

D-03-17-02

Date: March 17, 2017
Bulletin: All Dealers
From: Business Licensing and Consumer Services
RE: Regulation Changes

This bulletin is regarding recent changes to Code of Maryland Regulations (COMAR) Title 11 Department of Transportation Subtitle 12 Motor Vehicle Administration – Licensing of Businesses and Occupations and it will highlight the major changes and new processes required.

The changes to the regulations are intended to facilitate more efficient processes for dealers and salesmen with policy changes described in more detail below. The new regulations also remove obsolete language, update references, and in certain cases incorporate current policy and procedures governing the issuance of business licenses to automobile dealers and salesmen. A summary of the changes is provided below.

- A site inspection is not required if the location has current valid license approved by the Administration (i.e. one business is closing and another opening in same location).
- Beginning October 1, 2017 all dealer (new and used dealers, motorcycle dealers, and trailer dealers) licenses approved or renewed must have a contract with a business that provides electronic registration and titling services to the dealership.
- A wholesale dealer business sign is not required; however, if a sign is displayed you are now required to permanently display it at the dealership entrance and it may not contain any state emblem.
- At time of application for issuance and renewal of a Salesman's license, the salesman must provide to the Administration an official copy of their criminal history record from the Criminal Justice Information System (CJIS). The record must be dated within 30 days of the application submission date. MVA staff will review the record for crimes of moral turpitude. If there is a disqualifying crime and a business license is denied, there is a process for the applicant to appeal through the Office of Administrative Hearings to explain mitigating circumstances.
- For new vehicles, a dealer must disclose in writing, body or mechanical damage that resulted in repairs which exceed 3 % of the Manufacturer Suggested Retail Price before consummating the sale of a vehicle which has never been titled.

In our continuous effort to streamline some of the business licensing processes, further changes that will be phased in are listed below.

- The validity period of a Dealer's license will change from a two (2) year period to a three (3) period. The fees remain the same on a per year basis and 3-year license will be charged at initial issuance and renewal.
- The issuance of the 60-day temporary permit for transfer registration plates will need to be processed electronically. This process will replace the paper form CS-124.
- The validity period of a Salesman's license will change from a one (1) year period to a (3) year period. The fees remain the same and 3-year license will be charged at initial issuance and renewal.

For additional information you may access the regulations at the following website http://www.dsd.state.md.us/COMAR/subtitle_chapters/Titles.aspx. Should you have any questions or concerns, please contact us at mvablsd@mva.maryland.gov.