

**REPORT OF THE  
MOTOR VEHICLE DEALER BOARD**

**Motor Vehicle Dealer  
Internet Access Study -  
December 2011**

**TO THE GOVERNOR AND  
THE GENERAL ASSEMBLY OF VIRGINIA**



**HOUSE DOCUMENT NO. 14**

**COMMONWEALTH OF VIRGINIA  
RICHMOND  
2011**





COMMONWEALTH of VIRGINIA  
*Motor Vehicle Dealer Board*

December 1, 2011

**TO:** The Honorable Robert F. McDonnell, Governor of Virginia  
Members of the Virginia General Assembly

**RE:** Motor Vehicle Dealer Internet Access Study

HB 2011 was adopted by the 2011 General Assembly and included a clause that all motor vehicle dealers be equipped with an Internet connection and an email address by July 1, 2013.

The bill as introduced would have required that as of July 1, 2011, all newly licensed dealers have an Internet connection and an email address and that by July 1, 2012, all dealers have an Internet connection and an email address. A Senate floor amendment was adopted that requires all dealers to have an Internet connection and an email address by July 1, 2013. The amendment also added the following enactment clause:

*That the Motor Vehicle Dealer Board in consultation with the Department of Motor Vehicles shall study the provisions of this act requiring that motor vehicle dealers, T&M vehicle dealers, trailer dealers, and motorcycle dealers, on and after July 1, 2013, be equipped with an Internet connection and an email address and advise the Governor and the General Assembly of the desirability and feasibility of these provisions on or before December 1, 2011.*

Attached is the report per the above noted enactment clause.

Respectively Submitted

A handwritten signature in cursive script that reads 'Bruce Gould'.

Bruce Gould  
Executive Director



**TO THE GOVERNOR AND  
THE VIRGINIA GENERAL ASSEMBLY:**

# Motor Vehicle Dealer Internet Access Study



**Commonwealth of Virginia  
December 2011**



## **Preface**

HB 2011 was adopted by the 2011 General Assembly and included a clause that all motor vehicle dealers be equipped with an Internet connection and an email address by July 1, 2013.

The bill as introduced would have required that as of July 1, 2011, all newly licensed dealers have an Internet connection and an email address and that by July 1, 2012, all dealers have an Internet connection and an email address. A Senate floor amendment was adopted that requires all dealers to have an Internet connection and an email address by July 1, 2013. The amendment also added the following enactment clause:

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The services of *Point Management Group* were secured to assist in conducting this study. The study was headed-up by Wendell Point, President and CEO for Point Management Group. Bruce Gould, Executive Director of the Motor Vehicle Dealer Board, was the point of contact for Point Management Group. Barbara Klotz, Legislative Services Director for the Virginia Department of Motor Vehicles coordinated DMV's participation in this study.

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## Executive Summary

All motor vehicle dealers are required to have an established place of business that is equipped with a desk, chairs, filing space, a working telephone, working utilities including electricity and provisions for space heating. Given the reliance on the internet and email by government agencies and businesses for communicating quickly, economically and efficiently with each other as well as with consumers, the Motor Vehicle Dealer Board (MVDB) worked with Delegate Carrico to introduce a bill to the 2011 General Assembly that that would have required as of July 1, 2011, all newly licensed dealers to have an Internet connection and an email address and that by July 1, 2012, all dealers have an Internet connection and an email address. The Department of Motor Vehicles determined that the dealers licensed by them should also be included in this requirement and the proposal was amended to do so.

A Senate floor amendment changed the dates that dealers would be required to have an Internet connection and an email address to July 1, 2013. The amendment also added the following enactment clause:

*That the Motor Vehicle Dealer Board in consultation with the Department of Motor Vehicles shall study the provisions of this act requiring that motor vehicle dealers, T&M vehicle dealers, trailer dealers, and motorcycle dealers, on and after July 1, 2013, be equipped with an Internet connection and an email address and advise the Governor and the General Assembly of the desirability and feasibility of these provisions on or before December 1, 2011.*

The services of *Point Management Group* were secured to assist in conducting this study.

The study found that:

- All MVDB licensed dealers have access to either fixed line broadband or dial-up Internet service. (2.2% have dial-up Internet access only and no fixed line broadband access.)
- All DMV licensed dealers have access to fixed line broadband service.
- The average monthly cost for Dial-up Internet service for standard speed is \$10 and high speed service is \$12.00.
- The average monthly cost for fixed line broadband standard speed service is approximately \$22 and \$40 for high speed service.

### Recommendations

- All new MVDB and DMV dealers should have dial-up Internet access at a minimum.
- Each MVDB and DMV dealer should acquire an Internet email address.
- Each MVDB and DMV dealer is to maintain an active Internet email address.

## **Introduction**

All motor vehicle dealers are required to have an established place of business that is equipped with a desk, chairs, filing space, a working telephone, working utilities including electricity and provisions for space heating. Given the reliance on the internet and email by government agencies and businesses for communicating quickly, economically and efficiently with each other as well as with consumers, the Motor Vehicle Dealer Board (MVDB) worked with Delegate Carrico to introduce a bill to the 2011 General Assembly that that would have required as of July 1, 2011, all newly licensed dealers have an Internet connection and an email address and that by July 1, 2012, all dealers have an Internet connection and an email address. The Department of Motor Vehicles determined that the dealers licensed by them should also be included in this requirement and the proposal was amended to do so.

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*That the Motor Vehicle Dealer Board in consultation with the Department of Motor Vehicles shall study the provisions of this act requiring that motor vehicle dealers, T&M vehicle dealers, trailer dealers, and motorcycle dealers, on and after July 1, 2013, be equipped with an Internet connection and an email address and advise the Governor and the General Assembly of the desirability and feasibility of these provisions on or before December 1, 2011.*

The services of *Point Management Group* were secured to assist in conducting this study. The study was headed-up by Wendell Point, President and CEO for Point Management Group. Bruce Gould, Executive Director of the Motor Vehicle Dealer Board, was the point of contact for Point Management Group. Barbara Klotz, Legislative Services Director for the Virginia Department of Motor Vehicles coordinated DMV's participation in this study.

## **Scope**

To conduct an intensive Internet and market study to determine which of the Commonwealth of Virginia's motor vehicle dealers, T&M vehicle dealers, trailer dealers, and motorcycle dealers have available to them access to an Internet connection and an email address.

## **Study Methodology**

The researchers in this study employed a mix-method study approach to address this study's focus. That is, it utilized the quantitative analysis approach which concerns the collection of numerical data that, in turn, can be subjected to statistical analysis. To provide an operational context to support the quantitative analysis of this research, qualitative information was be compiled from published sources.

Below is the research processes used with this study.

- Analyzed list of the addresses of 3,518 MVDB licensed dealers (List current as of August 1, 2011).
- Analyzed list of the addresses of 1,171 DMV licensed dealers (List current as of August 1, 2011).
- Reviewed Internet Policy research entitled "Connecting Virginia: The Economic Benefits of Expanding Advanced Broadband and Internet Access." The Thomas Jefferson Institute for Public Policy, November 2011.
- Conducted extensive Internet research (by individual dealer address) to determine fixed line broadband and dial-up access. The sources used were:
  - Virginia Broadband (VABB) ) <http://www.vabb.com/sitemap.php>
  - Piedmont Broadband for Rural Virginia <http://piedmontbroadband.com/index.php>
  - Office of Tele-work, Promotion, and Broadband Assistance (VITA) <http://mapping.vita.virginia.gov/broadband/>
  - Eastern Shore of Virginia Broadband Authority <http://www.esvabroadband.net/welcome>
  - Telecommunications databases for Comcast, Cox, Sprint, Verizon, NTelos, CenturyLink, Covad, and AT&T, to name a few.
- Updated database with MVDB dealers with fixed line broadband or dial-up access.
- Updated database with MVDB dealers without fixed line broadband or dial-up access.
- Updated database with DMV dealers with fixed line broadband or dial-up access.
- Updated database with DMV dealers without fixed line broadband or dial-up accesses.
- Updated database with fixed line broadband service providers of MVDB dealers.
- Updated database with dial-up Internet service providers of MVDB dealers.
- Updated database with fixed line broadband service providers of DMV dealers.
- Updated database with dial-up Internet service providers of DMV dealers.
- Developed statewide statistics on MVDB and DMV dealers with and without fixed line broadband or dial-up access.

