

Express Terms

Title 13, Division 1, Chapter 1

Article 3.6 – Vehicle Industry and Business Enterprises

§ 225.00. Definitions.

The following definitions shall apply to this article.

(a) “BPA” means the Business Partner Automation Program.

(b) “BPA contract” means an agreement between the State and a qualified private industry first-line business partner or first-line service provide as authorized under Vehicle Code section 1685.

(c) “BPA permit” or “permit” means ~~[begin strikethrough] the~~[end strikethrough][begin underline] a numbered [end underline] document the department issues to an approved business partner applicant bearing the applicant's name, [begin underline] permit number, [end underline] date of issuance, expiration date, the signature of the authorized department representative, the word “permit”, and any other relevant information.

(d) “Accountable inventory” means inventory identified by a unique serial number that is assigned by the department. These items are the department issued license plates, year stickers, vessel stickers, and salvage and nonrepairable vehicle certificates. These items are at all times the property of the department.

[end underline] (e) “Break-in” means to enter into a building or computer system without consent or by force. [end underline]

[begin strikethrough] ~~(e)~~ [end strikethrough][begin underline] (f) [end underline]
“Business partner” means a qualified private industry partner as set forth in Vehicle Code section 1685.

(1) A business partner that acts as a registration service is subject to Chapter 2.5, Division 5 of the Vehicle Code unless otherwise exempt.

(2) A business partner that acts as a vessel agent is subject to Chapter 2, Division 3.5 of the Vehicle Code unless otherwise exempt.

(3) A business partner that acts as a dealer is subject to Chapter 4, Division 5 of the Vehicle Code unless otherwise exempt.

(4) A business partner that acts as an automobile dismantler is subject to Chapter 3, Division 5 of the Vehicle Code unless otherwise exempt.

(5) A business partner that acts as a salvage pool is subject to Chapter 3, Division 5 of the Vehicle Code unless otherwise exempt.

(6) A business partner that acts as a rental/leasing company.

[begin strikethrough] (7) A second-line business partner must retain the services of a first-line service provider with an existing, valid BPA contract.

(f) [end strikethrough][begin underline] (g) [end underline] "Controlled inventory" means inventory that may impact the registration of vehicles and collection of fees. These items are the department issued computer DMV 95A paper, Commercial Vehicle Registration Act (CVRA) decals and stickers, [begin underline] Permanent Fleet Registration [end underline] PFR stickers and month stickers. These items are at all times the property of the department.

[begin strikethrough] (g) [end strikethrough][begin underline] (h) [end underline] "First-line business partner," "first-line service provider," and "second-line business partner" are defined [begin strikethrough] as set forth in Vehicle Code section 1685(b)(1)(A) through (C). [end strikethrough][begin underline] as follows:

(1) First-line business partner is an industry partner that receives data directly from the department and uses it to complete registration and titling activities for that partner's own business purposes.

(2) First-line service provider is an industry partner that receives information from the department and then transmits it to another authorized industry partner.

(3) Second-line business partner is a partner that receives department information from a first-line service provider. In order to receive this information, the second-line business partner must retain the services of one first-line service provider with an existing, valid BPA contract. [end underline]

[begin strikethrough] ~~(h)~~ [end strikethrough][begin underline] (i) [end underline] “Interface” means the electronic exchange of information.

[begin strikethrough] ~~(i)~~ [end strikethrough][begin underline] (j) [end underline] A “change in legal structure” means a change between sole owner, partnership, corporation, association, limited liability company or other legal entity.

[begin strikethrough] ~~(j)~~ [end strikethrough][begin underline] (k) [end underline] “Miscellaneous original” means a transaction for an application for California title/ownership certificate when the supporting documentation does not include a California new vehicle report of sale form or a title or evidence of ownership from another state or international jurisdiction and there is no record on the department's vehicle registration (VR) database. This may include:

[Subsections (k)(1) through (k)(4), renumbered from (j)(1) through (j)(4), are unchanged.]

