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STATE OF CALIFORNIA

NEW MOTOR VEHICLE BOARD

M I N U T E S

The New Motor Vehicle Board (Board) held a General meeting on February 20, 2026, at Glendale City Hall, Council Chamber Room, 613 E. Broadway, 2nd Floor, Glendale, California 91206.

Jacob Stevens, President and Public Member, called the meeting of the Board to order at 8:33 a.m.

2. **ROLL CALL**

Board Members Present:
Anne Smith Boland
Ashley Dena
Garrett Jensen
Shirley G. Jones
Ardashes "Ardy" Kassakhian (arrived 8:37 a.m.)
Bismarck Obando
Allie Schultheis
Jacob Stevens

Board Staff Present:
Timothy M. Corcoran, Executive Director
Kim Vaye, Assistant Director and Equity Officer
Robin P. Parker, Chief Counsel

Tammy Bayne, Administrative Law Judge

Executive Director Corcoran indicated that a quorum was established for general business.

3. **PLEDGE OF ALLEGIANCE**

Member Jensen led the members and staff in the Pledge of Allegiance.

4. **<u>INTRODUCTION AND WELCOME OF NEWLY APPOINTED DEALER BOARD MEMBER SHIRLEY G. JONES, AND PUBLIC BOARD MEMBERS ALEXANDRA SCHULTHEIS AND GARRETT JENSEN</u>**

President Stevens welcome newly appointed Dealer Member Shirley G. Jones, and Public Members Alexandra Schultheis and Garrett Jensen. Member Jones noted that she works for Car Pros Kia of Glendale, Car Pros Kia Huntington Beach, Car Pros Kia Moreno Valley, BMW of Downtown Los Angeles, and Car Pros Honda of El Monte. Member Jensen appreciated the warm welcome and thanked the Speaker of the Assembly for his appointment. He runs an organization called Friends of the University. Lastly, Member Schultheis works for the city of San Francisco in the Department of Police Accountability, which oversees the San Francisco Police Department. She is the director of mediation.

5. **<u>DISCUSSION CONCERNING THE STATE OF THE AUTOMOTIVE INDUSTRY BY THE ALLIANCE FOR AUTOMOTIVE INNOVATION AND CALIFORNIA NEW CAR DEALERS ASSOCIATION (CNCDA) - BOARD DEVELOPMENT COMMITTEE</u>**

President Stevens welcomed Curt Augustine and Brian Maas. Executive Director Corcoran provided the bios.

> Curt Augustine is the Senior Director of State Affairs for the Alliance of Automotive Innovation (Auto Innovators). Auto innovators is the leading advocacy group for the auto industry, representing manufacturers and value chain partners who together, produce nearly 99 percent of all light-duty vehicles sold in the United States. Its members include motor vehicle manufacturers, original equipment suppliers, technology and other automotive-related companies and trade associations. Mr. Augustine has more than 30 years of experience involving state government, in both the public and private sectors. Previously, Mr. Augustine served as deputy legislative secretary to Governor Arnold Schwarzenegger, and was responsible for legislation related to transportation, business, financial, economic development, and local government issues. Additionally, he served for eight years in the Wilson Administration in various capacities at the Department of Consumer Affairs, and competitive construction industry nonprofit associations tasked with workforce development policy issues.
>
> Brian Maas is the president of the California New Car Dealers Association (CNCDA), representing over 1,200 franchised new car dealers in the state. Mr. Maas directed CNCDA's political activities and served as the association's chief legislative advocate for 12 years before becoming president. Previously, he was a lobbyist with the California Bankers Association. Prior to working with trade associations, Brian spent 12 years practicing law as a specialist in political law, and lobbying in San Francisco and Sacramento. He also worked as a district capital staffer and community

consultant in the California assembly. A native of San Leandro, Mr. Maas graduated from McGeorge School of Law in Sacramento with honors, and the University of California Berkeley.

Executive Director Corcoran indicated the discussion today includes bridging the electric vehicle incentive gap given the elimination of the federal credit and other related affordability issues.

Curt Augustine stated that members of Auto Innovators are auto manufacturers that sell only through dealers through the franchise dealer system. They represent no one who sells directly to consumers.

Mr. Augustine provided the members with an overview of what happened in the auto industry in 2025 and what they see for 2026. There is an overall theme of constant change. This includes tariffs, repeal of California's authority to set certain environmental standards (the rules for the advanced clean rules or ACC II), elimination of the $7,500 ZEV (Zero-Emission Vehicles) purchase credit, the elimination of the National Electric Vehicle Infrastructure (NEVI) program, and lack of Federal controls on greenhouse gas emissions. California's budget proposed $200 million in ZEV rebates for purchases that would be matched by manufacturers. Mr. Augustine briefly discussed the California Air Resources Board (CARB) "Drive Forward Light-duty Vehicle Program," that Auto Innovators believe will set rules similar to the former EPA rules resulting in approximately 50% of cars sold would be EVs in 2032.

A summary of the industry was provided by Mr. Augustine. About 2.4% of the cars on the road are EVs or about 7 million vehicles. The charging infrastructure lags behind though. There is about one public charger for every 30 cars sold. In 2025, there were 16.2 million vehicles sold with anticipated sales of 16 million in 2026. ZEV sales are projected to be significantly lower than in 2025. In general, there is declining consumer confidence, persistent supply chain issues, and high loan interest rates.

In closing, Mr. Augustine noted that manufacturers are not going to abandon $250 billion worth of investments. It's going to be more challenging than any of us had hoped, but they are sticking to that. Auto Innovators is going to continue to work with government regulators and legislators, and support Governor Newsom's budget proposal on rebates. The dealers, manufacturers, and some environmental groups are putting together a strong coalition to do that because this is a critical component to getting ZEV sales back up.

Member Kassakhian inquired about the penetration for hydrogen technology. Curt stated that part of the challenge is fueling infrastructure. Nobody is going to buy an electric car or a hydrogen-powered car if you cannot charge it. There is a challenge with market acceptance from regulators. There is still a fear with hydrogen fueling stations. Even though it is not true, it is a perception. The light-duty market is challenging but opportunities seem better in medium-duty and heavy-duty vehicles.

Additionally, Member Kassakhian inquired about affordability in terms of car loans such as 15-year terms. Affordability is huge per Mr. Augustine. The average price of a car is $50,000, which is extremely expensive for a large percentage of the population. Companies are looking to start producing less expensive vehicles but consumers are not necessarily responding to that. In fact, domestic automakers do not make sedans anymore. Mr. Maas added that consumers do not keep their vehicles for 15 years. Mr. Augustine guessed the time was seven years.

Member Dena is a domestic car dealer and inquired about the likelihood Chinese manufacturers like BYD, NIO, or Geely coming into the US and whether there is pushback. Mr. Augustine stated there is significant pushback not only from the automakers but also the federal government in terms of national security, and environmental and safety risk. These cars do not meet federal safety or emission standards. The manufacturers' concerns are competition and fairness.

President Stevens thanked Mr. Augustine for his time and the Auto Innovators.

