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STATE OF CALIFORNIA
NEW MOTOR VEHICLE BOARD
MINUTES

The Ad Hoc Committee on Equity, Justice and Inclusion held a meeting on July 21, 2021, via Zoom and teleconference. Bismarck Obando, Chair and Public Member, called the meeting to order at 10:30 a.m.

Mr. Obando welcomed everyone and set forth the parameters for the meeting.

2. **ROLL CALL AND ESTABLISHMENT OF QUORUM**

Board Members Present: Bismarck Obando, Chair
Ramon Alvarez C., Member
Anne Smith Boland, Member
Kathryn Ellen Doi, Member
Inder Dosanjh, Member

Ardy Kassakhian (Public Member)
Jacob Stevens (Public Member)

Board Staff Present: Timothy M. Corcoran, Executive Director
Dawn Kindel, Assistant Executive Officer
Robin P. Parker, Chief Counsel
Danielle R. Phomsopha, Senior Staff Counsel
Suzanne Luke, Administrative Services Analyst
Lee Moore, Mediation Analyst
Anthony M. Skrocki, Administrative Law Judge

Mr. Corcoran noted that there was a quorum.

3. **CHAIR OBANDO'S INTRODUCTION**

Mr. Obando welcomed the Ad Hoc Committee Members along with recently appointed Public Member Jacob Stevens, Lee Moore (the newest member of the staff), Suzanne Luke, and Judge Skrocki.

4. **DISCUSSION AND CONSIDERATION OF THE DRAFT WORKPLAN**

Mr. Obando provided an update on the work of the Ad Hoc Committee and read the current Mission Statement:

The purpose of the California New Motor Vehicle Board's Ad Hoc Committee on Equity, Justice and Inclusion will be to engage with the new motor vehicle industry and its stakeholders in a call to action to reverse policies and practices that have resulted in bias, both conscious and unconscious. Further, the New Motor Vehicle Board, as a department within the California State Transportation Agency (CalSTA), will educate, inform, and develop feedback to CalSTA on equity issues, including but not limited to, the following: 1) the role of new motor vehicle franchisors to provide women, minorities, and other members of under-represented groups access to flooring and ownership of their own franchised dealers; and 2) explore opportunities for women, minorities, and other members of under-represented groups to be considered for exempt executive level positions within CalSTA and its departments.

Mr. Obando noted that the staff have been in regular communication with the California State Transportation Agency (CalSTA) about the work of both the Ad Hoc Committee and the Board, and that all feedback has been positive. Over the past few months, Mr. Corcoran and Mr. Obando have been monitoring the Administration's actions relating to race and equity to ensure the Ad Hoc Committee is on the right track as it develops its workplan. In formulating this workplan, Mr. Obando recommended the Ad Hoc Committee develop an educational forum for the Board's stakeholders that focuses on two key areas. The first educational session would focus on learning about the state of the car industry in relation to minority-owned dealers and what programs manufacturers are implementing to increase these dealers. The second educational session would focus on EVs (electric vehicles) and the impact to minority communities and social equities.

Mr. Corcoran acknowledged the vision of the Ad Hoc Committee, the leadership of Mr. Obando, and commended the diligence of the staff. He hopes the Board will be impressed with the work done by the staff to build a robust panel for the proposed workshops.

Ms. Phomsopha indicated the proposed workshops would be held over 2-days in late winter 2021 or early 2022 via Zoom. To avoid Zoom fatigue, each session would be limited to 2-hours. Given the results of the Workshop will likely result in a report being approved by the Board and then presented to CalSTA, these workshops would need to be at a noticed Board meeting. The Executive Order allowing exclusively virtual meetings expires September 30, 2021, so the Board and staff would gather in person at one location and broadcast via Zoom to allow the inclusion of presenters and attendees from all over the country.