# **Findings**

Below are the key discoveries for this study:

1. All MVDB dealers have access to either fixed line broadband or dial-up Internet services.
2. All DMV dealers have access to fixed line broadband service.
3. 77 of 3,518 MDVB dealers (representing 2.2% of this population) have dial-up Internet access only and no fixed line broadband access.
4. There are 19 locations for the 77 MVDB dealers **with** dial-up Internet access only. These locations are; Austinville, Cana, Cedar, Bluff Dahlgren, Elkton, Evington, Fancy Gap, Forks Run, Gate City, Gretna, Grundy, Hamilton, Hillsville, Hiltons, Honaker, Hurley, Independence, Laurel Fork, and Rosedale.
5. There is no singular geo-location mapping database which contains **all** MVDB and DMV dealer Internet locations. As such, multiple sources had to be employed to identify, by dealer address, who currently has fixed line broadband and/or dial-up Internet access.
6. Dial-up Internet providers have market presence in **defined** areas in Virginia based on telephone numbers.
7. Broadband Internet providers have a presence in **specific** areas in Virginia based on fixed line service area.
8. Compared to fixed line broadband, dial-up Internet access is considered to be lower in cost, can be used with a single computer, ties up the telephone line used by the computer to access the Internet, has slow download speeds, but has ample free email options such as Gmail, Yahoo, Zoho, Hotmail, and GMX, to name a few.
9. Compared to dial-up Internet access, fixed line broadband is higher in cost, but can be used by multiple computers at once for heavier usage, has faster download speeds, does not use a telephone line but a dedicated cable modem. While ample email addresses are provided by websites such as Gmail and Yahoo, email addresses are also available by the fixed line broadband provider with identifying email extensions such as .aol, cox.net, comcast.net, verizon.net, to name a few. The number of email addresses is defined by the type of fixed broadband account.
10. From dial-up Internet service providers such as Copper.net, NetZero, Basic ISP, and EarthLink, the average monthly access cost for standard speed and high speed service is approximately \$10.00 and \$12.00, respectively.

11. From fixed line broadband service providers such as Verizon FIOS, Comcast, Cox, and RoadRunner, the average monthly cost for standard speed and high speed service is approximately \$22.00 and \$40.00, respectively. However, cable modems may be required for an additional cost, whether purchased or rented.

## **Conclusions**

- Each currently licensed MVDB and DMV dealer should acquire an Internet access and an email address if they have not already done so.
- All new MVDB and DMV licensed dealers should have dial-up Internet access at a minimum.
- MVDB should encourage dealers who have dial-up Internet access to purchase mobile Internet “hot spot” devices at an average cost of \$30.00 per month.
- Each MVDB and DMV licensed must dealer maintain an email address.
- MVDB and DMV should incorporate into on-site inspection process; confirming Internet access and email address is active.



# VIRGINIA ACTS OF ASSEMBLY -- 2011 RECONVENED SESSION

## CHAPTER 791

*An Act to amend and reenact §§ 46.2-1503, 46.2-1510, 46.2-1519, 46.2-1529, 46.2-1530, 46.2-1910, 46.2-1919, 46.2-1929, 46.2-1930, 46.2-1992.8, 46.2-1992.17, 46.2-1992.22, 46.2-1992.23, 46.2-1993.8, 46.2-1993.17, 46.2-1993.22, and 46.2-1993.23 of the Code of Virginia, relating to motor vehicle dealers, T&M vehicle dealers, trailer dealers, and motorcycle dealers.*

[H 2011]

Approved April 6, 2011

**Be it enacted by the General Assembly of Virginia:**

**1. That §§ 46.2-1503, 46.2-1510, 46.2-1519, 46.2-1529, 46.2-1530, 46.2-1910, 46.2-1919, 46.2-1929, 46.2-1930, 46.2-1992.8, 46.2-1992.17, 46.2-1992.22, 46.2-1992.23, 46.2-1993.8, 46.2-1993.17, 46.2-1993.22, and 46.2-1993.23 of the Code of Virginia are amended and reenacted as follows:**

§ 46.2-1503. Motor Vehicle Dealer Board.

A. The Motor Vehicle Dealer Board is hereby created. The Board shall consist of ~~nineteen~~ 19 members appointed by the Governor, subject to confirmation by the General Assembly. Every member appointed by the Governor must be a citizen of the United States and must be a resident of Virginia. The Governor may remove any member as provided in subsection B of § 2.2-108. The initial terms of eight of the members appointed in July of 1995 shall commence when appointed and shall be for terms ending on June 30, 1997. Nine members shall be appointed for four-year terms. The members shall be at-large members and, insofar as practical, should reflect fair and equitable statewide representation.

B. Nine members shall be licensed franchised motor vehicle dealers who have been licensed as such for at least two years prior to being appointed by the Governor and seven members shall be licensed independent motor vehicle dealers who (i) have been licensed as such for at least two years prior to being appointed by the Governor and (ii) are not also franchised motor vehicle dealers. One of the independent dealers appointed to the Board shall be a licensed motor vehicle dealer primarily engaged in the business of renting vehicles, and one shall be a licensed independent dealer primarily engaged in the motor vehicle salvage business. One member shall be an individual who has no direct or indirect interest, other than as a consumer, in or relating to the motor vehicle industry.

C. Appointments shall be for terms of four years, and no person other than the Commissioner of the Department of Motor Vehicles and the Commissioner of Agriculture and Consumer Services *or his designee* shall be eligible to serve more than two successive four-year terms. The Commissioner of the Department of Motor Vehicles shall serve as chairman of the Board. Vacancies shall be filled by appointment by the Governor for the unexpired term and shall be effective until ~~thirty~~ 30 days after the next meeting of the ensuing General Assembly and, if confirmed, thereafter for the remainder of the term. Any person appointed to fill a vacancy may serve two additional successive terms.

D. The Commissioner of the Department of Motor Vehicles and the Commissioner of Agriculture and Consumer Services *or his designee* shall be ex officio voting members of the Board.

E. Members of the Board shall be reimbursed their actual and necessary expenses incurred in carrying out their duties, such reimbursement to be paid from the special fund referred to in § 46.2-1520.

§ 46.2-1510. Dealers required to have established place of business.

No license shall be issued to any motor vehicle dealer unless he has an established place of business, owned or leased by him, where a substantial portion of the sales activity of the business is routinely conducted and which:

1. Satisfies all local zoning regulations;
2. Has sales, service, and office space devoted exclusively to the dealership of at least 250 square feet in a permanent, enclosed building not used as a residence;
3. Houses all records the dealer is required to maintain by § 46.2-1529;
4. Is equipped with a desk, chairs, filing space, a working telephone listed in the name of the dealership, ~~and~~ working utilities including electricity and provisions for space heating, *and, on and after July 1, 2013, an Internet connection and email address;*
5. Displays a sign and business hours as required by this chapter; and
6. Has contiguous space designated for the exclusive use of the dealer adequate to permit the display of at least ~~ten~~ 10 vehicles.

Any dealer licensed on or before July 1, 1995, shall be considered in compliance with subdivisions 2 and 6 of this section for that licensee.

§ 46.2-1519. License and registration fees; additional to other licenses and fees required by law.

A. The fee for each license and registration year or part thereof shall be determined by the Board, subject to the following:

1. For motor vehicle dealers, not more than \$300 for each principal place of business, plus not more than \$40 for each supplemental license.

2. For motor vehicle salespersons, not more than \$50.

B. The licenses, registrations, and fees required by this chapter are in addition to licenses, taxes, and fees imposed by other provisions of law and nothing contained in this chapter shall exempt any person from any license, tax, or fee imposed by any other provision of law.

C. The fee for issuance to a nonprofit organization of a certificate pursuant to subsection B of § 46.2-1508.1 shall be \$25 per year or any part thereof.

D. No nonprofit organization granted a certificate pursuant to subsection B of § 46.2-1508.1 shall, either orally or in writing, assign a value to any donated vehicle for the purpose of establishing tax deduction amounts on any federal or state income tax return.

E. The Board may authorize discounts and other incentives to encourage licensees to conduct transactions with the Board (i) by means of electronic technologies and (ii) for multi-year periods.

*F. The fee for reprinting licenses, certificates, and registrations shall be \$10 for each reprint.*

*G. The fee for reinstating a license, certificate, or registration that has been suspended shall be \$50.*

§ 46.2-1529. Dealer records.

All dealer records regarding employees; lists of vehicles in inventory for sale, resale, or on consignment; vehicle purchases, sales, trades, and transfers of ownership; collections of taxes; titling, uninsured motor vehicle, and registration fees; odometer disclosure statements; records of permanent dealer registration plates assigned to the dealer and temporary transport plates and temporary certificates of ownership; *proof of safety inspections performed on vehicles sold at retail*; and other records required by the Department or the Board shall be maintained on the premises of the licensed location. The Board may, on written request by a dealer, permit his records to be maintained at a location other than the premises of the licensed location for good cause shown. All dealer records shall be preserved in original form or in film, magnetic, or optical media (including but not limited to microfilm, microfiche, or other electronic media) for a period of five years in a manner that permits systematic retrieval. Certain records may be maintained on a computerized record-keeping system with the prior approval of the Board.

