

MINUTES

January 14, 2019



**TENNESSEE DEPARTMENT OF COMMERCE AND INSURANCE
DIVISION OF REGULATORY BOARDS
MOTOR VEHICLE COMMISSION
500 JAMES ROBERTSON PARKWAY, 2ND FLOOR
NASHVILLE, TENNESSEE 37243-1153
FAX (615) 741-0651 (615) 741-2711**

**TENNESSEE
MOTOR VEHICLE COMMISSION MINUTES**

DATE: January 14, 2019

PLACE: Davy Crockett Tower – Conference Room 1-A
500 James Robertson Parkway
Nashville, Tennessee

PRESENT: Commission Members:

Eddie Roberts
Charles West
John Chobanian
Christopher Lee
Jim Galvin
Ronnie Fox
Nate Jackson
Stan Norton
Steve Tomaso
Farrar Vaughan
Victor Evans
John Barker, Jr.
Karl Kramer

ABSENT: Debbie Melton
John Murrey
Ian Leavy
Kahren White

CALL TO ORDER: Chairman Eddie Roberts called the meeting to order at 9:30 am

Paula J. Shaw, Executive Director, called the roll. A quorum was established.

MEETING NOTICE: Notice advising the Commission of the time, date and location of the meeting being posted on the Tennessee Motor Vehicle Commission website and that it has been included as part of the year's meeting calendar since October 15, 2018, was read into the record by Executive Director, Paula J. Shaw. The notice also advised that the Agenda has been posted on the Tennessee Motor Vehicle Commission website since January 9, 2019. The meeting has also been noticed on the TN.GOV website.

AGENDA: Chairman Roberts requested the Commission look over the agenda. Commissioner Jackson made a motion to adopt the Agenda, Seconded by Commissioner Barker. Chairman Roberts called for a voice vote.

MOTION CARRIED.

QUARTERLY MEETING MINUTES: Chairman Roberts requested the Commission look over the minutes from the previous meeting. Commissioner Vaughan made a motion to approve the minutes with the attendance changes, seconded by Commissioner Galvin. Chairman Roberts called for a voice vote.

MOTION CARRIED.

APPEALS:

Clinton Waller
Ford-Lincoln of Cookeville, Cookeville, TN

Chairman Roberts requested appeals of salespersons applications which were previously denied by the staff to be heard by the Commission for their review and consideration. After some discussion, Commissioner Barker moved to grant the license, seconded by Commissioner Fox.

ROLL CALL VOTE

Charles West	YES
John Chobanian	YES
Chris Lee	YES
John Barker, Jr.	YES
Ronnie Fox	YES
Jim Galvin	YES
Stan Norton	YES
Farrar Vaughan	YES
Nate Jackson	YES
Karl Kramer	YES
Victor Evans	YES
Steve Tomaso	YES
Eddie Roberts	YES

Motion carried, therefore, the license is granted.

Kristi Walker
American Car Center, Knxoville, TN

Chairman Roberts requested appeals of salespersons applications which were previously denied by the staff to be heard by the Commission for their review and consideration. After some discussion, Commissioner Fox moved to grant the license, seconded by Commissioner Vaughan.

ROLL CALL VOTE

Charles West	YES
John Chobanian	NO
Chris Lee	NO
John Barker, Jr.	YES
Ronnie Fox	YES
Jim Galvin	NO
Stan Norton	YES
Farrar Vaughan	YES
Nate Jackson	YES
Karl Kramer	YES
Victor Evans	YES
Steve Tomaso	YES
Eddie Roberts	NO

Motion carried, therefore, the license is granted.

Mark Sawyer
Tarr Chevrolet, Jefferson City, TN

Chairman Roberts requested appeals of salespersons applications which were previously denied by the staff to be heard by the Commission for their review and consideration. After some discussion, Commissioner Vaughan moved to grant the license, seconded by Commissioner Chobanian.

ROLL CALL VOTE

Charles West	YES
John Chobanian	YES
Chris Lee	YES

John Barker, Jr.	YES
Ronnie Fox	YES
Jim Galvin	YES
Stan Norton	YES
Farrar Vaughan	YES
Nate Jackson	YES
Karl Kramer	YES
Victor Evans	YES
Steve Tomaso	YES
Eddie Roberts	YES

Motion carried, therefore, the license is granted.

Shondarrius Cook
American Car Center, Memphis, TN

Chairman Roberts requested appeals of salespersons applications which were previously denied by the staff to be heard by the Commission for their review and consideration. After some discussion, Commissioner Jackson moved to grant the license, seconded by Commissioner Vaughan.

ROLL CALL VOTE

Charles West	YES
John Chobanian	YES
Chris Lee	YES
John Barker, Jr.	YES
Ronnie Fox	YES
Jim Galvin	YES
Stan Norton	YES
Farrar Vaughan	YES
Nate Jackson	YES
Karl Kramer	YES
Victor Evans	YES
Steve Tomaso	YES
Eddie Roberts	YES

Motion carried, therefore, the license is granted.

Steven Miller
American Car Center, Memphis, TN

Chairman Roberts requested appeals of salespersons applications which were previously

denied by the staff to be heard by the Commission for their review and consideration. After some discussion, Commissioner Jackson moved to grant the license, seconded by Commissioner Galvin.

ROLL CALL VOTE

Charles West	YES
John Chobanian	YES
Chris Lee	YES
John Barker, Jr.	YES
Ronnie Fox	YES
Jim Galvin	YES
Stan Norton	YES
Farrar Vaughan	YES
Nate Jackson	YES
Karl Kramer	YES
Victor Evans	YES
Steve Tomaso	YES
Eddie Roberts	YES

Motion carried, therefore, the license is granted.

William Freeman
Bob Frensley Chrysler-Jeep-Dodge-Ram, Madison, TN

Chairman Roberts requested appeals of salespersons applications which were previously denied by the staff to be heard by the Commission for their review and consideration. After some discussion, Commissioner Barker moved to grant the license, seconded by Commissioner Vaughan.

ROLL CALL VOTE

Charles West	YES
John Chobanian	YES
Chris Lee	YES
John Barker, Jr.	YES
Ronnie Fox	YES
Jim Galvin	YES
Stan Norton	YES
Farrar Vaughan	YES
Nate Jackson	YES
Karl Kramer	YES
Victor Evans	YES
Steve Tomaso	YES

Eddie Roberts YES

Motion carried, therefore, the license is granted.

David Jarnigan
Cars Well, LLC, Sevierville, TN

Chairman Roberts requested appeals of salespersons applications which were previously denied by the staff to be heard by the Commission for their review and consideration. After some discussion, Commissioner Vaughan moved to grant the license, seconded by Commissioner Chobanian.

ROLL CALL VOTE

Charles West YES
John Chobanian YES
Chris Lee YES
John Barker, Jr. YES
Ronnie Fox YES
Jim Galvin YES
Stan Norton YES
Farrar Vaughan YES
Nate Jackson YES
Karl Kramer YES
Victor Evans YES
Steve Tomaso YES
Eddie Roberts YES

Motion carried, therefore, the license is granted.

Kenemer Automotive, LLC, Chattanooga, TN

Chairman Roberts requested appeals of dealer applications which were previously denied by the staff to be heard by the Commission for their review and consideration. After some discussion, Commissioner Lee moved to grant the license, seconded by Commissioner Norton.

ROLL CALL VOTE

Charles West YES
John Chobanian YES
Chris Lee YES
John Barker, Jr. YES
Ronnie Fox YES

Jim Galvin	YES
Stan Norton	YES
Farrar Vaughan	YES
Nate Jackson	YES
Karl Kramer	YES
Victor Evans	YES
Steve Tomaso	YES
Eddie Roberts	YES

Motion carried, therefore, the license is granted.

END OF APPEALS



Executive Director’s Report

January 14, 2019

Since the last Commission meeting in October 2018 the following activity has occurred:

Dealers Opened, or Relocated (Last Quarter)..... 70

<u>Active Licensees as of January 9, 2018</u>	<u>Previous Meeting</u>	
Dealers.....	3768	3791
Applications in Process.....	29	21
Distributors/Manufacturers.....	138	138
Auctions.....	29	30
Representatives.....	642	625
Salespeople.....	16707	17030
Dismantlers.....	256	266
RV Dealers.....	41	38
RV Manufacturers.....	74	73
Motor Vehicle Show Permits.....	9	7

Complaint Report- Opened Complaints from October – December 2018

Number of Complaints Opened.....153

Number of Complaints Closed.....187

Annual Sales Reports-(Due Feb 15):

Vehicles Reported Sold in 2017..... 1,387,890

Recreational Vehicles Reported Sold in 2017.....8,385

Total Online Annual Sales Report Collected.....3,365

Late Annual Sales Report Collected996 = \$99,600

Performance Metrics Taken from October 2018 (last received report) CFG Report

Average Number of Days to License.....3.28 Days

CFG Goal.....96%

Compliance.....94.82% as of October 2018 *(Beginning July 1, 2017, Motor Vehicle Commission Complaints were transferred to the Centralized Complaints Unit at 97.97%)*

MVC Customer Satisfaction Rating October 1, 2018 – January 9, 2019

Quarterly Satisfaction Rating.....94%

Disciplinary Action Report – June - August 2018

Total to be collected.....\$42,550.50

Online Adoption Across All Professions

79.01% online adoption for New “1010” Applications across all Professions available as of January 3, 2019.

Fiscal Information

As of November 2018, the MVC has a \$ 115,373.00 deficit
In August 2018, the MVC had a \$ 51,566.00 deficit (Previous Meeting)

Outreach

AAMVA Internet Vehicle Sales Standing Committee Meeting March 19, 2019
Law Institute Conference and Workshop
AAMVA Vehicle Standing Committee Breakout Meeting
Operation Incognito – Distracted Driver and Work Zone Safety Campaign in partnership with
Tennessee Department of Safety and Homeland Security

Chairman Roberts called for a motion to approve the Director’s Report. Commissioner Jackson made a motion to approve the Director’s Report, and was seconded by Commissioner Vaughan.

VOICE VOTE – UNANIMOUS

The motion carried to approve the Director’s Report.