[begin strikethrough] ~~(k)~~ [end strikethrough][begin underline] (l) [end underline] “Owner” means sole owner, partner (except for limited partner), limited liability company members, or private and public corporation directors and principal shareholders with ten percent or more interest in the corporation.

[begin strikethrough] ~~(l)~~ [end strikethrough][begin underline] (m) [end underline] “Permanent Fleet Registration (PFR)” means the intrastate registration of fleet

vehicles authorized by Vehicle Code section 5301 to display a permanent license plate sticker on each participating fleet vehicle.

[begin underline] (n) "Robbery" means property taken unlawfully by force or threat of force.

(o) "Security Stop" means the business partner's temporary restriction of access to the department's BPA program including interface.

(p) "Trespass" means entry onto property or into a computer system without permission.

(q) "List of Actions" means a document delivered to the business partner by the BPA program administrator that includes required items to be completed to remove a Security Stop. [end underline]

NOTE: Authority cited: Sections 1651 and 1685, Vehicle Code. Reference: Sections 1685 and 5301, Vehicle Code.

§ 225.03. Application Requirements for all Business Partners.

[begin strikethrough] A business partner applicant shall complete all requirements and submit to the BPA Program Administrator the following: [end strikethrough]

[Subsections (a) and (a)(1) through (a)(5) are unchanged.]

(b) A business partner applicant shall pay a non-refundable application fee of \$305 for its principal place of business and \$232 for each [begin underline] additional [end underline] site [begin strikethrough] added with the application. [end strikethrough] Checks shall be made payable to the Department of Motor Vehicles. This fee shall be paid at the time the application is submitted. An application for [begin strikethrough] a [end strikethrough] [begin underline] participation in the [end underline] BPA [begin strikethrough] contract [end strikethrough] [begin underline] program [end underline] shall be submitted

[begin underline] online or [end underline] via U.S. mail or private courier to the following address: Department of Motor Vehicles, BPA Program Administrator, 2415 1st Avenue, MS C383, Sacramento, CA 95818.

[Subsection (b)(1) is unchanged.]

(c) A first-line business partner or first-line service provider applicant shall provide the information required by the Business Partner Automation Program Information Security Pre-Implementation Checklist First-Line Business Partner and First-Line Service Provider form, EXEC 5555A (NEW 11/2002). A second-line business partner applicant shall provide the information required by the Business Partner Automation Program Information Security Pre-Implementation Checklist Second-Line Business Partner form, EXEC 5555B (NEW 11/2002). A first-line business partner or first-line service provider shall also provide the information required pursuant to Section 225.12 with respect to the First-line Business Partner or First-Line Service Provider Business Partner contract.

(d) A business partner applicant shall submit a photocopy of the completed and signed Request for Live Scan Service Applicant Submission (License, Certification, Permit Only, or Business Partner Automation Program Participant) form, DMV 8016 [begin strikethrough] ~~(Rev. 2/2008)~~ [end strikethrough] [begin underline] (Rev. 1/2019) [end underline] and a Statement of Personal History Pre-Implementation Screening Process Business Partner Automation Program Privacy Statement and Instructions to Applicant form, REG 4019 (Rev. 11/2002) for each owner and each employee. The Statement of Personal History form and Request for Live Scan Service form are hereby incorporated by reference. A business partner applicant shall submit the documents required by this section for all owners, managers, and administrative staff responsible for the oversight of the program or that manage, administer, supervise, or monitor transactions, inventory, employees, or money; order or account for inventory; and employees that process vehicle registration transactions or work directly with customers.

[Subsections (d)(1) and (d)(1)(A) are unchanged.]

[Subsections (e) through (j) are unchanged.]

NOTE: Authority cited: Sections 1651 and 1685, Vehicle Code. Reference: Sections 1652, 1653 and 1685, Vehicle Code.

§ 225.09. Financial Security Requirements.

