



# COMMONWEALTH of VIRGINIA

Department of Motor Vehicles

2300 West Broad Street

**Richard D. Holcomb**  
Commissioner

Post Office Box 27412  
Richmond, VA 23269-0001

November 7, 2019

The Honorable Charles W. Carrico, Senator  
Chairman Senate Committee on Transportation  
Pocahontas Building, Room E519  
900 East Main Street  
Richmond, Virginia 23219

The Honorable David E. Yancey, Delegate  
Chairman House Committee on Transportation  
Pocahontas Building, Room W436  
900 East Main Street  
Richmond, Virginia 23219

RE: Department of Motor Vehicles hearings; motor vehicle dealers

Dear Chairman Carrico and Chairman Yancey:

Chapter 751 of the 2019 *Acts of Assembly* requires the Commissioner of the Department of Motor Vehicles (DMV) to report to the Chairmen of the House and Senate Committees on Transportation by December 1, 2019, as to the volume and nature of any alleged violations received by the Department and the resulting actions taken by the Commissioner as contemplated in § 46.2-1573 (C) of the *Code of Virginia* regarding Motor Vehicle Dealer Franchises. Section 46.2-1573 (C) of the *Code of Virginia* requires the Commissioner to initiate investigations, conduct hearings, and determine the rights of parties whenever he is provided information by the Motor Vehicle Dealer Board (MVDB) or any other person. The Commissioner shall issue a response to the MVDB or person reporting the alleged violation and any other party to the investigation providing an explanation of the action taken under this section and the reason for such action.

For 2019, DMV has received a single complaint to date, which was filed by the Virginia Automobile Dealers Association (VADA) on September 25, 2019, alleging that General Motors, LLC (GM) has violated §§ 46.2-1566, 46.2-1568, and 46.2-1569 (2) of the *Code of Virginia*. The

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complaint alleges that GM improperly amended its dealer agreement without notification to DMV. VADA also alleges that GM is using a specially-worded form and threats of monetary penalties in an attempt to coerce its dealers to sell only parts sponsored, sold, or offered by GM. This investigation is still ongoing and a final determination will not be available before the December 1, 2019 report deadline. Any action taken by the Commissioner as a result of the complaint will be reported in the December 1, 2020 report.

If you have any questions concerning this matter, please contact the Program Manager for Dealer Affairs, Marta Morales, by phone at (804) 367-0671 or email at [marta.morales@dmv.virginia.gov](mailto:marta.morales@dmv.virginia.gov).

Sincerely,

A handwritten signature in blue ink, appearing to read "Richard D. Holcomb", with a long horizontal flourish extending to the right.

Richard D. Holcomb

CC: Don Hall, Virginia Automobile Dealers Association