



Application of the *Motor Dealer Amendments Act of 2016* Begins

Licensing Noncompliance

A key amendment to the *Motor Dealer Act* that became effective with Royal Assent are rules clarifying the prohibition against motor dealers allowing a person to act as a salesperson if that person is not licensed. Past action for such a breach was limited to the suspension or cancellation of the motor dealer licence. This was deemed an overly onerous penalty that the Registrar used sparingly. Once regulations are passed, the Registrar will be able to assess penalties for licensing non-compliance as a more progressive compliance tool.

Salespeople Must Be Licensed Immediately

A limited number of dealers are still not attending to the licensing status of those new to the industry. This includes the immediate submission of a completed [Salesperson Application Package](#) so a Conditional Licence can be issued. It also includes the successful completion of the Salesperson Certification Course within the Conditional Licence period. Everyone with customer contact related to sales must have a valid licence. The dealership must also have a current [Employment Authorization](#) for every salesperson on file with the VSA.

Anyone working without a valid salesperson licence is in violation of the *Motor Dealer Act* and the Salesperson Licensing Regulation. And, every motor dealer licence is issued conditional upon full compliance with all salesperson licensing requirements. In addition to putting their motor dealer licence in jeopardy by suspension or cancellation, once the regulations are approved, the Registrar will have the option to assess administrative penalties and investigation costs. When compliance action is taken, the dealer and salesperson will be held responsible for any noncompliance.

Remember, [checking the VSA website for the status of a new hire](#) is very simple and requires no login or password.

Authorized Spokesperson Contact Must Be Current

The *Authorized Spokesperson* is "the Dealer Principal, Owner, General Manager or the Senior Manager of the dealership who has the authority to speak, decide and act on behalf of the dealer on all matters regarding licensing and compliance."

A dealership must maintain a spokesperson with the authority described above. However, the *Authorized Spokesperson* may assign employee licensing matters to another person. This person will be designated for salesperson licensing matters only. Consumer complaints and other compliance issues will still be directed to the *Authorized Spokesperson*.

The VSA must be notified if the spokesperson or their contact information changes. Licensing or compliance delays that are the result of the failure to maintain correct dealer contact information are the responsibility of the dealer, not the VSA. In addition, any failure to advise on time as required by the legislation, will be subject to administrative penalties when the amendments are fully implemented. If contact information for the *Authorized Spokesperson* needs to be updated, or if you wish to designate a *Licensing Employee Verification* contact, please contact the Licensing Department at 604-575-7256 or licensing@mvsabc.com.

More information on other changes to the *Motor Dealer Act* can be found in the [May 30](#) and [February 18 VSA Bulletins](#).