

«Owner_Sir_Title» «Owner_First_Name» «Owner_Middle_Name» «Owner_Last_Name»
«Business_Name»
«TradeAsName»
«Street»
«Street2»
«City», «State» «Zip»

Dear «Saluation»:

The 2009 General Assembly passed HB 1706 that affects motor vehicle dealers licensed by the Department of Motor Vehicles (DMV). This bill results in DMV licensed dealers having to meet the same requirements as Motor Vehicle Dealer Board (MVDB) licensed dealers as it relates to dealer-associated DMV fees and compensation for online titling/registering of vehicles.

There are two primary elements to this bill: 1) dealers must pay to DMV \$15 for each transaction in excess of 20 transactions per month conducted at a DMV Customer Service Center (CSC) and, 2) dealers participating in an online dealer program must pass the vendor fees on to the customer and therefore will no longer receive compensation from DMV to offset the costs of the program.

Following are key points regarding implementation of this new law effective July 1, 2009.

\$15 Transaction Fee:

- The \$15 fee is in addition to any fees charged by DMV for the processing of the application for a new title and registration of a vehicle.
- The \$15 fee will be applied to the twenty-first transaction and each subsequent transaction received from a dealer in a calendar month in any DMV CSC or Dealer Center.
- The law specifically prohibits dealers from passing the \$15 fee on to the purchaser of the vehicle. Consequently, the \$15 fee should **not** be included on the buyer's order.
- If the transaction type is one that cannot be processed through the online dealer program, the \$15 fee will **not** be charged to the online dealer.

Online Dealer:

- The law requires that dealers participating in the online dealer program collect from the vehicle purchaser and remit to the online vendor any fees charged by the online vendor for the transaction. (*This online vendor transaction fee should not be confused with the \$15 fee noted above that cannot be passed along to the purchaser.*)
- The law requires that dealers participating in the online dealer program list separately on the buyer's order any fees charged for the transaction by the online vendor and that such fee be identified as "online systems filing fees"

To avoid the \$15 transaction fee, you are encouraged to participate in the online dealer program. This program provides an electronic link between DMV and the participating dealers. It is an interface that provides a means for the dealership to transfer license plates or issue metal license plates and decals and print registration cards at the point of sale and electronically update DMV's vehicle files. Titles are printed at DMV and mailed after DMV receives the transaction.

This program provides benefits for the dealer, the vehicle purchaser and the DMV. If you would like additional information about the program, visit our web site at www.dmvnow.com or contact Jenna Wilfong, Office Manager, Online Dealer/ Fleet and Dealer Services at (804) 367-4323 or jenna.wilfong@dmv.virginia.gov. If you would like to join the program you may do so by contacting a third party vendor who has been approved by DMV to provide software and hardware to facilitate the electronic interface with DMV's system. There are currently two authorized vendors of these services, CVR and triVIN. These vendors can be reached at:

- CVR (440) 725-6223 or sschaeffer@cvrreg.com.
- triVIN (800) 876-2312 Ext. 4216 or benson.marsh@trivininc.com.

After signing a contract with one of the vendors, the vendor will assist you in submitting an application to DMV for a contract. Once the contract with DMV is signed, the vendor would be notified to schedule the installation of the program.

As always, we appreciate your assistance in complying with the new legislative requirements. A copy of HB 1706 can be viewed online on the Virginia General Assembly website. Amended Virginia Code sections include §§ 46.2-1930, 46.2-1992.23 and 46.2-1993.23. Added Virginia Code sections include §§ 46.2-1930.1, 46.2-1930.2, 46.2-1992.23:1, 46.2-1992.23:2, 46.2-1993.23:1 and 46.2-1993.23:2.

Should you have any questions, please contact Jenna Wilfong.

Sincerely,

William R. Childress
Vehicle Services Director