§ 46.2-1530. Buyer's order.

A. Every motor vehicle dealer shall complete, in duplicate, a buyer's order for each sale or exchange of a motor vehicle. A copy of the buyer's order form shall be made available to a prospective buyer during the negotiating phase of a sale and prior to any sales agreement. The completed original shall be retained for a period of ~~four~~ five years in accordance with § 46.2-1529, and a duplicate copy shall be delivered to the purchaser at the time of sale or exchange. A buyer's order shall include:

1. The name and address of the person to whom the vehicle was sold or traded.

2. The date of the sale or trade.

3. The name and address of the motor vehicle dealer selling or trading the vehicle.

4. The make, model year, vehicle identification number and body style of the vehicle.

5. The sale price of the vehicle.

6. The amount of any cash deposit made by the buyer.

7. A description of any vehicle used as a trade-in and the amount credited the buyer for the trade-in. The description of the trade-in shall be the same as outlined in subdivision 4 of this subsection.

8. The amount of any sales and use tax, title fee, uninsured motor vehicle fee, registration fee, purchaser's on-line systems filing fee, or other fee required by law for which the buyer is responsible and the dealer has collected. Each tax and fee shall be individually listed and identified.

9. The net balance due at settlement.

10. Any item designated as "processing fee," and the amount charged by the dealer, if any, for processing the transaction. As used in this section processing includes obtaining title and license plates for the purchaser, but shall not include any "purchaser's on-line systems filing fee" as defined in § 46.2-1530.1 or any "dealer's manual transaction fee" as defined in § 46.2-1530.2.

11. Any item designated as "dealer's business license tax," and the amount charged by the dealer, if any.

12. If the dealer delivers to the customer a vehicle purchased by the customer on or after July 1, 2010, that is conditional on dealer-arranged financing, the following notice, printed in bold type no less than 10 point: "IF YOU ARE FINANCING THIS VEHICLE, PLEASE READ THIS NOTICE: YOU ARE PROPOSING TO ENTER INTO A RETAIL INSTALLMENT SALES CONTRACT WITH THE DEALER. PART OF YOUR CONTRACT INVOLVES FINANCING THE PURCHASE OF YOUR VEHICLE. IF YOU ARE FINANCING THIS VEHICLE AND THE DEALER INTENDS TO TRANSFER YOUR FINANCING TO A FINANCE PROVIDER SUCH AS A BANK, CREDIT UNION OR OTHER LENDER, YOUR VEHICLE PURCHASE DEPENDS ON THE FINANCE PROVIDER'S APPROVAL OF YOUR PROPOSED RETAIL INSTALLMENT SALES CONTRACT. IF YOUR RETAIL INSTALLMENT SALES CONTRACT IS APPROVED WITHOUT A CHANGE THAT INCREASES THE COST OR RISK TO YOU OR THE DEALER, YOUR PURCHASE CANNOT BE CANCELLED. IF YOUR RETAIL INSTALLMENT SALES CONTRACT IS NOT APPROVED, THE DEALER WILL NOTIFY YOU VERBALLY OR IN WRITING. YOU CAN THEN DECIDE TO PAY



FOR THE VEHICLE IN SOME OTHER WAY OR YOU OR THE DEALER CAN CANCEL YOUR PURCHASE. IF THE SALE IS CANCELLED, YOU NEED TO RETURN THE VEHICLE TO THE DEALER WITHIN 24 HOURS OF VERBAL OR WRITTEN NOTICE IN THE SAME CONDITION IT WAS GIVEN TO YOU, EXCEPT FOR NORMAL WEAR AND TEAR. ANY DOWN PAYMENT OR TRADE-IN YOU GAVE THE DEALER WILL BE RETURNED TO YOU. IF YOU DO NOT RETURN THE VEHICLE WITHIN 24 HOURS OF VERBAL OR WRITTEN NOTICE OF CANCELLATION, THE DEALER MAY LOCATE THE VEHICLE AND TAKE IT BACK WITHOUT FURTHER NOTICE TO YOU AS LONG AS THE DEALER FOLLOWS THE LAW AND DOES NOT CAUSE A BREACH OF THE PEACE WHEN TAKING THE VEHICLE BACK. IF THE DEALER DOES NOT RETURN YOUR DOWN PAYMENT AND ANY TRADE-IN WHEN THE DEALER GETS THE VEHICLE BACK IN THE SAME CONDITION IT WAS GIVEN TO YOU, EXCEPT FOR NORMAL WEAR AND TEAR, THE DEALER MAY BE LIABLE TO YOU UNDER THE VIRGINIA CONSUMER PROTECTION ACT."

13. For sales of used motor vehicles, the disclosure required by § 46.2-1529.1.

If the transaction does not include a policy of motor vehicle liability insurance, the seller shall stamp or mark on the face of the bill of sale in boldface letters no smaller than 18 point type the following words: "No Liability Insurance Included."

A completed buyer's order when signed by both buyer and seller may constitute a bill of sale.

B. The Board shall approve a buyer's order form and each dealer shall file with each original license application its buyer's order form, on which the processing fee amount is stated.

C. If a processing fee is charged, that fact and the amount of the processing fee shall be disclosed by the dealer. Disclosure shall be by placing a clear and conspicuous sign in the public sales area of the dealership. The sign shall be no smaller than eight and one-half inches by ~~eleven~~ 11 inches and the print shall be no smaller than one-half inch, and in a form as approved by the Board.

D. If the buyer's order is for a new motor vehicle having a gross vehicle weight rating of less than 16,000 pounds that had accumulated, at the time of the sale, mileage in excess of 750 miles as a demonstrator or as a result of delivery to a prospective purchaser who never took title to the new motor vehicle and returned it, the vehicle may be sold as new, provided the dealer delivers this disclosure in writing on the buyer's order containing type of no smaller than 10 point or in a separate document containing only the disclosure in type of no smaller than 14 point: "Notice: This new motor vehicle has accumulated mileage in excess of 750 miles as the result of use as a demonstrator and/or as the result of delivery to a prior prospective purchaser who never took title to it and who returned it." When delivered as a separate document, this disclosure shall also contain the actual odometer reading for the vehicle and shall be signed by the purchaser.

§ 46.2-1910. Dealers required to have established place of business.

No license shall be issued to any T&M vehicle dealer unless he has an established place of business, owned or leased by him, where a substantial portion of the sales activity of the business is routinely conducted and which:

1. Satisfies all local zoning regulations;
2. Has sales, service, and office space devoted exclusively to the dealership of at least 250 square feet in a permanent, enclosed building not used as a residence;
3. Houses all records the dealer is required to maintain by § 46.2-1929;
4. Is equipped with a desk, chairs, filing space, a working telephone listed in the name of the dealership, ~~and~~ working utilities including electricity and provisions for space heating, *and, on and after July 1, 2013, an Internet connection and email address;*
5. Displays a sign and business hours as required by this chapter; and
6. Has contiguous space designated for the exclusive use of the dealer adequate to permit the display of at least ~~ten~~ 10 T&M vehicles.

However, any licensee engaging in business exclusively as a dealer in used mobile homes without inventory need not have contiguous display space and need have only 120 square feet of sales and office space devoted exclusively to its business.

Any person licensed by the Department as a dealer under any provision of this subtitle on June 30, 1996, shall be considered in compliance with subdivisions 2 and 6 of this section for that licensee.

§ 46.2-1919. License and registration fees; additional to other licenses and fees required by law.

A. The fee for each license and registration year or part thereof shall be as follows:

1. For T&M vehicle dealers, \$100 for each principal place of business, plus \$20 for each supplemental license.
2. For T&M and motor vehicle manufacturers, distributors, and each factory branch and distributor branch, \$100.
3. For T&M and motor vehicle rebuilder salespersons, factory representatives, and distributor representatives, \$10.
4. For motor vehicle dealers and T&M vehicle dealers licensed in other states, but not in Virginia, a registration fee of \$50.
5. For manufactured home dealers, a registration fee of \$50.