(a) Every applicant for issuance or renewal of a first-line business partner or first-line service provider permit shall submit the bond required by Vehicle Code section 1685(b)(2)(C) to the department on a Business Partner Automation Surety Bond (Vehicle Code Section 1685) form, REG 866 [begin strikethrough] (~~Rev. 11/2008~~) [end strikethrough][begin underline] (Rev. 12/2011), [end underline] which is hereby incorporated by reference. The conditions of the bond shall be incorporated in the REG 866 form.

(1) A deposit as provided in Code of Civil Procedure section 995.710 shall be acceptable in lieu of the surety bond.

[Subsections (b) through (d) are unchanged.]

NOTE: Authority cited: Sections 1651 and 1685, Vehicle Code. Reference: Section 1685, Vehicle Code; and Sections 995.360, 995.710 and 995.770, Code of Civil Procedure.

§ 225.12. First-Line Business Partner or First-Line Service Provider Business Partner Contract.

[Subsection (a) is unchanged.]

(b) A BPA contract shall be in effect for 36 months. A renewal application and new BPA contract shall be required for each subsequent permit issued to each first-line business partner or first-line service provider. The renewal application process may

_____ before the BPA contract and permit expire.

[begin underline] The BPA contract renewal process shall begin one year before the current BPA contract expires. [end underline]

[Subsection (c) is unchanged.]

NOTE: Authority cited: Sections 1651 and 1685, Vehicle Code. Reference: Sections 1653 and 1685, Vehicle Code.

§ 225.15. BPA Permit Authority.

(a) No person shall act as a first-line business partner or first-line service provider that is not a party to a currently valid BPA contract and permit. [begin underline] No person shall act as a second-line business partner that is not a party to a currently valid permit. [end underline]

[Subsection (b) is unchanged.]

(c) A BPA permit may be issued to [begin strikethrough] ~~each first-line business partner, first-line service provider and~~ [end strikethrough] [begin underline] a [end underline] second-line business partner for each site location that the department has determined meets the permit qualifications. [begin strikethrough] ~~If otherwise eligible, upon the execution of the BPA contract, the department may issue a BPA permit.~~ [end strikethrough] The BPA permit shall identify the business as an authorized business partner.

[Subsection (d) is unchanged.]

NOTE: Authority cited: Sections 1651 and 1685, Vehicle Code. Reference: Sections 1652, 1653 and 1685, Vehicle Code.

§ 225.18. Cause for Refusal to Enter into a Contract and/or Issue a Permit.

[Subsections (a) through (c) are unchanged.]

(d) There is good cause for the department to refuse to enter into a BPA contract and/or permit with a business partner applicant if the applicant, one of its owners or employees:

[Subsections (d)(1) through (d)(11) are unchanged.]

[begin underline] (12) For an original application, failure to meet the security provisions as identified in the Business Partner Automation Program Information Security Pre-Implementation checklist (Exec 5555A or 5555B).

(13) For a renewal application, failure to follow the security provisions as identified in the Business Partner Program Information Security Pre-Implementation checklist (Exec 5555A or 5555B).

(e) If the department refuses to enter into a BPA contract and/or permit with a BPA applicant or approve one of its owners or employees, within 60 days after notice and refusal to issue the permit or approve the owner or employee, the applicant may demand in writing to the BPA program administrator a hearing before the director or the director's designee. A hearing shall be held before the director or the director's designee, and a decision issued within thirty (30) days after the hearing. [end underline]

NOTE: Authority cited: Sections 1651 and 1685, Vehicle Code. Reference: Sections 1653 and 1685, Vehicle Code.

§ 225.35. Renewal.

[Subsection (a) is unchanged.]

(b) A renewal application shall be received [begin underline] no more than 90 days and no less than [end underline] 30 days prior to the expiration date on the BPA permit. Applications received after [begin strikethrough] that [end strikethrough] [begin underline] the expiration [end underline] date [begin underline] on the BPA permit [end underline] shall be required to comply with

the original application requirements as specified in Section 225.03 in these regulations. The business partner may not process any transactions without a valid permit.

