

MISSISSIPPI MOTOR VEHICLE COMMISSION



ANNUAL REPORT

FISCAL YEAR ENDING

JUNE 30, 2010

Mississippi Motor Vehicle Commission consists of:

Executive Director: Charles M. Nelms, Jr.

Board or Commission Members: Term Expires

Chairman:	Larry W. Clark - State at Large	End of
	Amory Mississippi	Governor's Term
Vice Chairman:	Don Hartfield - State at Large	End of
	Gulfport, Mississippi	Governor's Term

Commission Members:

Stan King-District 4	06/30/12
Brookhaven, Mississippi	
James Ceranti-District 2	06/30/16
Greenville, Mississippi	
Renda T. McGowan	06/30/12
Ridgeland, Mississippi - State at Large	
Phil Moore-District 3	06/30/12
Jackson, Mississippi	
Henry Ware-District 1	06/30/12
Southaven, Mississippi	
James T. Williams - State at Large	06/30/11
Yazoo City, Mississippi	

Office Staff:

Melissa Frazier, Op/Mgmt Analyst Sr. Florence, MS
Lisa Ordone, Op/Mgmt Analyst Jackson, MS
Attorney: Peter Cleveland, Attorney for Board, Attorney
General's Office

Declaration of Public Policy:

The Mississippi Legislature finds and declares that the distribution and sale of motor vehicles in the State of Mississippi vitally affects the general economy of the state and the public interest and the public welfare. The Legislature

further finds and declares that it is necessary, in the exercise of its police power, to regulate and to license motor vehicle manufacturers, factory branches and divisions, distributors, distributor branches and divisions, distributor representatives, wholesalers, wholesalers branch and divisions, dealers and salesmen doing business in the state of Mississippi in order (1) to prevent frauds, unfair practices, discrimination, impositions and other abuses upon the citizens of the State of Mississippi, (2) to avoid undue control of the independent motor vehicle dealer by motor vehicle manufacturing and distributing organizations (3) to foster and keep alive vigorous and healthy competition, (4) to prevent the creation or perpetuation of monopolies, (5) to prevent the practice of requiring the buying of special features, accessories, special models, appliances and equipment not desired by a motor vehicle dealer or the ultimate purchaser, (6) to prevent false and misleading advertising, (7) to promote and keep alive a sound system of distribution of motor vehicles to the public, and (8) to promote the public safety and welfare.

Authorization:

The Mississippi Code 1972 Annotated, Title 63-17-57 creates the Commission, to be composed of eight (8) members, six (6) appointed by the Governor; one (1) appointed by the Attorney General; and one (1) appointed by the Secretary of State. The appointments are made with the approval of the Mississippi Senate.

Creation and Reenactment:

The Mississippi Motor Vehicle Commission was created by the Mississippi Legislature to become effective July 1, 1970.

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The Mississippi Motor Vehicle Commission is a special funded, self-supporting agency with funds derived through licensing and fees from the new vehicle franchised industry. This includes distributors of new motor vehicles, manufacturers of new motor vehicles, factory branches of new motor vehicles, and their representatives, traveling within and contacting the Mississippi new vehicle franchised dealers in person or by telephone.

Be it enacted by the Legislature State of Mississippi: via House Bill 604, Regular Session 1991: an act to re-enact sections cited as the "Mississippi Motor Vehicle Commission Law", excluding Section 63-17-107, Repeal. This act shall take effect and be in force from and after July 1, 1991.

Qualifications:

Each of the members appointed to the Commission shall be a citizen of the United States and a resident of the State of Mississippi and a qualified elector of the jurisdiction from which appointed, and each shall be of good moral character. The member of the Commission initially appointed by the Attorney General and the Secretary of State and all members subsequently appointed by them shall never have been engaged in the manufacture, distribution or sale of motor vehicles and shall not thereafter be so engaged as long as they are members of the Commission. The members of the Commission initially appointed by the Governor and all such members subsequently appointed by an incumbent Governor shall be qualified to receive a license under the provisions of the Mississippi Motor Vehicle Commission law and shall be holders of a current license within ninety (90) days after their respective appointments and shall continue to be holders of a current license at all times thereafter so long as they are members. The chairman and each member of the Commission shall, before entering upon the discharge of the duties of his office, take and subscribe to the oath of office prescribed by Section 268 of the Constitution of the State of Mississippi, and shall file same in the office of the Secretary of State.

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Frequency of Meetings:

Regular monthly meetings shall be held in the Commission's office in Jackson, Hinds County, Mississippi, once per month. The Commission may, upon approval of the majority of its members hold special meetings and the hearings provided for under section 63-17-93 at any time and place within the State of Mississippi.

Quorum:

A majority of the Commission shall constitute a quorum for the transaction of any business. Neither the Chairman nor the Vice-Chairman, when the Vice-Chairman is presiding, shall be entitled to a vote unless his vote is necessary to break a tie vote.