B. The licenses, registrations, and fees required by this chapter are in addition to licenses, taxes, and fees imposed by other provisions of law and nothing contained in this chapter shall exempt any person from any license, tax, or fee imposed by any other provision of law. However, the Commissioner may waive fees for those licensed under Chapter 15 (*§ 46.2-1500 et seq.*), 19.1 (*§ 46.2-1992 et seq.*), or 19.2 ~~of this title~~ (*§ 46.2-1993 et seq.*); the Commissioner shall waive the fee for nonprofit organizations certified under Chapter 15, 19.1, or 19.2 ~~of this title~~.

C. The fee for any nonprofit organization issued a certificate pursuant to § 46.2-1908.1 shall be \$25 per year or any part thereof.

D. No nonprofit organization granted a certificate pursuant to § 46.2-1908.1 shall, either orally or in writing, assign a value to any donated vehicle for the purpose of establishing tax deduction amounts on any federal or state income tax return.

*E. The fee for reprinting licenses, certificates, and registrations shall be \$10 for each reprint.*

*F. The fee for reinstating a license, certificate, or registration that has been suspended shall be \$50.*

§ 46.2-1929. Dealer records.

All dealer records regarding employees; lists of vehicles in inventory for sale, resale, or on consignment; vehicle purchases, sales, trades, and transfers of ownership; collections of taxes; titling, uninsured T&M vehicle and registration fees; odometer disclosure statements; records of permanent dealer registration plates assigned to the dealer and temporary transport plates and temporary certificates of ownership; *proof of safety inspections performed on vehicles sold at retail*; and other records required by the Department shall be maintained on the premises of the licensed location. The Commissioner may, on written request by a dealer, permit his records to be maintained at a location other than the premises of the licensed location for good cause shown. All dealer records shall be preserved in original form or in film, magnetic, or optical media (including but not limited to microfilm, microfiche, or other electronic media) for a period of five years in a manner that permits systematic retrieval. Certain records may be maintained on a computerized record-keeping system with the prior approval of the Commissioner.

§ 46.2-1930. Buyer's order.

A. Every T&M vehicle dealer shall complete, in duplicate, a buyer's order for each sale or exchange of a vehicle. A copy of the buyer's order form shall be made available to a prospective buyer during the negotiating phase of a sale and prior to any sales agreement. The completed original shall be retained for a period of ~~four~~ five years in accordance with § 46.2-1929, and a duplicate copy shall be delivered to the purchaser at the time of sale or exchange. A buyer's order shall include:

1. The name and address of the person to whom the vehicle was sold or traded.
2. The date of the sale or trade.
3. The name and address of the T&M vehicle dealer selling or trading the vehicle.
4. The make, model year, vehicle identification number and body style of the vehicle.
5. The sale price of the vehicle.
6. The amount of any cash deposit made by the buyer.
7. A description of any vehicle used as a trade-in and the amount credited the buyer for the trade-in. The description of the trade-in shall be the same as outlined in subdivision 4 ~~of this subsection~~.
8. The amount of any sales and use tax, title fee, uninsured vehicle fee, registration fee, or other fee required by law for which the buyer is responsible and the dealer has collected. Each tax and fee shall be individually listed and identified.
9. The net balance due at settlement.

10. Any item designated as "processing fee," and the amount charged by the dealer, if any, for processing the transaction. As used in this section processing includes obtaining title and license plates for the purchaser, but shall not include any "purchaser's on-line systems filing fee" as described in § 46.2-1930.1 or any "dealer's manual transaction fee" as defined in § 46.2-1930.2.

11. Any item designated as "dealer's business license tax," and the amount charged by the dealer, if any.

12. If the dealer delivers to the customer a vehicle purchased by the customer on or after July 1, 2010, that is conditional on dealer-arranged financing, the following notice, printed in bold type no less than 10 point: "IF YOU ARE FINANCING THIS VEHICLE, PLEASE READ THIS NOTICE. YOU ARE PROPOSING TO ENTER INTO A RETAIL INSTALLMENT SALES CONTRACT WITH THE DEALER. PART OF YOUR CONTRACT INVOLVES FINANCING THE PURCHASE OF YOUR VEHICLE. IF YOU ARE FINANCING THIS VEHICLE AND THE DEALER INTENDS TO TRANSFER YOUR FINANCING TO A FINANCE PROVIDER SUCH AS A BANK, CREDIT UNION OR OTHER LENDER, YOUR VEHICLE PURCHASE DEPENDS ON THE FINANCE PROVIDER'S APPROVAL OF YOUR PROPOSED RETAIL INSTALLMENT SALES CONTRACT. IF YOUR RETAIL INSTALLMENT SALES CONTRACT IS APPROVED WITHOUT A CHANGE THAT INCREASES THE COST OR RISK TO YOU OR THE DEALER, YOUR PURCHASE CANNOT BE CANCELLED. IF YOUR RETAIL INSTALLMENT SALES CONTRACT IS NOT APPROVED, THE DEALER WILL NOTIFY YOU VERBALLY OR IN WRITING. YOU CAN THEN DECIDE TO PAY FOR THE VEHICLE IN SOME OTHER WAY OR YOU OR THE DEALER CAN CANCEL YOUR

PURCHASE. IF THE SALE IS CANCELLED, YOU NEED TO RETURN THE VEHICLE TO THE DEALER WITHIN 24 HOURS OF VERBAL OR WRITTEN NOTICE IN THE SAME CONDITION IT WAS GIVEN TO YOU, EXCEPT FOR NORMAL WEAR AND TEAR. ANY DOWN PAYMENT OR TRADE-IN YOU GAVE THE DEALER WILL BE RETURNED TO YOU. IF YOU DO NOT RETURN THE VEHICLE WITHIN 24 HOURS OF VERBAL OR WRITTEN NOTICE OF CANCELLATION, THE DEALER MAY LOCATE THE VEHICLE AND TAKE IT BACK WITHOUT FURTHER NOTICE TO YOU AS LONG AS THE DEALER FOLLOWS THE LAW AND DOES NOT CAUSE A BREACH OF THE PEACE WHEN TAKING THE VEHICLE BACK. IF THE DEALER DOES NOT RETURN YOUR DOWN PAYMENT AND ANY TRADE-IN WHEN THE DEALER GETS THE VEHICLE BACK IN THE SAME CONDITION IT WAS GIVEN TO YOU, EXCEPT FOR NORMAL WEAR AND TEAR, THE DEALER MAY BE LIABLE TO YOU UNDER THE VIRGINIA CONSUMER PROTECTION ACT."

If the transaction does not include a policy of liability insurance, the seller shall stamp or mark on the face of the bill of sale in boldface letters no smaller than 18 point type the following words: "No Liability Insurance Included."

A completed buyer's order when signed by both buyer and seller may constitute a bill of sale.

B. The Commissioner shall approve a buyer's order form and each dealer shall file with each original license application its buyer's order form, on which the processing fee amount is stated.

C. If a processing fee is charged, that fact and the amount of the processing fee shall be disclosed by the dealer. Disclosure shall be by placing a clear and conspicuous sign in the public sales area of the dealership. The sign shall be no smaller than eight and one-half inches by ~~eleven~~ 11 inches and the print shall be no smaller than one-half inch, and in a form as approved by the Commissioner.

§ 46.2-1992.8. Dealers required to have established place of business.

No license shall be issued to any trailer dealer unless he has an established place of business, owned or leased by him, where a substantial portion of the sales activity of the business is routinely conducted and which:

1. Satisfies all local zoning regulations;
2. Has sales, service, and office space devoted exclusively to the dealership of at least 250 square feet in a permanent, enclosed building not used as a residence;
3. Houses all records the dealer is required to maintain by § 46.2-1992.22;
4. Is equipped with a desk, chairs, filing space, a working telephone listed in the name of the dealership, ~~and~~ working utilities including electricity and provisions for space heating, ~~and, on and after July 1, 2013, an Internet connection and email address;~~
5. Displays a sign and business hours as required by this chapter; and
6. Has contiguous space designated for the exclusive use of the dealer adequate to permit the display of at least ~~ten~~ 10 trailers.

Any person licensed as a dealer by the Department under any provision of this subtitle on June 1, 1996, shall be considered in compliance with subdivisions 2 and 6 of this section for that licensee.

§ 46.2-1992.17. License and registration fees; additional to other licenses and fees required by law.

A. The fee for each license and registration year or part thereof shall be as follows:

1. For trailer dealers, \$100 for each principal place of business, plus \$20 for each supplemental license.
2. For each trailer manufacturer, distributor, factory branch and distributor branch, \$100.
3. For trailer rebuilder salespersons, factory representatives, and distributor representatives, \$10.
4. For trailer dealers licensed in other states, but not in Virginia, and for watercraft trailer dealers, a registration fee of \$50.