Day 1 of the draft agenda was reviewed by Ms. Phomsopha:

- 10:00 a.m. Introduction of Board Members, staff, and attendees by Bismarck Obando, President, California New Motor Vehicle Board
- 10:10 a.m. Keynote address from representative, California State Transportation Agency
- 10:20 a.m. State of the Industry, with Respect to Diversity in the Automotive Franchise Network
- ❖ Representative, National Association of Minority Automobile Dealers (NAMAD)
 - ❖ Representative, Crane Automotive Resources
- 10:50 a.m. Automaker Discussion of Females, Minorities and other Members of Under-Represented Groups in the Automotive Franchise Network
- ❖ Representative, General Motors, LLC
 - ❖ Representative, Toyota Motor Sales USA Inc.
 - ❖ Representative, Stellantis
 - ❖ Representative, Ford Motor Company
 - ❖ Representative, Nissan North America, Inc.
- 11:40 a.m. Q & A Session
All presenters

With regards to the presentation at 10:50 a.m., Mr. Stevens invited some conversation around the title. The use of the word “females” is not trans-inclusive and should be more importantly described as “woman.” Additionally, Mr. Stevens indicated that there has been recent dialogue in diversity and equity circles around the use of “under-represented” and “historically under-represented.” Mr. Stevens indicated that “historically excluded” is more accurate. For consideration, he would love to hear from some LGBT chambers that have big auto malls like Glendale and get a couple different perspectives. Mr. Obando appreciated this feedback and thinks the Ad Hoc Committee should make the changes suggested by Mr. Stevens.

Mr. Corcoran stated that the Mission Statement uses “under-represented” so the Ad Hoc Committee may want to consider changing it. Mr. Obando agreed with this suggestion. If these changes are considered at a Board Meeting, then Mr. Corcoran indicated this would be the appropriate time to appoint Mr. Stevens to the Ad Hoc Committee. The Board will agendaize review of the Mission Statement and nominate Mr. Stevens to the Ad Hoc Committee at a future Board meeting.

Ms. Doi supported Mr. Stevens comments. Additionally, she thought the title of this presentation should be revised consistent with the reformatted Mission Statement. Mr.

Corcoran and Mr. Obando indicated that the title can be discussed and revised now. However, Ms. Doi thought it would be hard to do this at the meeting so she suggested that members provide feedback to the staff so this could be discussed at a later time. Ms. Doi also wanted to be responsive to Mr. Stevens' suggestion on LGBT chambers and developers. Mr. Obando thought this would fit in with the 10:20 a.m. presentation.

Mr. Obando complimented Ms. Phomsopha who has made personal contact with the manufacturer representatives noted on the 10:50 a.m. topic. Mr. Dosanjh suggested the top person for the manufacturer be invited to participate and that he would be happy to help with General Motors or Nissan. Ms. Phomsopha indicated that she would work with Mr. Dosanjh in this regard.

Ms. Doi thought it would be interesting to have CNCDA (California New Car Dealers Association) participate in the Workshop. Mr. Alvarez reiterated what Mr. Dosanjh said about ensuring the correct person from each manufacturer participates. Mr. Alvarez also suggested inviting NADA (National Automobile Dealers Association) to participate. Ms. Doi suggested asking both organizations where they thought they would fit in the Workshop. At the beginning of the 10:20 a.m. discussion, Mr. Obando suggested starting with NADA for the national perspective and then CNCDA and a chamber could speak to the local perspective. There was some discussion concerning whether the Crane Automotive Resources presentation should be limited to questions and answers. Ms. Doi noted that this presentation is about market disruption and changing cultures within an industry and sounded interesting. Ms. Smith Boland remarked that she would like to hear this discussion and thinks the Crane Automotive Resources presentation is in the correct topic. Ms. Smith Boland thought CNCDA could speak to legislative efforts.

Les Swizer, staff counsel for the CNCDA, commented that he was happy to reach out to Alisa Reinhardt, Director of Government Affairs, or Anthony Bento, Director of Legal and Regulatory Affairs, to see if there is something CNCDA could do to contribute. Mr. Swizer indicated that CNCDA is always happy to participate but he needs to discuss this with his supervisors.

