



# COMMONWEALTH of VIRGINIA

## Department of Motor Vehicles

2300 West Broad Street

**Richard D. Holcomb**  
Commissioner

Post Office Box 27412  
Richmond, VA 23269-0001

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Dear motor carrier:

Recent legislation has changed many rules involving motor vehicles used to transport property for hire. The purpose of this letter is to inform you of some of the most important changes—effective January 1, 2018—and how they may affect your business.

### CHANGES TO OPERATING AUTHORITY REQUIREMENTS

- **If you are using only smaller vehicles to transport property for hire, you may no longer need a permit or certificate from the Department of Motor Vehicles (DMV) to do business in Virginia.** If you carry property for hire *exclusively* in passenger cars, motorcycles, autocycles, mopeds, and vehicles with a gross vehicle weight rating (GVWR) of 10,000 pounds or less, then when you register or renew the registration of your vehicles you are no longer required to declare that they are being used for hire; you may instead register the vehicles for private use. If all your vehicles are registered for private use, you do not need a permit or certificate to carry property for compensation.
- **DMV no longer issues separate permits to bulk property carriers.** Under the new law, there is only one classification of property carrier which authorizes the transportation of all property -- with the exception of household goods over 30 miles.
  - *If you currently hold both property carrier and bulk property carrier permits*, DMV will simply cancel your permit for bulk property. You may continue transporting bulk commodities under your existing property carrier permit.
  - *If you hold only a bulk property carrier permit*, a new permit authorizing you to operate as a property carrier is enclosed. You may continue to transport bulk commodities under this new permit.

DMV will update your vehicle registration records to reflect changes in operating authority from bulk property carrier to property carrier and, upon registration renewal, will mail you a revised registration card.

- **Virginia no longer regulates property brokers.** Accordingly, property brokers no longer need to be licensed by DMV or maintain a surety bond or letter of credit on file with the agency.
- **There has been a change in what it means to be a household goods carrier.** The new law defines “household goods” as property for use in a dwelling, which is being transported either between residences or between a residence and a storage facility with the intent to later be transported to a residence. If you have been using your operating authority as a household goods carrier to transport other property—such as carrying appliances from a retail store to a residence—then you will need to obtain a property carrier permit in order to continue providing those other services.

### CHANGES TO VEHICLE REQUIREMENTS

- **Property carriers are no longer required to use license plates with a “for hire” (or “H”) designation; they may instead use regular, private plates.** What this means for you depends upon the type of vehicles you operate.
  - *Vehicles that are required to use truck or tractor plates.* As a result of the new law, DMV has stopped producing specially designated for-hire license plates for trucks and tractors. If your vehicle currently has such license plates, you may continue to use them. Once DMV’s current supply is gone, DMV will issue only truck and tractor plates without the for-hire designation.
  - *Passenger vehicles.* DMV will continue to produce for-hire license plates for use on passenger cars, motorcycles, autocycles, mopeds, and vehicles with a GVWR of 7,500 pounds or less, because these plates will continue to be required for carriers who transport passengers for hire.

- *Tow trucks.* The new law does not affect tow truck plates.
- **In general, before a vehicle can be used to transport property for compensation, it must be registered with DMV as a for-hire vehicle.** This requirement applies not only to vehicles operated by carriers who are required to have operating authority, but also to the vehicles of most carriers who otherwise are exempt from regulation by DMV. The only exceptions to this requirement to declare for-hire use are:
  - vehicles owned and operated by a federal, state, or local governmental entity, including any political subdivision of the Commonwealth; and
  - vehicles owned by carriers who transport property for compensation exclusively in passenger cars, motorcycles, autocycles, mopeds, and vehicles with a GVWR of 10,000 pounds or less.
- **The \$10 annual fee that DMV collects for most vehicles used by intrastate carriers transporting property no longer applies to passenger cars, motorcycles, autocycles, mopeds, or vehicles with a GVWR of 10,000 pounds or less.** Note: These vehicles will not be charged the \$10 annual fee regardless of whether you operate other vehicles with a GVWR above 10,000 pounds.

#### CHANGES TO INSURANCE REQUIREMENTS

- **The minimum amount of insurance you need now depends upon the size of your vehicle, as outlined in the following table.**

Vehicle	Minimum amount of liability insurance
Passenger car, motorcycle, autocycle, moped, or any vehicle with a GVWR of 7,500 pounds or less	<ul style="list-style-type: none"> <li>○ From the time you accept a request to transport property and are en route to pick it up until the time you have delivered the property:               <ul style="list-style-type: none"> <li>▪ \$100,000 per person, \$300,000 per incident for death and bodily injury</li> <li>▪ \$50,000 per incident for property damage</li> </ul> </li> <li>○ At any other time you have made yourself available to transport property for compensation:               <ul style="list-style-type: none"> <li>▪ \$25,000 per person, \$50,000 per incident for death and bodily injury</li> <li>▪ \$20,000 per incident for property damage</li> </ul> </li> <li>○ If you do not register your vehicle as for hire, then when it is not being used commercially it is subject to the same insurance requirements as other private vehicles.</li> </ul>
Vehicle with GVWR of 7,501-10,000 pounds	<ul style="list-style-type: none"> <li>○ Any time you have made yourself available to transport property for compensation, including from the time you accept a request to transport property and are en route to pick it up until the time you have delivered the property:               <ul style="list-style-type: none"> <li>▪ \$300,000 per incident</li> </ul> </li> <li>○ If you do not register your vehicle as for hire, then when it is not being used commercially it is subject to the same insurance requirements as other private vehicles.</li> </ul>
Vehicle with GVWR over 10,000 pounds	\$750,000 per incident at all times.

- **Only carriers who are required to hold a permit or certificate of fitness from DMV need to provide the agency with proof of insurance coverage.** If you transport property exclusively in smaller vehicles and do not register those vehicles as being for hire (see “Changes to Operating Authority Requirements,” above), you do not need to file evidence of your insurance with DMV; you simply need to obtain insurance coverage in the amounts indicated above.
- **Only carriers who transport household goods need to have cargo insurance.** Even for these carriers, cargo insurance is *not* required if the household goods are being transported exclusively in passenger cars, motorcycles, autocycles, mopeds, and vehicles with a GVWR of 10,000 pounds or less. For carriers who are subject to the cargo insurance requirement, the minimum amount of insurance coverage is \$50,000.
- **No courier services are exempt from the requirement to carry liability insurance.** There is no longer an exemption for courier vehicles with a registered gross weight of 7,500 pounds or less. Under the new law, all couriers need to carry liability insurance in the amounts indicated in the above table.

#### FOR MORE INFORMATION

More information is available on DMV’s web site. If you have any questions, please contact DMV Motor Carrier Services at (804) 249-5130 or mcsonline@dmv.virginia.gov.