B. The licenses, registrations, and fees required by this chapter are in addition to licenses, taxes, and fees imposed by other provisions of law and nothing contained in this chapter shall exempt any person from any license, tax, or fee imposed by any other provision of law. However, the Commissioner may waive fees for those licensed under Chapter 15 (*§ 46.2-1500 et seq.*), 19 (*§ 46.2-1900 et seq.*), or 19.2 ~~of this title~~ (*§ 46.2-1993 et seq.*); the Commissioner shall waive the fee for nonprofit organizations certified under Chapter 15, 19, or 19.2 ~~of this title~~.

C. The fee for any nonprofit organization issued a certificate pursuant to § 46.2-1992.6:1 shall be \$25 per year or any part thereof.

D. No nonprofit organization granted a certificate pursuant to § 46.2-1992.6:1 shall, either orally or in writing, assign a value to any donated vehicle for the purpose of establishing tax deduction amounts on any federal or state income tax return.

*E. The fee for reprinting licenses, certificates, and registrations shall be \$10 for each reprint.*

*F. The fee for reinstating a license, certificate, or registration that has been suspended shall be \$50.*

§ 46.2-1992.22. Dealer records.

All dealer records regarding employees; lists of vehicles in inventory for sale, resale, or on consignment; vehicle purchases, sales, trades, and transfers of ownership; collections of taxes; titling, uninsured motor vehicle and registration fees; odometer disclosure statements, records of permanent dealer registration plates assigned to the dealer and temporary transport plates and temporary certificates

of ownership; *proof of safety inspections performed on vehicles sold at retail*; and other records required by the Department shall be maintained on the premises of the licensed location. The Commissioner may, on written request by a dealer, permit his records to be maintained at a location other than the premises of the licensed location for good cause shown. All dealer records shall be preserved in original form or in film, magnetic, or optical media (including but not limited to microfilm, microfiche, or other electronic media) for a period of five years in a manner that permits systematic retrieval. Certain records may be maintained on a computerized record-keeping system with the prior approval of the Commissioner.

§ 46.2-1992.23. Buyer's order.

A. Every trailer dealer shall complete, in duplicate, a buyer's order for each sale or exchange of a vehicle. A copy of the buyer's order form shall be made available to a prospective buyer during the negotiating phase of a sale and prior to any sales agreement. The completed original shall be retained for a period of ~~four~~ five years in accordance with § 46.2-1992.22, and a duplicate copy shall be delivered to the purchaser at the time of sale or exchange. A buyer's order shall include:

1. The name and address of the person to whom the vehicle was sold or traded.
2. The date of the sale or trade.
3. The name and address of the trailer dealer selling or trading the vehicle.
4. The make, model year, vehicle identification number and body style of the vehicle.
5. The sale price of the vehicle.
6. The amount of any cash deposit made by the buyer.
7. A description of any vehicle used as a trade-in and the amount credited the buyer for the trade-in.

The description of the trade-in shall be the same as outlined in subdivision 4 of this subsection.

8. The amount of any sales and use tax, title fee, uninsured motor vehicle fee, registration fee, or other fee required by law for which the buyer is responsible and the dealer has collected. Each tax and fee shall be individually listed and identified.

9. The net balance due at settlement.

10. Any item designated as "processing fee," and the amount charged by the dealer, if any, for processing the transaction. As used in this section processing includes obtaining title and license plates for the purchaser, but shall not include any "purchaser's on-line systems filing fee" as defined in § 46.2-1992.23:1 or any "dealer's manual transaction fee" as defined in § 46.2-1992.23:2.

11. Any item designated as "dealer's business license tax," and the amount charged by the dealer, if any.

12. If the dealer delivers to the customer a vehicle purchased by the customer on or after July 1, 2010, that is conditional on dealer-arranged financing, the following notice, printed in bold type no less than 10 point: "IF YOU ARE FINANCING THIS VEHICLE, PLEASE READ THIS NOTICE. YOU ARE PROPOSING TO ENTER INTO A RETAIL INSTALLMENT SALES CONTRACT WITH THE DEALER. PART OF YOUR CONTRACT INVOLVES FINANCING THE PURCHASE OF YOUR VEHICLE. IF YOU ARE FINANCING THIS VEHICLE AND THE DEALER INTENDS TO TRANSFER YOUR FINANCING TO A FINANCE PROVIDER SUCH AS A BANK, CREDIT UNION OR OTHER LENDER, YOUR VEHICLE PURCHASE DEPENDS ON THE FINANCE PROVIDER'S APPROVAL OF YOUR PROPOSED RETAIL INSTALLMENT SALES CONTRACT. IF YOUR RETAIL INSTALLMENT SALES CONTRACT IS APPROVED WITHOUT A CHANGE THAT INCREASES THE COST OR RISK TO YOU OR THE DEALER, YOUR PURCHASE CANNOT BE CANCELLED. IF YOUR RETAIL INSTALLMENT SALES CONTRACT IS NOT APPROVED, THE DEALER WILL NOTIFY YOU VERBALLY OR IN WRITING. YOU CAN THEN DECIDE TO PAY FOR THE VEHICLE IN SOME OTHER WAY OR YOU OR THE DEALER CAN CANCEL YOUR PURCHASE. IF THE SALE IS CANCELLED, YOU NEED TO RETURN THE VEHICLE TO THE DEALER WITHIN 24 HOURS OF VERBAL OR WRITTEN NOTICE IN THE SAME CONDITION IT WAS GIVEN TO YOU, EXCEPT FOR NORMAL WEAR AND TEAR. ANY DOWN PAYMENT OR TRADE-IN YOU GAVE THE DEALER WILL BE RETURNED TO YOU. IF YOU DO NOT RETURN THE VEHICLE WITHIN 24 HOURS OF VERBAL OR WRITTEN NOTICE OF CANCELLATION, THE DEALER MAY LOCATE THE VEHICLE AND TAKE IT BACK WITHOUT FURTHER NOTICE TO YOU AS LONG AS THE DEALER FOLLOWS THE LAW AND DOES NOT CAUSE A BREACH OF THE PEACE WHEN TAKING THE VEHICLE BACK. IF THE DEALER DOES NOT RETURN YOUR DOWN PAYMENT AND ANY TRADE-IN WHEN THE DEALER GETS THE VEHICLE BACK IN THE SAME CONDITION IT WAS GIVEN TO YOU, EXCEPT FOR NORMAL WEAR AND TEAR, THE DEALER MAY BE LIABLE TO YOU UNDER THE VIRGINIA CONSUMER PROTECTION ACT."

A completed buyer's order when signed by both buyer and seller may constitute a bill of sale.

B. The Commissioner shall approve a buyer's order form and each dealer shall file with each original license application its buyer's order form, on which the processing fee amount is stated.

C. If a processing fee is charged, that fact and the amount of the processing fee shall be disclosed by the dealer. Disclosure shall be by placing a clear and conspicuous sign in the public sales area of the dealership. The sign shall be no smaller than eight and one-half inches by ~~eleven~~ 11 inches and the print

shall be no smaller than one-half inch, and in a form as approved by the Commissioner.

§ 46.2-1993.8. Dealers required to have established place of business.

No license shall be issued to any motorcycle dealer unless he has an established place of business, owned or leased by him, where a substantial portion of the sales activity of the business is routinely conducted and which:

1. Satisfies all local zoning regulations;
2. Has sales, service, and office space devoted exclusively to the dealership of at least 250 square feet in a permanent, enclosed building not used as a residence;
3. Houses all records the dealer is required to maintain by § 46.2-1993.22;
4. Is equipped with a desk, chairs, filing space, a working telephone listed in the name of the dealership, and working utilities including electricity and provisions for space heating, and, on and after July 1, 2013, an Internet connection and email address;
5. Displays a sign and business hours as required by this chapter; and
6. Has contiguous space designated for the exclusive use of the dealer adequate to permit the display of at least ~~ten~~ 10 motorcycles.

Any person licensed as a dealer by the Department under any provision of this subtitle on June 30, 1996, shall be considered in compliance with subdivisions 2 and 6 of this section for that licensee.

§ 46.2-1993.17. License and registration fees; additional to other licenses and fees required by law.

A. The fee for each license and registration year or part thereof shall be as follows:

1. For motorcycle dealers, \$100 for each principal place of business, plus \$20 for each supplemental license.
2. For each motorcycle manufacturer, distributor, factory branch, and distributor branch, \$100.
3. For motorcycle rebuilder salespersons, factory representatives, and distributor representatives, \$10.
4. For motorcycle dealers licensed in other states, but not in Virginia, a registration fee of \$50.

