VEHICLE SALESPERSON LICENSE HANDBOOK
APPLICATION REQUIREMENTS FOR
A VEHICLE SALESPERSON LICENSE

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

WHAT IS A VEHICLE SALESPERSON?
A “vehicle salesperson” is any person selling vehicles or contracts regarding vehicles or supervising the
sale of vehicles or contracts for a dealer. CVC Section 675, and 11800 et seq.

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 Section 11806. Persons previously working under a license issued by DMV, which was revoked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.

REQUIREMENTS FOR A VEHICLE SALESPERSON’S LICENSE
CVC Section 11800 et seq.

Every applicant for a vehicle salesperson’s license must:
• File an application on the appropriate form with the department. CVC Section 11802
• Pay all required fees. CVC Section 11820

VEHICLE SALESPERSON LICENSE EXCLUSIONS
The term “vehicle salesperson” does not include any of the following:
• Representatives of insurance companies, finance companies, or public officials, who in the regular
course of business, are required to dispose of or sell vehicles under a contractual right or obligation of
the employer, or in the performance of an official duty, or under the authority of any court of law, if
the sale is for the purpose of saving the seller from any loss or pursuant to the authority of a court of
competent jurisdiction.
• Persons who are licensed as a manufacturer, remanufacturer, transporter, distributor, or representative.
• Persons exclusively employed in a bona fide business of exporting vehicles, or of soliciting orders for
the sale and delivery of vehicles outside the territorial limits of the United States.
• Persons not engaged in the purchase or sale of vehicles as a business, disposing of vehicles acquired
for their own use, or for use in their business when the vehicles have been so acquired and used in good
faith, and not for the purpose of avoiding the provisions of this code.
• Persons regularly employed as salespersons by persons who are engaged in a business involving the
purchase, sale, or exchange of boat trailers.
Persons regularly employed as salespersons by persons who are engaged in a business activity which does not involve the purchase, sale, or exchange of vehicles, except incidentally in conjunction with the purchase, sale, or exchange of vehicles of a type not subject to registration under this code, boat trailers, or midget autos or racers advertised as being built exclusively for use by children.

Persons licensed as a vehicle dealer under this code doing business as a sole ownership or member of a partnership or a stockholder and director of a corporation or a member and manager of a limited liability company licensed as a vehicle dealer under this code. However, those persons shall engage in the activities of a salesperson, as defined in this section, exclusively on behalf of the sole ownership or partnership or corporation or limited liability company in which they own an interest or stock, and those persons owning stock shall be directors of the corporation; otherwise, they are vehicle salespersons and subject to Article 2 (commencing with Section 11800) of Chapter 4 of Division 5.

Persons regularly employed as salespersons by a vehicle dealer authorized to do business in California under Section 11700.1 of the Vehicle Code. CVC Section 675 (b)

VEHICLE SALESPERSON’S LICENSING FEES
The fees to become a licensed vehicle salesperson are:
- $50 Non-refundable application fee
- $1 Family Support Program fee
- $50 Reinstatement fee
- $15 Duplicate or transfer license fee
The Family Support Program fee is paid on original, renewal, and reinstatement applications.

VEHICLE SALESPERSON’S LICENSE FORMS
An application for a vehicle salesperson license consists of the following forms:
- OL 16, Application for an Occupational License
- Live Scan Fingerprint Receipt

VEHICLE SALESPERSON’S LICENSE RENEWAL FORM
An application for renewal of a vehicle salesperson license:
- OL 16, Application for an Occupational License (Renewal)

VEHICLE SALESPERSON RENEWAL FEES
The fees to renew a vehicle salesperson license are:
- $1 Family Support Program fee
- $50 Renewal application fee
The Family Support Program fee is paid on original, renewal, and reinstatement applications.

FEES TO CHANGE A VEHICLE SALESPERSON’S LICENSE
The fees to change a vehicle salesperson license are:
- $15 Address change
- $15 Duplicate or transfer license
FORMS TO CHANGE A VEHICLE SALESPERSON’S LICENSE

Form(s) to change your existing vehicle salesperson license:
- OL 18, Application for a Duplicate or Corrected Vehicle Salesperson License

VEHICLE SALESPERSON LICENSE - 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) 229-3128.

Where can I obtain application forms?
All forms and application packages can be ordered by calling (916) 229-3128 or printed or downloaded from the internet at www.dmv.ca.gov. Further licensing information is contained in the application package.

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 Section 11803

Where do I file my application?
Application packages for vehicle salespersons are submitted at your local Department of Motor Vehicles field office.

Where do I call if I have questions?
If you have general licensing questions you may call (916) 229-3128.