STATE OF TENNESSEE DEPARTMENT OF
COMMERCE AND INSURANCE
OFFICE OF LEGAL COUNSEL
500 JAMES ROBERTSON PARKWAY

MEMORANDUM

Privileged and Confidential Communication – Attorney Work Product

TO: Tennessee Motor Vehicle Commission

FROM: Sara R. Page, Assistant General Counsel

DATE: January 14, 2019

SUBJECT: MVC Legal Report

1. 2018050631
First Licensed: 04/12/2004 Expiration:
03/31/2020
License Type: Motor Vehicle Dealer History
(5 yrs.): None.

Complainant filed a complaint after Respondent repossessed the vehicle. Complainant admitted to not making all payments timely, and a signed copy of the grounds for repossession was produced showing Complainant agreed to the terms.

Recommendation: Close.

Commission Decision: **CONCUR.**

2. 2018061651
First Licensed: 06/10/2004 Expiration:
06/30/2020
License Type: Motor Vehicle Dealer

History (5 yrs.): 2013 -- \$1,000 Consent Order for failure to disclose rebuilt status of a truck after being asked by the consumer.

Complainant filed a complaint alleging Respondent misrepresented the condition of a water truck. In an email to Respondent's salesperson, Complainant asked that Respondent confirm the tank is in working order. Respondent's salesperson responded to state that it was working. When the water truck was delivered to Complainant, the truck's tank would not hold water, and the fill tube clearly has a hole rusted through it, preventing one from filling the tank. Complainant did sign a specific disclaimer of warranties that states that the purchase was as-is, with all faults, and that no representations have been made. While the signed form does indicate that the Complainant was assuming a risk, the salesperson did make a representation via email that Complainant relied on. While this signed form affects contract claims between the parties, it does not change the consumer protection analysis.

Recommendation: Authorize a civil penalty in the amount of \$500 for misrepresenting the condition of the vehicle.

Commission Decision: CONCUR.

3. 2018066471

First Licensed: 06/05/2014

Expiration: 04/30/2020 (CLOSED 06/08/2018) License Type:

Motor Vehicle Dealer

History (5 yrs.):

Complainant purchased a vehicle from Respondent in January, but never received title. Respondent dealership closed and the property was purchased by another dealer. The new dealer attempted to help Complainant, but the new dealer discovered the vehicle was reported stolen. The new dealer provided Complainant a list of contact information for the former employees of the dealership. The Department has provided the surety bond information to Complainant for the former dealership as well. Complainant is best served by contacting local police and pursuing action through the bond and civil courts.

Recommendation: Close.

Commission Decision: CONCUR.

4. 2018050471 ("Complaint 1")

2018065721 ("Complaint 2") First

Licensed: 08/11/2016 Expiration:

07/31/2020

License Type: Motor Vehicle Dealer History (5 yrs.): None.

Complaint 1:

Complainant is a former employee. Complainant alleged Respondent knowingly sold a vehicle without airbags, and they modified the sensor to not detect the airbag's absence. Respondent denies the allegations, stating Complainant is an upset former employee fired for overcharging Respondent for auto parts.

While attempting to investigate this matter, legal was informed that Respondent has initiated litigation for defamation against Complainant for these and other allegations.

Complaint 2:

Complainant purchased a vehicle from Respondent, but never received title. Respondent stated that Complainant is a friend of one of the business owners and he was temporarily in the country as an exchange student. To help him out while he was here, they sold him a salvaged vehicle, and offered to help him through the rebuild process. The process took longer than expected, and due to an office move, a form request from Revenue was missed. Respondent did not produce a salvage/rebuilt disclosure form. Complainant is now back in Turkey due to his exchange program coming to an end. Respondent stated that this was a personal project car they sold to Complainant as a favor, and they never deal in rebuilt/salvage otherwise.

Recommendation: As to Complaint 1, place this matter into litigation monitoring. As to Complaint 2, close upon issuance of a letter of warning regarding need to utilize rebuilt/salvage disclosure forms.

Commission Decision: As to Complaint 1, concur. As to Complaint 2, authorize a civil penalty in the amount of \$500 for failing to use proper rebuilt disclosure form.

5. 2018047721

First Licensed: N/A

Expiration: N/A **License Type:**

N/A History (5 yrs.): None.

A complaint was filed after Complainant saw Respondent advertise on Facebook intent to buy junk cars, and advertising parts for sale. An investigation was conducted. Respondent is not licensed. At the Respondent's business location, no signs of dismantling were observed. Respondent stated he works in towing, and had considered starting to sell parts from junk cars, but has not done so yet. The advertisement was his first attempt to go into that business. Respondent was unaware of the requirements for a license, but obtained the information needed from the inspector to apply if he wishes to do so in the future. The parts listed for sale online were collected parts and not parts Respondent obtained from dismantling vehicles.

Recommendation: Close upon issuance of a letter of caution.

Commission Decision: **CONCUR.**

6. 2018064641 (“Complaint 1”)
2018070131 (“Complaint 2”) First
Licensed: 05/23/2017 Expiration:
05/31/2019
License Type: Motor Vehicle Dealer History (5
yrs): None.

Complaint 1:

Respondent Dealer was subject of a notice of violation. Respondent allowed its business license to lapse.

Complaint 2:

Complainant purchased a vehicle from Respondent, and Complainant ultimately lost the title. Respondent has offered to assist Complainant with obtaining the title, but when Respondent explained the cost in doing so, Complainant refused and became frustrated. Ultimately, Respondent timely delivered a signed title, and Respondent is not responsible for obtaining a duplicate for Complainant, who admitted to losing the title.

Recommendation: As to Complaint 1, authorize a civil penalty in the amount of \$250 against the dealership. As to Complaint 2, close.

Commission Decision: **CONCUR.**

7. 2018066251
First Licensed: 02/06/2008 Expiration:
12/31/2019
License Type: Motor Vehicle Dealer History (5
yrs): None.

A lienholder filed a complaint against Respondent after title was delivered approximately half-a-month late. Respondent responded and stated they had to order a duplicate, and the lienholder has title now.

Recommendation: Close upon issuance of a letter of warning regarding timely delivery of title.

Commission Decision: **CONCUR.**

8. 2018059811

**First Licensed: 06/18/2015 Expiration:
06/30/2019**

License Type: Dismantler/Recycler

History (5 yrs): 2016 – Letter of Warning for an Unlicensed Sale; 2017 -- \$250 for failing to maintain county business license.

A notice of violation was issued against Respondent for displaying an expired business license. In response, Respondent submitted proof in the form of bank documents and emails that they had timely paid their taxes, but a bank and mail error on the part of Revenue delayed the issuance and mailing of the new certificate. Respondent now has the new license displayed.

Recommendation: Close.

Commission Decision: CONCUR.

9. 2018068441

**First Licensed: 04/06/2017 Expiration:
03/31/2019**

**License Type: Motor Vehicle Dealer History (5
yrs): None.**

Respondent received a Notice of Violation for failing to display an unexpired business license. Respondent contacted legal and showed proof it had paid the required taxes in a timely manner, but the license just needed to be hung.

Recommendation: Close upon issuance of a letter of instruction regarding display of active business licenses.

Commission Decision: CONCUR.

10. 2018070881

First Licensed: 02/05/2014

Expiration: 01/31/2018 (CLOSED 07/05/2018) License Type:

Motor Vehicle Dealer

History (5 yrs): None.

Complainant did not receive a title prior to the dealership closing and going out of business. Complainant was provided with the surety bond. This does not appear to be a case where there will be many consumers still missing titles.

Recommendation: Close.

Commission Decision: CONCUR.

11. 2018068931

**First Licensed: 08/12/2004 Expiration:
07/31/2020**

**License Type: Motor Vehicle Dealer History (5
yrs): None.**

Complainant alleged mechanical issues with the vehicle. Respondent responded to state that they told Complainant they would look at the car if she got it towed to them, which she has not done so. Complainant is also behind on payments.

Recommendation: Close.

Commission Decision: CONCUR.

12. 2018069051

**First Licensed: 05/11/2018 Expiration:
05/31/2020**

**License Type: Motor Vehicle Dismantler/Recycler
History (5 yrs): 2018 – \$250 Agreed Citation for expired business license.**

Complainant purchased a transmission, but discovered it was the wrong one, but Complainant lost the receipt. Respondent stated that they offered to exchange the transmission, but Complainant has continued to call every thirty minutes getting angrier and speaking aggressively to staff. Respondent said it had to source the transmission, and at this point, they will refund the Complainant even without the receipt to end the ongoing issues.

Recommendation: Close.

Commission Decision: CONCUR.

13. 2018069151

**First Licensed: 09/01/1991 Expiration:
10/31/2018**

**License Type: Motor Vehicle Dealer History (5
yrs): None.**

Complainant's vehicle would not start immediately after purchase. Complainant struggled to get Respondent to communicate back with him. Respondent has since fixed the mechanical issue at its own expense.

Recommendation: Close.

Commission Decision: CONCUR.

14. 2018069381

**First Licensed: 09/01/1991 Expiration:
10/31/2018**

**License Type: Motor Vehicle Dealer History (5
yrs): None.**

Complainant alleges Respondent has not produced tags after Respondent insisted on registering the vehicle in Alabama rather than Tennessee even though she informed Respondent she was moving to Tennessee. Complainant admitted her address in Tennessee was temporary since she is still in the process of moving. Respondent stated that Complainant's ID and permanent address was still in Alabama and they explained why they processed the paperwork that way. They stated that they have offered to help Complainant register the vehicle in Tennessee but she has not taken them up on their offer. Respondent showed where the lien was recorded in Alabama and the paperwork was processed.

Recommendation: Close.

Commission Decision: CONCUR.

15. 2018069941

**First Licensed: 06/19/2015 Expiration:
06/30/2019**

**License Type: Motor Vehicle Dealer History (5
yrs): None.**

Complainant alleged Respondent had not provided title in time. However, title was provided to the lienholder in forty-five days. Complainant expressed frustration in miscommunications about what paperwork was needed in his State of Michigan, and mistakes made by Respondent. Ultimately, which the process did take time, nothing rose to the level of a violation of the Commission's laws and/or rules.

Recommendation: Close.

Commission Decision: CONCUR.

16. 2018070791

**First Licensed: 12/13/2013 Expiration:
12/31/2019**

**License Type: Motor Vehicle Dealer History (5
yrs): None.**

Complainant alleged Respondent improperly repossessed his vehicle, and claims he did not know the vehicle was rebuilt. Respondent responded to show where Complainant was informed of the status, albeit on the wrong form, and the vehicle appears to have been properly repossessed after Complainant failed to maintain insurance.