B. The licenses, registrations, and fees required by this chapter are in addition to licenses, taxes, and fees imposed by other provisions of law and nothing contained in this chapter shall exempt any person from any license, tax, or fee imposed by any other provision of law. However, the Commissioner may waive fees for those licensed under Chapter 15 (*§ 46.2-1500 et seq.*), 19 (*§ 46.2-1900 et seq.*), or 19.1 ~~of this title~~ (*§ 46.2-1992 et seq.*); the Commissioner shall waive the fee for nonprofit organizations certified under Chapter 15, 19, or ~~19.2 of this title~~ 19.1.

C. The fee for any nonprofit organization issued a certificate pursuant to § 46.2-1992.6:1 shall be \$25 per year or any part thereof.

D. No nonprofit organization granted a certificate pursuant to subsection B of § 46.2-1993.6:1 shall, either orally or in writing, assign a value to any donated vehicle for the purpose of establishing tax deduction amounts on any federal or state income tax return.

*E. The fee for reprinting licenses, certificates, and registrations shall be \$10 for each reprint.*

*F. The fee for reinstating a license, certificate, or registration that has been suspended shall be \$50.*

§ 46.2-1993.22. Dealer records.

All dealer records regarding employees; lists of vehicles in inventory for sale, resale, or on consignment; vehicle purchases, sales, trades, and transfers of ownership; collections of taxes; titling, uninsured motor vehicle and registration fees; odometer disclosure statements; records of permanent dealer registration plates assigned to the dealer and temporary transport plates and temporary certificates of ownership; *proof of safety inspections performed on vehicles sold at retail*; and other records required by the Department shall be maintained on the premises of the licensed location. The Commissioner may, on written request by a dealer, permit his records to be maintained at a location other than the premises of the licensed location for good cause shown. All dealer records shall be preserved in original form or in film, magnetic, or optical media (including but not limited to microfilm, microfiche, or other electronic media) for a period of five years in a manner that permits systematic retrieval. Certain records may be maintained on a computerized record-keeping system with the prior approval of the Commissioner.

§ 46.2-1993.23. Buyer's order.

A. Every motorcycle dealer shall complete, in duplicate, a buyer's order for each sale or exchange of a vehicle. A copy of the buyer's order form shall be made available to a prospective buyer during the negotiating phase of a sale and prior to any sales agreement. The completed original shall be retained for a period of ~~four~~ five years in accordance with § 46.2-1993.22, and a duplicate copy shall be delivered to the purchaser at the time of sale or exchange. A buyer's order shall include:

1. The name and address of the person to whom the vehicle was sold or traded.
2. The date of the sale or trade.
3. The name and address of the motorcycle dealer selling or trading the vehicle.
4. The make, model year, and vehicle identification number.
5. The sale price of the vehicle.
6. The amount of any cash deposit made by the buyer.
7. A description of any vehicle used as a trade-in and the amount credited the buyer for the trade-in. The description of the trade-in shall be the same as outlined in subdivision 4 ~~of this subsection~~.

8. The amount of any sales and use tax, title fee, uninsured motor vehicle fee, registration fee, or other fee required by law for which the buyer is responsible and the dealer has collected. Each tax and fee shall be individually listed and identified.

9. The net balance due at settlement.

10. Any item designated as "processing fee," and the amount charged by the dealer, if any, for processing the transaction. As used in this section processing includes obtaining title and license plates for the purchaser, but shall not include any "purchaser's on-line systems filing fee" as defined in § 46.2-1993.23:1 or any "dealer's manual transaction fee" as defined in § 46.2-1993.23:2.

11. Any item designated as "dealer's business license tax," and the amount charged by the dealer, if any.

12. If the dealer delivers to the customer a vehicle purchased by the customer on or after July 1, 2010, that is conditional on dealer-arranged financing, the following notice, printed in bold type no less than 10 point: "IF YOU ARE FINANCING THIS VEHICLE, PLEASE READ THIS NOTICE. YOU ARE PROPOSING TO ENTER INTO A RETAIL INSTALLMENT SALES CONTRACT WITH THE DEALER. PART OF YOUR CONTRACT INVOLVES FINANCING THE PURCHASE OF YOUR VEHICLE. IF YOU ARE FINANCING THIS VEHICLE AND THE DEALER INTENDS TO TRANSFER YOUR FINANCING TO A FINANCE PROVIDER SUCH AS A BANK, CREDIT UNION OR OTHER LENDER, YOUR VEHICLE PURCHASE DEPENDS ON THE FINANCE PROVIDER'S APPROVAL OF YOUR PROPOSED RETAIL INSTALLMENT SALES CONTRACT. IF YOUR RETAIL INSTALLMENT SALES CONTRACT IS APPROVED WITHOUT A CHANGE THAT INCREASES THE COST OR RISK TO YOU OR THE DEALER, YOUR PURCHASE CANNOT BE CANCELLED. IF YOUR RETAIL INSTALLMENT SALES CONTRACT IS NOT APPROVED, THE DEALER WILL NOTIFY YOU VERBALLY OR IN WRITING. YOU CAN THEN DECIDE TO PAY FOR THE VEHICLE IN SOME OTHER WAY OR YOU OR THE DEALER CAN CANCEL YOUR PURCHASE. IF THE SALE IS CANCELLED, YOU NEED TO RETURN THE VEHICLE TO THE DEALER WITHIN 24 HOURS OF VERBAL OR WRITTEN NOTICE IN THE SAME CONDITION IT WAS GIVEN TO YOU, EXCEPT FOR NORMAL WEAR AND TEAR. ANY DOWN PAYMENT OR TRADE-IN YOU GAVE THE DEALER WILL BE RETURNED TO YOU. IF YOU DO NOT RETURN THE VEHICLE WITHIN 24 HOURS OF VERBAL OR WRITTEN NOTICE OF CANCELLATION, THE DEALER MAY LOCATE THE VEHICLE AND TAKE IT BACK WITHOUT FURTHER NOTICE TO YOU AS LONG AS THE DEALER FOLLOWS THE LAW AND DOES NOT CAUSE A BREACH OF THE PEACE WHEN TAKING THE VEHICLE BACK. IF THE DEALER DOES NOT RETURN YOUR DOWN PAYMENT AND ANY TRADE-IN WHEN THE DEALER GETS THE VEHICLE BACK IN THE SAME CONDITION IT WAS GIVEN TO YOU, EXCEPT FOR NORMAL WEAR AND TEAR, THE DEALER MAY BE LIABLE TO YOU UNDER THE VIRGINIA CONSUMER PROTECTION ACT."

If the transaction does not include a policy of liability insurance, the seller shall stamp or mark on the face of the bill of sale in boldface letters no smaller than 18 point type the following words: "No Liability Insurance Included."

A. completed buyer's order when signed by both buyer and seller may constitute a bill of sale.

B. The Commissioner shall approve a buyer's order form and each dealer shall file with each original license application its buyer's order form, on which the processing fee amount is stated.

C. If a processing fee is charged, that fact and the amount of the processing fee shall be disclosed by the dealer. Disclosure shall be by placing a clear and conspicuous sign in the public sales area of the dealership. The sign shall be no smaller than eight and one-half inches by ~~eleven~~ 11 inches and the print shall be no smaller than one-half inch, and in a form as approved by the Commissioner.

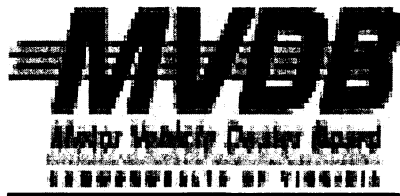
**2. That the Motor Vehicle Dealer Board in consultation with the Department of Motor Vehicles shall study the provisions of this act requiring that motor vehicle dealers, T&M vehicle dealers, trailer dealers, and motorcycle dealers, on and after July 1, 2013, be equipped with an Internet connection and an email address and advise the Governor and the General Assembly of the desirability and feasibility of these provisions on or before December 1, 2011.**

# **Motor Vehicle Dealer Board**

**Commonwealth of Virginia**

**White Paper:**

## **Motor Vehicle Dealer Board INTERNET Access Analysis**



**OIPI Multimodal Technical Assistance:  
Motor Vehicle Dealer Board INTERNET Access and Staff Adequacy Analysis**

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**OIPI Multimodal Technical Assistance:**  
**Motor Vehicle Dealer Board INTERNET Access and Staff**  
**Adequacy Analysis**

**Legislative Directive**

“That the Motor Vehicle Dealer Board (MVDB) in consultation with the Department of Motor Vehicles (DMV) shall study the provisions of this act requiring that motor vehicle dealers, T&M vehicle dealers, trailer dealers, and motorcycle dealers, on and after July 1, 2013, be equipped with an Internet connection and an email address and advise the Governor and the General Assembly of the desirability and feasibility of these provisions on or before December 1, 2011.”