Mr. Maas welcomed the new Board Members and thanked them for their service. He started his remarks by discussing affordability. Dealers are the retailers and CNCDA represents all the franchised new car dealers that Auto Innovator's companies represent. CNCDA's dealers, including the ones on the Board, experience affordability every day. With new car prices at $50,000 and loan terms at eight or nine years, negative equity (a customer owes more money that the car is worth), is a challenge for the industry when a consumer trades in their vehicle.

Next, Mr. Maas noted the type of vehicles that customers buy have changed dramatically. In California, 10 years ago, passenger cars outsold trucks and SUVs. Now, 75% of vehicles are trucks and SUVs. Ford no longer offers a sedan. Small sedans were often entry vehicles for most folks who were entering the new-car market. As their financial and family circumstances changed, the consumer would switch to a bigger or more expensive vehicle. Now, what is happening is wealthier consumers are propping up the market. They are buying expensive trucks and SUVs, which is good for automakers and likely okay for dealers in the near term. However, long-term it is a challenge because there will not be affordable cars for the used car market in 3-4 years because there will not be those vehicles available. Dealers are having to get much older used vehicles like six, seven, or eight years old and put them on their lot as they try to meet their customers' needs. In the long-term, both the dealers and manufacturers need to figure this out and make vehicles more available.

Switching to ZEV standards, Mr. Maas noted that automakers are regulated but the impact is most felt by the dealers to figure out what product they are going to get. If manufacturers are under pressure to produce a certain number of ZEVs, they will put pressure on dealers to buy those ZEVs, and then the dealers are under pressure to retail those cars to consumers. The real problem is when the market does not match the mandate. The 2026 mandate was 35% of all vehicles sold in California had to be ZEV. It was going up about 8% a year to 100% by 2035. The market was not there to achieve this. In response to this, the CNCDA initiated a public affairs campaign to educate policymakers about the mandate. Ultimately, CARB paused the mandate for 2026.

The CNCDA is supportive of the Governor's ZEV proposal. However, they do not think incentives should be for used vehicles. There are already incentives available for used vehicles but they are smaller programs. It does not improve vehicle greenhouse gas emissions by incentivizing people to purchase a used EV. According to Mr. Maas, the only way we improve emissions is to sell more new ZEVs.

In closing, Mr. Maas discussed what CNCDA is seeing as car dealers and what the future looks like. The outlook is good but as previously mentioned CNCDA is a little concerned about affordability. The other challenges they've got is manufacturers that believe the franchise dealer model is appropriate in some cases, but not in other cases. Mr. Maas mentioned the litigation against VW and Scout Motors and a partnership between Sony and Honda challenging their ability to sell vehicles directly to consumers. He discussed the role of the Public Board Members in making decisions in protests. On behalf of the CNCDA, he thanked the members for their service and appreciates their willingness to learn about the industry.

Mr. Augustine and Maas were available to answer member questions. Member Obando inquired about the challenges to getting chargers in jurisdictions and what steps are being taken to build strategic partnerships. Mr. Maas stated that automakers frequently ask their dealers to install ZEV charging infrastructure at their dealerships in anticipation of servicing cars in the future. There are all kinds of obstacles with utility hookups, land-use planning challenges, acquiring the necessary equipment, and so on. Concerning partnering, CNCDA is having conversations with policymakers and stakeholders. Whatever the future goal is for ZEV adoption, it will not be achieved without an infrastructure. Mr. Augustine added that for the first time, two charging companies joined Auto Innovators. Mr. Obando inquired about sales and revenue coming into the state in terms of sales tax and others. The CNCDA's most recent Auto Outlook projected sales for 2026 of about 1.78 million new cars, which is slightly less than 1.8 million in 2025. This is about 10% less than historic highs.

Executive Director Corcoran thanked Curt and Brian for joining the Board today. He discussed the Board's EV Expert Pledge that recognizes and acknowledges dealers that are making sure consumers get a good first experience with a new ZEV. It is really about the right EV for the right customer at the right time. The Dealer Members have all taken the Pledge. Executive Director Corcoran thanked the CNCDA for advertising this program in their newsletters and also thanked Curt. Next, he discussed the upcoming press conferences for the Automotive Safety Recalls Awareness Week on March 2^{nd} and 3^{rd}. Executive Director Corcoran thanked both CNCDA, Brian Maas, Curt Augustine, and Auto Innovators for joining the Board officially as partners for those press conferences.

6. **APPROVAL OF THE MINUTES FROM THE JULY 31, 2025, MEETING OF THE COMMITTEE ON EQUITY, JUSTICE AND INCLUSION, JULY 31, 2025, SPECIAL MEETING, AUGUST 1, 2025, GENERAL MEETING, AND AUGUST 1, 2025, SPECIAL MEETING**

Vice President Smith Boland moved to adopt the minutes from the July 31, 2025, meeting of the Committee on Equity, Justice and Inclusion, July 31, 2025, Special Meeting, August 1, 2025, General Meeting, and August 1, 2025, Special Meeting. President Stevens seconded the motion. The motion carried unanimously.

7. **2026 ELECTION OF BOARD PRESIDENT AND VICE PRESIDENT - EXECUTIVE COMMITTEE**

President Stevens read the following statement from the Board adopted Parliamentary Procedures:

> [T]he election of officers should be a specific item of business for the first General Meeting of each calendar year, so it's put to consideration. Any member may nominate or self-nominate any other member [for] the office of president or vice-president. [There are] no restrictions on the number of members who may be nominated for either position during this process. At any time after at least one Board Member is nominated for each office, any member may move that the nomination of officers be closed. If the motion is seconded and carried by a majority vote, the nominating process shall be deemed concluded. After the nominating process is concluded, the Members of the Board shall cast their vote for a nominated Member for each office. No Board Member may vote for more than one nominated Member for each office. The voting shall be done by oral poll. [A]ny Board Member may abstain from voting for a nominated Member for either office.

In summary, the members open the nominations, close the nominations, and then vote on the nominations.

Executive Director Corcoran commented for the benefit of the new members that historically the Board has chosen to have the president and vice president serve two years in those roles. President Stevens added on behalf of himself and Vice President Smith Boland that it has been a great honor and pleasure to serve their first year and they are both happy to serve a second year.

Member Obando moved to nominate Member Stevens as President. Member Stevens accepted this nomination. No other nominations for President were made. Member Obando moved to close the nominations with Member Smith Boland seconding the motion. This motion to close the nominations carried unanimously. Member Smith Boland seconded the motion to nominate Member Stevens as President. The motion to nominate Member Stevens as President carried unanimously.

Member Stevens moved to nominate Member Smith Boland as Vice President. Member Smith Boland accepted this nomination. No other nominations for Vice President were made. Member Stevens moved to close the nominations with Member Obando seconding the motion. This motion to close the nominations carried unanimously. Member Dena seconded the motion to nominate Member Smith Boland as Vice President. The motion to nominate Member Smith Boland as Vice President carried unanimously.

