

**TENNESSEE MOTOR VEHICLE COMMISSION
 BOARD MEETING
 JULY 12, 2010 10:30 A.M.
 CONFERENCE ROOM 160
 DAVY CROCKETT TOWER, 500 JAMES ROBERTSON PKWY.
 NASHVILLE, TENNESSEE 37243**

ROLL CALL:

	<u>PRESENT</u>	<u>ABSENT</u>
BRENT SMITH	X	
EDDIE ROBERTS		X
REED TRICKET	X	
GEORGE BASS	X	
WILLIAM TARR		X
MELISSA BLANKENSHIP	X	
KEVIN CULLUM	X	
DONNIE HATCHER		X
NATE JACKSON	X	
CHAD JONES	X	
TRAVIS MCDONOUGH		X
STAN MCNABB	X	
FARRAR SCHAEFFER		X
BRENDA SPEER	X	
RONNIE FOX	X	

The Tennessee Motor Vehicle Commission Meeting was called to order by Chairman Brent Smith on July 12, 2010. Roll Call was taken with a total of (10) member's present.

A Motion was made by Commissioner Brenda Speer, and seconded by Commissioner Nate Jackson, to approve the minutes from the April meeting.

MOTION PASSED UNANIMOUSLY

REVIEW COMMITTEE

The Review Committee advised the Commission that the Committee had discussed the attached legal report with counsel and moved that the Commission adopt the attorney's recommendations.

33. Case No.: 2009012801

Complainant/ex-employee alleged that dealer was operating another business at its location. An investigation was conducted which found that the ex-employee was fired for forgery and embezzlement. During the investigation the dealer admitted that in the past he operated a bicycle shop at his location, which has since been closed.

Recommendation: Authorization of a civil penalty in the amount of Five Hundred Dollars (\$500.00) for failing to maintain a permanent established place of business.

Commission Action: Close with a Letter of Warning.

36. Case No.: 2009007161

Complainant/consumer alleges that Respondent/dealer misrepresented the actual mileage for a 1998 motorcycle purchased. An investigation was conducted. Complainant purchased a motorcycle that was listed as having 23,000 miles. Upon inquiry, Respondent was told the instrument gauge was broken, that the vehicle was being sold on consignment and the last known miles were 23,000. The bill of sale indicates 23,000 miles. The consignment contract between Respondent and the seller indicates “**gauges don’t work had 23,000 miles**” Upon purchase, the seller delivered title to the Respondent/dealer to transfer title to Complainant. The title from seller indicated seller purchased the motorcycle with 116,500 miles upon it in 2005 and that the “Mileage Exceeds Mechanical Limit”. Upon seeing this, the title clerk for Respondent decided to indicate the mileage on the motorcycle sold to Complainant was 230,000 miles. Respondent maintains he informed Complainant the instrument gauge was broken. Respondent did not indicate that he ever asked seller for a copy of the title which would have indicated that the vehicle was previously titled with 116,500 miles in 2005.

Recommendation: Authorization for a civil penalty in the amount of Five Hundred Dollars (\$500.00) for negligent misrepresentation of the mileage of the motorcycle to be settled by Consent Order or Formal Hearing.

Commission Action: Authorization for a civil penalty in the amount of Two Thousand Dollars (\$2,000.00) for negligent misrepresentation of the mileage of the motorcycle to be settled by Consent Order or Formal Hearing.

60. Case No.: 2009009311

At its April 2010 meeting, this case was presented to the Commission stating the following:

Complainant, a former employee of Respondent/dealer alleged that the owner was committing fraud by reporting false addresses for vehicle registration for customers who could not pass emissions in the counties where they lived. An investigation was conducted where Respondent provided an affidavit stating he had done this when customers requested, however he stated he did not know it was illegal. This office has evidence where Respondent on three occasions provided false addresses on registration and vehicle titles for customers

using an address that was owned by Respondent in a county that did not require emission passage.

Upon recommendation of counsel, the Commission at the April 2010 meeting authorized the revocation of its motor vehicle dealer license.

Respondent has requested that in lieu of revocation of its motor vehicle dealer license, it be allowed to pay a civil penalty and continue to operate its business. Through its counsel, Respondent states that the registering of vehicles in a different county was done so in order to allow it to be a secured lien holder in case a customer filed bankruptcy and that his impression was that the lien needed to be recorded in thirty (30) days to do so and that it was not done intentionally to avoid emissions standards. Respondent submits the Commission to consider a proposal of a civil penalty in the amount of Seven Thousand Five Hundred Dollars (\$7,500.00) and if not acceptable by the Commission, requests the Commission's proposal

Recommendation: Legal Review Committee to discuss acceptance of the proposal or an appropriate civil penalty, if any, that would be acceptable to the Commission.

Commission Action: Approve Respondent's proposal. Agreed Order by Commission for Respondent to pay a civil penalty in the amount of Seven Thousand Five Hundred Dollars (\$7,500.00).

APPEALS

The following appeals were heard by Commission.

Billy Marks-The Car Place, Gallatin, TN
Staff denied application

NO SHOW
Denial upheld.

James Grooms-KCJ Auto Sales #2, Morristown, TN
Staff denied application

Reschedule for October meeting.

Evan B. Lemons-Alexander Ford Mercury, Franklin, TN
Staff denied application

Motion was made by Commissioner Stan McNabb, and seconded by Commissioner Nate Jackson to grant the license.

VOICE VOTE

Brent Smith	Yes
George Bass	No
Melissa Blankenship	Abstain
Kevin Cullum	Yes
Ronnie Fox	Yes
Nate Jackson	Yes
Chad Jones	No
Brenda Speer	Yes
Reed Trickett	Yes
Stan McNabb	Yes

Seven (7) yes's, and two (2) no's, one (1) abstaining. Vote passes to grant the license.

Charles S. Woods-Car Concepts, Madison, TN
Staff denied application

NO SHOW
Denial upheld.

Bryan T. Brown-31 W. Auto Brokers, Inc., Goodlettsville, TN
Staff denied application

Motion was made by Commissioner Chad Jones, and seconded by Commissioner Melissa Blankenship to grant the license.

MOTION PASSED UNANIMOUSLY

Kawasky D. Taylor-Victory Honda of Jackson, Jackson, TN
Staff denied application

Motion was made by Commissioner Nate Jackson, and seconded by Commissioner Brenda Speers to grant the license.

MOTION PASSED UNANIMOUSLY

DIRECTORS REPORT

Since the last Commission meeting in July 12, 2010 the following actions have been taken:

Dealers Opened, or Relocated138

Active Licensees as of July 1, 2010

Dealers.....	4110
Applications in Process.....	65
Distributions/Manufacturers	210
Auctions.....	32
Representatives.....	539
Salespeople.....	12367
Dismantlers.....	346
RV Dealers.....	21
RV Manufacturers.....	51

Motor Vehicle Show Permits Issued Since April 15, 2010, ...	6
Revenue Received	\$ 600.00

Commission approved a Formal Hearing for October 12, 2010.

Old Business

None

New Business

A discussion was held on the need to set a date for the Rules Committee to meet.

Legal Report

Commission Chairman Brent Smith sat in the Review Committee for Eddie Roberts. Commissioner Smith went over the recommendations that the Review Committee made.

Motion was made by Commissioner Nate Jackson, and seconded by Commissioner Stan McNabb to approve these recommendations.

Motion passed unanimous.

Meeting Adjourned.

Brent Smith, Chairman

Leon Stribling, Executive Director