Recommendation: Authorize a civil penalty in the amount of \$500 for failing to use proper rebuilt disclosure form.

Commission Decision: **CONCUR.**

17. 2018071351

First Licensed: 08/13/2014 Expiration:
07/31/2020

License Type: Motor Vehicle Dealer History (5 yrs): None.

Respondent received a notice of violation for operating on an expired dealer license, having three vehicles without buyer's guides displayed, and possessing two expired business licenses. Respondent renewed its dealer license following the inspection. The license was still in expired grace status at the time of the inspection.

Recommendation: Authorize a civil penalty in the amount of \$500 for expired city and county business licenses, and include warnings regarding timely renewal of the dealer license and buyer's guides.

Commission Decision: **CONCUR.**

18. 2018066711

First Licensed: 04/30/2008 Expiration:
03/31/2020

License Type: Recreational Vehicle Dealer History (5 yrs): Numerous closed without action due to lack of jurisdiction over boat sales.

Complainant traded in a motorhome for a new motorhome with Respondent. Respondent failed to pay off the trade-in within thirty days. Respondent responded to explain that the payoff was delayed since the motorhome was from their Florida inventory, and that office was closed temporarily in light of Hurricane Florence. Respondent paid off the trade-in and reimbursed Respondent for the payment he had to make in the meantime. Complainant also expressed frustration in a delay in receiving title/tags, but Respondent completed that process within the sixty-day window.

Recommendation: Close. While Respondent was delayed in paying off the trade-in, the weather circumstances caused a reasonable issue in the Respondent's ability to meet the legal requirement and Respondent has made Complainant whole.

Commission Decision: **CONCUR.**

19. 2018061191

**First Licensed: 12/05/2017 Expiration:
12/31/2019**

**License Type: Motor Vehicle Dealer History (5
yrs): None.**

Complainant experienced transmission issues after purchasing the vehicle. The vehicle was purchased as-is. Respondent offered a third-party powertrain warranty for sale. Complainant purchased the warranty, but not until after the transmission failed. Complainant opted not to purchase the warranty at the point of sale despite allegedly having concerns that the vehicle may experience mechanical issues. The paperwork reflected that Complainant had the option to have the vehicle looked at by a mechanic prior to purchase. Complainant also alleged the vehicle should have a rebuilt title since an accident appeared in a vehicle history the Complainant ran after the sale. There is no evidence that the vehicle has a rebuilt history, and the title was not branded.

Recommendation: Close.

Commission Decision: CONCUR.

20. 2018067911

**First Licensed: 03/14/2014 Expiration:
01/31/2020**

License Type: Motor Vehicle Dealer

History (5 yrs): 2015 – \$1,000 Consent Order for false, fraudulent, and deceptive acts related to issuing a consumer a bill of sale with a listed price of \$0, then asking for money from the consumer.

Staff received returned mail from Respondent's location, and noticed a high number of salespersons licensed at the location in light of the dealership's size. An investigation was conducted to determine whether the dealership was closed, and what the nature of the business model was at the location. The investigation revealed that Respondent was open for business, but the owner underwent surgery during the investigation. The owner indicated the dealership would be closed for approximately six weeks while he recovered, and may close altogether. Respondent explained that many of the salespersons associated with the dealer were not part of the business any longer, and that he did not know he needed to notify MVC. He listed for the inspectors which salespersons were inactive and which were still employed. Respondent stated that the salespersons at his location act as independent salespersons in that they go to auction and acquire inventory. The inventory is kept at the dealership location, and the titles are kept at the dealership. The paperwork is processed through the dealership. The salespersons bring their own clients and sell their own inventory at the location. Due to the dealership closing, the investigator was not able to confirm sales documents were all on site and to look into how the vehicle are purchased at auction, as far as who pays for them.

Recommendation: Close & flag until dealership reopens in order for further investigation into whether paperwork is actually on site and to review funding for inventory purchases.

Commission Decision: CONCUR.

21. 2018064991

**First Licensed: 12/16/2003 Expiration:
05/31/2019**

License Type: Motor Vehicle Dealer

History (5 yrs): 2018 – Three open complaints related to late delivery of title and issuing more temporary tags than allowed by law.

Respondent had four complaints total for late delivery of title. Respondent retained legal counsel and was able to get titles for the consumers after allegedly losing the stack. Under those complaints, Respondent is being assessed a civil penalty for issuing more tags than allowed by law to one of the consumers. This is a fourth complaint that did not make it on to the report to go with the other three.

Recommendation: Close this complaint with a letter of warning regarding late delivery of title, with the understanding Respondent is paying a civil penalty under the related complaints approved at the October 2018 meeting.

Commission Decision: CONCUR.

22. 2018067161

**First Licensed: 05/26/2011 Expiration:
05/31/2019**

License Type: Motor Vehicle Dealer

History (5 yrs): 2016 – \$750 Consent Order for issuing more tags than allowed by law.

Complainant purchased a vehicle from Respondent as-is with no warranty. Later, he added a powertrain warranty. The vehicle experienced mechanical issues outside of what was covered in the warranty. After some back and forth, Respondent has traded Complainant into a new vehicle.

Recommendation: Close.

Commission Decision: CONCUR.

23. 2018070291

**First Licensed: 09/30/2009 Expiration:
08/31/2019**

**License Type: Motor Vehicle Dealer History (5
yrs): None.**

Complainant is the father of a purchaser. The son purchased a jeep from Respondent a year ago. The title was mailed to the son's father due to the son not having a permanent address.

The father admits to losing the title. Respondent dealership has been closed and is out of business. Legal directed staff to provide the bond information to the father and to inform him he needs to attempt to get a duplicate or a court order.

Recommendation: Close.

Commission Decision: CONCUR.

24. 2018071411

**First Licensed:11/05/2010 Expiration:
10/31/2020**

**License Type: Motor Vehicle Dealer History (5
yrs): None.**

Complainant received a non-moving violation ticket in the mail tied to a vehicle and tag number she had traded to Respondent two months prior. Respondent responded to say it would do what it could to correct the issue. The vehicle had the tag still attached and was parked in a no parking zone by a consumer on a test drive. Respondent states it did not realize the tag was still on the vehicle evidenced by the fact that they had handed the test driving consumer a dealer tag to use for the test drive. Respondent states its usual practice is to return the tag to the consumer if they were not transferring it, or complete the transfer for the consumer at the time of purchase. The General Manager ensured he reached out to all staff after this complaint and retrained them on that process.

Recommendation: Close upon issuance of a letter of warning.

Commission Decision: CONCUR.

25. 2018067271

**First Licensed: 01/28/1998 Expiration:
11/30/2020**

License Type: Motor Vehicle Dealer

History (5 yrs): 2014 -- \$5,000 Consent Order for failing to timely provide proof of active surety bond.

Complainant alleges Respondent sold her a vehicle with numerous mechanical concerns. It appears a number of the complaints are related to repairs made by a third party repair shop after Complainant wrecked the vehicle. The vehicle was leased, and Complainant was unhappy with the amount charged for excessive wear at the end of the lease term. Ultimately, no evidence of a violation was discovered. The amount charged for the excessive wear was confirmed by a third-part reviewer. The mechanical issues were addressed numerous times by Respondent, and there is no proof of whether Respondent knew of some of the issues at the time of sale.

Recommendation: Close.

Commission Decision: CONCUR.

26. 2018067531

First Licensed: 01/24/2005 Expiration:

11/30/2018

License Type: Motor Vehicle Dealer

History (5 yrs): 2016 -- \$1,000 Consent Order for False, Fraudulent, and/or Deceptive Acts related to modification of income on a finance form.

Complainant visited Respondent lot and test drove a Chevrolet Tahoe LT. The price on the hang tag was \$47,286.00. Complainant left the lot and returned a few days later to purchase the vehicle. Respondent explained that the hang tag price was an error due to an employee misreading the stock number when preparing the hang tag. The price on the hang tag was actually for a Chevrolet Tahoe LS. The actual price of the vehicle Complainant wanted was \$60,037.47. Respondent submitted proof that the stock numbers between the two vehicles varied by only one number and that they have counseled employees on the need to double check prices.

Recommendation: Close upon issuance of a letter of warning.

Commission Decision: **CONCUR.**

27. 2018070241 (Complaint 1)

2018069071 (Complaint 2) First

Licensed: 01/30/2007 Expiration:

12/31/2019

License Type: Motor Vehicle Dealer History (5 yrs): None.

Complaint 1:

Complainant purchased a vehicle online from Respondent. When it arrived, it was readily apparent the vehicle suffered from suspension issues. While not willing at first due to possible belief the transport company may be to blame, Respondent has since paid for the necessary repairs, and this matter is resolved.

Complaint 2:

Complainant called a dealership on the evening of September 26 to see a vehicle. The appointment setter confirmed the vehicle was in stock and set the appointment for the next day. When Complainant arrived, he was informed that the vehicle had been sold at auction on September 26. Respondent responded to confirm that the vehicle was sold at auction that day, and that their stock is updated within twenty-four hours. Because of the close-in-time nature of the sale, Respondent had not updated the sale yet, and the appointment setter did not know the vehicle sold. There did not seem to be any intent to deceive the consumer.

Recommendation: As to Complaint 1 and 2, close.

Commission Decision: CONCUR.

28. 2018071041

**First Licensed: 10/14/2008 Expiration:
09/30/2020**

**License Type: Motor Vehicle Dealer History (5
yrs): None.**

Complainant claims Respondent did not rotate tires after she paid for the service. Complainant states that she marked the tires to be sure they performed the service, but they did not. Respondent claims that since the front tires were new and the rear tires were not, the condition was not acceptable rotation. Respondent claims this was noted on the inspection, but employee failure led to the tech not relaying that to the service writer. The service was removed from the ticket after the consumer notified staff. Complainant denies any of the tires were new.

Recommendation: Close upon issuance of a letter of warning.

Commission Decision: CONCUR.

29. 2018075311

**First Licensed: 06/05/2005 Expiration:
05/31/2019**

**License Type: Motor Vehicle Dealer History (5
yrs): None.**

Complainant claims she was kept at a dealership for a long time and as a result, she purchased a vehicle she did not want. Respondent has unwound the deal to appease Complainant. Respondent denies his staff did anything to hold Complainant there. This appears to be a case of buyer's remorse, and Respondent corrected the issue.

Recommendation: Close.

Commission Decision: CONCUR.

