

UMV&PC News
Consent Agreements
By ADR Staff

At the October 8, 2013, Used Motor Vehicle & Parts Commission (UMV&PC) meeting, four used dealer Consent Agreements were considered. Three were approved without change; one was denied for insufficient fine. Following is a summary of the facts regarding the Commission's investigations of each complaint, alleged violations, possible sanctions, and proposed agreement.

1. Offering vehicles for sale at an unlicensed location after previous warning; employing unlicensed salesperson; rebuilding without license; advertising for sale "by owner" on Craigslist (approved).

The first consent agreement to be considered alleged that the Respondent, a licensed used motor vehicle dealer, had offered vehicles for sale at an unlicensed location after having been previously informed that to do so was in violation of the licensing statutes and Rules of the Commission; Respondent had employed an unlicensed salesperson at the unlicensed location; Respondent had been rebuilding salvage vehicles without obtaining a rebuilder's license; Respondent has advertised vehicles for sale "by owner" on Craigslist. Sanctions could have resulted in the assessment of fines of 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 the sum of \$4,000 for the violations, representing \$3,000 for offering vehicles for sale from an unlicensed location, \$250 for unlicensed salesperson, \$500 for rebuilding without a license, and \$250 for advertising as "by owner" on Craigslist. Payment will be made in four monthly installments. Respondent acknowledged that future violations of the statutes or Rule of the Commission may result in a hearing for the suspension or revocation of Respondent's license.

2. Allowing a wholesale used motor vehicle dealer to retail vehicles from Respondent's lot; employing an unlicensed salesperson (approved).

The second consent agreement to be considered alleged that the Respondent, a licensed used motor vehicle dealer, had allowed a wholesale used motor vehicle dealer to retail vehicles from Respondent's lot, and that the Respondent had employed an unlicensed salesperson at the licensed location. Sanctions could have resulted in the assessment of fines of up to \$1,000 per violation as well as suspension or revocation of the Respondent's used motor vehicle dealer's license. Respondent agrees to pay the sum of \$1,500, representing the sum of \$1,000 for allowing a wholesale dealer to retail vehicles from the Respondent's lot, and the sum of \$500 for employing an unlicensed salesperson. Respondent acknowledges that future violations of the statutes or Rule of the Commission may result in a hearing for the suspension or revocation of Respondent's license.

3. Offering vehicles for sale “by owner”; offering vehicles for sale on Sunday; offering vehicles for sale at an unlicensed location (approved).

The third consent agreement to be considered alleged that the Respondent, a licensed used motor vehicle dealer, or the Respondent’s representative had violated the statutes and Rule of the Commission in offering vehicles for sale “by owner”, by offering vehicles for sale on Sunday, and for offering vehicles for sale at an unlicensed location. According to the consent agreement, Respondent’s salesperson (A) in concert with another of Respondent’s salespersons (B) advertised vehicles on Craigslist as “For Sale By Owner”. The Commission’s staff member contacted Salesperson A about a vehicle offered for sale and was told that he was “a small dealer” and that the vehicle offered for sale could be seen on Sunday at his home. The Commission’s staff member went to Salesperson A’s home on Sunday and observed that the vehicle in question was in fact offered for sale at that location and that there were other vehicles offered for sale as there was another individual looking at another vehicle for sale at the same time. Salesperson A never told the Commission’s staff member that he was not the dealer, but only a salesperson. Upon review of Respondent’s file the following Monday morning, it was determined that Salesperson A was not the owner of the dealership. The operator of the business contacted the Commission and met with commission staff and stated that Salesperson A and Salesperson B had both been terminated that morning. Further discussion revealed that Salesperson A and Salesperson B were operating as a partnership under Respondent’s license, using Respondent as their financial provider. Sanctions could have resulted in the assessment of fines of up to \$1,000 per violation as well as suspension or revocation of the Respondent’s used motor vehicle dealer’s license. Respondent agrees to pay the sum of \$1,250, representing \$500 for offering vehicles for sale at an unlicensed location, a fine of \$500 for offering vehicles for sale on Sunday, and a fine of \$250 for advertising vehicles for sale “by owner”.

4. Employing an unlicensed salesperson after a previous admonition by Commission personnel (denied for insufficient fine; approved at the November meeting with increased fine.)

The fourth consent agreement to be considered alleged that the Respondent, a licensed used motor vehicle dealer, had continued to employ an unlicensed salesperson after a previous admonition by Commission personnel. Sanctions could have resulted in the assessment of fines of up to \$1,000 per violation as well as suspension or revocation of the Respondent’s used motor vehicle dealer’s license. The proposed consent agreement assessed a fine of \$800 for the said violation. The Commissioners denied approval of the consent agreement for insufficient fine in light of the previous admonition.