

## Assembly Bill No. 2606

### CHAPTER 430

An act to amend Sections 9270, 11402, and 11406 of, and to amend, repeal, and add Section 4466 of, the Vehicle Code, relating to vehicles.

[Approved by Governor September 9, 2004. Filed  
with Secretary of State September 9, 2004.]

#### LEGISLATIVE COUNSEL'S DIGEST

AB 2606, Plescia. Vehicles: registration and title: expedited issuance.

(1) Existing law prohibits the Department of Motor Vehicles from issuing a copy, duplication, or substitution of a certificate of ownership or license plate for a vehicle if, after a search of the records of the department, the registered owner's address, as submitted with the application for that document, is different from that which appears in the records of the department, unless the registered owner applies for that document in person and presents certain verifying documents. This prohibition does not apply if, among other things, the registered owner's name, address, and driver's license or identification card number submitted on the application match the name, address, and driver's license or identification card number contained in the department's records, or if an application for a duplicate or substitute certificate of title or license plate is submitted by or through a legal owner, as specified, a dealer, a dismantler, an insurer, an agent of the insurer, or a salvage pool.

This bill, until January 1, 2008, would provide that the specified prohibition does not apply if the application is submitted by or through a dealer's agent. The bill would also provide that, until January 1, 2008, that prohibition would not apply, at the discretion of the department, in specified circumstances, including among others, an application for a duplicate or substitute certificate of title or license plate that is submitted by a licensed registration service representing certain individuals, entities, or bankruptcy referees; the vehicle is registered under the International Registration Plan; or the vehicle is an implement of husbandry, as defined.

(2) Existing law authorizes the department to charge a service fee of not more than \$15, in addition to other fees payable under the Vehicle Code, for the completion of an initial registration or transfer of registration of a vehicle within 72 hours after receipt of a complete and



proper registration application. This expedited service is available only at the department's headquarters office in Sacramento.

This bill, additionally, would authorize the department to provide the expedited service for issuance of a duplicate certificate of ownership.

(3) Existing law requires an applicant for a license to be a registration service to submit an application to the department including specified information, and demonstrating the payment of a \$5,000 bond by an admitted surety insurer, approved as to form by the Attorney General, to cover any loss to the public of the State of California arising out of the operation of a registration service.

This bill would increase to \$25,000 the amount of the bond required pursuant to those provisions for the issuance of a registration service license for the renewal of such a license.

(4) Existing law requires a registration service to keep specified business records.

This bill would require these records to be accurate.

*The people of the State of California do enact as follows:*

SECTION 1. Section 4466 of the Vehicle Code is amended to read:

4466. (a) The department shall not issue a duplicate or substitute certificate of title or license plate if, after a search of the records of the department, the registered owner's address, as submitted on the application, is different from that which appears in the records of the department, unless the registered owner applies in person and presents all of the following:

(1) Proof of ownership of the vehicle that is acceptable to the department. Proof of ownership may be the certificate of title, registration certificate, or registration renewal notice, or a facsimile of any of those documents, if the facsimile matches the vehicle record of the department.

(2) A driver's license or identification card containing a picture of the licensee or cardholder issued to the registered owner by the department pursuant to Chapter 1 (commencing with Section 12500) of Division 6. The department shall conduct a search of its records to verify the authenticity of any document submitted under this paragraph.

(A) If the registered owner is a resident of another state or country, the registered owner shall present a driver's license or identification card issued by that state or country. In addition, the registered owner shall provide photo documentation in the form of a valid passport, military identification card, identification card issued by a state or United States government agency, student identification card issued by a college or university, or identification card issued by a California-based employer.



If a resident of another state is unable to present the required photo identification, the department shall verify the authenticity of the driver's license or identification card by contacting the state that issued the driver's license or identification card.

(B) If the registered owner is not an individual, the person submitting the application shall submit the photo identification required under this paragraph, as well as documentation acceptable to the department that demonstrates that the person is employed by an officer of the registered owner.

(3) If the application is for the purpose of replacing a license plate that was stolen, a copy of a police report identifying the plate as stolen.