30. 2018051121

**First Licensed: 04/29/2016 Expiration:
05/31/2020**

**License Type: Mo/tor Vehicle Dealer History (5
yrs): None.**

Respondent was delayed in producing title for Complainant by approximately two weeks. Respondent has produced title and the matter is resolved.

Recommendation: Close upon issuance of a letter of warning.

Commission Decision: CONCUR.

31. 2018052561

First Licensed: 10/15/1998 Expiration:

09/30/2019

License Type: Motor Vehicle Dealer History (5 yrs): None.

Complainant's title was delayed. Respondent states that the delay was due to their title clerk leaving, putting them behind, and the deal was accidentally filed under a completed deal, so the staff trying to catch up the title work could not find it. The title was a few weeks delayed.

Recommendation: Close upon issuance of a letter of warning.

Commission Decision: CONCUR.

32. 2018052581

First Licensed: 05/26/2011 Expiration:

05/31/2019

License Type: Motor Vehicle Dealer

History (5 yrs): 2016 – Two Consent Orders for deceptive acts and issuing more temporary tags than allowed (\$750 each).

Complainant had frustrations in obtaining title and tags in an expedited fashion due to her impending international move. However, Respondent did not violate any laws or rules. Respondent has sixty days to complete paperwork. Complainant also made mechanical issue allegations, but Complainant is now living in the Virgin Islands, so Respondent would not be able to look at the vehicle for those issues.

Recommendation: Close.

Commission Decision: CONCUR.

33. 2018056641 (“Respondent Dealership 1”)

First Licensed: 09/21/2001

Expiration: 07/31/2018 (08/06/2018 CLOSED) License Type:

Motor Vehicle Dealer

History (5 yrs): None.

2018077971 (“Respondent Salesperson”) First

Licensed: 09/01/1991

Expiration: 08/31/1993 (EXPIRED) License Type:

Motor Vehicle Salesperson History (5 yrs): None.

Local police contacted the Tennessee Department of Revenue, alleging Respondent Salesperson was operating a dealership without any active licenses. The location had

advertisement for an unlicensed dealership, and for Respondent Dealership 1. Both were allegedly at the same location. Revenue took numerous pictures including of 20 open titles, copies of bills of sale. Respondent Salesperson identified himself as the “owner” of the dealership location. Respondent Salesperson stated a vehicle on the lot bearing a dealer tag from a separate unassociated dealership was for sale. Respondent had an open sign on. Two additional individuals identified themselves as employees of the dealership. One employee indicted that Respondent Dealership 1 was responsible for all sales documentation and reporting, but all sales documents listed the unlicensed dealership name, not Respondent Dealership 1. None of the identified salespersons had licenses associated with Respondent Dealership 1. Respondent Dealership 1’s office location was identified as abandoned and the license was closed. While evidence was being gathered and verified, Respondent Salesperson had major surgery, halting the investigation. An attorney for the Respondent Salesperson has agreed to cooperate at the end of January when Respondent Salesperson is released from care.

Recommendation: Authorize these matters be placed in a litigation monitoring status to allow for additional investigation after Respondent Salesperson recovers.

Commission Decision: CONCUR.

34. 2018057451

**First Licensed: 03/23/2016 Expiration:
02/29/2020**

**License Type: Motor Vehicle Dealer History (5
yrs): None.**

Respondent received a Notice of Violation due to having both city and county business licenses expired during an inspection.

Recommendation: Authorize a civil penalty in the amount of \$500.

Commission Decision: CONCUR.

35. 2018058901

**First Licensed: 09/10/2003 Expiration:
09/30/2019**

License Type: Motor Vehicle Dealer

History (5 yrs): 2015 – \$1,000 Consent Order for issuing more temporary tags than allowed (four); 2017 – \$1,000 Consent Order for failure to maintain city/county business license

After an inspection, Respondent received a Notice of Violation for issuing more tags than allowed by law. Respondent issued three tags to one consumer. This is the second offense of this nature since 2015.

Recommendation: Authorize a civil penalty in the amount of \$1,500 for issuing more temporary tags than allowed by law.

Commission Decision: CONCUR.

36. 2018059671

**First Licensed: 09/01/1991 Expiration:
05/31/2019**

**License Type: Motor Vehicle Dealer History (5
yrs): None.**

Complainant purchased a vehicle from Respondent, but experienced buyer's remorse. Complainant is frustrated that Respondent would not give her a better deal on trading it in for something else since she has been a repeat customer. Respondent responded and stated they were confused on how to satisfy Complainant.

Recommendation: Close.

Commission Decision: CONCUR.

37. 2018060121

**First Licensed: 06/14/2011 Expiration:
05/31/2019**

**License Type: Motor Vehicle Dealer
History (5 yrs): 2015 – LOW for advertising violations**

Complainant purchased a vehicle with a powertrain warranty. Respondent and Complainant agreed that certain repairs needed to be done. Respondent attempted repairs, but issues continued. Ultimately, it was diagnosed that a new engine was needed, which is covered by the warranty. Complainant is frustrated because he believes Respondent knew the vehicle was in need to a new engine prior to selling the vehicle. Ultimately, while frustrating, Complainant could have had the vehicle inspected prior to purchase, and Respondent did attempt repairs as agreed upon. The warranty covers the cost of the needed repairs.

Recommendation: Close.

Commission Decision: CONCUR.

38. 2018061431

**First Licensed: 01/04/2018 Expiration:
11/30/2019**

**License Type: Motor Vehicle Dealer History (5
yrs): None.**

Complainant claims he was rushed through paperwork, and that he did not realize he agreed to make semi-monthly payments instead of monthly payments. Complainant claims Respondent knew he was disabled and took advantage of him. However, when reviewing the

paperwork, two locations indicate clearly that the payments are semi-monthly. Complainant signed both pages. Additionally, there is a sentence Complainant wrote and signed on the debit card charge form that reads, "Please draft both semi-monthly payments on the 3rd." This indicates Complainant was aware of the payments necessary. Complainant states that he did not think through the toll of the payments at the time, and indicated his disability and medication played a role. Complainant wants to unwind the deal, but Respondent did not indicate it would do so or not. Ultimately, no violation has occurred.

Recommendation: Close.

Commission Decision: CONCUR.

39. 2018061511

**First Licensed: 09/01/1991 Expiration:
10/31/2018**

License Type: Motor Vehicle Dealer

**History (5 yrs): 2018 – \$1,500 Consent Order for possession of open title and
engaging in off-site sales**

Respondent recently was penalized for parking vehicles off their designated lot on a neighboring property on weekends. The business owner again filed a complaint alleging Respondent was again engaging in the practice. A drive by was conducted in which the vehicles were found to be in the proper location. Complainant has set up cameras to ensure this does not happen again.

Recommendation: Close.

Commission Decision: CONCUR.

40. 2018063831

2018064021

First Licensed: 06/05/2014

Expiration: 04/30/2020 (CLOSED 06/08/2018) License Type:

Motor Vehicle Dealer

History (5 yrs): None.

Complainant is a finance agent. Two of its consumers did not receive title prior to Respondent closing. The surety bond was provided.

Recommendation: Close & Flag.

Commission Decision: CONCUR.

41. 2018063981

**First Licensed: 03/07/1994 Expiration:
03/31/2020**

**License Type: Motor Vehicle Dealer History (5
yrs): None.**

A neighbor complained that Respondent is conducting unlicensed sales from a residential location. An investigation was conducted. Respondent is properly licensed, the business meets all location requirements, and the local zoning authority confirmed the zoning was proper for the business since it was grandfathered in after a zoning change for the area.

Recommendation: Close.

Commission Decision: CONCUR.

42. 2018064001

**First Licensed: 02/25/2009 Expiration:
01/31/2019**

License Type: Motor Vehicle Dealer

**History (5 yrs): 2016 – \$1,500 Consent Order for failure to maintain temporary tag log
and expired city county/business license.**

This complaint was opened after Respondent received a notice of violation for expired city and county business licenses, and unlicensed sales due to the owner selling without a salesperson license. This is a second offense for the expired city and county business licenses. The inspection occurred on September 6, 2018. Respondent owner obtained a salesperson license the next day.

**Recommendation: Authorize a civil penalty in the amount of \$1,500 (\$500 x 2 for second
offense for each city and county business license, and \$500 for unlicensed activity).**

Commission Decision: CONCUR.

43. 2018064891

**First Licensed: 04/26/2012 Expiration:
03/31/2020**

**License Type: Motor Vehicle Dealer History (5
yrs): None.**

Complainants purchased a vehicle that experienced mechanical problems. The consumer was aware of the problems at the time of purchase, and the repairs took longer than expected. Disputes over which repairs should be paid by who resulted in the complaint being filed. The dealer worked with the Complainants and resolved the issues by placing them in a new vehicle.

Recommendation: Close.

Commission Decision: CONCUR.

44. 2018066121

**First Licensed: 06/14/2011 Expiration:
05/31/2019**

License Type: Motor Vehicle Dealer

History (5 yrs): 2015 – LOW for misstating vehicle mileage.

Complainant alleged mechanical issues with the vehicle and wished to trade into another vehicle. The vehicle was purchased as-is, and a warranty was turned down. Allegedly Complainant denied the opportunity to trade the vehicle, and abandoned it at Respondent's lot.

Recommendation: Close.

Commission Decision: CONCUR.

45. 2018066331

**License Type: Unlicensed History (5
yrs): None.**

A complaint was received alleging unlicensed activity. An investigation was conducted. While proof that sales exceeded five was not found, observations from neighbors would indicate Respondent could be selling more than required. The local inspector was put on notice to keep an eye on the identified display area.

Recommendation: Close upon an issuance of a letter of warning regarding unlicensed sales.

Commission Decision: CONCUR.

46. 2018068111

**First Licensed: 04/25/2017 Expiration:
02/28/2019**

**License Type: Motor Vehicle Dealer History (5
yrs): None.**

Complainant was based on mechanical issues. The vehicle was purchased as is without a warranty. The documents even notated for the consumer a potential issue they should be aware of. Respondent told Complainant they could bring the vehicle to his mechanic, but the Complainant did not do so.

Recommendation: Close.

Commission Decision: CONCUR.

47. 2018069101
License Type: Unlicensed History (5 yrs): None.

This complaint was internally opened after Staff noted the same license plate being transferred numerous times. An investigation was requested. Respondent was located and identified. Respondent states he was unaware of the limit on car sales. Respondent is a handyman and a mechanic. Respondent titled vehicles in his own name and paid sales tax. He agreed to stop the practice now that he knows the limit.