NOTE: Authority cited: Sections 1651 and 1685, Vehicle Code. Reference: Section 1685, Vehicle Code.

§ 225.36. Change of First-Line Service Provider.

[Subsection (a) is unchanged.]

(b) The request shall be completed, signed and submitted to the BPA Program Administrator no less than [begin strikethrough] 20 [end strikethrough][begin underline] 30 [end underline] days prior to any change of first-line service provider.

[Subsections (c) and (d) are unchanged.]

(e) A second-line business partner and its first-line service provider shall comply with the following procedures when changing first-line service providers.

[Subsections (e)(1) through (e)(3) are unchanged.]

[begin underline] (4) The second-line business partner shall provide the BPA program administration a list of employees who will be using their new first-line service provider. [end underline]

NOTE: Authority cited: Sections 1651 and 1685, Vehicle Code. Reference: Sections 1652, 1653 and 1685, Vehicle Code.

§ 225.39. Business Partner Responsibilities.

(a) A first-line service provider shall be responsible for the following:

(1) Provide oversight to ensure second-line business partners comply with the terms and conditions of their [begin strikethrough] BPA contracts [end

~~strikethrough~~[begin underline] second-line business partner's permit and regulations pursuant thereto. [end underline]

[Subsections (a)(2) through (a)(4) are unchanged.]

(5) Ensure each second-line business partner has no more than a three (3) month supply of inventory [begin underline] on hand at any one time. [end underline]

[Subsection (a)(6) is unchanged.]

(7) Establish, implement and maintain security awareness and education programs and measures to ensure that all of their second-line business partners are aware ~~[begin strikethrough] of~~[end strikethrough][begin underline] and adhere to [end underline] the first-line service provider's procedures for protecting the confidentiality of records.

through (a)(11) are unchanged.]

(12) Submit all transactions [begin underline] , including forms and documents received by their second-line business partners, [end underline] to the department within twenty (20) days of the date the transaction was processed. [begin underline] If all required forms and documents are not received from the second-line business partner within the 7 days required by Section 225.54(c), the first-line service provider shall not accept nor submit any registration transactions for that second-line business partner until they are received. The BPA program administrator may allow electronic submittal for specific forms or documents. [end underline]

[Subsections (a)(13) through (a)(15) are unchanged.]

[Subsections (b) and (c) are unchanged.]

NOTE: Authority cited: Sections 1651 and 1685, Vehicle Code. Reference: Sections 1652, 1653, and 1685, Vehicle Code.

[begin underline] **§ 225.41. Security Stop.**

(a) If a business partner experiences a break-in, robbery, unauthorized physical trespass, or loss of accountable and/or controlled inventory as a result of these events, a breach of the security of the system containing computerized data, a computer hack or trespass or other breach of either physical or electronic security by any means, the business partner must notify the BPA program administrator within twenty-four (24) hours of the event. If the business partner is a second-line business partner, they must notify both the BPA program administrator and their authorized first-line service provider within twenty-four (24) hours of the event. When a second-line business partner has notified their authorized first-line service provider, the first-line service provider must notify the BPA program administrator within twenty-four (24) hours of that notification. Notice as used herein may be made by telephone, email, or in writing delivered within twenty-four (24) hours. After notification, the BPA program administrator may place a Security Stop on the business partner's access to the BPA program including interface.

(1) Within two (2) business days of the effective date of the Security Stop, the BPA program administrator shall deliver to the business partner a List of Actions to remove the Security Stop. The business partner has sixty (60) days following delivery of the List of Actions to comply. The List of Actions may include, but is not limited to, obtaining a new BPA program password, curing the issue leading to the physical or electronic security breach, or other actions deemed reasonable by the BPA program administrator based on the specific facts of the breach.