What is the license renewal period?
The vehicle salesperson’s license is valid for three years and renewed three years from the date of issuance. Late renewals are not accepted.

How do I renew my license?
You will need to fill out an OL 16, Application for Occupational License. This form is available off the internet, can be picked up at your local field office or can be ordered by calling (916) 229-3128. After you complete the form you will need to go to your local field office to submit your renewal form and pay renewal fees.

Are there exclusions to a salesperson license?
Yes. The exclusions for a Salesperson License are explained in CVC Section 675 (b).

What is Live Scan fingerprinting?
Live Scan is inkless electronic fingerprinting. The fingerprints are electronically transmitted to the Department of Justice (DOJ) for completion of a criminal record check.
Who is affected by it?
Anyone applying for the first time to be licensed as a vehicle salesperson, dealer, driving instructor or any other vehicle industry related occupation licensed by DMV will be Live Scan fingerprinted. It also applies to first time applicants for an ambulance driver certificate.

Why “Live Scan” fingerprinting?
As a result of legislation in late 1997, DOJ has developed an automated background check process that requires digitized fingerprints (“Live Scan”). Beginning January 1, 2000, DOJ has asked that fingerprints be submitted by Live Scan rather than hard copy fingerprint cards. Digitizing the fingerprints enables the electronic transfer of the fingerprint image data along with personal descriptor information to computers at the DOJ in a matter of seconds, instead of the days required to send hard copy fingerprint cards through the mail. DOJ’s goal is to process 95% of the digitized fingerprints within 3 days.

When does it start?
Live Scan fingerprinting for DMV applicants will start January 1, 2000.

What is the cost to be Live Scan fingerprinted?
The Live Scan fingerprinting service fee varies from about $5 to $20. The cost to electronically fingerprint the applicant is determined by the local Live Scan agency. According to DOJ, they can charge a fee sufficient to recover their costs. The $42 DOJ criminal record check fee is also collected at the Live Scan site.

What will the applicant need to do to be Live Scan fingerprinted?
The applicant can call the local police or sheriff’s department to find their local Live Scan sites that are open to the general public. The applicant can also call the department’s Occupational Licensing offices in Sacramento (916) 229-3128 or Los Angeles (213) 744-7563 and be mailed the department’s Live Scan request form. A sample of the department’s Live Scan form can be found on the Internet. If the licensee does not use the department’s Live Scan form, it is suggested that he/she take a sample of the form with them to ensure the Live Scan has all the information needed for transmitting the data to Occupational Licensing.

Note: the applicant must go to a Live Scan site to be Live Scan fingerprinted before applying for an occupational license at DMV. If you have held an Occupational License issued by DMV in the past 3 years, you may not require a new set of prints.

Where are the Live Scan sites?
There are more than 130 Live Scan sites throughout the state. A current list of DOJ’s Live Scan stations is available through DOJ’s internet web page. The internet address is:
http://caag.state.ca.us/app/contact.pdf
Or, you may call your local police or sheriff’s department for the nearest Live Scan station that is available to the general public.

What are the benefits of Live Scan?
Live Scan will avoid many of the problems associated with ink prints, such as smudging, smearing, and over or under inking. A major benefit of Live Scan is in processing speed since nearly all of those without criminal records are done within 3 days. Rolled ink prints (traditionally submitted on a fingerprint card) can take 10 to 12 days to process and up to 60 days if there is a criminal record.
VEHICLE SALESPEOPLE LICENSING AUTHORITY

Vehicle Salesperson

675. (a) “Vehicle salesperson” is a person not otherwise expressly excluded by this section, who does one or a combination of the following:

(1) Is employed as a salesperson by a dealer, as defined in Section 285, or who, under any form of contract, agreement, or arrangement with a dealer, for commission, money, profit, or other thing of value, sells, exchanges, buys, or offers for sale, negotiates, or attempts to negotiate, a sale, or exchange of an interest in a vehicle required to be registered under this code.

(2) Induces or attempts to induce any person to buy or exchange an interest in a vehicle required to be registered, and who receives or expects to receive a commission, money, brokerage fees, profit, or any other thing of value, from either the seller or purchaser of the vehicle.

(3) Exercises managerial control over the business of a licensed vehicle dealer or who supervises vehicle salespersons employed by a licensed dealer, whether compensated by salary or commission, including, but not limited to, any person who is employed by the dealer as a general manager, assistant general manager, or sales manager, or any employee of a licensed vehicle dealer who negotiates with or induces a customer to enter into a security agreement or purchase agreement or purchase order for the sale of a vehicle on behalf of the licensed vehicle dealer.