8. **<u>ANNUAL REVIEW AND APPOINTMENT TO THE FOLLOWING COMMITTEES, BY THE INCOMING BOARD PRESIDENT:</u>**

- Administration Committee.
- Board Development Committee.
- Committee on Equity, Justice and Inclusion.
  - Working Committee on Land Acknowledgments.
  - Working Committee on Virtual and Telephonic Access to Public Meetings.
- Executive Committee.
- Fiscal Committee.
- Government and Industry Affairs Committee.
- Legislative Committee.
- Policy and Procedure Committee.
- Ad Hoc Committee to Review the Mission and Vision Statements.

After a brief discussion off the record, President Stevens announced the following committee appointments:

<u>ADMINISTRATION COMMITTEE</u>
Bismarck Obando, Chair
Shirley Jones, Member

<u>BOARD DEVELOPMENT COMMITTEE</u>
Ashley Dena, Chair
Allie Schultheis, Member

<u>COMMITTEE ON EQUITY, JUSTICE AND INCLUSION</u>
Jake Stevens, Chair
Anne Smith Boland, Member
Ashley Dena, Member
Garrett Jensen, Member
Shirley Jones, Member
Ardy Kassakhian, Member
Bismarck Obando, Member
Allie Schultheis, Member

Working Committee on Land Acknowledgments
Jacob Stevens, Member
Vacant, Member

Working Committee on Virtual and Telephonic Access to Public Meetings
Bismarck Obando, Member
Anne Smith Boland

EXECUTIVE COMMITTEE
Jake Stevens, President
Anne Smith Boland, Vice President

FISCAL COMMITTEE
Ardy Kassakhian, Chair
Anne Smith Boland, Member

GOVERNMENT AND INDUSTRY AFFAIRS COMMITTEE
Ashley Dena, Chair
Garret Jensen, Member

LEGISLATIVE COMMITTEE
Jake Stevens, President
Anne Smith Boland, Vice President

POLICY AND PROCEDURE COMMITTEE
Jake Stevens, Chair
Allie Schultheis, Member

AD HOC COMMITTEE TO REVIEW THE MISSION AND VISION STATEMENTS
Ardy Kassakhian, Chair
Jake Stevens, Member

President Stevens stated that the Committee on Equity, Justice and Inclusion will no longer have a vice chair. At this time, President Stevens did not make any changes to the two working committees of the Committee on Equity, Justice and Inclusion. Nor did he make any changes to the Ad Hoc Committee to Review the Mission and Vision Statements. Committees would be revisited prior to the conclusion of the meeting.

9. APPOINTMENT OF BOARD MEMBER DESIGNEE IN COMPLIANCE WITH THE BOARD'S 1997 "REVISED BOARD POLICY REGARDING REPRESENTATION IN COURT ACTIONS," BY THE INCOMING BOARD PRESIDENT

This matter was pulled from the agenda since the incoming President is a Public Member and the incoming Vice President is a Dealer Member. If both the incoming President and Vice President were Dealer Members, this designation would be necessary to comply with the Board adopted policy.

10. **<u>CONSIDERATION OF PRESENTATION OF RESOLUTION TO KATHRYN DOI, FORMER PUBLIC BOARD MEMBER</u>**

11. **<u>CONSIDERATION OF PRESENTATION OF RESOLUTION TO BRADY SCHMIDT, FORMER DEALER BOARD MEMBER</u>**

12. **<u>CONSIDERATION OF PRESENTATION OF RESOLUTION TO DIANA WOODWARD HAGLE, FORMER ADMINISTRATIVE LAW JUDGE</u>**

13. **<u>CONSIDERATION OF PRESENTATION OF RESOLUTION TO EVELYN I. MATTEUCCI, FORMER ADMINISTRATIVE LAW JUDGE</u>**

14. **<u>CONSIDERATION OF PRESENTATION OF RESOLUTION TO DWIGHT V. NELSEN, FORMER ADMINISTRATIVE LAW JUDGE</u>**

15. **<u>CONSIDERATION OF PRESENTATION OF RESOLUTION TO KYMBERLY PIPKIN, FORMER ADMINISTRATIVE LAW JUDGE</u>**

Agenda Items 10-15 were taken together. Member Kassakhian moved to present resolutions to Kathryn Doi, Brady Schmidt, Diana Woodward Hagle, Evelyn Matteucci, Dwight Nelsen, and Kymberly Pipkin in recognition of their contribution to the New Motor Vehicle Board. Member Schultheis seconded the motion. The motion carried unanimously.

Executive Director Corcoran remarked for the new Members benefit that the Board relied for many years on retired annuitant Administrative Law Judges (ALJs), and as part of the Board's strategic plan, the Board moved away from this for a number of reasons. ALJ Tammy Bayne was part of the solution to use permanent intermittent judges. These resolutions signify the end of an era. Executive Director Corcoran thanked the ALJs for their work supporting the Board and in creating the unique operation we have today. Fortunately, the transition to the Office of Administrative Hearings has gone quite well and is a more sustainable model.

Chief Counsel Parker added that ALJ Anthony Skrocki previously received a Resolution before he retired for his nearly 50 years of service with the Board, which is why he is not included with the other ALJs.

16. **<u>CONSIDERATION OF THE REVISED *GUIDE TO THE NEW MOTOR VEHICLE BOARD* TO INCLUDE INFORMATION ON STATUTORY AND REGULATORY CHANGES - ADMINISTRATION COMMITTEE</u>**

The members were provided with a memo and revised *Guide to the New Motor Vehicle Board* from Tim Corcoran and Robin Parker.

As indicated in the memo, the section entitled “New as of 2026” was updated to reflect there were no changes to legislation or case law impacting the Board but there were several regulatory amendments. A new heading entitled “Assignment of Merits Hearings in Protests” was added to provide background on the transition to the Office of Administrative Hearings (OAH) for merits hearings.

The following additional amendments were made:

- All references to “residence,” “office,” or “business” when referring to addresses were deleted to reflect regulatory amendments operative July 1, 2025.

- All references to accepting papers via facsimile and requiring a facsimile number on papers were deleted to reflect regulatory amendments operative July 1, 2025.

- In the heading “Challenge to Presiding Officer” on page 10 (protests), a peremptory challenge of the merits hearing ALJ would be filed with OAH and not with the Board as OAH is presiding over all merits hearings effective February 28, 2025.

- Footnote 6 on page 10 added language pertaining to the temporary discretion granted to the Executive Director at the April 28, 2023, General Meeting to assign additional merits hearings to OAH outside the current assignment log. This language is obsolete and was deleted.

- The revised procedure for assigning merits hearing ALJs adopted by the Board at its September 21, 2023, General Meeting was detailed in footnote 24 on page 68. This footnote has been updated to reflect merits hearings are transferred to OAH and the Board ALJs no longer preside.

- In the heading entitled “Summary of Board Action” on page 68, language was amended to reflect protest hearings may be considered by the entire Board as limited by statute or an ALJ. Reference to “Board” ALJs was deleted.

- Footnote 25 on page 69 deleted obsolete language pertaining to the Board presiding over merits hearings. Amendments reflect that if, after the Hearing Readiness Conference, the parties indicate they are ready for hearing, the Board submits to OAH a request for hearing and takes no further action in the protest unless the protesting dealer(s) file a Request for Dismissal. The hearing would commence in about three months subject to the availability of the parties and OAH.

