



Vehicle Distributor Program Handbook

A Public Service Agency

APPLICATION REQUIREMENTS FOR VEHICLE DISTRIBUTOR LICENSE

PURPOSE

The purpose of this pamphlet is to assist the prospective distributor by describing the requirements to obtain a vehicle distributor license from the Department of Motor Vehicles (DMV).

WHAT IS A DISTRIBUTOR?

A “distributor” is any person other than a manufacturer who sells or distributes new vehicles subject to registration under this code, new trailers subject to identification pursuant to Section 5014.1, or new off-highway motorcycles or all-terrain vehicles subject to identification under this code, to dealers in this state and maintains representatives for the purpose of contacting dealers or prospective dealers in this state. *California Vehicle Code*, Section 296 (CVC §296).

BACKGROUND INVESTIGATION

A background investigation is conducted on all applicants. Failure to disclose convictions or providing incorrect information on the application may result in the refusal or denial of your license. The department may refuse to issue a license to any applicant who has been convicted of a crime or committed any act or engaged in any conduct involving moral turpitude which is substantially related to the qualifications or duties of the licensed activity. A conviction based on plea of nolo contendere is a conviction within the meaning of this section (CVC §§11703, 11703(c), 11705 (a)(1)). Persons previously working under a license issued by DMV, which was revoked or suspended for cause may also be denied a license. In addition, the *California Code of Regulations* (CCR) and other sections of the *California Vehicle Code* provides guidelines used by the department in determining whether a license should be issued (CCR, Title 13, Chapter 1).

DISTRIBUTOR LICENSE FEES AND FORMS

CVC §§ 9262 and 11700 et seq.

Every applicant for a distributor’s license **must**:

- File an application with the department.
- Pay all required fees.
- Provide a list of enfranchised dealers.
- Provide a list of authorized representatives.
- Provide a letter of appointment from the manufacturer.

FEES

The fees to become a licensed vehicle distributor are:

- \$100 Non-refundable application fee
- \$1 For Family Support Program
- \$50 For each branch location (if applicable)
- \$71 Plus any county fees, if applicable*
- \$300 New Motor Vehicle Board fee

The Family Support Program fee is paid on original, renewal, and reinstatement applications.

*This figure will vary depending on the county where your business is located. Contact your local inspector for the total plate fees due for your location. Not applicable for out-of-state distributors.

NOTE: Plates are optional.

FORMS

An application for a vehicle distributor license consists of the following forms:

- **OL 12**, Application for Original Occupational License, Part C
- **OL 21A**, Original Application for Occupational License, Part A
- **OL 29B**, Application for Occupational License Personal History Questionnaire, Part B, Business Licensing Unit (Required for each person listed under ownership on form OL 12)
- **OL 107**, Corporate Declaration/Limited Liability Company Declaration
- **ADM 9050**, Appointment of Director as Agent for Service of Process
- **DMV 8016**, Request for Live Scan Clearance (receipt) (Required for each person completing form OL 29B)
- **ADM 1316**, Fingerprint Card (out-of-state applicants only) Fingerprint cards may be obtained by calling Occupational Licensing at (916) 229-3126.

The following documents are also required as part of the application package:

- Brochure or drawing of the manufactured product (include name of product and the following).
 - A 17-digit Vehicle Identification Number (VIN) sample configuration from the Society of Automotive Engineers. If this is a new product to California, provide a copy of the assignment of VIN and testing approval or waiver from the National Highway Transportation Association.
 - A copy of the California Air Resources Executive Order (required for engine powered products).
- List of authorized or enfranchised dealers; enfranchised auto/commercial and motorcycle dealers are appointed on form OL 124, Certificate of Proposed Franchise. All other authorizations must be on company letterhead and signed by a person listed in the application documents.
- Letters of appointment from manufacturer
- Photograph(s) of business location
- Corporation, Limited Liability Company or Limited Liability Partnership owned business only:
 - Copy of Articles of Incorporation, Corporate Minutes or other documents filed with the Secretary of State.
- If your firm is incorporated in a state other than California, provide:
 - Copy of Articles of incorporation or certification from incorporating state's Secretary of State that the corporation is in good standing.
- If your firm location is located in the state of California the following is required:
 - Copy of City and/or County Business License
 - Copy of Board of Equalization resale Permit (required only if selling)
 - Copy of Fictitious Name Statement
 - Copy of lease or rental agreement

DISTRIBUTOR RENEWAL FEES AND FORMS

FEES

- \$1 For Family Support Program
- \$86 Renewal application fee
- \$70 Renewal of special license plates (each plate)

The Family Support Program fee is paid on original, renewal, and reinstatement applications.