Next, the members focused on Day 2 of the draft agenda:

10:00 a.m. Introduction of Board Members, staff, and attendees by Bismarck Obando, President, California New Motor Vehicle Board

10:15 a.m. Welcoming remarks from Representative California State Transportation Agency

10:30 a.m. Presentations on Equity and EVs

- ❖ Representative, Greenlining Institute
- ❖ Representative, Access Clean California
- ❖ Representative, National Association of Minority Automobile Dealers (NAMAD)

11:40 a.m. Q & A Session
All presenters

Mr. Obando indicated that Day 2 focuses on EVs and social equity. Ms. Doi requested an overview of the three organizations noted on the agenda. Ms. Phomsopha indicated that Greenlining Institute and Access Clean California would focus on the consumer aspect and ensuring equal access to EVs in different communities. The National Association of Minority Dealers would also weigh-in on this topic. Mr. Obando commented that the Greenlining Institute is a non-profit based out of the bay area and their primary mission is to advocate on sustainability issues as it relates minority communities. Additionally, they advocate regarding environmental justice, clean air, and clean water and what EVs mean for minority communities.

Ms. Doi noted the issues she sees regarding EVs as ensuring access to charging stations, the price of EVs, and how to address this. She wanted to know if these issues are what the speakers will discuss. Additionally, will the Governor's Office be talking about how the State is proposing to address these issues? Mr. Corcoran indicated that he is working with CalSTA to identify the appropriate keynote speaker to introduce Day 2 of the Workshop and the topics Ms. Doi mentioned are precisely the issues to be addressed. Terea Macomber, director of Access Clean California, provided her background and indicated that she would love to come speak on these topics. Mr. Obando thanked Ms. Macomber for joining the meeting and appreciated her feedback.

Mr. Obando asked Mr. Swizer if CNCDA has a position on the Administration's direction on EVs and wants to make sure CNCDA's voice is heard. Mr. Swizer will get back to the staff regarding this topic.

Mr. Dosanjh commented on his experience in selling EVs.

Ms. Doi inquired if Day 2 would be a moderated panel and if staff were looking for a subject matter expert in this regard. Mr. Obando indicated that he was planning to introduce the topics and did not envision a moderated panel. However, if this is the direction the Ad Hoc Committee wants to go then he can look into it. Ms. Doi indicated that she would defer to Mr. Obando and staff in this regard. Mr. Corcoran indicated that he could check with the presenters to see what they think would be the best format. Ms. Doi thanked everyone.

5. **DISCUSSION AND CONSIDERATION OF FUTURE AD HOC COMMITTEE MEETINGS TO SOLICIT INDUSTRY INPUT, TOPICS, AND SPEAKERS**

This matter was discussed in Agenda Item 4.

6. **DISCUSSION OF DATES OF FUTURE AD HOC COMMITTEE MEETINGS**

Mr. Obando is sensitive to the staffs' workload so he would like Tim to check with the members after the meeting to come up with Ad Hoc Committee meeting dates.

Mr. Obando recommended that the Workshop be held in January 2022 given the current workload. Mr. Alvarez commented that late January 2022 would be better. Mr. Corcoran will work on a schedule based on this proposed date and will continue to update CalSTA. In response to Ms. Doi's question, Mr. Corcoran indicated that the next General Meeting would be in December 2021 at the Mission Inn in Riverside.

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

Mr. Stevens thanked the Board for their willingness to engage in this process and think critically about how the Board makes its efforts most inclusive and transparent as possible for these communities that we are having this discussion about. Mr. Stevens expressed his gratitude to the Board for their willingness to "push the envelope" and be leaders.

8. **ADJOURNMENT**

With no further business to discuss, the meeting was adjourned at approximately 11:36 a.m.

Submitted by



TIMOTHY M. CORCORAN
Executive Director

APPROVED:



Bismarck Obando, Chair
Ad Hoc Committee on Equity, Justice and Inclusion
New Motor Vehicle Board