- The phrase “designated by the Board” when referring to an ALJ was deleted in the heading “Hearings Open to the Public; Protective Orders” (protests) on page 70.

- In the heading “Challenge to Presiding Officer” on pages 75 (petitions), language pertaining to filing a peremptory challenge of the merits hearing ALJ with the Board was deleted along with references to Board ALJ. There has not been a merits hearing on a petition in more than 20 years. In the event there is one, the Board could revise its assignment of cases to exclusively use OAH for all merits hearings in protests to include petitions.

President Stevens moved to adopt the *Guide to the New Motor Vehicle Board*. Vice President Smith Boland second the motion. The motion carried unanimously.

17. **UPDATE ON BOARD DEVELOPMENT ACTIVITIES - BOARD DEVELOPMENT COMMITTEE**

The members were provided a memo from Tim Corcoran concerning Board development activities. Executive Director Corcoran discussed the upcoming Industry Roundtable, which includes the industry regulators workshop. President Stevens commented on the great work last year as the Board held a meeting in Fresno, launched the ZEV readiness, and Secretary Omishakin joined the Roundtable. Furthermore, the Board's partner agencies are highlighting the Board's work in their publications thanks to Assistant Director Vaye.

Member Obando is interested in learning more about EV charging stations. Assistant Director Vaye stated there will be a panel at the Industry Roundtable discussing the ZEV transition and she has a couple of speakers in mind for a future meeting.

There was no Board action as this matter was for information only.

18. **BOARD MEMBER EDUCATION CONCERNING CHANGES TO THE ADMINISTRATIVE PROCEDURE ACT AND BAGLEY-KEENE OPEN MEETING ACT - BOARD DEVELOPMENT COMMITTEE**

The members were provided with a memo from Tim Corcoran and Robin Parker along with summaries of the Administrative Procedure Act and Bagley-Keene Open Meeting Act.

Chief Counsel Parker reported that the California Department of Justice updated its publication on the Bagley-Keene Open Meeting Act. She noted this act applies not only to existing members, but newly appointed members who have not yet assumed office.

Additionally, Chief Counsel Parker stated the Board fully complies with the Administrative Procedure Act and provides due process to those appearing before it.

In response to Member Obando's question about changes to open meeting and virtual meeting rules in the Bagley-Keene Open Meeting Act, Chief Counsel Parker reported there were not any changes but the teleconference meeting legislation set to sunset in 2026 was extended until 2030. [Senate Bill 470 (Senator Laird; Ch. 222, Stats. 2025)]

There was no Board action as this matter was for information only.

19. **BOARD MEMBER EDUCATION CONCERNING CHANGES TO THE POLITICAL REFORM ACT AND PUBLIC RECORDS ACT - BOARD DEVELOPMENT COMMITTEE**

The members were provided with a memo from Tim Corcoran and Robin Parker along with summaries of the Political Reform Act and Public Records Act.

Chief Counsel Parker stated the Board fully complies with the Public Records Act (PRA). The PRA requires the Board notify a requester that documents are available within 10 days. The Board typically responds the same or next business day. In the event the Board experienced a cyber-attack, recent amendments extend the time limit up to14 days.

Additionally, Chief Counsel Parker stated the Fair Political Practices Commission provides detailed updates on its website with highlighted versions of the Political Reform Act and other useful information. Once these updates are available, she will notify the members. (The members were subsequently notified in April 2026.)

There was no Board action as this matter was for information only.

20. **DISCUSSION AND CONSIDERATION OF LAND ACKNOWLEDGEMENTS - COMMITTEE ON EQUITY, JUSTICE AND INCLUSION**

The members were provided with a memo from Kim Vaye with findings and recommendations from the Working Committee on Land Acknowledgments.

Assistant Director Vaye discussed the priorities, staff capacity, and Board's resources with the Working Committee on Land Acknowledgments. They reviewed multiple California State Departments' and counties' existing land acknowledgments and statements. The Working Committee recommended the Land Acknowledgment be placed on the agenda after the Pledge of Allegiance, and also on the Board's website with its vision and mission statements.

Assistant Director Vaye then read the proposed Land Acknowledgment:

> We acknowledge that the land we now call California is the ancestral lands of the over 109 Nations, Tribes, and Peoples, along with over 60 non-federally recognized tribes located throughout the state. The Indigenous Peoples of this area have a deep, reciprocal relationship with the land as its original stewards. Their ways, methods, and traditions contribute to California's rich biodiversity and impact the transportation network for the state. Our transportation network not only connects us to families, friends, work, and leisure, it connects us to our past and future. We acknowledge that our nation and economy were created using the labor of enslaved African and Indigenous peoples, and the labor of many immigrants which enrich our communities.

> We know this statement is only meaningful when coupled with actionable steps and sustained commitment. As such, we embrace our past, and commit to ongoing collective learning, fostering authentic relationships, and practicing inclusiveness and equity for everyone who calls this state home.

Next, Assistant Director Vaye reviewed the actionable steps:

- ✓ When possible, staff will purchase products and services from BIPOC-owned businesses. BIPOC means Black, Indigenous, and People of Color.
- ✓ When reasonable, when traveling for Board business, staff and members will stay at BIPOC-owned lodging.
- ✓ Staff will research BIPOC-led organizations and non-profits for possible collaboration with community engagement opportunities.
- ✓ Staff will research state-sponsored events happening and support when possible. For example, the Annual California Native American Day at the Capitol, California Native American Caucus events, Native American Heritage month, and Missing, Murdered, Indigenous People Awareness Day/Month.

Member Obando commented that it is state law that agencies and departments purchase at least 25% from minority-owner and minority-owned or privately-owned companies.

President Stevens thanked member Obando for the clarification and stated they will make sure the Board is in compliance. He expressed his gratitude to Assistant Director Vaye for her outstanding work and coordination with all the state agencies to make sure the Board is benchmarking its colleagues.

All new and revised Board Policies are first reviewed by the Committee on Equity, Justice and Inclusion prior to Board consideration. This proposal was reviewed and approved by the Committee on Equity, Justice and Inclusion at its February 19, 2026, meeting.

Member Kassakhian moved to adopt the findings and recommendations of the Working Committee on Land Acknowledgments. President Stevens second the motion. The motion carried unanimously.

21. **DISCUSSION AND CONSIDERATION OF VIRTUAL AND TELEPHONIC ACCESS TO PUBLIC MEETINGS - COMMITTEE ON EQUITY, JUSTICE AND INCLUSION**

The members were provided with a memo from Kim Vaye with recommendations from the Working Committee on Virtual and Telephonic Access to Public Meetings.

Assistant Director Vaye indicated that the scope was expanded beyond virtual access to public meetings to include accessibility, which is part of the Board’s Strategic Plan. She met with the Working Committee to discuss priorities, Board resources, and findings from her observations of meetings of the Racial Equity Commission and CalABLE.