Recommendation: Close upon issuance of a letter of warning.

Commission Decision: CONCUR.

48. 2018067921
First Licensed: 09/01/1991 Expiration: 02/28/2019
License Type: Motor Vehicle Dealer History (5 yrs): None.

Respondent was a few days delayed in delivery of title due to the need to request a duplicate from Kentucky. The title was produced, and the matter is resolved.

Recommendation: Close upon issuance of a letter of warning for not ensuring good title prior to sale.

Commission Decision: CONCUR.

49. 2018069141
First Licensed: D/R – 05/24/2017; Dealer – 06/20/2017 Expiration: D/R – 05/31/2019; Dealer – 06/30/2019 License Type: Dismantler/Recycler; Motor Vehicle Dealer History (5 yrs): None.

Respondent failed to timely renew its county business license.

Recommendation: Authorize a civil penalty in the amount of \$250 for one expired business license.

Commission Decision: CONCUR.

50. 2018070921
License Type: Unlicensed History (5 yrs): None.

An anonymous complaint alleged Respondent was selling vehicle without a license from an old junk shop. An investigation was conducted. Respondent admitted to selling about four or five vehicles. He stated he dabbled in junk and had a full-time job for UPS. He was unaware of the licensing requirement, and took action to remove for sale signs from two vehicles he had parked out front. Respondent stated he would obtain a dealer license or refrain from selling vehicles from the shop.

Recommendation: Close upon issuance of a letter of warning for unlicensed sales activity.

Commission Decision: CONCUR.

51. 2018071281

**First Licensed: 08/22/2018 Expiration:
08/31/2020**

**License Type: Motor Vehicle Dealer History (5
yrs): None.**

Complainant alleged mechanical issues. The vehicle was purchased as is. There also appeared to be evidence of buyer's remorse possibly connected with the complaints.

Recommendation: Close.

Commission Decision: CONCUR.

52. 2018071661

**First Licensed: 09/01/1991 Expiration:
08/31/2020**

**License Type: Motor Vehicle Dealer History (5
yrs): None.**

Respondent received a notice of violation for having an expired county business license. Afterwards, Respondent submitted proof Respondent attempted to pay, but there was confusion regarding taxes to the state and to the county. Respondent remedied the issue and now has an active license. It does appear Respondent attempted to timely comply and did pay required taxes.

Recommendation: Close.

Commission Decision: CONCUR.

53. 2018072501

**License Type: Unlicensed History (5
yrs): None.**

Complainant alleged someone was selling vehicles without a license across from Complainant's dealership in an empty lot. An investigation was requested. Respondent was located and identified. Three vehicles were titled to Respondent's friend and only two were sold.

The friend confirmed that he asked Respondent to display them in his area since they were not selling at his house. The investigator informed the Respondent of the limitations on selling for others and for him, and also informed him to relay the information to his friend.

Recommendation: Close upon a letter of instruction.

Commission Decision: CONCUR.

54. 2018072801

**First Licensed: 12/08/2011 Expiration:
11/30/2019**

**License Type: Motor Vehicle Dealer History (5
yrs): None.**

Complainant alleged mechanical issues. The vehicle cost \$1,000, Respondent informed Complainant of some of the issues prior to purchase, and the purchase was as-is.

Recommendation: Close.

Commission Decision:

55. 2018072921

**First Licensed: 05/29/2012 Expiration:
05/31/2020**

**License Type: Motor Vehicle Dealer
History (5 yrs): 2015 -- \$500 Agreed Citation for Possession of an Open Title.**

Complainant stated that Respondent provided three temporary tags and failed to provide tags/title for four months after purchase. Additionally, Complainant had an accident and the airbags did not deploy.

Respondent responded and stated that it could not know the airbags would not work when the vehicle was sold, and there was not a warranty on the vehicle. Additionally, the vehicle could not be titled due to it needing to pass emissions. Respondent had requested that Complainant bring in the vehicle so it could repair the issue preventing it from passing emissions, but Complainant did not do so. The manager at the location was recently transferred to the Tennessee location, and claims to not have known of the two-tag limit. As a result, the manager issued Complainant four tags. The corporate office indicated they have coached the manager on the difference in Tennessee and established internal safeguards to prevent the issue from occurring again.

Recommendation: Authorize a civil penalty in the amount of \$500 for issuing more temporary tags than allowed by law.

Commission Decision: CONCUR.

56. 2018074001

**First Licensed: 12/05/2013 Expiration:
09/30/2019**

**License Type: Motor Vehicle Dealer History (5
yrs): None.**

Respondent asked Complainant to use a friend's address on their sales documents so the vehicle could be registered in a county that did not require emissions testing. Respondent did not deny the allegations and instead refunded the money to Complainant.

Recommendation: Authorize a civil penalty in the amount of \$5,000 for false, fraudulent, and deceptive acts.

Commission Decision: CONCUR.

57. 2018075351

**License Type: Unlicensed History (5
yrs): None.**

Complainant noted multiple vehicles being displayed for sale in a restaurant parking lot near his condo. An investigation was conducted. One vehicle was displayed for sale. The owner had proper title, and admitted to selling only one other vehicle. Complainant states he observed more than that being displayed with a similar telephone number. Ultimately, evidence was not available to confirm this.

Recommendation: Close upon issuance of a letter of caution advising restrictions on unlicensed sales.

Commission Decision: CONCUR.

58. 2018076401

**First Licensed: 05/27/2010 Expiration:
05/31/2020**

License Type: Motor Vehicle Dealer

History (5 yrs): 2016 -- \$1,000 Consent Order for incomplete temporary tag log.

Complainant alleged Respondent is withholding a \$500 deposit without cause. Complainant attempted to purchase a truck from Respondent, but ultimately financing came back too steep for Complainant and he no longer wished to purchase the vehicle. Respondent explained that Respondent charged a non-refundable \$500 deposit to hold the vehicle for a week while Complainant worked with the financing company. Complainant alleges they were not informed that the deposit was non-refundable. Complainant made other allegations such as an employee was wiping records from a computer, and they lied about financing.

Ultimately, no signed agreement was made for the deposit, which could be deceptive if a consumer is confused as in this situation. It does not appear Respondent intended that result. Additionally, the confusion from Complainant on financing appears to be tied to pre-approval vs

approval. As to the wiping records from a computer, Respondent passed its most recent inspection and had all required documents. Complainant overheard a conversation, and this does not warrant expenditure of Commission resources to investigate.

Recommendation: Close upon issuance of a letter of instruction regarding written agreements involving deposits to protect the dealer and inform the consumer, and avoid any appearance of a false, fraudulent, or deceptive act.

Commission Decision: Authorize a civil penalty in the amount of \$500 for not confirming the non-refundable deposit in writing.

59. 2018076661

First Licensed: 01/11/2018 Expiration:
12/31/2019

License Type: Motor Vehicle Dealer History (5
yrs): None.

Respondent owner was selling vehicles without a license. Due to the newness of this dealer, it appears the owner was unaware that the dealer license was separate from the need for her to have a salesperson license. After being informed of the requirement, she immediately became licensed.

Recommendation: Close upon issuance of a letter of warning.

Commission Decision: CONCUR.

60. 2018076701

First Licensed: 05/03/2013 Expiration:
04/30/2019

License Type: Motor Vehicle Dealer History (5
yrs): None.

An inspection revealed that all of Respondent's salespersons are operating on expired licenses. Since the inspection, Respondent has not renewed those licenses. The inspector also noted that Respondent was selling vehicles off its site across the street, but no evidence was provided.

Recommendation: Authorize a civil penalty in the amount of \$2,000, to be reduced to \$1,000 if Respondent renews its salesperson license.

Commission Decision: CONCUR.

61. 2018069441

2017025701 (Represent presented here for cohesion) First

Licensed: 03/31/2008

Expiration: 02/29/2020 (CLOSED 10/04/2018) License Type:

Motor Vehicle Dealer

History (5 yrs): 2018 – Letter of Caution for false, fraudulent, and/or deceptive acts; 2016 -- \$2,500 and \$1,000 Consent Orders for failing to use proper conditional delivery forms

Complainant was unable to get title to a vehicle after Respondent closed. Complainant was provided with the surety bond. Additionally, Complainant had a matter in litigation monitoring, but the case has been pending for over a year without action, and the dealership is now closed.

Recommendation: Close and flag both complaints.

Commission Decision: CONCUR.

62. 2018071261

2018071151

2018070681

2018073411

2018073941

First Licensed: 11/14/2006

Expiration: 10/31/2018 (EXPIRED – GRACE) License Type:

Motor Vehicle Dealer

History (5 yrs): None.

Complainants are unable to obtain title, and allege that Respondent has closed. An investigation was conducted. Complainants were provided with the surety bond. Respondent is in the process of filing bankruptcy. The floor planner was located and confirmed that it is holding the titles due to Respondent's failure to pay the floor planner. The Commission team is working to put consumers and bond agents in touch with the floor planner's representative, who has agreed to release titles with proof of purchase.

Recommendation: Authorize the revocation of Respondent's dealer license.

Commission Decision: CONCUR.

63. 2018071451

First Licensed: 09/20/2007 Expiration:

08/31/2019

License Type: Motor Vehicle Dealer

History (5 yrs): 2017 – Letter of Caution regarding delayed delivery of title; 2018 – Letter of Caution regarding failure to deliver a second key (still disputed by Respondent).

Complainant purchased a vehicle from Respondent. Respondent was to ship it to California, Complainant's state of residence, and pay taxes. The process took longer than anticipated and Respondent missed self-scheduled deadlines, which frustrated Complainant. However, Respondent did pay the first month car payment (although delayed) and has provided all taxes and titles within the legal timelines.

Recommendation: Close.

Commission Decision: CONCUR.

64. 2018070801

First Licensed: 06/05/2017

Expiration: 06/30/2019 (CLOSED 10/19/2018) License Type:

Motor Vehicle Dealer

History (5 yrs): Two closed and flagged in 2018 for failure to deliver title prior to closing.

Complainant did not receive title prior to Respondent dealership closing. Complainant was provided with the surety bond, and Complainant has initiated a civil suit against the owner of Respondent dealership.

Recommendation: Close and flag.

Commission Decision: CONCUR.