(2) A business partner may appeal the List of Actions and request a hearing by sending an appeal to the BPA program administration with an

explanation as to why the List of Actions is not necessary. The appeal shall be in writing and received by the BPA program administrator within fifteen (15) days after the List of Actions effective date. Pursuant to Title 13, section 225.73(c), a hearing shall be held before the director or the director's designee, and a decision issued within thirty (30) days after receipt by the BPA program administrator of the appeal to the List of Actions.

(3) After completion of the List of Actions, the business partner must notify the BPA program administrator. Notice may be submitted via email or in writing. After receipt of the notice, the BPA program administrator may verify completion of the List of Actions. If the BPA program administrator is satisfied the List of Actions was completed, the Security Stop shall be removed and written notice of such shall be delivered to the business partner via email or in writing. If the BPA program administrator is not satisfied the business partner completed the List of Actions, notice of such will be submitted to the business partner within two (2) business days following the determination by the BPA program administrator that the List of Actions has not been successfully cured. The business partner may continue to attempt completion of the List of Actions as long as the sixty (60) day period has not elapsed. Failure of the business partner to fully complete the List of Actions within sixty (60) days after the effective date constitutes grounds for cancellation of the business partner's permit pursuant to Section 225.73(j)(6).

(4) A business partner may appeal the determination that the List of Actions has not been completed and request a hearing by sending an appeal to the BPA program administrator. The appeal shall be in writing and received by the BPA program administrator within fifteen (15) days after the notice of the deficiency. Pursuant to Title 13, Section 225.73(c), a

hearing shall be held before the director or the director's designee, and a decision issued within thirty (30) days after a receipt by the BPA program administrator of the appeal.

Note: Authority cited: Sections 1651 and 1685, Vehicle Code. Reference: Sections 1652, 1653 and 1685, Vehicle Code. [end underline]

§ 225.42. Business Partner Changes.

(a) A business partner shall notify the BPA Program Administrator within the timeframes identified for the changes listed in Sections 225.42(a)(1) through (7) of these regulations on a Business Partner Automation Program Application for Changes form, REG 4026 (Rev. 1/2017), which is hereby incorporated by reference. The completed and signed Business Partner Automation Program Application for Changes form shall be sent by [begin underline] scanning and emailing to the DMV ROD Business Partner Automation group email box at BPA@dmv.ca.gov, by [end underline] U.S. mail or private courier to the Department of Motor Vehicles, BPA Program Administrator, 2415 1st Avenue, MS C383, Sacramento, CA 95818. The following changes shall be entered on the Business Partner Automation Program Application for Changes form:

[Subsections (a)(1) through (a)(10) are unchanged.]

(b) A business partner shall notify the BPA Program Administrator in a signed and written notification on business partner letterhead and sent by [begin strikethrough] ~~facsimile~~ [end strikethrough][begin underline] scanning and emailing to the DMV ROD Business Partner Automation group email box at BPA@dmv.ca.gov, [end underline] U.S. mail, or private courier no more than five days after the effective date of the following changes:

[Subsections (b)(1) and (b)(2) are unchanged.]

(c) A business partner shall notify the BPA Program Administrator in a signed and written notification on business partner letterhead and sent by [begin

~~strikethrough] facsimile [end strikethrough][begin underline] scanning and emailing to the DMV ROD Business Partner Automation group email box at BPA@dmv.ca.gov, [end underline] U.S. mail, or private courier at least 60 days prior to the effective date of a change of the account number identified pursuant to Section 225.30 of these regulations.~~

[Subsection (c)(1) is unchanged.]

(d) The business partner shall notify the BPA Program Administrator in a signed and written notification on business partner letterhead and sent by ~~[begin strikethrough] facsimile [end strikethrough][begin underline] scanning and emailing to the DMV ROD Business Partner Automation group email box at BPA@dmv.ca.gov, [end underline] U.S. mail, or private courier within seven days of a change of telephone number.~~

NOTE: Authority cited: Sections 1651 and 1685, Vehicle Code. Reference: Sections 1652, 1653 and 1685, Vehicle Code.