As indicated in the memo and explained by Assistant Director Vaye, the Recommendations are:

- ✓ Transition to hybrid (Zoom) meetings to increase participation for members of the public, staff, and guest speakers. Assistant Director Vaye remarked that in the Bagley-Keene Open Meeting Act, there is a distinction between teleconference meetings, which imply the members would appear virtually compared to virtual and telephonic access for the public.
- ✓ Ensure our public-physical meeting/event spaces are accessible and clearly marked.
- ✓ Create clear directions on all materials sent via email, posted on webpage, or available at physical location (i.e., how to access Zoom, how to access physical meeting location, available parking and transit options).
- ✓ Staff shall create and maintain an "Accessible Meeting and Event Checklist."
- ✓ Staff shall create and maintain a hybrid (Zoom) meeting checklist.
- ✓ Staff shall create and maintain a list of statewide buildings/spaces that have available conference rooms and AV equipment (no or low cost).

Assistant Director Vaye stated the agenda will remain the same but a cover page will be created for the agenda to make sure everyone has the necessary information to access the meeting, whether in person or via Zoom, and also provide extra directions regarding parking, public transit options, and the like.

Additionally, the language at the end of each agenda would contain the following information in English and Spanish if the Board goes forward with this proposal.

To request disability-related modifications or accommodations, please contact staff at (916) 445-1888 or Alejandro.martinez2@dmv.ca.gov. Providing your request at least five (5) business days before the meeting will help ensure availability of the requested accommodation.

All new and revised Board Policies are first reviewed by the Committee on Equity, Justice and Inclusion prior to Board consideration. This proposal was reviewed and approved by the Committee on Equity, Justice and Inclusion at its February 19, 2026, meeting.

Member Obando moved to adopt the recommendations of the Working Committee on Virtual and Telephonic Access to Public Meetings. Member Schultheis second the motion. The motion carried unanimously.

22. **<u>REPORT ON NON-SUBSTANTIVE CHANGES SUGGESTED BY THE OFFICE OF ADMINISTRATIVE LAW TO SECTION 551.19 (MOTIONS; FORM, BRIEFING, AND HEARINGS) OF TITLE 13 OF THE CALIFORNIA CODE OF REGULATIONS - EXECUTIVE COMMITTEE.</u>**

The members were provided with a memo from Tim Corcoran and Robin Parker concerning non-substantive changes suggested by the Office of Administrative Law (OAL) to the proposed regulatory text of Section 551.19 of Title 13 of the California Code of Regulations.

As indicated in the memo, at the February 28, 2025, General Meeting, the Board adopted proposed regulatory amendments to Section 551.19. This regulation specifies the procedural requirements for motions including whether the motion is oral or written, whether an opposition or reply brief is permissible, and if the hearing is in person or telephonic. Since 2020, the Board's merits hearings and motion hearings with live testimony have been held remotely via Zoom and teleconference. To formalize this process in motion hearings with live testimony, regulatory amendments were promulgated. The Notice was published on May 30, 2025. The public comment period closed on July 14, 2025 with no comments submitted. The final rulemaking packet was submitted to OAL for review on July 28, 2025. During its review, OAL suggested the following changes, which are highlighted yellow:

§ 551.19. Motions; Form, Briefing, and Hearings.

(a) Unless made during a hearing while on the record, all motions shall be in writing and filed with the board with an attached proof of service on all parties.

(b) Motions and any response thereto including opposition to motion and reply to opposition shall conform to the requirements of Article 6 herein. The motion and any response shall state in plain language the relief sought and the facts, circumstances, and legal authority that support the motion or the response.

(c) Briefing may be permitted by stipulation of the parties or by order of the board.

(d) ~~Notwithstanding~~ <u>Except as provided in</u> Government Code section 11440.30<u>(b)</u> of the Administrative Procedure Act, the ALJ may conduct the hearing by telephone, television, or other electronic means if each party in the hearing has an opportunity to participate in and to hear the entire proceeding while it is taking place and to observe exhibits. In the event of live testimony, the hearing shall be conducted in person before the ALJ <u>or other electronic means if each party in the hearing has an opportunity to participate in and to hear the entire proceeding while it is taking place and to observe exhibits</u>.

As indicated in the memo, the Executive Committee approved these changes so the staff could proceed with the proposed regulatory amendments. The proposed amendments were approved by OAL and filed with the Secretary of State on September 9, 2025. Chief Counsel Parker reported that the amendments were operative January 1, 2026.

There was no Board action as this matter was for information only.

23. **REPORT ON NON-SUBSTANTIVE CHANGES SUGGESTED BY THE OFFICE OF ADMINISTRATIVE LAW TO SECTION 599 (ARTICLE 7. NEW MOTOR VEHICLE BOARD--CONFLICT-OF-INTEREST CODE) OF TITLE 13 OF THE CALIFORNIA CODE OF REGULATIONS - EXECUTIVE COMMITTEE**

The members were provided with a memo from Tim Corcoran and Robin Parker concerning non-substantive changes suggested by OAL to the proposed regulatory text of Section 599 of Title 13 of the California Code of Regulations

As indicated in the memo, the Board adopted non-substantive amendments to Section 599 at the August 1, 2025, General Meeting. This section does not contain the Board's Conflict of Interest Code but provides detailed information on how a member of the public could request a copy. The proposed changes cleanup dated language and update the address for the Fair Political Practices Commission.

During its review, OAL suggested the following changes, which are highlighted yellow:

Article 7. New Motor Vehicle Board--Conflict-of-Interest Code

NOTE: ~~Pursuant to a regulation of the Fair Political Practices Commission (Title 2, CCR, section 18750(k)(2)), an agency adopting a conflict of interest code has the options of requesting that the code either be (1) printed in the CCR in its entirety or (2) incorporated by reference into the CCR. Here, t~~The adopting agency has requested its conflict-of-interest code be incorporated ~~incorporation~~ by reference into the C~~alifornia C-ode of Regulations~~CR. ~~However, t~~The full text of the regulations is available to the public for review or purchase at cost at the following locations:

NEW MOTOR VEHICLE BOARD
2415 1ST AVENUE, MS L242
SACRAMENTO, CALIFORNIA 95818

FAIR POLITICAL PRACTICES COMMISSION
~~428 J STREET, SUITE 620~~
1102 Q STREET, SUITE 3000
SACRAMENTO, CALIFORNIA ~~95814~~ 95811

ARCHIVES
SECRETARY OF STATE
1020 O STREET
SACRAMENTO, CALIFORNIA 95814

The conflict-of-interest code is designated as Article 7 of Chapter 2 of Division 1 of Title 13 of the California Code of Regulations, and consists of sections numbered and titled as follows:

Article 7. New Motor Vehicle Board--Conflict-of-Interest Code

Section	
599.	General Provisions
	Appendix A
	Appendix B

NOTE: Authority cited: Section 3050(a), Vehicle Code; and Sections 81008, 87300~~, 87304~~ and 87306, Government Code. Reference: Section 87302 ~~81000, et seq.~~, Government Code.