Duties:

To employ an executive director who shall collect all fees and charges under the provisions of the Mississippi Motor Vehicle Commission Law; to prescribe, issue, amend and rescind reasonable rules and regulations as necessary to carry out the provisions of the Mississippi Motor vehicle Commission law; to issue licenses for vehicle protection product warrantors, motor vehicle dealers, salesmen, manufacturers, distributors, and representatives to

enforce the provisions of the Mississippi Motor Vehicle Commission law; to provide hearings pertaining to the denials, revocation or suspension of license.

Program Narrative:

The Mississippi Motor Vehicle Commission shall continue the collection of all fees and penalty or penalties to issue license to new vehicle franchised dealers, new motor vehicle salesmen, distributors, manufacturers, representatives, and vehicle protection product warrantors.

Verified, informal and telephonic complaints that may arise involving any party licensed by the Commission shall continue to be handled, with emphasis to be placed on informal conferences.

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Consumer complaints against new car franchised dealers and the franchised system are to be expedited in a satisfactory manner, mutually agreeable to the parties involved.

The Commission is now, as it has always been, ready at all times to take what action is necessary on any complaint presented to the Commission in the form of a verified complaint or an informal complaint, by any aggrieved party.

The Mississippi Motor Vehicle Commission continues to serve as a vital link in dealer/manufacturer/consumer relationships.

Regulation Number One: Damage Disclosure, states that on any new vehicle, corrected damage exceeding six percent (6%) of manufacturer's suggested retail price, as measured by retail repair costs, must be disclosed in writing prior to dealer transfers and consumer deliveries. Effective August 19, 1992.

Regulation Number Two: warranty work, preparation and delivery, shall continue to assist both the dealer and the factory whose product is being sold. Effective February 1, 1972

Regulation Number Three: New Motor Vehicle Dealers permission to display vehicles away from their dealership location and to have two off premises sales per calendar year, in their assigned territory by the Manufacturer and/or Distributor and licensed by the Mississippi Motor Vehicle Commission, effective October 21, 1992. Satellite Location Effective 9-22-94

Regulation Number Four: of the Mississippi Motor Vehicle Commission is adhered to, thereby providing the public with truthful realistic advertising. Regulation Number Four replaces Regulation Number One Advertising: Effective May 18, 1988.

Regulation Number Five: Change in ownership

Regulation Number Six: Criteria for securing salesperson license

Regulation Number Seven: Vehicle Protection Product Warrantors

Effective 7-1-07
Regulation Number Eight: Motor Vehicle Dealer Documentary/Service
fee. Effective 8-1-07
Regulation Number Nine: Manufacturer, Distributor,
Representative, and Vehicle Warrantor
Administrative Fee amended.
Effective 06-19-09

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Regulation Number Ten: Event Sales. Effective 03-19-09
Regulation Number Eleven: Specialty Vehicles. Effective 07-01-10
Regulation Number Twelve: Export Chargeback Procedure. Effective
Effective 07-19-10
HOUSE BILL : 844..Motor Vehicle Protection Product Warrantors
Effective 7-1-07
Rules of Practice and Organization were filed with the Secretary
of State's Office on June 21, 1996.
The Commission updated its franchise law during the 2000
legislative session.

Projection:

The Mississippi Motor Vehicle Commission is readily available to assist dealer and manufacturer/distributor and consumers with sales, distribution, service and/or financial matters, pertaining to new vehicles, discretely and professionally when assistance is requested, of the Commission by the parties involved.

The Mississippi Motor Vehicle Commission is recognized by the automotive industry as fulfilling the obligations for which it was created: "to regulate and to license the motor vehicle industry in the state of Mississippi."

Other states' "like agencies" confer with the Mississippi Motor Vehicle Commission as to the position being taken on many national policy making situations, as well as local policies, involving the new vehicle franchised system.

The Mississippi Motor Vehicle Commission shall continue to serve the new vehicle franchised system's future needs as quickly, efficiently, and professionally in the future as it has in the past.

Verified Complaints Documented (Section 63-17-91):	
Consumer vs Dealer	1
Dealers vs Manufacturers	1
Dealer vs Commission	0
Others	1
Informal Complaints Documented:	
Consumer vs Dealer	(A)2 (S) 15 (F) 3
Dealer vs Dealer	(A)5 (S) 0 (F) 0
Total (A) Advertising Complaints	7
Total (S) Sales Complaints	15
Total (F) Financing Complaints	3
Total	25
Commission Possible Violation Findings:	
Advertising	7
Off Premises Sales and/or Displays	0
On Site Investigations	0
(Informal Complaints are received by telephone, letters, and office "drop-in's.")	7
Hearings:	
Dealer vs Manufacturer	1
Commission vs Dealer and/or salespeople	2
Consumer vs Dealer	0
Dealer vs Commission	0
Others	0

Financial Information:

Fund Balance Beginning of Fiscal Year 2010 \$ 214,729

(7/1/09)

Expenditures for Fiscal Year 2010	\$ 276,016
Revenue Income for Fiscal Year 2010	\$ 414,705
Fund Balance at Fiscal Year 2010 End (6/30/10)	\$ 353,418