

**TENNESSEE MOTOR VEHICLE COMMISSION  
 BOARD MEETING  
 FEBRUARY 16, 2011 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> |
|-------------------------|----------------|---------------|
| <b>BRENT SMITH</b>      | <b>X</b>       |               |
| <b>EDDIE ROBERTS</b>    | <b>X</b>       |               |
| <b>REED TRICKET</b>     |                | <b>X</b>      |
| <b>GEORGE BASS</b>      | <b>X</b>       |               |
| <b>WILLIAM TARR</b>     | <b>X</b>       |               |
| <b>JOE CLAYTON</b>      | <b>X</b>       |               |
| <b>KEVIN CULLUM</b>     |                | <b>X</b>      |
| <b>DONNIE HATCHER</b>   | <b>X</b>       |               |
| <b>NATE JACKSON</b>     |                | <b>X</b>      |
| <b>CHAD JONES</b>       |                | <b>X</b>      |
| <b>TRAVIS MCDONOUGH</b> | <b>X</b>       |               |
| <b>STAN MCNABB</b>      | <b>X</b>       |               |
| <b>FARRAR SCHAEFFER</b> | <b>X</b>       |               |
| <b>BRENDA SPEER</b>     | <b>X</b>       |               |
| <b>RONNIE FOX</b>       | <b>X</b>       |               |

The Tennessee Motor Vehicle Commission Meeting was called to order by Chairman Brent Smith on February 16, 2011 Roll Call was taken with a total of (11) member's present.

**A Motion was made by Commissioner Donnie Hatcher, and seconded by Commissioner Bill Tarr, to approve the minutes from the October 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.

**27. Case No.: 2010010911 / 2010015221**

Two Complainants/consumers alleged that Respondent/dealer sold them motor vehicles on Salvaged Titles without informing them and further failed to provide a Rebuilt title. An investigation was conducted and found that Dealer's bond is currently expired, dealer has hired non-licensed salespersons to sale motor vehicles through the dealership, Respondent's salespersons have sold motor vehicles on Salvage certificates without applying for and obtaining a Rebuilt Title to deliver to customer. Both Complainants were unable to drive the vehicles for a period of time. Both Complainants have received civil judgments. Respondent has failed to maintain business records or keep a proper temporary tag log. Respondent indicated it would likely be going out of business.

**Recommendation: Authorization for the Revocation of Respondent's motor vehicle dealer license by Consent Order or Formal Hearing.**

**Commission Action: Authorization for the Revocation of Respondent's motor vehicle dealer license and payment of a civil penalty in the amount of Fifteen Thousand Dollars (\$15,000) to be settled by Consent Order or Formal Hearing.**

**36. Case No.: 2009006791, 2009000031, 2009006921**

Complaints were received from consumers and an investigator from the Dept. of Revenue alleging that Respondent/dealer was selling motor vehicles on salvaged titles prior to having the vehicles inspected for Anti-Theft, Rebuilt procedures as required by the Dept. of Revenue. During the investigation, the allegations were substantiated.

**Recommendation: Authorization for the Revocation of Respondent's motor vehicle dealer license for false, fraudulent acts to be settled by Consent Order or Formal Hearing.**

**Commission Action: Authorization for the Revocation of Respondent's motor vehicle dealer license for false, fraudulent acts along with a civil penalty in the amount of Fifteen Thousand Dollars (\$15,000) to be settled by Consent Order or Formal Hearing.**

**48. Case No.: 2010021611**

A law enforcement office provided information and a complaint alleging misuse of temporary tags by Respondent/dealer. An investigation was conducted and found that in 2009, Respondent purchased 1,400 temporary tags; in 2010, purchased 850 temporary tags. Respondent reported selling 278 vehicles in 2009 and 162 in 2010 (as of Oct. 2010). A view of their temporary tag log indicated gross misuse of temporary tags.

**Recommendation: Authorization for the Revocation of the motor vehicle dealer license of Respondent.**

**Commission Action: Authorization for a Civil Penalty in the amount of Twenty Five Thousand Dollars (\$25,000) to be settled by Consent Order or Formal Hearing.**

**54. Case No.: 2010027701**

Respondent/dealer was investigated upon a complaint of misuse of temporary tags. Upon inspecting, Respondent became irate to the point the investigators left the building. A continued investigation found a consumer providing a statement that she had been given 7 temporary tags (5 over allowed by law). Further in 2009, Respondent reported selling 221 vehicles, but over the same period, purchased 700 temporary tags. Only 132 of those 700 tags were accounted for on their temporary tag log. This is evidence of gross misuse of temporary tags.

**Recommendation: Authorization for the revocation of the motor vehicle dealer license of Respondent.**

**Commission Action: Authorization for a Civil Penalty in the amount of Twenty Five Thousand Dollars (\$25,000) to be settled by Consent Order or Formal Hearing.**

**APPEALS**

The following appeals were heard by Commission.