(4) If the application is for the purpose of replacing a certificate of title or license plate that was mutilated or destroyed, the remnants of the mutilated or destroyed document or plate.

(5) If the department has a record of a prior issuance of a duplicate or substitute certificate of title or license plate for the vehicle within the past 90 days, a copy of a report from the Department of the California Highway Patrol verifying the vehicle identification number of the vehicle.

(b) Subdivision (a) does not apply if either of the following apply:

(1) The registered owner's name, address, and driver's license or identification card number submitted on the application match the name, address, and driver's license or identification card number contained in the department's records.

(2) An application for a duplicate or substitute certificate of title or license plate is submitted by or through one of the following:

(A) A legal owner, if the legal owner is not the same person as the registered owner or as the lessee under Section 4453.5.

(B) A dealer or an agent of the dealer.

(C) A dismantler.

(D) An insurer or an agent of the insurer.

(E) A salvage pool.

(c) At the discretion of the department, the requirements of subdivision (a) shall not apply in any of the following circumstances:

(1) An application for a duplicate or substitute certificate of title or license plate is submitted by a licensed registration service representing any of the following:

(A) A person, including, but not limited to, a person listed in subparagraphs (A) to (E), inclusive, of paragraph (2) of subdivision (b).

(B) A business entity recognized under the laws of this state or the laws of any foreign or domestic jurisdiction whose laws are in parity with the laws of this state.

(C) A court-appointed bankruptcy referee.



(D) A person who is an individual, is not included in subparagraphs (A) to (C), inclusive, and submits to the licensed registration service an application with a signature that is validated by a notary public. The licensed registration service shall maintain full and complete records of its transactions conducted pursuant to this subparagraph and shall make those records available for inspection by an investigator of the Department of Motor Vehicles, investigator of the Department of the California Highway, a city police department, a county sheriff's office, or a district attorney's office, if the investigator requests access to the record and the request is for the purpose of a criminal investigation.

(2) The vehicle is registered under the International Registration Plan pursuant to Section 8052 or under the Permanent Fleet Registration program pursuant to Article 9.5 (commencing with Section 5301) of Chapter 1.

(3) The vehicle is an implement of husbandry, as defined in Section 36000, or a tow dolly, or has been issued an identification plate under Section 5014 or 5014.1.

(d) The department shall issue one or more license plates only to the registered owner or lessee. The department shall issue the certificate of title only to the legal owner, or if none, then to the registered owner, as shown on the department's records.

(e) This section shall remain in effect only until January 1, 2008, and as of that date is repealed, unless a later enacted statute, which is enacted before January 1, 2008, deletes or extends that date.

SEC. 1.5. Section 4466 is added to the Vehicle Code, to read:

4466. (a) The department shall not issue a duplicate or substitute certificate of title or license plate if, after a search of the records of the department, the registered owner's address, as submitted on the application, is different from that which appears in the records of the department, unless the registered owner applies in person and presents all of the following:

(1) Proof of ownership of the vehicle that is acceptable to the department. Proof of ownership may be the certificate of title, registration certificate, or registration renewal notice, or a facsimile of any of those documents, if the facsimile matches the vehicle record of the department.

(2) A driver's license or identification card containing a picture of the licensee or cardholder issued to the registered owner by the department pursuant to Chapter 1 (commencing with Section 12500) of Division 6. The department shall conduct a search of its records to verify the authenticity of any document submitted under this paragraph.

(A) If the registered owner is a resident of another state or country, the registered owner shall present a driver's license or identification card



issued by that state or country. In addition, the registered owner shall provide photo documentation in the form of a valid passport, military identification card, identification card issued by a state or United States government agency, student identification card issued by a college or university, or identification card issued by a California-based employer. If a resident of another state is unable to present the required photo identification, the department shall verify the authenticity of the driver's license or identification card by contacting the state that issued the driver's license or identification card.

(B) If the registered owner is not an individual, the person submitting the application shall submit the photo identification required under this paragraph, as well as documentation acceptable to the department that demonstrates that the person is employed by an officer of the registered owner.

(3) If the application is for the purpose of replacing a license plate that was stolen, a copy of a police report identifying the plate as stolen.

