
Motor Vehicle Dealer Board Maximum Civil Penalty To Be Assessed for Unlicensed Salespersons per Administrative Action January 11, 2021

Virginia Code Section [§ 46.2-1537](#) states that, “It shall be unlawful for any motor vehicle dealer or salesperson licensed under this chapter, directly or indirectly, to solicit the sale of a motor vehicle through a peculiarly interested person, or to pay, or cause to be paid, any commission or compensation in any form whatsoever to any person in connection with the sale of a motor vehicle, unless the person is duly licensed as a salesperson employed by the dealer. It shall also be unlawful for any motor vehicle dealer to compensate, in any form whatsoever, any person acting in the capacity of a salesperson as defined in [§ 46.2-1500](#) unless that person is licensed as required by this chapter.”

Virginia Code Section [§ 46.2-1507](#) gives the Motor Vehicle Dealer Board the authority to assess civil penalties that do not exceed \$1,000.00 for any single violation of Chapter 46.2 of the Code of Virginia. Each unlicensed salesperson constitutes a separate violation, and each individual sale may constitute a per occurrence violation.

Per this policy, the Board will continue to levy civil penalties, which will not exceed \$25,000 for unlicensed salespersons per administrative action. The Board further resolved that Board staff should take into consideration whether the dealership made an administrative error in applying for or renewing the salespersons license, and if found to be true, the per occurrence penalty will not be applied.

Nothing contained in this policy shall be used to interfere with an investigation by or on behalf of the staff leading to or designed to lead to a charge that will be the subject of an Informal Fact Finding Conference or a Formal Hearing.

Nothing contained in this policy shall be used to interfere with the right of a dealer to appeal any administrative action to an Informal Fact-Finding conference or a Formal hearing.

§ 46.2-1537

§ 46.2-1507

Board Meeting January 11, 2021