

**UMV&PC News**  
**Consent Agreements**  
**By ADR Staff**

At the June 11, 2013, Used Motor Vehicle & Parts Commission (UMV&PC) meeting, four Consent Agreements were considered. Three were approved without change and one was deferred awaiting additional information (approved at the next meeting). Following is a summary of the facts regarding the Commission's investigations of each complaint, alleged violations, possible sanctions, and proposed agreement.

**1. Failure to license and misuse of temporary tags (approved)**

In the first consent agreement to be considered, the Respondent, a licensed used motor vehicle dealer, had acted as an automotive rebuilder without obtaining a rebuilder's license for a period of at least two years. During that time, the Respondent misused at least two temporary license plates. Sanctions could have included assessment of fines up to \$1,000 per occurrence as well as suspension or revocation of Respondent's used motor vehicle dealer's license. Respondent agreed to pay a \$1,200 fine consisting of \$1,000 for failure to license as a rebuilder, and an additional \$200 for misuse of temporary license plates.

**2. Engaging in dealer activities while only holding a salesperson license (approved).**

Respondent A, a licensed salesperson, and Respondent B, a licensed dealer, jointly conducted business as an informal partnership for a period of several months. During that time, Respondent A (salesperson) provided funds for the purchase of certain vehicles and shared in the profits from the sale of the vehicles. When confronted by Commission personnel with allegations of wrongdoing, Respondents cooperated fully with the investigation. Respondents stated that they had engaged in the informal partnership because of Respondent B's (dealer) lack of funds and not with the intent to evade the used motor vehicle dealer licensing laws. Respondent A (salesperson) has since applied for and received a dealer's license. Sanctions could have included assessment of fines up to \$1,000 per violation as well as suspension or revocation of Respondents' used motor vehicle dealer's license. Respondents agree to pay a \$1,000 fine for the misuse of Respondent B's dealer license and the misuse of Respondent A's salesperson license.

**3. Engaging in bird-dogging activities (approved).**

Commission personnel were informed by the filing of a complaint that Respondent had been paying "bird dog fees" to salespersons of other used motor vehicle dealers. In investigating said complaint, Commission personnel contacted Respondent concerning the allegations. At Commission personnel's request, Respondent provided records of "bird dog fees" paid for the last twelve months. The names of the persons receiving said fees were checked in Commission records and the records of the Motor Vehicle Commission to determine if the persons paid were licensed salespersons. From this record check, it was determined that forty of the people

receiving fees were licensed with other dealerships. The individual transactions for which the forty persons were paid “bird dog fees” total 328. When confronted by Commission personnel with the allegations of wrongdoing, Respondent cooperated fully, stating that the dealership was not aware that paying said fees was in violation of Commission rules and immediately instituted procedures and safeguards to cease said practice and prevent said practices from occurring in the future. Sanctions could have included assessment of fines up to \$1,000 per violation as well as suspension or revocation of Respondent’s used motor vehicle dealer’s license. Respondent agrees to pay a \$16,400 fine representing a penalty of \$50 per each of the 328 documented violations. Further, Respondent agrees that, in addition to the monetary sanctions, it will continue to monitor its sales practices to insure that violations of this nature do not reoccur.

**4. “By owner” false advertisement; non-licensed individual providing funds (June 6 action deferred; July 9 approved).**

According to the Consent Agreement, the Respondent has been licensed since August 2012 and has allegedly allowed an unlicensed individual to sell a used motor vehicle at his licensed location. The non-licensed individual provided funds and advertised vehicles for sale “by owner” even though the vehicles were offered at a licensed location. Action on the proposed consent agreement, assessing a fine of \$750, was deferred (at the June 11, 2013 meeting) by the Commissioners in order to allow Commission personnel an opportunity to present additional facts and details of the circumstances at a future meeting. At the July 9, 2013, meeting, Commissioners approved the Consent Agreement assessing a fine of \$750.