65. 2018071791

First Licensed: 06/17/2002 Expiration:

06/30/2020

License Type: Motor Vehicle Dealer

History (5 yrs): 2014 -- \$18,000 Consent Order for advertising violations; 2016 -- \$500 Consent Order for issuing more than two temporary tags.

Complainant alleged mechanical issues with the vehicle related to the engine. Respondent is working with Complainant and Complainant wishes to withdraw the complaint.

Recommendation: Close.

Commission Decision: CONCUR.

66. 2018075261

First Licensed: 04/04/2018 Expiration:

03/31/2020

License Type: Motor Vehicle Dealer

History (5 yrs): None at new licensed location. At old location, 2018 -- \$1,000 for failing to disclose salvage status of a vehicle.

Complainant waited six months for titles and tags. Respondent stated that the title was lost, and it took time to get the duplicate. Respondent stated it offered to rebuy the vehicle, and Complainant says that it did, but would never have the check when he called. The vehicle is now registered.

Recommendation: Authorize a civil penalty in the amount of \$500 for late delivery of title. Additionally, the \$1,000 from the previous Consent Order has not been paid and the amount has been sent to collections. As part of this new Consent Order, Respondent shall submit proof it paid the outstanding \$1,000 with collections as well as the \$500 for this violation, within thirty days of the execution of the Consent Order, or the license shall be indefinitely suspended until paid.

Commission Decision: **CONCUR.**

67. 2018075371

First Licensed: 05/25/2011 Expiration:

06/30/2019

License Type: Motor Vehicle Dealer History (5 yrs): None.

Complainant purchased a vehicle two years ago from Respondent. Later, he discovered the vehicle had been in an accident via a Car Fax from another dealership. Respondent stated it would work with Complainant, but that no misrepresentations were made and the vehicle was purchased as is.

Recommendation: Close.

Commission Decision: **CONCUR.**

68. 2018075701

First Licensed: 12/14/2010 Expiration:

06/30/2020

License Type: Motor Vehicle Dealer

History (5 yrs): 2013 – Letter of Warning for misrepresentations from a dealer; 2017 – \$1,000 Consent Order for issuing more temporary tags than allowed by law, and delay in registering a vehicle.

Complainant claims Respondent forged her name as a co-signer on sales documents for a vehicle for her daughter. This matter was investigated by both the Commission office and the local police. Complainant's claim was found to be without merit.

Recommendation: Close.

Commission Decision: **CONCUR.**

69. 2018076261

**First Licensed: 08/23/2007 Expiration:
07/31/2020**

**License Type: Motor Vehicle Dealer History (5
yrs): None.**

Complainant signed a contract to purchase a vehicle, and also purchased a service contract for an additional \$800. After the purchase, Complainant stated it wanted to cancel that service, and that they were tricked into purchasing it. Respondent produced the sales contract that listed the service. It was signed by Complainant. Complainant seems to indicate it believed it was the same as the document fee, and that he did not realize it was separate. Complainant is a senior citizen. Respondent stated that both fees are different amounts and that they were listed separately on all signed documents. Respondent says the service contract is not refundable.

Recommendation: Close.

Commission Decision: CONCUR.

70. 2018076621

**First Licensed: 07/20/2007 Expiration:
06/30/2019**

**License Type: Motor Vehicle Dealer History (5
yrs): None.**

Complainant's new car, purchased from Respondent, experienced intermittent start issues. Two franchise dealerships attempted to remedy the issue without luck. Complainant is working with the manufacturer now. It appears Complainant's issue is more tied to Lemon Law than to a specific complaint against Respondent.

Recommendation: Close upon issuance of an informative letter regarding Lemon Law to Complainant.

Commission Decision: CONCUR.

71. 2018077441

**First Licensed: 11/01/2017 Expiration:
11/30/2019**

**License Type: Motor Vehicle Dealer History (5
yrs): None.**

Complainant alleges Respondent is trying to scam him by charging him interest on an outstanding balance Complainant has not remitted to Respondent. Respondent stated that Complainant was subject to a daily charge for not remitting the payment, not interest. Legal requested copies of the deal file and any documents in which Complainant agreed to such a charge. Respondent provided demand letters where it informed Complainant he would be

charged \$50 a day for the overdue balance, but the deal file did not indicate that fee, so no agreement to the charge was produced.

Recommendation: Authorize a civil penalty in the amount of \$250 for false, fraudulent, and deceptive acts related to charging a fee not agreed to in writing.

Commission Decision: CONCUR.

72. 2018061061

License Type: Unlicensed History (5 yrs): None.

A complaint was filed against the unlicensed auction related its Facebook ad. The ad said it would be selling vehicles. An investigation was conducted. It revealed that the auction owner believed his business partner was licensed to sell vehicles at auction, but that it was not true. Respondent admitted to selling one vehicle at auction.

Recommendation: Close upon issuance of a letter of warning regarding requirements for automobile auctions.

Commission Decision: CONCUR.

73. 2018070221 (“Dealership”)

First Licensed: 10/14/2014

Expiration: 12/31/2019

License Type: Motor Vehicle Dealer History (5 yrs): None.

2018070051 (“Salesperson”) First

Licensed: 08/13/2018 Expiration:

08/31/2020

License Type: Motor Vehicle Salesperson History (5 yrs): None.

The Commission received notice that a Salesperson at the Respondent Dealership was arrested for auto theft and tampering with VIN numbers on vehicles. An investigation was conducted. The charges ended up being dropped, and they occurred prior to the Salesperson being hired by the Dealership.

Recommendation: Close.

Commission Decision: CONCUR.

74. 2018076291

**First Licensed: 11/23/2016 Expiration:
10/31/2020**

**License Type: Motor Vehicle Dealer History (5
yrs): None.**

Complainant discovered the vehicle she purchased from Respondent was reported as stolen in Chicago. Respondent is working with Complainant and law enforcement to resolve the issue, and it placed Complainant in a rental in the meantime. Complainant filed the complaint at the recommendation of other involved agencies in order for all parties to be informed. It does not appear Respondent was involved in the theft, or that it was aware of the issue at the time of sale.

Recommendation: Close.

Commission Decision: CONCUR.

75. 2018077721

**First Licensed: 04/27/1998 Expiration:
04/30/2020**

**License Type: Motor Vehicle Dealer History (5
yrs): None.**

Respondent performed repairs on Complainant's vehicle. A part broke after the repair and caused more damage. Complainant is frustrated because of the damage as well as the fact that aftermarket parts were used without his knowledge. The parties are working together to resolve this matter, and Respondent is working to reimburse Complainant.

Recommendation: Close.

Commission Decision: CONCUR.

76. 2018078021

**First Licensed: 11/14/2008 Expiration:
10/31/2018**

**License Type: Motor Vehicle Dealer History (5
yrs): None.**

Complainant expressed frustration that they did not qualify for all rebates. Respondent attempted to explain why and showed that since Complainant chose a third-party financier instead of Respondent's financier, which disqualified them from some of the rebates. Respondent broke down all the rebates, what was required, and found an additional rebate for the Complainant at the time of purchase, but Complainant stated they still did not understand. Ultimately, no violations occurred.

Recommendation: Close.

Commission Decision: CONCUR.

77. 2018078881

**First Licensed: 05/14/2015 Expiration:
04/30/2019**

**License Type: Motor Vehicle Dealer History (5
yrs): None.**

Complainant wanted a refund on a part it paid for, but ultimately decided not to purchase. Complainant filed this against Respondent, but Respondent is the wrong company. There is some overlap with Respondent and the right company, so the proper company was notified of the complaint and they issued the refund.

Recommendation: Close.

Commission Decision: CONCUR.

78. 2018079011

**First Licensed: 09/22/2005 Expiration:
09/30/2019**

**License Type: Motor Vehicle Dealer History (5
yrs): None.**

Complainant paid a deposit on a vehicle, but ultimately inquired about a different vehicle at the lot. Respondent stated they would forfeit the deposit if they go a different vehicle. The vehicle in question had been sold prior to Complainant's interest, but the purchaser agreed to take a vehicle in a different color so Complainant could purchase the one they wanted. Complainant wants the deposit returned. Respondent stated that the vehicle had to be dealer traded to get for Complainant, and at Complainant's request, a trailer hitch was installed. Respondent claims that the deposit could have been transferred to the other vehicle they were interested in, but that it would be forfeited if they did not purchase a car at all.

Recommendation: Close.

Commission Decision: CONCUR.

79. 2018079051

**First Licensed: 09/27/2013 Expiration:
06/30/2020**

License Type: Motor Vehicle Dealer

**History (5 yrs): 2017 -- \$500 for failing to obtain a title for a consumer in a timely manner;
2018 -- \$5,000 for charging more for titling than charged by the county.**

A recently terminated employee made accusations of wrongdoing; however Respondent was recently under investigation and held accountable for an issue with titling fees. The

employee was allegedly terminated for theft of property and other wrongdoing, so Respondent believes the complaint is retaliatory.

Recommendation: Close.

Commission Decision: CONCUR.

80. 2018079631
License Type: Unlicensed History (5 yrs): None.

This complaint was opened after it was alleged someone was displaying vehicles at the unlicensed location for sale. Three vehicles were on display when this matter was investigated. The owner of the property identified three family members displaying vehicles. They indicated they would no longer do that.

Recommendation: Close upon issuance of a letter of warning.

Commission Decision: CONCUR.

81. 2018079701
First Licensed: 10/14/2016
Expiration: 08/31/2018 (CLOSED 12/29/2017) License Type:
Motor Vehicle Dealer
History (5 yrs): None.

Complainant purchased a vehicle from Respondent, but Respondent closed. Now, Complainant's payments have fluctuated and he suspects issues with the financier. An investigation was conducted. The dealership is in fact closed, and the issue is with an entity outside the Commission's jurisdiction.

Recommendation: Close upon referral to the Financial Institutions.

Commission Decision: CONCUR.

82. 2018080441
First Licensed: 09/12/2011 Expiration:
07/31/2019
License Type: Motor Vehicle Dealer
History (5 yrs): 2013 -- \$1,000 Consent Order for incomplete temporary tag log.

Complainant purchased a vehicle through Respondent by paying them to purchase it from Copart. The vehicle was purchased from Copart for Complainant due to Respondent not having the vehicle desired in stock. Complainant selected the vehicle. When it arrived, Complainant no longer wished to purchase the vehicle. Respondent was fine with that if Complainant covered the shipping fees, and stated if Complainant paid that, they would let them out of the deal, but

Complainant refused. Respondent auctioned the vehicle and applied that amount to the amount still owed to them for the vehicle.