FORMS

- **OL 45**, Renewal Application

DISTRIBUTOR MODIFICATION FEES AND FORMS

FEES

- \$50 Name change
- \$50 Address change
- \$50 Add a branch
- \$70 Officer Change (if new officer)
- \$42 Fingerprint Card (**out of state applicants only**)

FORMS

- **OL 15**, Corporate Officers and /or director Change
- **OL 15A**, Limited Liability Company Member and/or Appointed Officer Change
- **OL 21**, Application for Modification to Occupational License
- **OL 29B**, Application for Occupational License Personal History Questionnaire, Part B, Business Licensing Unit
- **OL 73**, Application for Temporary Branch Location
- **OL 903**, Property Use Verification for Vehicle Lessor-Retailer's License
- **DMV 8016**, Request for Live Scan Clearance (receipt) (Required for each person completing form OL29B)
- **ADM 9050**, Appointment of Director as Agent for Service of Process

The following items may also be required as part of the application package:

- Photograph(s) of business location
- Corporation, Limited Liability Company or Limited Liability Partnership owned businesses only:
A copy of Articles of Incorporation, Corporate Minutes or other document filed with the Secretary of State
- Bond Rider
- Copy of your City and/or County Business License

- Copy of Board of Equalization Resale Permit
- Copy of your Fictitious Name Statement
- Copy of lease or rental agreement

VEHICLE DISTRIBUTOR - FREQUENTLY ASKED QUESTIONS

Listed below are the most frequently asked questions. This list is not all inclusive nor is it intended to be. If you have any questions, please contact your local Inspector or call (916) 657-6530.

Where can I obtain application forms?

All forms and application packages can be downloaded from the internet at www.dmv.ca.gov/vehindustry/ol/forms.htm.

How long will it take for the department to process my application?

The average time for processing an application may be up to 120 days to allow the Department time for investigation and processing of the license.

Does the department issue temporary permits?

Pending the satisfaction of the department that the applicant has met the requirements for the license, the department may issue a temporary permit for a period not to exceed 120 days while it completes its investigation and determination of all facts relative to the qualifications of the applicant for the license (CVC §11719).

Where do I file my application?

Application packages for vehicle distributors are submitted to:

Department of Motor Vehicles
Occupational Licensing
Compliance Section
P.O. Box 932342 MS L224
Sacramento, CA 94232-3420

Where do I call if I have questions?

If you have general licensing questions you may call (916) 229-3154.

What is the license renewal period?

The vehicle distributor's license is renewed annually, based on the month the original license was issued. Renewals should be made before the expiration of the license. If you do not renew your license before it expires, you may renew your license within thirty (30) days following the expiration date by paying the annual renewal fee and a penalty equal to 100 percent of the original application fee. Renewals will not be accepted for licenses that have been expired for more than 30 days (CVC §11717(d)).

How do I renew my license?

About 45 days before the expiration of your license you should receive a courtesy notice for renewal. After you complete the courtesy notice, you will need to mail your renewal form and fees to:

Department of Motor Vehicles
Occupational Licensing
Compliance Section
P.O. Box 932342 MS L224
Sacramento, CA 94232-3420

If you do not receive a courtesy notice please call (916) 229-3126.

What is the New Motor Vehicle Board function?

The New Motor Vehicle Board (NMVB) accepts and arbitrates protests submitted by dealers on franchise terminations, territory infringements and other disputes between the dealer and manufacturer. The NVMB also hears and considers appeals presented by dealers from a decision rendered by the department (CVC §3050 et seq.).

LICENSING AUTHORITY FOR VEHICLE DISTRIBUTOR

California Vehicle Code (CVC Sections 296, 297, 320(a), 3000 et seq., and 11700 et seq.). The *California Vehicle Code* is available for purchase from the Department of Motor Vehicles.
California Code of Regulations (CCR Title 13, Chapter 1).