



COMMONWEALTH of VIRGINIA

Department of Motor Vehicles
2300 West Broad Street

Richard D. Holcomb
Commissioner

Post Office Box 27412
Richmond, VA 23269-0001

December 10, 2020

The Honorable David W. Marsden, Senator
Senate of Virginia
Chairman Senate Committee on Transportation
Pocahontas Building, Room E618
900 East Main Street
Richmond, Virginia 23219

The Honorable Delores L. McQuinn, Delegate
Virginia House of Delegates
Chairwoman House Committee on Transportation
Pocahontas Building, Room E324
900 East Main Street
Richmond, Virginia 23219

RE: Department of Motor Vehicles hearings; motor vehicle dealers

Dear Chairman Marsden and Chairwoman McQuinn:

Chapter 751 of the 2019 *Acts of Assembly* requires the Commissioner of the Department of Motor Vehicles (DMV) to report to the Chairs of the House and Senate Committees on Transportation by December 1, 2019 and 2020, 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 that a violation of the provisions of article 7 (§ 46.2-1566 et seq.) of Chapter 15 of Title 46.2 of the *Code of Virginia* is alleged. 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.

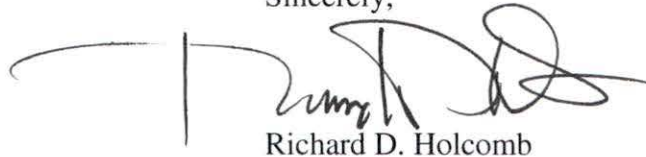
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After this report was compiled in 2019, DMV concluded an investigation into a complaint that was filed by the Virginia Automobile Dealers Association (VADA) on September 25, 2019, alleging that General Motors, LLC (GM) had violated §§ 46.2-1566, and 46.2-1569 (2) of the *Code of Virginia*. VADA alleged that GM improperly amended its dealer agreement without notification to DMV. VADA also alleged that GM was 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. The Commissioner initiated an investigation and, in a letter dated November 15, 2019, concluded that there were no violations by GM under Virginia law. This letter was delivered to VADA President Donald Hall at the conclusion of the investigation.

For 2020, as of the date of submission, DMV has received no complaints that a violation of the provisions of Article 7 (§ 46.2-1566 et seq.) of Chapter 15 of Title 46.2 of the *Code of Virginia* has occurred.

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 e-mail at marta.morales@dmv.virginia.gov.

Sincerely,

A handwritten signature in black ink, appearing to read "Richard D. Holcomb", is written over a horizontal line. The signature is stylized and cursive.

Richard D. Holcomb

c: The Honorable Shannon R. Valentine, Secretary of Transportation
The Honorable Bill DeSteph, Senate of Virginia