Daniel McLennan-You're Approved Auto Sales LLC, Memphis, TN  
Staff denied application

**Motion was made by Commissioner Donnie Hatcher, and seconded by Commissioner Farrar Schaeffer to grant the license.**

**ROLL CALL VOTE**

|                  |         |
|------------------|---------|
| Brent Smith      | Yes     |
| Eddie Roberts    | Yes     |
| George Bass      | Abstain |
| Ronnie Fox       | Yes     |
| Joe Clayton      | Yes     |
| Benda Speer      | Yes     |
| Stan McNabb      | Yes     |
| Donnie Hatcher   | Yes     |
| Farrar Schaeffer | Yes     |
| Travis McDonough | Yes     |
| Bill Tarr        | Yes     |

**Motion passed to grant the license.**

Shawn P. Majors-Gary Mathews Motor Inc, Clarksville, TN  
Staff denied application

**Motion was made by Commissioner Stan McNabb, and seconded by Commissioner Joe Clayton to grant the license.**

**ROLL CALL VOTE**

|                  |         |
|------------------|---------|
| Brent Smith      | Yes     |
| Eddie Roberts    | Yes     |
| George Bass      | Abstain |
| Ronnie Fox       | Yes     |
| Joe Clayton      | Yes     |
| Brenda Speer     | Yes     |
| Stan McNabb      | Yes     |
| Donnie Hatcher   | No      |
| Farrar Schaeffer | No      |
| Travis McDonough | No      |
| Bill Tarr        | Yes     |

**Motion passed to grant the license.**

Brian A. Kitts-Rusty Wallace Kia, Knoxville, TN  
Staff denied application

**Motion was made by Commissioner Ronnie Fox, and seconded by Commissioner Joe Clayton to grant the license.**

**ROLL CALL VOTE**

|                  |         |
|------------------|---------|
| Brent Smith      | Yes     |
| Eddie Roberts    | Yes     |
| George Bass      | Abstain |
| Ronnie Fox       | Yes     |
| Joe Clayton      | Yes     |
| Brenda Speer     | Yes     |
| Stan McNabb      | Yes     |
| Donnie Hatcher   | Yes     |
| Farrar Schaeffer | Yes     |
| Travis McDonough | Yes     |
| Bill Tarr        | Yes     |

**Motion passed to grant the license.**

**DIRECTORS REPORT**

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

Dealers Opened, or Relocated .....138

Active Licensees as of February 1, 2011

|                                   |       |
|-----------------------------------|-------|
| Dealers.....                      | 4023  |
| Applications in Process.....      | 71    |
| Distributions/Manufacturers ..... | 212   |
| Auctions.....                     | 30    |
| Representatives.....              | 578   |
| Salespeople.....                  | 12520 |
| Dismantlers.....                  | 345   |
| RV Dealers.....                   | 21    |
| RV Manufacturers.....             | 51    |

Motor Vehicle Show Permits Issued Since October 11, 2010, ...4  
    Revenue Received                      \$ 400.00

**Motion was made by Commissioner Stan McNabb, and seconded by Commissioner Brenda Speer to approve the Directors report.**

**Old Business**

**New Business**

The Commission voted to adopt the emergency rules of the automotive mobility dealer license pursuant to TCA 4-4-208 in order to allow for license issuance at the March 1, 2011 effective date of the new license. A motion was made, seconded and passed to adopt the emergency rules as proposed under new rules 0960-05. The rules will be effective for 180 days after the filing of the rules at the Secretary of States office.

A rulemaking hearing is scheduled for April 11, 2011 at 10:30 a.m. in order for the Commission to vote on not only the new automotive dealer rules (same as emergency rules) to make them permanent, but also other rules relating to motor vehicle dealers.

**Motion was made by Commissioner Joe Clayton , and seconded by Commissioner Brenda Speer to adopt the emergency rules.**

**Motion was made by Commissioner Stan McNabb, and seconded by Commissioner Bill Tarr to approve a rulemaking hearing in April 2011 to make rules permanent.**

**Legal Report**

**Motion was made by Commissioner Donnie Hatcher, and seconded by Commissioner Ronnie Fox to approve these recommendations made by the Review Committee.**

**Motion passed unanimous.**

The Motor Vehicle Commission recommended that the Executive Director Leon Stribling speak to the Department of Revenue about concerns the Commission had regard Temporary tags.

**Motion was made by Commissioner Eddie Roberts, and seconded by Stan McNabb for the Executive Director to speak to the Department of Revenue about this issue.**

**Motion was made by Commissioner Stan McNabb, and seconded by Commissioner Farrar Schaeffer to adjourn the meeting.**

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Brent Smith, Chairman

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Leon Stribling, Executive Director