§ 225.45. Customer Fees.

(a) A business partner shall ~~[begin underline] disclose the fee charged to the customer in writing. Second-line business partners who are registration services shall disclose the fees and comply with the requirements of Vehicle Code section 11406(a) and 11406(c). [end underline][begin strikethrough] complete a Business Partner Automation Disclaimer form, REG 4020 (Rev. 7/2010), which is hereby incorporated by reference, for each DMV transaction when a customer fee is charged.~~

~~EXCEPTIONS: (1) A business partner completing a conditional sales contract or lease agreement pursuant to Civil Code section 2982, 2982.5 or 2985.8 may disclose the amount of any optional Business Partnership Automation program fee to process transactions identified in Section 225.45(b)(1) through (3) of these regulations using the sales contract or lease agreement in place of the Business~~

~~Partner Automation Disclaimer form. (2) A business partner acting as a salvage pool, as specified in Vehicle Code section 543, shall be exempt from completing the form. (3) A business partner acting as a licensed registration service, as specified in Vehicle Code section 505.2, may disclose the amount of any optional Business Partnership Automation program fee to process transactions using the methods required under Section 330.30, of Title 13 in the California Code of Regulations in place of the Business Partner Automation Disclaimer form.~~

~~(1) The business partner shall obtain the customer's signature on the form after the business partner enters on the form the fee amount that the business partner is charging to process the transaction.~~

~~(2) The business partner shall provide the completed original of the Business Partner Automation Disclaimer form to the customer, shall keep a completed copy, and shall send a copy to the department with the transaction documents. Voided copies of the form shall be retained with the completed copies kept by the business partner pursuant to Section 225.60 of these regulations. [end strikethrough]~~

[Subsections (b) and (c) are unchanged.]

NOTE: Authority cited: Sections 1651 and 1685, Vehicle Code. Reference: Section 1685, Vehicle Code.

§ 225.48. Transaction Fee.

[Subsection (a) is unchanged.]

(b) The transaction fee shall be paid to the department by the due date designated on the billing notice. The payment of the fee based on the billing notice shall be sent by trackable US mail or private carrier to: Department of Motor Vehicles, BPA Program Administrator, 2415 [begin strikethrough]1st [end

strikethrough][begin underline] First [end underline] Avenue, MS-C383,
Sacramento, CA 95818.

[Subsection (c) is unchanged.]

NOTE: Authority cited: Sections 1651 and 1685, Vehicle Code. Reference:
Section 1685, Vehicle Code.

§ 225.54. Transaction Procedures and Inventory Requirements.

(a) A business partner shall process transactions and control inventory according to the BPA Transaction Procedures and Inventory Requirements Handbook (Revised November 2011), which is hereby incorporated by reference.

[begin underline] (b) All BPA second-line business partners who are licensed registration services must confirm the identity of the client by visually verifying the client's name with a state issued driver's license or identification card before conducting any work on a vehicle registration; confirm the client's name on the state issued driver's license or identification card matches the information contained in the registration documents; or confirm the client is authorized to make the requested registration changes.

(c) All BPA second-line business partners shall submit the registration application and all required registration forms and documents to their first-line service provider no later than seven (7) departmental business days after acceptance of the customer fees or registration documents.

(d) All BPA second-line business partners shall use their assigned and approved first-line service provider to conduct registration transactions.

(e) All registration transactions processed by a BPA second-line business partner shall be processed at their approved site location. If a laptop is used to process or keep registration documents, the laptop shall be locked up and secured during non-business hours and shall not be removed from the approved site

location without the express written permission from the BPA program administrator.

(f) A business partner shall ensure business records are stored and secured in such a manner that the confidentiality of client information is maintained.