(b) The term “vehicle salesperson” does not include any of the following:

(1) Representatives of insurance companies, finance companies, or public officials, who in the regular course of business, are required to dispose of or sell vehicles under a contractual right or obligation of the employer, or in the performance of an official duty, or under the authority of any court of law, if the sale is for the purpose of saving the seller from any loss or pursuant to the authority of a court of competent jurisdiction.

(2) Persons who are licensed as a manufacturer, remanufacturer, transporter, distributor, or representative.

(3) Persons exclusively employed in a bona fide business of exporting vehicles, or of soliciting orders for the sale and delivery of vehicles outside the territorial limits of the United States.

(4) Persons not engaged in the purchase or sale of vehicles as a business, disposing of vehicles acquired for their own use, or for use in their business when the vehicles have been so acquired and used in good faith, and not for the purpose of avoiding the provisions of this code.

(5) Persons regularly employed as salespersons by persons who are engaged in a business involving the purchase, sale, or exchange of boat trailers.

(6) Persons regularly employed as salespersons by persons who are engaged in a business activity which does not involve the purchase, sale, or exchange of vehicles, except incidentally in connection with the purchase, sale, or exchange of vehicles of a type not subject to registration under this code, boat trailers, or midget autos or racers advertised as being built exclusively for use by children.
(7) Persons licensed as a vehicle dealer under this code doing business as a sole ownership
or member of a partnership or a stockholder and director of a corporation or a member
and manager of a limited liability company licensed as a vehicle dealer under this code.
However, those persons shall engage in the activities of a salesperson, as defined in this
section, exclusively on behalf of the sole ownership or partnership or corporation or limited
liability company in which they own an interest or stock, and those persons owning stock
shall be directors of the corporation; otherwise, they are vehicle salespersons and subject
to Article 2 (commencing with Section 11800) of Chapter 4 of Division 5.
(8) Persons regularly employed as salespersons by a vehicle dealer authorized to do business
in California under Section 11700.1 of the Vehicle Code.

Unlawful to Act as Vehicle Salesperson Without License

11800. It shall be unlawful for any person to act as a vehicle salesperson without having first procured a
license or temporary permit issued by the department or when that license or temporary permit issued
by the department has been canceled, suspended, revoked, or invalidated or has expired.

Contents of Application; Format of License

11802. (a) The department shall prescribe and provide forms to be used for application for licenses to be
issued under this article and require of applicants, as a condition of the issuance of a license,
that information concerning the applicant’s character, honesty, integrity, and reputation as it
considers necessary. Every application for a vehicle salesperson’s license shall contain, in
addition to that information which the department requires, a statement of all of the following
facts:
(1) The name and address of the applicant.
(2) Whether the applicant has ever had a court judgment rendered for which he or she has
been liable as a result of his or her activities in conjunction with an occupational license
issued under this division, and whether that judgment remains unpaid or unsatisfied.
(3) Whether the applicant ever had a license, issued under this division, revoked, suspended,
or subjected to other disciplinary action and whether the applicant was ever a partner in
a partnership or an officer, director, or stockholder in a corporation licensed under this
division, the license of which was revoked, suspended, or subjected to other disciplinary
action.
(b) The department shall issue a license bearing a fullface photograph of the licensee and the
following information:
(1) Name and address.
(2) Physical description.
(3) The licensee’s usual signature.
(4) Distinguishing vehicle salesperson’s license number.
Temporary Permit

11803. Pending the satisfaction of the department that the applicant has met the requirements of this chapter, it may issue a temporary permit to any person applying for a vehicle salesperson’s license. The temporary permit shall permit the operation by the salesperson for a period of not more than 120 days while the department is completing its investigation of the applicant for the license. If the department determines to its satisfaction that the temporary permit was issued upon a fraudulent application or determines or has reasonable cause to believe that the application is incorrect or incomplete or the temporary permit was issued in error, the department may cancel the temporary permit, effective immediately. The temporary permit shall become invalid when canceled or when the applicant’s license has been issued or refused. 


Authority to Issue or Refuse to Issue License

11804. The department may issue, or for reasonable cause shown, refuse to issue, a license to any applicant applying for a vehicle salesperson’s license. 


Refusal to Issue, Suspension or Revocation of License: Grounds

11806. The department, after notice and hearing, may refuse to issue, or may suspend or revoke, a vehicle salesperson’s license when it makes any of the following findings and determinations:

(a) The applicant or licensee has outstanding an unsatisfied final court judgment rendered in connection with an activity licensed under this division.

(b) The applicant or licensee has failed to pay funds or property received in the course of employment to a dealer entitled thereto.

