consumers. Equifax recently announced a major breach of the data it stores and news coverage of the breach has been widespread. Equifax has stated that information from as many as 143 million people in the United States was compromised. Given the number of people affected and the sensitive type of information exposed, dealers should understand the basics of the breach and what it means for their customers. In particular, dealership employees should recognize they are likely to: (a) get questions from customers about the breach, and (b) see a potential increase in "credit freezes" and fraud alerts on credit applicants' credit reports. As a result, dealership personnel should review the FTC guidance below and understand what they may encounter, what they should look for, and what steps they should take when facing a fraud alert or "frozen" credit report.

If dealership personnel do get questions, it is important to first explain that the reported breach occurred at Equifax, and does not involve the dealership, data stored at the dealership, or dealership processes. Dealership personnel can also point consumers to the FTC's consumer guidance "**The Equifax Data Breach: What to Do?**" That guidance: (a) provides a link to the Equifax website where consumers can determine if their information is at risk and how to sign up for the free credit monitoring service provided by Equifax, and (b) provides general information about steps consumers can take to protect their credit, including how to place a fraud alert, or a credit "freeze" on their account.

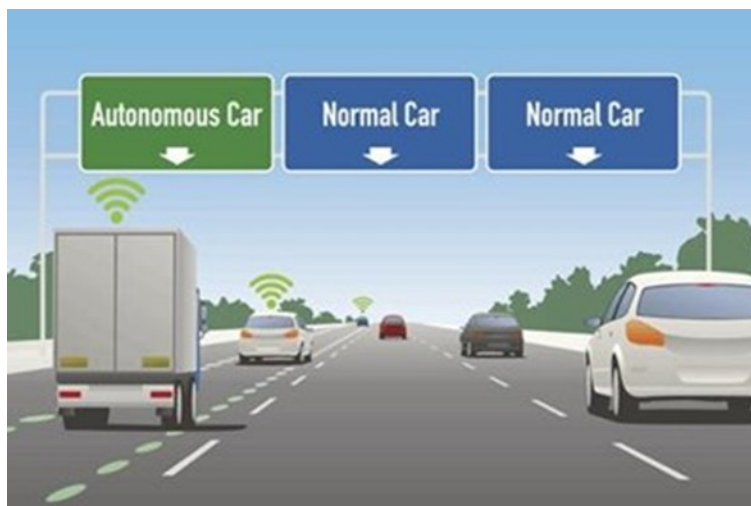
What if dealership personnel do see a fraud alert or encounter a "frozen" credit report? First, dealership personnel should review the FTC document entitled **Fraud alerts vs. credit freezes: FTC FAQs** that provides further information about fraud alerts and credit freezes. There, the FTC explains that if a customer's credit is "frozen" then that customer's credit report generally cannot be viewed until the customer takes steps to "unfreeze" their credit. They will be assigned a PIN they must use (and may forget), and it may include a fee that the customer must pay (both to place, and to tem-

porarily "lift" the freeze), and may also include a lead time that could affect a financing transaction. If there is a fraud alert on the credit report, then the dealership must take certain additional steps to verify the identity of the applicant before the credit process can be finalized. Generally, that involves calling a phone number that the consumer provided at the time they placed the fraud alert and speaking with the consumer.

Dealers and their employees should also be aware that there are already scammers trying to take further advantage of the Equifax breach by calling consumers and trying to obtain personal information through false pretenses. See the FTC warning [here](#) for more.

Lastly, this is a good reminder for dealers to revisit their Red Flags program to ensure that they are taking the required steps to detect and prevent scammers from opening a line of credit using someone else's information

Self Driving Car Bill



The United States House of Representatives has unanimously approved a key bill that aims to set the regulatory framework for self-driving vehicles. The SELF DRIVE Act, defines the role of state and federal authorities in ensuring the safety of highly automated vehicles as it relates to design, construction, and performance, by encouraging the testing and deployment of such vehicles. The U.S. Senate will have to pass a counterpart bill to the SELF DRIVE Act before it becomes law.

MOTOR VEHICLE DEALER BOARD

MVDB

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Visit us on the Web!

www.mvdb.virginia.gov

DISCLAIMER: We make every effort to ensure information in Dealer Talk is accurate, but it is not a substitute for legal advice.



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.

MVDB Field Changes

Nakelia Ross has joined the MVDB as a Field Representative, and is responsible for Danville, Floyd, Franklin (County), Halifax, Henry, Martinsville, Patrick, Pittsylvania, Rocky Mount and South Boston. Nakelia comes to MVDB from Halifax/Pittsylvania Court Services where she was a Local Probation Officer for fourteen years and a trainer for DCJS CORE for newly hired staff. She is a graduate of Longwood University with a Master's of Science in Criminal Justice. Nakelia brings to the MVDB many years of working with individuals of diverse backgrounds with emphasis on effective communication skills and compliance with court-ordered obligations. Nakelia may be reached at nakelia.ross@mvdb.virginia.gov, or 434-922-1010. Nakelia replaces Tony Lundy, who retired on September 1, 2017.

Eric Buchanan has joined the MVDB as a Field Representative and is responsible for Bristol, Buchanan, Dickenson, Lee, Norton, Russell, Scott, Smyth, Tazewell, Washington, and Wise. Eric attended Virginia Highlands Community College and was employed at Meade Tractor as a sales representative specializing in the sales of John Deere equipment for the last 15 months. Prior to that, he was employed with the Washington County Sheriff's Office for sixteen years. While there, he attained the rank of Master Deputy and was assigned to the patrol division, school resource, and criminal/civil warrants division just to name a few. Eric may be reached at eric.buchanan@mvdb.virginia.gov, or 276-495-5200. Eric replaces Chris Snead, who left the Board in May to go to the Cumberland Mountain Community Services Board.

Please join us in wishing the very best for Tony Lundy and Chris Snead, and giving a warm welcome to our newest Field Representatives Nakelia Ross, and Eric Buchanan!