(g) When a Bureau of Automotive Repair smog certificate is required to register a vehicle, a second-line business partner shall confirm the validity of the smog certificate directly with the Bureau of Automotive Repair before processing the registration transaction and shall provide the passing confirmation in the documentation submitted to their first-line service provider. [end underline]

NOTE: Authority cited: Sections 1651 and 1685, Vehicle Code. Reference: Section 1685, Vehicle Code.

§ 225.60. Retention of Business Records.

(a) Each business partner shall maintain all business records related to the BPA program. [begin strikethrough] ~~These~~ [end strikethrough] [begin underline] First-line business partners and first-line service providers [end underline] shall be retained for the term of the BPA permit in which they pertain, for three years following the termination, cancellation or expiration of the BPA permit and during any ongoing examination, audit and investigation pursuant to Sections 225.63 and 225.66 of these regulations.

[begin underline] (b) Second-line business partners shall maintain all business records related to BPA program, those required by Vehicle Code section 11406, and all copies of all registration documents submitted by customers, for at least four (4) years. All or part of these records may be kept in electronic format solely at the approved site location or with their approved first-line service provider provided that said records are readily available for inspection at the request of the department. If a second-line business partner chooses to keep all or part of these records at a first-line service provider, it is the second-line business

partner's responsibility to assure all the records are readily available for inspection for a period of four (4) years. If a second-line business partner shall retrieve and keep copies of all records electronically from their previous first-line service provider and keep these records for the remainder of the required four-year period of time.

(1) If the second-line business partner cease operation for any reason they shall immediately notify their first-line service provider, and within five days deliver all BPA program records, all controlled inventory, all accountable inventory, and all customer transactions then in their possession, including any fees or receipts for fees due to the department or the customer to their first-line service provider, who shall immediately notify and deliver said items to the BPA program administrator. [end underline]

[begin strikethrough] ~~(b)~~ [end strikethrough] [begin underline] (c) [end underline]
Upon the department's request, all business records shall be immediately made available during normal business hours to the department's representative.

[Subsection (c)(1) is unchanged.]

[begin strikethrough] ~~(c)~~ [end strikethrough] [begin underline] (d) [end underline]
A business partner shall [begin underline] keep and [end underline] retain [begin strikethrough] ~~the~~ [end strikethrough] [begin underline] all [end underline] business records at the business partner's principal place of business.

[begin strikethrough] ~~(d)~~ [end strikethrough] [begin underline] (e) [end underline]
The business records required to be maintained by the business partner pursuant to these BPA regulations under Article 3.6 are records of the department.

NOTE: Authority cited: Sections 1651 and 1685, Vehicle Code. Reference: Section 1685, Vehicle Code.

§ 225.63. Audit Requirements.

[Subsections (a) and (b) are unchanged.]

(c) The independent auditor shall provide the business partner audit report, the independent auditor's findings and any suggested corrective action plan or audit response developed by the business partner to the department at the following address: Department of Motor Vehicles, Audits Office, P.O. Box 932328, MS [begin strikethrough] H121 [end strikethrough][begin underline] E607, [end underline] Sacramento, CA 94232-3280.

[Subsection (c)(1) is unchanged.]

(d) A business partner shall inform the BPA Program Administrator when an independent auditor is no longer employed by the business partner to perform an audit. This notice shall be sent within seven days of release of the independent auditor. The signed and written notice on business partner letterhead shall be sent by [begin strikethrough] ~~facsimile~~ [end strikethrough][begin underline] scanning and emailing to the DMV ROD Business Partner Automation group email box at BPA@dmv.ca.gov, [end underline] U.S. mail, or private courier when an independent auditor is released from service.

[Subsections (e) and (f) are unchanged.]

NOTE: Authority cited: Sections 1651 and 1685, Vehicle Code. Reference: Section 1685, Vehicle Code.

§ 225.69. Cancellation or Termination of a BPA Contract and Permit.