**Source: The Virginia Acts of Assembly – Reconvened Session, Chapter 791, Page 8. Approved April 6, 2011**

**Scope**

To conduct an intensive Internet and market study to determine which of the Commonwealth of Virginia’s motor vehicle dealers, T&M vehicle dealers, trailer dealers, and motorcycle dealers have available to them access to an Internet connection and an email address.

# **Organizational Overview**

## **Mission**

The Motor Vehicle Dealer Board will administer sections of the Commonwealth's Motor Vehicle Dealer Laws and Regulations as charged; promote the best interests of both the automotive consumer and dealer body; and process all motor vehicle related complaints promptly and professionally; while providing a high level of customer service.

## **Vision Statement**

Considered "World Class" regulatory agency that licenses motor vehicle dealers and salespersons; leading the way in customer service, consumer support, innovation, creativity, and automation. The Motor Vehicle Dealer Board support telework initiatives of which 40% of agency work-force have "home-based" offices and necessary IT support to accomplish field work and communication to Headquarters.

## **Statutory Authority**

The 1995 General Assembly overwhelmingly adopted legislation to shift the regulation and oversight of the new and used motor vehicle dealer industry from the Department of Motor Vehicles, to a professional board.

The Board consists of nineteen members for which the Governor, subject to confirmation by the General Assembly, appoints seventeen. In order to stagger appointments and ensure continuity, initially, eight members were appointed to two-year terms and nine were appointed to four-year terms.

The statute creating the Board stipulates that nine members shall be licensed franchise ("new") motor vehicle dealers, and seven members shall be independent ("used") dealers. Further, the statute requires that of the seven independent dealers, one shall be primarily engaged in vehicle rental, and one in the motor vehicle salvage business. The other three members include a consumer with no connection to the motor vehicle dealer industry; the Commissioner of the Virginia Department of Agriculture and Consumer Services and the Commissioner of the Department of Motor Vehicles, who serves as the Board's chairman.

**The Motor Vehicle Dealer Board's authority is found in Title 46.2 of the Code of Virginia, § 46.2-1503. Motor Vehicle Dealer Board, and § 46.2-1503.4. General powers and duties of Board.**

## Customers

Below is a snapshot of the customers served annually and potential customers which can also be served by MVDB and DMV.

<b>Customer Group</b>	<b>Customers served annually</b>	<b>Potential customers annually</b>
Commonwealth of Virginia Motor Vehicle Consumer	6,000	6,000
Commonwealth of Virginia Motor Vehicle Dealer Community	21,800	23,500

## Products and Services

The Motor Vehicle Dealer Board offers the following products and services (core business functions) under their three service areas:

- Board Administration
- Operations
- Licensing
- Inspection
- Hearings and Violations
- Advertising
- Transaction Recovery Fund Administration
- Consumer Correspondence (Review, Research, Direction, and Response)

Source: <http://vaperforms.virginia.gov/agencylevel/stratplan/spreport.cfm?AgencyCode=506>

## Focus of Study

To conduct an intensive Internet and market study to determine which of the Commonwealth of Virginia's motor vehicle dealers, T&M vehicle dealers, trailer dealers, and motorcycle dealers have available to them access to an Internet connection and an email address.

## Methodology

The researchers in this study employed a mix-method study approach to address this study's focus. That is, it utilized the quantitative analysis approach which concerns the collection of numerical data that, in turn, can be subjected to statistical analysis. To provide an operational context to support the quantitative analysis of this research, qualitative information was be compiled from published sources.

Below is the research processes used with this study.

- Analyzed list of 3,518 MVDB dealers currently in Excel spread sheet supplied by MVDB.
- Analyzed list of 1,171 DMV dealers currently in Excel spread sheet supplied by MVDB.
- Reviewed Internet Policy research entitled "*Connecting Virginia: The Economic Benefits of Expanding Advanced Broadband and Internet Access.*" The Thomas Jefferson Institute for Public Policy. November 2011.
- Conducted extensive Internet research (by individual dealer address) to determine fixed line broadband and dial-up access. The sources used were:
  - Virginia Broadband (VABB) <http://www.vabb.com/sitemap.php>
  - Piedmont Broadband for Rural Virginia <http://piedmontbroadband.com/index.php>
  - Office of Tele-work, Promotion, and Broadband Assistance (VITA) <http://mapping.vita.virginia.gov/broadband/>
  - Eastern Shore of Virginia Broadband Authority <http://www.esvabroadband.net/welcome>
  - Telecommunications databases for Comcast, Cox, Sprint, Verizon, NTelos, CenturyLink, Covad, and AT&T, to name a few.
- Updated database with MVDB dealers **with** fixed line broadband or dial-up access.
- Updated database with MVDB dealers **without** fixed line broadband or dial-up access.
- Updated database with DMV dealers **with** fixed line broadband or dial-up access.

- Updated database with DMV dealers **without** fixed line broadband or dial-up accesses.
- Updated database with fixed line broadband service providers of MVDB dealers.
- Updated database with dial-up Internet service providers of MVDB dealers.
- Updated database with fixed line broadband service providers of DMV dealers.
- Updated database with dial-up Internet service providers of DMV dealers.
- Developed statewide statistics on MVDB and DMV dealers **with** and **without** fixed line broadband or dial-up access.

## Findings

Below are the 13 key discoveries for this study:

1. All MVDB dealers have either fixed line broadband or dial-up Internet accesses.
2. All DMV dealers have fixed line broadband access.
3. 77 of 3,518 MDVB dealers (representing 2.2% of this population) have dial-up Internet access only and no fixed line broadband access.
4. There are 19 locations for the 77 MVDB dealers **with** dial-up Internet access only. These locations are; Austinville, Cana, Cedar, Bluff Dahlgren, Elkton, Evington, Fancy Gap, Forks Run, Gate City, Gretna, Grundy, Hamilton, Hillsville, Hiltons, Honaker, Hurley, Independence, Laurel Fork, and Rosedale.
5. There is no singular geo-location mapping database which contains **all** MVDB and DMV dealer Internet locations. As such, multiple sources had to be employed to identify, by dealer address, who currently has fixed line broadband and/or dial-up Internet access.
6. There is no consistency in identifying the type of dealer between MVDB and DMV. For instance, MVDB dealers are coded as either “ID”, “ND”, “NP”, or “TA” while DMV dealers coded as “FB”, “FM”, “FT”, “IB”, “IM”, and “IT” .
7. Dial-up Internet providers have market presence in **defined** areas in Virginia based on telephone numbers.
8. Broadband Internet providers have a presence in **specific** areas in Virginia based on fixed line service area.
9. Each geo-location mapping program accessed in this study only contained the address location of MVDB or DMV dealer. No other descriptive information was available.

10. Compared to fixed line broadband, dial-up Internet access is considered to be lower in cost, can be used with a single computer, ties up the telephone line used by the computer to access the Internet, has slow download speeds, but has ample free email options such as Gmail, Yahoo, Zoho, Hotmail, and GMX, to name a few.
11. Compared to dial-up Internet access, fixed line broadband is higher in cost, but can be used by multiple computers at once for heavier usage, has faster download speeds, does not use a telephone line but a dedicated cable modem. While ample email addresses are provided by websites such as Gmail and Yahoo, email addresses are also available by the fixed line broadband provider with identifying email extensions such as .aol, cox.net, comcast.net, verizon.net, to name a few. The number of email addresses is defined by the type of fixed broadband account.
12. From dial-up Internet service providers such as Copper.net, NetZero, Basic ISP, and EarthLink, the average monthly access cost for standard speed and high speed service is approximately \$10.00 and \$12.00, respectively.
13. From fixed line broadband service providers such as Verizon FIOS, Comcast, Cox, and RoadRunner, the average monthly cost for standard speed and high speed service is approximately \$22.00 and \$40.00, respectively. However, cable modems may be required for an additional cost, whether purchased or rented.

## **Recommendations**

Based upon the Internet and market information obtained and analyzed to determine which of the Commonwealth of Virginia's motor vehicle dealers, T&M vehicle dealers, trailer dealers, and motorcycle dealers have available to them access to an Internet connection and an email address, it is recommended that;

- MVDB and DMV should garner agreement from VITA to merge their broadband databases containing dealer locations.
- MVDB and DMV should garner agreement from VITA to include their dealer locations with dial-up Internet access.
- If no agreement with VITA, MVDB should develop and maintain its own geo-location mapping, per the Commonwealth of Virginia's technology standards.
- MVDB should encourage dealers who have dial-up Internet access to purchase mobile Internet "hot spot" devices at an average cost of \$30.00 per month.