(4) If the application is for the purpose of replacing a certificate of title or license plate that was mutilated or destroyed, the remnants of the mutilated or destroyed document or plate.

(5) If the department has a record of a prior issuance of a duplicate or substitute certificate of title or license plate for the vehicle within the past 90 days, a copy of a report from the Department of the California Highway Patrol verifying the vehicle identification number of the vehicle.

(b) Subdivision (a) does not apply if any of the following apply:

(1) The registered owner's name, address, and driver's license or identification card number submitted on the application match the name, address, and driver's license or identification card number contained in the department's records.

(2) An application for a duplicate or substitute certificate of title or license plate is submitted by or through a legal owner, if the legal owner is not the same as the registered owner or as the lessee under Section 4453.5, a dealer, a dismantler, an insurer, an agent of the insurer, or a salvage pool.

(3) The vehicle is registered under the International Registration Plan pursuant to Section 8052 or under the Permanent Fleet Registration program pursuant to Article 9.5 (commencing with Section 5301) of Chapter 1.

(4) The vehicle is an implement of husbandry, as defined in Section 36000, or a tow dolly, or has been issued an identification plate under Section 5014 or 5014.1.

(c) The department shall issue one or more license plates only to the registered owner or lessee. The department shall issue the certificate of



title only to the legal owner, or if none, then to the registered owner, as shown on the department's records.

(d) This section shall become operative on January 1, 2008.

SEC. 2. Section 9270 of the Vehicle Code is amended to read:

9270. (a) The department may charge a service fee of not more than fifteen dollars (\$15), in addition to other fees payable under this code, for the expedited completion of any of the following services within 72 hours after receipt of a complete and proper application for the service:

- (1) Initial registration of a vehicle.
- (2) Transfer of registration of a vehicle.
- (3) Issuance of a duplicate certificate of ownership.

(b) The services in subdivision (a) shall be available only at the department's headquarters office in Sacramento.

SEC. 3. Section 11402 of the Vehicle Code is amended to read:

11402. (a) The amount of the bond required by subdivision (e) of Section 11401 for the issuance of a registration service license, or for the renewal of such a license is twenty-five thousand dollars (\$25,000). Liability under the bond shall remain at that amount.

(b) If the amount of the liability under the bond is decreased, or there is outstanding a final court judgment arising out of a violation of any provision of this code for which the registration service is liable, the license of the registration service shall be automatically suspended. In order to reinstate the license, the registration service shall either file an additional bond or restore the bond on file to the original amount, or shall satisfy the outstanding judgment for which the registration service and surety are liable.

(c) The bond shall remain in effect for three years after cessation of business of the registration service.

SEC. 4. Section 11406 of the Vehicle Code is amended to read:

11406. (a) Every registration service shall keep accurate business records containing all of the following information:

- (1) The name, address, and license number of the registration service and the name and address of every employee who performs registration work.
- (2) The name and address of each client for whom registration work was performed.
- (3) The identity of every vehicle by year, make, type, license number, and vehicle identification number on which registration work was performed.
- (4) The amount of registration fees or payments collected for each vehicle on which registration work was performed, including the method of payment to the registration service.



(5) The amount of registration fees or payments submitted to the department for each vehicle on which registration work was performed, including the date and method of payment to the department.

(6) The amount of any refunds or additional charges on registration fees or payments collected for each vehicle on which registration work was performed, including the date and method of payment of the refund or additional charge by or to the client, the registration service, or the department.

(7) The name, signature, or initials of each employee performing work on each transaction and the date the work was done.

(8) The cost to each client for the registration work performed on each of the client's vehicles.

(b) As an alternative to maintaining the records required by paragraphs (1) to (8), inclusive, of subdivision (a), a registration service may retain a copy of the listing sheet approved by the department for transmitting registration documents to the department.

(c) Every registration service shall provide each customer with a document containing all of the information required by subdivision (a) relative to that customer's transaction, excluding paragraph (7) and excluding the addresses of employees and other customers' names and addresses. This requirement does not apply to transactions for customers of a dealer or dismantler.

(d) Every registration service shall display prominently at its place of business a sign indicating that the service is not a branch of the department and shall inform each customer of that fact.