(c) The applicant or licensee has failed to surrender possession of, or failed to return, any vehicle to a dealer lawfully entitled thereto upon termination of employment.

(d) A cause for refusal, suspension, or revocation exists under any provision of Sections 11302 to 11909, inclusive.

(e) The applicant was previously the holder of an occupational license issued by another state authorizing the same or similar activities of a license issued under this division; and that license was revoked or suspended for cause and was never reissued, or was suspended for cause, and the terms of suspension have not been fulfilled.

(f) The applicant or licensee has acted as a dealer by purchasing or selling vehicles while employed by a licensed dealer without reporting that fact to the dealer or without utilizing the report of sale documents issued to the dealer.

(g) The applicant or licensee has acted as a vehicle salesperson or engaged in that activity for, or on behalf of, more than one licensed dealer whose business does not have identical ownership and structure. Nothing in this section restricts the number of dealerships of which a person may be an owner, officer, or director, or precludes a vehicle salesperson from working at more than one location of one licensed dealer if the business of that dealer has identical ownership and structure.

(h) The applicant or licensee has acted as a vehicle salesperson without having first complied with Section 11812.

(i) The applicant or licensee was a managerial employee of a dealer during the time a person under the direction or control of the managerial employee committed wrongful acts which resulted in the suspension or revocation of the dealer’s license.
(j) The applicant or licensee has acted as a dealer by purchasing or selling any vehicle and using the license, report of sale books, purchase drafts, financial institution accounts, or other supplies of a dealer to facilitate that purchase or sale, when the applicant or licensee is not acting on behalf of that dealer.


Suspension or Revocation: Hearing

11808. Every hearing provided for in this article shall be conducted pursuant to the provisions of Chapter 5 (commencing with Section 11500) of Part 1 of Division 3 of Title 2 of the Government Code.


Compromise Settlement Agreement

11808.5. (a) After the filing of an accusation under this article, the director may enter into a stipulated compromise settlement agreement with the consent of the licensee on terms and conditions mutually agreeable to the director, the respondent licensee, and the accuser without further hearing or appeal. The agreement may include, but is not limited to, a period of probation or monetary penalties, or both. Except as provided in Section 11728, the monetary penalty shall not exceed five hundred dollars ($500) for each violation, and it shall be based on the nature of the violation and the effect of the violation on the purposes of this article.

(b) A compromise settlement agreement may be entered before, during, or after the hearing, but is valid only if executed and filed pursuant to subdivision (d) before the proposed decision of the hearing officer, if any, is adopted or the case is decided.

(c) The department shall adopt, by regulation, a schedule of maximum and minimum amounts of monetary penalties, the payment of which may be included as a term or condition of a compromise settlement agreement entered under subdivision (a). Any monetary penalty included in a compromise settlement agreement shall be within the range of monetary penalties in that schedule.

(d) Any compromise settlement agreement entered under this section shall be signed by the director, the respondent licensee, and the accuser, or by their authorized representatives. The director shall file, or cause to be filed, the agreement with the Office of Administrative Hearings, together with the department’s notice of withdrawal of the accusation or statement of issues upon which the action was initiated.

(e) If the respondent licensee fails to perform all of the terms and conditions of the compromise settlement agreement, the agreement is void and the department may take any action authorized by law, notwithstanding the agreement, including, but not limited to, refiling the accusation or imposing license sanctions.

Amended Ch. 90, Stats. 1990. Effective May 9, 1990.

Temporary Suspension, Probation, and Reapplication

11810. (a) The department may, pending a hearing, temporarily suspend the license issued to a vehicle salesperson for a period of not more than 30 days if the director finds that action to be required in the public interest. In that case, a hearing shall be held and a decision thereon issued within 30 days after notice of the temporary suspension.

(b) Except where the provisions of this code require the refusal to issue a license, the department may issue a probationary license subject to conditions to be observed by the licensee in the
exercise of the privilege granted. The conditions to be attached to the exercise of the privilege shall be those which may, in the judgment of the department, be in the public interest and suitable to the qualifications of the applicant as disclosed by the application and investigation by the department of the information contained in the application.

(c) If the department issues or renews a vehicle salesperson’s license requiring conditions of probation or if the department refuses to issue a vehicle salesperson’s license, the applicant may demand in writing a hearing before the director or the director’s representative within 60 days after notice of refusal to issue or issuance of the probationary license.

(d) A person whose license has been revoked or whose application for a license has been denied may reapply for a license after not less than one year has elapsed from the effective date of the decision revoking the license or denying the application, except that if the decision was based upon subdivision (a) of Section 11806, an earlier reapplication may be made accompanied by evidence satisfactory to the department that those grounds for revocation or denial of the license no longer exist.