(a) A first-line business partner and first-line service provider shall cancel a BPA contract and permit by notifying the BPA Program Administrator in a signed and written notification on business partner letterhead and sent by [begin strikethrough] ~~facsimile~~ [end strikethrough][begin underline] scanning and emailing to the DMV ROD Business Partner Automation group email box at

BPA@dmv.ca.gov, [end underline] U.S. mail, or private courier no less than 30 days prior to the cancellation.

(1) A second-line business partner shall cancel a BPA permit by notifying its first-line service provider and the BPA Program Administrator in signed and written notification on business partner letterhead and sent by [begin strikethrough] ~~facsimile~~ [end strikethrough] [begin underline] scanning and emailing to the DMV ROD Business Partner Automation group email box at BPA@dmv.ca.gov, [end underline] U.S. mail, or private courier no less than thirty (30) days prior to the cancellation.

[Subsections (b) and (c) are unchanged.]

NOTE: Authority cited: Sections 1651 and 1685, Vehicle Code. Reference: Section 1685, Vehicle Code.

§ 225.72. Site Closure.

[Subsections (a) and (b) are unchanged.]

(c) A second-line business partner and its first-line service provider shall comply with the following procedures to close a second-line business partner site location within 30 days of cancellation or expiration of the BPA permit.

[Subsections (c)(1), (c)(2), and (c)(3) are unchanged.]

(4) The second-line business partner shall return the BPA permit by [begin underline] scanning and emailing to the DMV ROD Business Partner Automation group email box at BPA@dmv.ca.gov, by [end underline] trackable U.S. mail or private carrier to: Department of Motor Vehicles, BPA Program Administrator, 2415 1st Avenue, MS C383, Sacramento, CA 95818.

NOTE: Authority cited: Sections 1651 and 1685, Vehicle Code. Reference: Section 1685, Vehicle Code.

§ 225.73. Issuance, Refusal, Suspension, Revocation, Compromise Settlement Agreements, and Automatic Cancellation of a BPA Permit.

(a) The department may issue or, for reasonable cause shown, refuse to issue a BPA permit, or may after notice and hearing, suspend or revoke the BPA permit for any violation or cause listed in Sections 225.09, 225.12, 225.15, 225.18, 225.24, [begin underline] 225.27, [end underline] 225.30, 225.33, 225.36, [begin underline] 225.38, [end underline] 225.39, 225.42, [begin underline] 225.45, [end underline] 225.48(a) and (b), 225.51, 225.54, 225.60, 225.63, 225.66(b) and (c), and 225.72 (a) and (b).

[Subsection (b) is unchanged.]

(c) Every hearing provided for in this section shall be conducted pursuant to Chapter 5 (commencing with Section 11500) of Part 1 of Division 3 of Title 2 of the Government Code [begin underline] or conducted pursuant to Article 10 of Chapter 4.5 (commencing with Section 11400) of Part 1 of Division 3 of Title 2 of the Government Code with the department's own presiding officer. The informal hearing may be conducted in person or by electronic means. [end underline]

[Subsections (d) through (h) are unchanged.]

(i) The department may automatically cancel the BPA permit upon the happening of any of the following:

[Subsections (i)(1) through (i)(5) are unchanged.]

[begin underline] (6) Failure to complete the List of Actions pursuant to Section 225.41 within sixty (60) days to remove a Security Stop. [end underline]

(j) A BPA permit holder whose permit has been revoked or whose application for a permit was refused may reapply for a BPA permit after not less than one year from the effective date of the decision revoking or denying the permit.

[begin underline] (k) The department may, after notice and hearing, suspend or revoke a BPA permit of a first-line service provider who fails to comply with the terms and conditions of a contractual agreement entered into pursuant to Vehicle Code section 1685(a) and (b)(1). [end underline]

NOTE: Authority cited: Sections 1651 and 1685, Vehicle Code. Reference: Section 11500, Government Code; and Section 1685, Vehicle Code.