Ultimately, Complainant backed out of the deal after Respondent relied on his representation to purchase the car. Respondent and Complainant had not finalized the sales documents between themselves, but Complainant paid towards the purchase and it does appear a contract was intended. Any recovery over the validity of an oral agreement on a purchase should be handled by a civil court. Respondent lacked the intent of being deceptive, but its failure to enter into a written agreement with purchasers in this scenario could be interpreted as deceptive in certain scenarios.

Recommendation: Close upon issuance of a letter of caution regarding conducting a sale without completing a contract between Respondent and the purchaser.

Commission Decision: CONCUR.

83. 2018076741

License Type: Unlicensed History (5 yrs): None.

A neighbor filed a complaint for unlicensed sales. Respondent stated that he has sold two cars from a location he is renovating. He is from Alabama and has a license there. He did not realize he could not sell in Tennessee. He stated he would apply for a license if he intends to sell any more in the future.

Recommendation: Close upon issuance of a letter of caution regarding Tennessee license requirements.

Commission Decision: CONCUR.

84. 2018077221

First Licensed: 06/22/2012 Expiration: 07/31/2019

License Type: Motor Vehicle Dealer

History (5 yrs): 2018 -- \$1,500 Consent Order for having salespersons with expired licenses; 2017 -- \$500 Consent Order for using wrong conditional delivery agreement; 2013 -- \$16,500 Consent Order for allowing another dealership to consign from their lot.

Complainant sent in this complaint after his military financial advisor noticed Complainant had two different contracts for financing the purchase of a vehicle from Respondent. Respondent explained that the first contract was superseded by the second since the parties agreed on a more favorable financier with better terms.

Recommendation: Close upon issuance of a letter of instruction indicating Respondent should record the rescinding of past contracts in the deal file to avoid the appearance of false, fraudulent or deceptive acts.

Commission Decision: CONCUR.

85. 2018078311

**First Licensed: 04/16/2013 Expiration:
02/28/2019**

**License Type: Motor Vehicle Dealer History (5
yrs): None.**

Complainant is upset that the refund on her total loss and gap insurance was prorated based on time and mileage. However, the contract indicates it would be prorated regardless of whether the policies were used.

Recommendation: Close.

Commission Decision: CONCUR.

86. 2018081681

**First Licensed: 06/22/2011 Expiration:
06/30/2019**

**License Type: Motor Vehicle Dealer History (5
yrs): None.**

The check engine light came on after Complainant purchased the vehicle. Respondent has offered to have his mechanic look at it, but the vehicle was sold as-is.

Recommendation: Close.

Commission Decision: CONCUR.

87. 2018074371

**First Licensed: 11/08/2013 Expiration:
05/31/2019**

**License Type: Motor Vehicle Dealer History (5
yrs): None.**

Respondent received a notice of violation for displaying expired city and county business licenses.

Recommendation: Authorize a civil penalty in the amount of \$500.

Commission Decision: CONCUR.

88. 2018081841

**First Licensed: 09/23/2015 Expiration:
08/31/2019**

**License Type: Motor Vehicle Dealer History (5
yrs): None.**

Complainant experienced mechanical issues with a vehicle, and alleged that they discovered that the mileage was rolled back after independently pulling a Car Fax. The vehicle was sold as-is without a warranty, and the vehicle is over ten years old. Respondent had Complainant execute all of the required mileage disclosures.

Recommendation: Close.

Commission Decision: CONCUR.

89. 2018082131

**License Type: Unlicensed History (5
yrs): None.**

Complainant alleged Respondent is selling vehicles without a license from his home. Respondent turns out to be a licensed salesperson. He has a dealer tag from his employer, and sometimes brings home project cars to work on, but states that he sells all vehicles at the dealership.

Recommendation: Close.

Commission Decision: CONCUR.

90. 2018082421

First Licensed: 01/12/2016

Expiration: 12/31/2019 (CLOSED 10/12/2018) License Type:

Motor Vehicle Dealer

History (5 yrs): None.

Complainant did not receive a title prior to Respondent closing. Complainant was provided with the surety bond.

Recommendation: Close and flag.

Commission Decision: CONCUR.

91. 2018083261

**First Licensed: 01/28/2016 Expiration:
01/31/2020**

**License Type: Motor Vehicle Dealer History (5
yrs): None.**

Respondent received a notice of violation for missing entries from a temporary tag log. Respondent states it is unable to remedy the log due to the employee that oversaw the temporary tag logs recently quit after having some personal problems.

Recommendation: Authorize a civil penalty of \$500 for missing entries on the temporary tag log.

Commission Decision: CONCUR.

92. 2018083501

License Type: Unlicensed

History (5 yrs): Two Closed for Same Allegations

Respondent builds replica vehicles from kits. The Commission has received three complaints over this year alleging Respondent took money years ago for a replica but never produced the vehicle. In one, Respondent did produce the vehicle and in another, he reimbursed the consumer. However, a review online shows eleven similar complaints on the BBB. Respondent is not an entity in which this commission has jurisdiction.

Recommendation: Close. Legal forwarded the complaints and BBB information to the relevant county police and district attorney for further criminal investigation.

Commission Decision: CONCUR.

93. 2018083211

**First Licensed: 06/14/2011 Expiration:
05/31/2019**

License Type: Motor Vehicle Dealer

History (5 yrs): 2015 – Letter of Warning on misstating mileage

This complaint ultimately named the wrong Respondent. Respondent is the former employer of the actual person subject to the complaint. Complainant alleged Respondent helped her find a car that suffered from mechanical issues. The vehicle was purchased as-is. The salesperson was in the process of getting licensed with his new employer, and after receiving the complaint, the Respondent that previously employed the person ensured the license was terminated with them to reflect the change in employment.

Recommendation: Close.

Commission Decision: CONCUR.

94. 2018082371

**First Licensed: 09/30/2009 Expiration:
05/31/2019**

License Type: Motor Vehicle Dealer

History (5 yrs): 2016 – Letter of Warning for a former employee alleging a number of fraudulent acts.

Complainant alleged Respondent was late delivering a tag, and her vehicle had a number of mechanical issues. It appears the tags were not provided due to the vehicle not being able to pass emissions, which was the responsibility of Complainant. Respondent was working on the vehicle, but eventually informed Complainant they would swap her into another vehicle if she paid up to date on her payments. Eventually, Complainant selected another car. Prior to swapping her into it, Respondent informed her that the vehicle she selected was recently purchased from auction so the title may take a few months to arrive. Complainant refused the trade.

Recommendation: Close.

Commission Decision: CONCUR.

95. 2018084281

**First Licensed: 05/26/2011 Expiration:
05/31/2019**

License Type: Motor Vehicle Dealer

History (5 yrs): 2017 – Letter of Warning for selling vehicle at different price than advertised.

Complainant had transmission repairs on a vehicle. The repairs were partially covered by an extended warranty, but damage from a thrown bearing interfering with the clutches was excluded. Complainant claims a recent class action lawsuit should mandate Respondent pay for the repairs. While there was a class action lawsuit regarding the model of vehicle's transmission, it does not appear the repair in question would be involved, and recovery under the law suit requires participation in an arbitration program. No recalls have been issued.

Recommendation: Close.

Commission Decision: CONCUR.

96. 2018084411

**First Licensed: 09/01/1991 Expiration:
11/30/2020**

**License Type: Motor Vehicle Dealer History (5
yrs): None.**

Complainant was supposed to receive a refund on taxes paid, but it took ten months. Respondent claimed it had the wrong address. Complainant indicated they did but that he had updated the address twice with Respondent.

Recommendation: Close upon issuance of a letter of warning regarding false, fraudulent, and/or deceptive acts for holding money owed to a consumer for an extended period of time.

Commission Decision: **CONCUR.**

97. 2018084601

**First Licensed: 03/09/1998 Expiration:
02/29/2020**

**License Type: Motor Vehicle Dealer History (5
yrs): None.**

Complainant's lifetime powertrain warranty was voided due to Complainant not bringing the subject vehicle in for inspection pursuant to the terms. Complainant claims he had medical issues, and called the Respondent to figure out his options, and they informed him he had a year to comply. Respondent states that the terms were laid out for Complainant, and that they cannot reinstate the warranty. Respondent directed Complainant to the warranty company. It does not appear Respondent violated any laws and rules.

Recommendation: Close.

Commission Decision: **CONCUR.**

98. 2018086511

**First Licensed: 02/28/2017 Expiration:
12/31/2018**

**License Type: Motor Vehicle Dealer History (5
yrs): None.**

Respondent did not keep tags listed as voided in their log preventing an inspector to confirm the location and voided status of the tags.

Recommendation: Close upon issuance of a letter of warning.

Commission Decision: **CONCUR.**

99. 2018075281

**First Licensed: 02/06/2008 Expiration:
06/30/2019**

**License Type: Motor Vehicle Auction/Motor Vehicle Dealer History (5
yrs): None.**

Complainant purchased a vehicle from Respondent. Complainant understood the sale was as-is; however, after arriving to the auction to pick up the vehicle, staff could not locate it. Later, it was located in a neighboring auction's parking lot with damage. The neighboring auction once had the vehicle, but it sold it to Respondent Auction. Complainant claims the damage appeared to be from removing signage that was on the car in the sales pictures. Respondent offered to reimburse Complainant \$200, but Complainant refused. Legal requested a response from Respondent. Respondent indicated in an email between employees with legal copied that they had responded, but they would resend the response, but ultimately it was never sent again.

Recommendation: Authorize a civil penalty in the amount of \$500 for false, fraudulent, and/or deceptive acts.

Commission Decision: CONCUR.

100. 2018076641

First Licensed: 10/19/2010

Expiration: 10/31/2018 (Expired Grace) License

Type: Motor Vehicle Auction History (5 yrs):

None.

Complainant purchased a vehicle from Respondent. Complainant stated that the vehicle and title reflected a mileage of 15,451. The vehicle reflected 117,661 miles. Additionally, Complainant stated the vehicle's condition was misrepresented. The vehicle was sold as-is through the auction, and the buyers are given an opportunity to inspect the vehicle. Regardless, Respondent has remedied the dispute with Complainant,

Recommendation: Close.

Commission Decision: CONCUR.