Display of License

11812. (a) Every vehicle salesperson licensed under this article shall, at the time of employment, deliver to his or her employing dealer his or her salesperson’s license to be posted in a place conspicuous to the public on the premises where he or she is actually engaged in the selling of vehicles for the employing dealer.

(b) The license shall be displayed continuously during the employment. If a vehicle salesperson’s employment is terminated, the license shall be returned to the salesperson.

(c) Every vehicle salesperson licensed pursuant to this article shall report in writing to the department every change of residence address within five days of the change.

(d) Any person currently or previously licensed under this article who no longer resides at the address last filed with the department may be served with process issued pursuant to Chapter 5 (commencing with Section 11500) of Part 1 of Division 3 of Title 2 of the Government Code by registered mail at that residence, unless the person has notified the department in writing of another address where service may be made.


Term of License: Renewal

11814. (a) Every original vehicle salesperson’s license issued, and every vehicle salesperson’s license renewed pursuant to subdivision (b), shall be valid for a period of three years from the date of issuance unless canceled, suspended, or revoked by the department.

(b) Renewal of a vehicle salesperson’s license may be made prior to the expiration date. In no event may a vehicle salesperson renew his or her license after the date of expiration.

(c) A salespersons license may be renewed by mail if that license was not renewed by mail for the immediately preceding period.

(d) A salesperson shall obtain a duplicate license when the original is either lost or mutilated.


Unlawful Uses of Salesperson’s License

11819. It is unlawful for any person:

(a) To lend a salesperson’s license to any other person or knowingly permit its use by another.
(b) To display or represent any salesperson’s license not issued to the person as being his or her license.
(c) To fail or refuse to surrender to the department, upon its lawful demand, any salesperson’s license which has been suspended, revoked or canceled.
(d) To permit any unlawful use of a salesperson’s license issued to him or her.
(e) To photograph, photostat, duplicate, or in any way reproduce any salesperson’s license or facsimile thereof in such a manner that it could be mistaken for a valid license, or to display or have in possession any such photograph, photostat, duplicate, reproduction, or facsimile unless authorized by this code.


Fees

11820. The following fees shall be paid to the department:
(a) Except as provided by Section 42231, a nonrefundable fee for the original issuance of a license, fifty dollars ($50).
(b) Fee for license renewal, fifty dollars ($50).
(c) Fee for a duplicate license, fifteen dollars ($15).

Amended Ch. 90, Stats. 1990. Effective May 9, 1990.

Automatic Cancellation

11822. The vehicle salesperson’s license or any permit provided in this article shall be automatically canceled upon the failure of a licensee to pay the required fees or to file an application for renewal of the license or permit before the date of expiration of the current license or permit.


Department’s Authority After Suspension, Expiration, or Cancellation of License

11824. The suspension, expiration, or cancellation of a vehicle salesperson’s license issued under this article does not prevent the filing of an accusation for the revocation or suspension of the suspended, expired, or cancelled license as provided in Section 11806, and the department’s decision that the license should be suspended or revoked. That determination may be considered in granting or refusing to grant any subsequent license authorized by this division to that licensee.


California Code of Regulations, Title 13, Chapter 1.

Government Code. Section 6157 (a) - (d).

6157. (a) The state, and each city, whether general law or chartered, county, and district, each subdivision, department, board, commission, body, or agency of the foregoing, shall accept personal checks drawn in its favor or in favor of a designated official thereof, in payment for any license, permit, or fee, or in payment of any obligation owing to the public agency or trust deposit, if the person issuing the check furnishes to the person authorized to receive payment satisfactory proof of residence in this state and if the personal check is drawn on a banking institution located in this state.
(b) If any personal check offered in payment pursuant to this section is returned without payment, for any reason, a reasonable charge for the returned check, not to exceed the actual costs incurred by the public agency, may be imposed to recover the public agency’s processing and collection costs. This charge may be added to, and become part of, any underlying obligation other than an obligation which constitutes a lien on real property, and a different method of payment for that payment and future payments by this person may be prescribed.

(c) The acceptance of a personal check pursuant to this section constitutes payment of the obligation owed to the payee public agency to the extent of the amount of the check as of the date of acceptance when, but not before, the check is duly paid.

(d) The provisions in subdivision (b) prohibiting a returned check charge being added to, and becoming a part of, an obligation which constitutes a lien on real property do not apply to obligations under the Veterans’ Farm and Home Purchase Act of 1974 (Article 3.1[commencing with Section 987.50] of Chapter 6 of Division 4 of the Military and Veterans Code).