As indicated in the memo, the Executive Committee approved these changes so the staff could proceed. The amendments were filed with the Secretary of State on January 7, 2026. Non-substantive changes do not have an effective date since the changes are without regulatory effect. They will be part of the California Code of Regulations once published.

There was no Board action as this matter was for information only.

24. **REPORT ON THE BOARD'S FINANCIAL CONDITION AND RELATED FISCAL MATTERS - FISCAL COMMITTEE**

a. Report on the Board's Financial Condition through the 1st and 2nd quarters of Fiscal Year 2025-2026.

b. Report concerning the Board's collection of its Annual Board Fee.

c. Status report concerning the Board's collection of the Arbitration Certification Programs' annual fee.

The members were provided with a memo from Tim Corcoran, Kim Vaye, and Suzanne Luke. Assistant Director Vaye reported that $872,756 was collected from manufacturers and distributors within the Board's jurisdiction. She stated OAL approved the regulation increasing the fees, which takes effect April 1st. Lastly, as of December 31, 2025, all retired annuitant ALJs were separated.

As indicated in the memo, for Fiscal Year 2025-26, the beginning reserve balance was $1.61 million with a current reserve balance of $2.2 million after November 2025 expenditures. The annual budget appropriation was $2.12 million. Twenty-six percent of the budget appropriation was expended through November 2025.

Member Obando congratulated the staff and Board for getting the fee increase approved. Assistant Director Vaye added that Penny, a Board analyst, and the Department of Motor Vehicles (DMV) assisted in this process. Executive Director Corcoran added his thanks to the Board and noted the severity of the fiscal issues and the need for action. Fees had not been raised for at least 12 or more years so it was long overdue. The pandemic hit the automotive industry, which funds the Board. As a special fund agency, the Board does not take any tax money and is funded directly by those who benefit from its quasi-judicial hearings. Executive Director Corcoran also thanked the CNCDA and Auto Innovators for discussing this situation and for being as supportive as possible with a fee increase. He congratulated Assistant Director Vaye and her team.

There was no Board action as this matter was for information only.

25. **DISCUSSION OF THE 2026 NEW MOTOR VEHICLE BOARD INDUSTRY ROUNDTABLE FOCUSING ON CALIFORNIA STATE TRANSPORTATION AGENCY'S (CALSTA) CORE FOUR: SAFETY, CLIMATE ACTION, EQUITY, AND ECONOMIC PROSPERITY - GOVERNMENT AND INDUSTRY AFFAIRS COMMITTEE**

Assistant Director Vaye provided the members with an overview of the April 8, 2026, Industry Roundtable, which is being held the day after the CNCDA Dealer Day Event, at the California Natural Resources Agency and begins at 8:30 a.m. until 3:00 p.m. (Pacific Time).

As indicated in the memo, Toks Omishakin, Secretary, California State Transportation Agency (CalSTA) is the keynote speaker discussing CalSTA's *Core Four Priorities ~ Safety, Equity, Climate Action, and Economic Prosperity*. The morning session includes the following topics:

- ***Pathways to Prosperity*** As the automotive industry rapidly evolves- with advancements in EV technology, diagnostics, and smart systems- the demand for highly skilled technicians continues to grow. This panel explores the importance of introducing students to automotive technology early in their education and creating clear pathways to the profession.

- ***Spotlight on Safety*** Highlights from the tremendous progress we've made in California with the National Safety Council's Check to Protect vehicle safety recall program through diverse partnerships and thoughtful collaboration.

- ***California's Zero Emission Vehicle Transition*** The accelerated shift towards zero-emission vehicles presents opportunities and challenges for the industry, communities, and policymakers. This panel explores navigating this landscape through coordinated planning, and most importantly, cross-sector collaboration.

The afternoon session is:

Meet the Regulation Experts Engage in discussions with Department of Motor Vehicles, Bureau of Automotive Repair and California Air Resources Board on laws, rules and regulations, and programs that apply to: new and used vehicle dealers, brokers, dismantlers, registrations services, vehicle verifiers, and other vehicle-related businesses; clean truck and diesel programs, compliance, funding, and initiatives; and any other questions you may have!

Assistant Director Vaye indicated that 80 RSVPs had been received so far not counting panelists or staff so there will be about 100 attendees. There were about 120 last year. In additional to Secretary Omishakin, President Stevens will welcome everyone.

President Stevens noted it was a great event last year and he was honored to attend. He offered his congratulations to Assistant Director Vaye. Member Jones stated that she participated in the Industry Roundtable last year and found the meeting with DMV useful as they could express their concerns from the dealership's perspective.

There was no Board action as this matter was for information only.

26. **DISCUSSION AND CONSIDERATION OF JURISDICTIONS AND MUNICIPALITIES WHO APPLIED FOR THE ZEV READINESS AWARD (STRATEGIC PLAN OBJECTIVE 2.7) - GOVERNMENT AND INDUSTRY AFFAIRS COMMITTEE**

- City of Alameda
- City of Carson
- City of Pasadena
- Contra Costa County
- County of Santa Barbara
- Fresno County Rural Transit Agency
- San Joaquin Council of Governments

Assistant Director Vaye discussed the jurisdictions and municipalities that applied for the ZEV Readiness Award. Member Dena also reviewed the applications as Chair of the Government and Industry Affairs Committee.

Member Kassakhian moved to approve each of the designated jurisdictions and municipalities to receive the ZEV Readiness Award. Member Jones seconded the motion. Prior to the vote on motion, Assistant Director Vaye stated that these awards are given in person so she will connect with Board Members in close proximity. The motion carried unanimously.

27. **DISCUSSION AND CONSIDERATION OF NEW MOTOR VEHICLE DEALERS THAT TOOK THE EV (ELECTRIC VEHICLE) EXPERT PLEDGE (STRATEGIC PLAN OBJECTIVE 2.7) - GOVERNMENT AND INDUSTRY AFFAIRS COMMITTEE**

Assistant Director Vaye discussed the EV Expert Pledge, and presented three qualifying new car dealerships for Board consideration of the Certificate of Participation of the EV Expert Pledge: (1) Unicars Honda; (2) Puente Hills Ford; and (3) Car Pros Automotive Group. Additionally, the Board has a goal for 2026 to have at least one signatory dealer in each of the 13 economic regions defined by the Governor's Office of Business and Economic Development. As of November 2025, the Board had four EV Expert Pledge signatory dealers.

President Stevens moved to award each of the three designated dealerships to receive the "Certificate of Participation of the EV Expert Pledge." Member Dena seconded the motion. Member Jones abstained. The motion carried unanimously.

President Stevens congratulated the recipient dealers and Assistant Director Vaye for her great work.

28. **DISCUSSION CONCERNING PENDING LEGISLATION - LEGISLATIVE COMMITTEE**

Chief Counsel Parker reported that there was no pending legislation of general or special interest but that she would continue to monitor and provide a report at the next General Meeting.

There was no Board action as this matter was for information only.