- All new MVDB and DMV dealers should have dial-up Internet access at a minimum. The average monthly dial-up Internet access cost for standard speed and high speed service is approximately \$10.00 and \$12.00, respectively.
- Each MVDB and DMV dealer should acquire an Internet email address.
- Each MVDB and DMV dealer is to maintain an active Internet email address.
- MVDB and DMV should incorporate into on-site inspection process; confirming Internet access and email address is active.
- Have a MVDB “point of contact” responsible for updating and maintaining geo-location database and geo-location mapping program.

### **Next Steps**

Considering the aforementioned recommendations in conjunction with number of customers served and potential customers which could be served on an annual basis, MVDB and DMV should;

- Work with VITA to determine feasibility of merging geo-location databases.
- Work with VITA to determine feasibility of updating geo-location mapping with the Office of Tele-work, Promotion, and Broadband Assistance
- Assess the feasibility of developing an Internet based geo-location mapping program to include dealers with broadband and dial-up Internet access.
- Develop training for MVDB area representatives on the use of Internet based mapping programs.
- Define descriptive information to be included in geo-location database and mapping program.







# **Motor Vehicle Dealer Board** **Commonwealth of Virginia**

## **MOTOR VEHICLE DEALER BOARD INTERNET ACCESS ANALYSIS**



# **Motor Vehicle Dealer Board** **Commonwealth of Virginia**

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# **Motor Vehicle Dealer Board** **Commonwealth of Virginia**

## **Legislative Directive**

“That the Motor Vehicle Dealer Board in consultation with the Department of Motor Vehicles shall study the provisions of this act requiring that motor vehicle dealers, T&M vehicle dealers, trailer dealers, and motorcycle dealers, on and after July 1, 2013, be equipped with an Internet connection and an email address and advise the Governor and the General Assembly of the desirability and feasibility of these provisions on or before December 1, 2011.”

**Source:**

**The Virginia Acts of Assembly – Reconvened Session, Chapter 791,  
Page 8. Approved April 6, 2011**



# **Motor Vehicle Dealer Board** **Commonwealth of Virginia**

## **Purpose of Study**

To conduct an intensive Internet and market study to determine which of the Commonwealth of Virginia's motor vehicle dealers, T&M vehicle dealers, trailer dealers, and motorcycle dealers have available to them access to an Internet connection and an email address.



# **Motor Vehicle Dealer Board** **Commonwealth of Virginia**

## **Methodology**

- Analyzed list of MVDB dealers.
- Analyzed list of DMV dealers.
- Reviewed Internet Policy research entitled “Connecting Virginia: The Economic Benefits of Expanding Advanced Broadband and Internet Access.” The Thomas Jefferson Institute for Public Policy. November 2011.
- Internet research sources (by individual dealer address):
  - Virginia Broadband (VABB)  
<http://www.vabb.com/sitemap.php>
  - Piedmont Broadband for Rural Virginia  
<http://piedmontbroadband.com/index.php>
  - Office of Tele-work, Promotion, and Broadband Assistance (VITA)  
<http://mapping.vita.virginia.gov/broadband/>
  - Eastern Shore of Virginia Broadband Authority  
<http://www.esvabroadband.net/welcome>
  - Telecommunications databases for Comcast, Cox, Sprint, Verizon, Ntelos, CenturyLink, Covad, and AT&T, to name a few.



## Motor Vehicle Dealer Board Commonwealth of Virginia

### Methodology Continued

- Updated database with MVDB dealers **with** fixed line broadband or dial-up access.
- Updated database with MVDB dealers **without** fixed line broadband or dial-up access.
- Updated database with DMV dealers **with** fixed line broadband or dial-up access.
- Updated database with DMV dealers **without** fixed line broadband or dial-up accesses.
- Developed statewide statistics on MVDB and DMV dealers **with** and **without** fixed line broadband or dial-up access.



# Motor Vehicle Dealer Board Commonwealth of Virginia

## Findings

- All MVDB dealers have either fixed line broadband or dial-up Internet accesses.
- All DMV dealers have fixed line broadband access.
- 77 of 3,518 MDVB dealers or 2.2% have dial-up Internet access only and no fixed line broadband access.
- Each of the 1,171 DMV dealers have fixed line broadband Internet access.
- There is no geo-location mapping database which contains **all** MVDB and DMV dealer Internet locations.
- Dial-up Internet providers have market presence in specific areas in Virginia. Based on telephone number.
- Broadband Internet providers have a presence in specific areas in Virginia. Based on fixed line service area.



# Motor Vehicle Dealer Board Commonwealth of Virginia

## Findings Continued

- There is no consistency in identifying the type of dealer between MVDB and DMV. For instance, MVDB dealers are coded as either “ID”, “ND”, “NP”, or “TA” while DMV dealers coded as “FB”, “FM”, “FT”, “IB”, “IM”, and “IT” .
- The 19 locations for the 77 MVDB dealers without fixed line broadband and dial-up Internet access only are;
  - \* Austinville
  - \* Cedar
  - \* Elkton
  - \* Fancy Gap
  - \* Gate City
  - \* Grundy
  - \* Hillsville
  - \* Honaker
  - \* Independence
  - \* Rosedale
  - \* Cana
  - \* Bluff Dahlgren
  - \* Evington
  - \* Forks Run
  - \* Gretna
  - \* Hamilton
  - \* Hiltons
  - \* Hurley
  - \* Laurel Fork





# **Motor Vehicle Dealer Board** **Commonwealth of Virginia**

## **Findings Continued**

### Decision Matrix: Dial-Up versus Broadband

<b>Dial-Up (Wired)</b>	<b>Broadband (Fixed Line)</b>
Lowest cost	Higher cost
Single computer	Multiple computers
Light to moderate use	Heavy use
Ties up a phone line	Doesn't tie up a phone line
Slow download speeds	Fast download speeds
Have ample free email options	Have ample free email options



## **Motor Vehicle Dealer Board** **Commonwealth of Virginia**

### **Findings Continued**

Selected **monthly** costs for Internet dial-up and broadband services (excluding modems).

<b>Access Type</b>	<b>Service Provider</b>	<b>Standard Speed</b>	<b>High Speed</b>
Dial-up	Copper.net	\$9.95	\$14.95
Dial-up	NetZero	\$9.95	\$14.95
Dial-up	Basic ISP	\$6.95	\$9.95
Dial-up	EarthLink	N/A	\$14.95
Broadband	Verizon FIOS	\$24.99	\$39.99
Broadband	Comcast	\$19.00	\$69.00
Broadband	Cox	\$24.99	\$59.99
Broadband	Road Runner	\$24.95	\$34.95



# **Motor Vehicle Dealer Board** **Commonwealth of Virginia**

## **Recommendations**

- Garner agreement from VITA to merge broadband databases with MVDB and DMV dealer locations.
- Garner agreement from VITA to include MVDB and DMV dealer locations with dial-up Internet access.
- If no agreement with VITA, MVDB should develop and maintain its own geo-location mapping, per the Commonwealth of Virginia's technology standards.
- Encourage MVDB dealers who have dial-up Internet access to purchase mobile Internet "hot spot" devices at an average cost of \$30.00 per month.
- All new MVDB and DMV dealers should have dial-up Internet access at a minimum. The average monthly dial-up Internet access cost for standard speed and high speed service is approximately \$10.00 and \$12.00, respectively.



## **Motor Vehicle Dealer Board** **Commonwealth of Virginia**

### **Recommendations Continued**

- Each MVDB and DMV dealer is to acquire an Internet email address.
- Each MVDB and DMV dealer is to maintain an active Internet email address.
- Incorporate into on-site inspection process; confirming Internet access and email address are active.
- Have a MVDB “point of contact” responsible for updating and maintaining geo-location database and geo-location mapping program.
- Develop consistent identifying types and corresponding codes for MVDB and DMV dealers.



## **Motor Vehicle Dealer Board** **Commonwealth of Virginia**

### **Next Steps**

- Work with VITA to determine feasibility of merging geo-location databases.
- Work with VITA to determine feasibility of updating geo-location mapping with the Office of Tele-work, Promotion, and Broadband Assistance
- MVDB and DMV to assess feasibility of developing an Internet based geo-location mapping program to include dealers with broadband and dial-up Internet access.
- Develop training for MVDB area representatives on the use of Internet based mapping programs.
- Define descriptive information to be included in geo-location database and mapping program.