REPRESENTATIONS

101. 2018038741 (SBB)

First Licensed: 09/22/2016 Expiration:

07/31/2018

License Type: Motor Vehicle Dealer

History (5 yrs.): None Entity

No.: 1151640

Respondent was issued a Notice of Violation for an expired city and county business tax license during an annual inspection conducted at the dealership. The city and county business tax license had been expired for the past year.

Recommendation: Authorize a formal hearing with the ability to settle via Consent Order for a civil penalty in the amount of \$1,000. (\$500 for expired city and \$500 expired county business license).

Commission Decision: CONCUR

Update: This business is closed. Also, the motor vehicle dealer license expired on July 31, 2018. The license is a failure to renew, but the dealer is still within the grace period. The original violation was for failure to have a valid city and county business license.

New Recommendation: Close

Commission Decision: CONCUR.

102. 2018038081 (SBB)
First Licensed: 06/13/2017
Expiration: 06/30/2019
License Type: Motor Vehicle Dealer
History (5 yrs.): None
Entity No.: 1171036

Complaint against the Respondent following the issuance of a Notice of Violation during its annual inspection of the dealership. The Notice of Violation was issued for failure to have a business license and the Respondent was unable to produce sales tax identification number. The Respondent has not responded or paid the Agreed Citation.

Recommendation: Authorize a formal hearing with the authority to settle by Consent Order and payment of civil penalty in the amount of \$500 for failure to have a business license and \$1,000 for failure to have state sales and use tax license.

Commission Decision: Concur

Update: The Respondent has provided the necessary documentation.

New Recommendation: Close.

Commission Decision: CONCUR.

Commissioner Jackson made a motion to approve the Legal Report, seconded by Commissioner Evans. Chairman Robert called for a voice vote.

MOTION CARRIES

LEGISLATIVE UPDATE – Asst. General Counsel, Sara Page

Nothing to report.

RULES COMMITTEE – Asst. General Counsel, Sara Page

Rules Committee Chair, Farrar Vaughan, conveyed to the Commission that the proposed rules from the previous Rules Committee meeting were returned to staff to reword and re-present to the Committee, and would be discussed further during the “Old Business” portion of the full meeting.

AUDIT COMMITTEE – Chairman Eddie Roberts

Chairman Roberts also indicated that an Audit Committee meeting was held on November 14, 2018. Chairman Roberts stated that earlier in the year, the Audit Committee was tracking a loss of \$182,000, but at the end of the fiscal year, the deficit was \$91,000. Chairman Roberts reminded the Commission of the 2 year cycle, and indicated that this year, out of the two-year cycle, the revenue should increase to break even with the previous year.

Commissioner Vaughan made a motion to accept the audit report, seconded by Commissioner Jackson. Chairman Roberts called for a voice vote.

VOICE VOTE – UNANIMOUS

MOTION CARRIES

NEW BUSINESS

Chairman Roberts reminded the Commission that a formal hearing was scheduled for February 20, 2019.

OLD BUSINESS

Rules Committee Chair, Farrar Vaughan, indicated the Rules Committee met earlier in the morning. She asked Sara Page to expound on the proposals to application changes. Ms. Page indicated the change was an effort to obtain email addresses from applicants. It was also requested that fax numbers be obtained, if applicable. The second portion was regarding interior door lock requirements to ensure only employees of the business could utilize the passages, and not members of the public.

Commissioner Barker indicated he made a motion to move the rules forward for a full vote, seconded by Commissioner Fox. Chairman Roberts indicated that a motion to approve the recommendation of the Rules Committee to move the two rules forward for a full vote by the Commission was on the table and called for a voice vote.

VOICE VOTE – UNANIMOUS

MOTION CARRIES

Chairman Roberts indicated that they would deal with the two rules, individually.

Commissioner Jackson made a motion to approve proposed amendments to the rules, seconded by Commissioner Lee.

General Counsel, Sara Page, stated she was required to read the rules (below) into the record.

□

Proposed Rule(s) Filing Form - Redline

Proposed rules are submitted pursuant to Tenn. Code Ann. §§ 4-5-202, 4-5-207, and 4-5-229 in lieu of a rulemaking hearing. It is the intent of the Agency to promulgate these rules without a rulemaking hearing unless a petition requesting such hearing is filed within ninety (90) days of the filing of the proposed rule with the Secretary of State. To be effective, the petition must be filed with the Agency and be signed by ten (10) persons who will be affected by the amendments, or submitted by a municipality which will be affected by the amendments, or an association of ten (10) or more members, or any standing committee of the General Assembly. The agency shall forward such petition to the Secretary of State.

Pursuant to Tenn. Code Ann. § 4-5-229, any new fee or fee increase promulgated by state agency rule shall take effect on July 1, following the expiration of the ninety (90) day period as provided in § 4-5-207. This section shall not apply to rules that implement new fees or fee increases that are promulgated as emergency rules pursuant to § 4-5-208(a) and to subsequent rules that make permanent such emergency rules, as amended during the rulemaking process. In addition, this section shall not apply to state agencies that did not, during the preceding two (2) fiscal years, collect fees in an amount sufficient to pay the cost of operating the board, commission or entity in accordance with § 4-29- 121(b).

Agency/Board/Commission:	Tennessee Motor Vehicle Commission
Division:	Regulatory Boards Division
Contact Person:	Sara R. Page
Address:	500 James Robertson Parkway, Nashville, TN
Zip:	37243
Phone:	(615) 741-3072
Email:	sara.r.page@tn.gov

Revision Type (check all that apply):

- Amendment
 New
 Repeal

Rule(s) (ALL chapters and rules contained in filing must be listed here. If needed, copy and paste additional tables to accommodate multiple chapters. Please make sure that ALL new rule and repealed rule numbers are listed in the chart below. Please enter only ONE Rule Number/Rule Title per row)

Chapter Number	Chapter Title
0960-01	General Rules
Rule Number	Rule Title

0960-01-.08	Applications
0960-01-.21	Motor Vehicle Dealer Facilities

Chapter 0960-01 General Rules Amendments

0960-01-.08 APPLICATIONS.

- (1) An applicant for a license to sell motor vehicles shall comply with T.C.A. § 55-17-111 and shall provide the Commission with all information required by this section. An applicant for a license to sell recreational vehicles shall comply with T.C.A. § 55-17-405 and shall provide the Commission with all information required by this section.
- (2) Applicants are required to provide the Commission, and keep current, the names of any inventory financiers, i.e. "floor planners" used by the dealership.
- (3) A motor vehicle or recreational vehicle dealer applicant shall provide to the Commission a compiled financial statement indicating a minimum net worth of at least Ten Thousand Dollars (\$10,000.00). The compiled financial statement must be prepared in accordance with generally accepted accounting principles by a certified public accountant or public accountant dated not earlier than twelve (12) months prior to the date of the application, and a copy of the same must be furnished to the Commission along with any changes to the statement.
- (4) The Commission may deny any application for a license if any manager, director, or owner of five percent (5%) interest or greater of the applicant could be denied licensure as an individual pursuant to T.C.A. § 55-17-114.
- (5) Applicants are required to provide the Commission with a current address, phone number, and email address. If available, Applicants shall also provide a facsimile number.

Authority: T.C.A. §§ 55-17-107, 55-17-111, 55-17-402, and 55-17-405.

0960-01-.21 MOTOR VEHICLE DEALER FACILITIES.

- (1) The facility must be physically separate and apart from any other businesses and shall not include any residence, tent or temporary stand. The facility may be connected to another business facility provided there is a permanent wall from floor to ceiling between the two businesses and the motor vehicle or recreational vehicle facility has a separate outside entrance and exit. ~~Any doors between the businesses shall be permanently sealed.~~ Any doors conjoining the businesses shall be secured and locked from the interior in a nature that is satisfactory to the Commission. Doors conjoining the businesses shall only be utilized by employees of the businesses, and not be accessible to or utilized by members of the public.
- (2) The facility shall contain adequate office space (a minimum of 288 square feet) for processing sales and purchases of motor vehicles or recreational vehicles. The facility shall also contain restroom accommodations.
- (3) The facility shall have a primary telephone number listed in the local directory under the name of the dealership. The primary phone number of the dealership shall be posted either on the door to the dealership, in a window of the dealership or on the dealership's sign.

- (4) The facility shall have immediate and contiguous access to and exclusive dedicated use of a motor vehicle or recreational vehicle storage or display lot capable of accommodating fifteen (15) motor vehicle or recreational vehicles of the dealership's product line. A lot shall consist of compacted gravel, chert, stone or similar materials and shall not include public lands, unimproved land or residential driveways. The facility shall also contain a minimum of three (3) parking spots dedicated for customer parking.
- (5) The facility shall be used exclusively for buying, selling, renting, displaying, advertising, demonstrating, servicing or repairing motor vehicles or recreational vehicles or selling functional or nonfunctional parts, including accessories, safety equipment and vehicle branded clothing.

Authority: T.C.A. §§ 55-17-107, 55-17-114, and 55-17-402.

Chairman Roberts called for a Roll Call Vote for the previous motion made by Commissioner Jackson and seconded by Commissioner Lee.

ROLL CALL VOTE

Charles West	YES
John Chobanian	YES
Chris Lee	YES
John Barker, Jr.	YES
Ronnie Fox	YES
Jim Galvin	YES
Stan Norton	YES
Farrar Vaughan	YES
Nate Jackson	YES
Karl Kramer	YES
Victor Evans	YES
Steve Tomaso	YES
Eddie Roberts	YES

MOTION CARRIED

Chairman Vaughan indicated the next order of business was the revision of the appeal form. General Counsel, Sara Page, conveyed the changes to the appeal form to the Commission.

Chairman Roberts called for a motion to approve the revision of the appeal form. Commissioner Lee made a motion to approve the revisions, seconded by Commissioner Fox.

Chairman Roberts called for a Roll Call Vote.

ROLL CALL VOTE

Charles West	YES
John Chobanian	YES

Chris Lee	YES
John Barker, Jr.	YES
Ronnie Fox	YES
Jim Galvin	YES
Stan Norton	YES
Farrar Vaughan	YES
Nate Jackson	YES
Karl Kramer	YES
Victor Evans	YES
Steve Tomaso	YES
Eddie Roberts	YES

MOTION CARRIED

ADJOURN

Chairman Roberts called for a motion to adjourn.

Commissioner Jackson made a motion to adjourn the meeting, seconded by Commissioner Vaughan.

VOICE VOTE - UNANIMOUS

Motion carried.

Meeting Adjourned

Eddie Roberts, Chairman