29. **ANNUAL REPORT CONCERNING BOARD ADOPTED POLICIES - POLICY AND PROCEDURE COMMITTEE**

The members were provided with a memo from Tim Corcoran and Robin Parker concerning the annual review of Board adopted policies. As indicated in the memo, the following policies were added or amended:

- Updates were made to the "Appointment of Hearing Officers" to reflect removal of ALJs from assignment logs and the elimination of the "Alternate Law and Motion ALJ Assignment Log." There are no retired annuitant ALJs.

- The following updates were made to the "Case Assignments":

    - The policy adding the OAH to the "Merit Hearings Judge Assignment Log" to be next in line to preside over a protest hearing between a franchisee and franchisor was deleted because effective February 28, 2025, all merits hearings in new protests and existing protests will be assigned to OAH.

- The temporary discretion granted to the Executive Director to assign merits hearings to OAH outside the current assignment log was deleted.

- The Board adopted numerical designation system for assigning Administrative Law Judges to merits hearing was deleted.

- Robin Parker was appointed the designated Mandatory Settlement Conference Hearing Officer.

- Board Delegations were updated to reflect:

  1. The Ad Hoc Committee on Equity, Justice and Inclusion is a standing committee.

  2. The Board granted staff discretion in consultation with the Executive Committee to reduce the proposed Annual Fee to any number between $400 and $425 and $.60 and $.65. If this occurred, staff would bring this matter to the full Board at its next meeting. This delegation was expected to last for 12-18 months so it is reflected in the Delegations.

  3. The temporary discretion granted to the Executive Director to assign merits hearings to OAH outside the current assignment log is obsolete in light of action taken by the Board at its February 28, 2025, General Meeting.

  4. Effective February 28, 2025, all merits hearings in new protests and existing protests will be assigned to OAH.

  5. The expansion of the rulemaking delegation of authority to the Executive Direction.

- The rulemaking delegation of authority to the Executive Direction was expanded to include non-substantive changes suggested by the Fair Political Practices Commission.

- The *Guide to the New Motor Vehicle Board*, *Informational Guide for Manufacturers and Distributors*, and *Export or Sale-for-Resale Prohibition Policy Protest Guide* were updated.

Chief Counsel Parker noted one change to the policies reflecting the recent approval of the Board fee. She also expressed her appreciation to OAL, the Department of Finance, and DMV for their assistance with the amended fee regulation.

There was no Board action as this matter was for information only.

30. **ANNUAL REPORT ON THE ASSIGNMENT OF CASES TO ADMINISTRATIVE LAW JUDGES - POLICY AND PROCEDURE COMMITTEE**

The members were provided with a memo from Tim Corcoran and Robin Parker concerning the assignment of cases to Board Administrative Law Judges in 2025. Chief Counsel Parker reported that there were four law and motion hearings, four discovery hearings (ruling on objections), and one mandatory settlement conference. There were no merits hearing held in 2025. All retired annuitant Administrative Law Judges were separated in 2025.

Additionally, she commented that ALJ Bayne is presiding over all law and motion and discovery hearings. ALJ Bayne was able to mentor with now retired ALJ Skrocki for almost 2 ½ years, which was invaluable training. Chief Counsel Parker stated that ALJ Bayne is doing an exceptional job.

There was no Board action as this matter was for information only.

31. **CONSIDERATION OF THE 2026 *EXPORT OR SALE-FOR-RESALE PROHIBITION POLICY PROTEST GUIDE* (VEHICLE CODE SECTION 3085, ET SEQ.) - POLICY AND PROCEDURE COMMITTEE**

The members were provided with a memo and *Export or Sale-for-Resale Prohibition Policy Protest Guide* from Tim Corcoran and Robin Parker. As indicated in the memo, the following changes were made:

- Effective July 1, 2025, Section 595 of the Board’s regulations was amended to delete references to facsimile. Footnote 2 on page 3 was deleted along with the reference to filing a protest via facsimile.

- In the “Summary of Board Action” heading on page 6, reference to “one of the Board’s ALJs” was deleted to reflect hearings may be considered by the entire Board or may, at the Board’s discretion, be conducted by an ALJ. This would include a Board ALJ or an OAH ALJ.

Vice President Smith Boland moved to adopt the 2026 *Export or Sale-for-Resale Prohibition Policy Protest Guide*. Member Jensen seconded the motion. The motion carried unanimously.

32. **<u>CONSIDERATION OF REVISIONS TO THE *INFORMATIONAL GUIDE FOR MANUFACTURERS AND DISTRIBUTORS*, WHICH OUTLINES THEIR OBLIGATIONS TO PROVIDE NOTICES, SCHEDULES, AND FORMULAS MANDATED BY THE CALIFORNIA VEHICLE CODE AND CIVIL CODE TO THE NEW MOTOR VEHICLE BOARD AND/OR IMPACTED DEALERS - POLICY AND PROCEDURE COMMITTEE</u>**

The members were provided with a memo and revised *Informational Guide for Manufacturers and Distributors* from Tim Corcoran and Robin Parker. As indicated in the memo, the following change was made:

- In the section on "What is the Procedure if the Board Objects or an Impacted Dealer Opposes the Request for Extension," on page 16, the number of Board meetings was changed from every 6-8 weeks to 3-4 times per year.

President Stevens moved to adopt the 2026 *Informational Guide for Manufactures and Distributors* as amended. Vice President Smith Boland seconded the motion. The motion carried unanimously.

33. **<u>DISCUSSION AND CONSIDERATION OF THE BOARD'S VISION AND MISSION STATEMENTS - AD HOC COMMITTEE TO REVIEW THE BOARD'S MISSION AND VISION STATEMENTS</u>**

President Stevens stated the Ad Hoc Committee to Review the Board's Mission and Vision Statements ended now that the Board has these statements.

Kim Vaye provided the members with a memo and proposed Vision, Mission and Values the Ad Hoc Committee to Review the Mission and Visions Statements worked on as follows:

VISION: Building trust, cultivating relationships, and resolving disputes.

MISSION: To be a trusted government resource benefiting all Californians, enriching relations between new motor vehicle dealers and manufacturers, and delivering fair resolutions for consumers.

VALUES:

- Collaboration
- Efficiency
- Equity
- Integrity
- Transparency

Assistant Director Vaye provided the background leading to this proposal that included input from the Ad Hoc Committee and staff.

President Stevens, also a member of the Ad Hoc Committee, thanked Member Kassakhian for his partnership.

All new and revised Board Policies are first reviewed by the Committee on Equity, Justice and Inclusion prior to Board consideration. This proposal was reviewed and approved by the Committee on Equity, Justice and Inclusion at its February 19, 2026, meeting.

Member Schultheis moved to adopt the proposed Vision, Mission and Values Statements. Member Dena seconded the motion. The motion carried unanimously.

34. **<u>REPORT ON THE 4TH ANNUAL CALSTA (CALIFORNIA STATE TRANSPORTATION AGENCY) LEADERSHIP SUMMIT BY TIM CORCORAN, EXECUTIVE DIRECTOR</u>**

Executive Director Corcoran provided a detailed summary of the 4th Annual CalSTA Leadership Summit, created by Secretary Omishakin. He noted the Board's participation over the past few years has increased. Previously, the Board would not have been invited to the Summit as it would be considered part of DMV, although a very small part. So, being invited every year has been an honor and has provided him the opportunity to learn more about our counterpart agencies: CHP, Caltrans, California Transportation Commission, Board of Pilot Commissioners, High-Speed Rail Authority, and Office of Traffic Safety. Prior to Assistant Director Vaye joining the team, Executive Director Corcoran wore many hats at this event and now he is sharing it with her. At the most recent Summit, Assistant Director Vaye made presentations regarding the Board's progress with the *Core Four Priorities*. Furthermore, the Board as a small but mighty organization can find meaningful ways to contribute to help better the lives of Californians with stakeholders and the industry the Board serves.

Executive Director Corcoran participated in a leadership panel that discussed how the Board came up with these interesting ideas by leaning on the expertise of the Board. Additionally, Executive Director Corcoran discussed the ZEV jurisdictional awards that were suggested by President Stevens and Member Kassakhian. The Board has been resourceful rather than asking for resources.

There are tens of thousands of employees under the CalSTA umbrella and a handful were recognized at the Summit by Secretary Omishakin. This included Chief Counsel Parker not just for her contributions this past year, which have been significant in developing legacy training, but also for a lifetime of contributions to the Board.

In closing, Executive Director Corcoran stated the Board's profile continues to grow and everyone participated to make that happen.

There was no Board action as this matter was for information only.

35. **<u>REPORT ON THE NATIONAL ASSOCIATION OF MOTOR VEHICLE BOARDS AND COMMISSIONS FALL CONFERENCE BY TIM CORCORAN, EXECUTIVE DIRECTOR</u>**

Executive Director Corcoran provided a detailed summary of the fall conference hosted by the National Association of Motor Vehicle Boards and Commissions. He stated the Board was one of the founding members over 30 years ago. These conferences allow state-level departments that license dealers, manufacturers, and industry to come together to share best practices, talk about pressing issues, and changes.

The event last year was hosted in San Diego. Members Kassakhian and Obando attended along with Assistant Director Vaye and Chief Counsel Parker. For the new members, it is an opportunity to learn more about the industry. Member Obando thanked Tim for allowing him to participate and encouraged the new members to attend. He stated that it is always interesting to learn about what other states are doing. Of particular interest, was the session on the advertising and marketing rules for dealers.

In closing, Executive Director Corcoran thanked Member Kassakhian for making the welcoming remarks at the conference.

There was no Board action as this matter was for information only.

36. **<u>EXECUTIVE DIRECTOR'S REPORT</u>**

A. Administrative Matters.
B. Case Management.
C. Judicial Review.
D. Notices Filed Pursuant to Vehicle Code sections 3060/3070 and 3062/3072.
E. Other.

Executive Director Corcoran provided the members with a report on Administrative Matters that identified all pending projects, the Board staff and committee assigned, estimated completion dates, and status.

Chief Counsel Parker indicated that since the members received their materials, a new protest was filed. In the *Liberty Chevrolet* protest, OAH presided over five settlement conferences resulting in a Stipulated Decision being submitted for Public Member consideration. Chief Counsel Parker discussed the recent evidentiary law and motion hearing ALJ Bayne presided over in December 2025. This performance standard protest was broken down into two phases. The first phase determined whether the Board has jurisdiction. The second phase pertains to the merits of the protest, which will be heard by OAH.

Concerning judicial matters, Chief Counsel Parker reported that in the *Putnam Ford* retail labor rate matter, two appeals were filed. Once the record is filed with the appellate court, the opening brief is filed 100 days thereafter with additional briefs resulting in the matter likely being heard in 2027. If this case results in a published opinion, that will provide clarity to both dealers and manufacturers concerning how to calculate a retail labor rate.

To recap 2025, Chief Counsel Parker reported that 86 termination and 449 modification notices were filed but there were few establishment and relocation notices. There were 23 protests filed, which seems to be the new normal. Historically, there were 45-65 new protests yearly. The value of the Board is not diminished based on the lower number of protests, as the Board's existence is a deterrent. The Board resolves disputes many of which are dependent on notices filed by manufacturers and distributors.

There was no Board action as this matter was for information only.

37. **CLOSED EXECUTIVE SESSION**

Pursuant to Government Code section 11126(a)(1), all members of the Board shall convene in a closed Executive Session.

CONSIDERATION OF ANNUAL PERFORMANCE REVIEW FOR EXECUTIVE DIRECTOR - EXECUTIVE COMMITTEE

Consideration of annual performance review for Executive Director, by all members of the Board.

The Public and Dealer Members convened in Closed Executive Session to discuss Agenda Item 37.

38. **OPEN SESSION**

The Board Members returned to Open Session. There was no Board action taken in regard to Agenda Item 37.

39. **REVIEW OF BOARD MEETING DATES FOR 2026**

The Board Members reviewed the dates selected at the August 1, 2025, General Meeting. The dates were not changed with the exception of July meetings moving back one day to July 15th and 16th.

- April 8, 2026, Industry Roundtable/Special Meeting (Sacramento)
- July 15, 2026, Meeting of the Ad Hoc Committee on Equity, Justice and Inclusion (Sacramento)
- July 15, 2026, Special Meeting for Public Members (Sacramento)
- July 16, 2026, General Meeting (Sacramento)

- October 15, 2026, Meeting of the Ad Hoc Committee on Equity, Justice and Inclusion (Sacramento)

- October 15, 2026, Special Meeting for Public Members (Sacramento)

- October 16, 2026, General Meeting (Glendale)

8. **ANNUAL REVIEW AND APPOINTMENT TO THE FOLLOWING COMMITTEES, BY THE INCOMING BOARD PRESIDENT:**

- Administration Committee.
- Board Development Committee.
- Committee on Equity, Justice and Inclusion.
  - Working Committee on Land Acknowledgments.
  - Working Committee on Virtual and Telephonic Access to Public Meetings.
- Executive Committee.
- Fiscal Committee.
- Government and Industry Affairs Committee.
- Legislative Committee.
- Policy and Procedure Committee.
- Ad Hoc Committee to Review the Mission and Vision Statements.

President Stevens revisited Board Committees. He previously vacated the Ad Hoc Committee to Review the Mission and Vision Statements as noted above.

President Stevens dissolved the Working Committee on Land Acknowledgments but preserved the Working Committee on Virtual and Telephonic Access to Public Meetings.

40. **PUBLIC COMMENT (Gov. Code § 11125.7)**

For the Fiscal Committee, Member Obando flagged the note in the memo ("[i]n November there was a change in [personal services] and Retirement allotments. The total allotment went from $65k to $56k due to OPEB [Other Post-Employment Benefits] deduction not being included in the original submission.") He stated that as part of a budget deal, State employees are not paying their ultimate liabilities but in two years this number will likely increase as this is a temporary reduction.

No additional public comment was presented.

41. ADJOURNMENT

With no further business to discuss, the meeting was adjourned at 12:06 p.m.

Submitted by

TIMOTHY M. CORCORAN
Executive Director

APPROVED:

Jacob Stevens
President
New Motor Vehicle Board