

AMENDED IN SENATE AUGUST 6, 2014

AMENDED IN SENATE JUNE 26, 2014

AMENDED IN SENATE JUNE 15, 2014

CALIFORNIA LEGISLATURE—2013–14 REGULAR SESSION

**ASSEMBLY BILL**

**No. 1864**

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**Introduced by Assembly Member Daly**

February 19, 2014

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An act to ~~amend Section 4456 of, and to add and repeal Section 1687 of, of~~ the Vehicle Code, relating to registration of vehicles and certificates of title.

LEGISLATIVE COUNSEL'S DIGEST

AB 1864, as amended, Daly. Registration of vehicles and certificates of title.

Existing law allows a vehicle displaying a copy of the report of sale to be operated without license plates or registration card until either the license plates and registration card are received by the purchaser, or the expiration of a 90-day period beginning with the date of sale of the vehicle, whichever occurs first. A violation of this provision is an infraction.

~~This bill would instead allow a vehicle to be operated without license plates or registration card until either the license plates and registration card are received by the purchaser, or the expiration of a 75-day period beginning with the date of sale of the vehicle, whichever occurs first.~~

~~By changing the definition of a crime, this bill would impose a state-mandated local program.~~

This bill would also require the Department of Motor Vehicles, in consultation with the Department of the California Highway Patrol, to

assess the need for a temporary vehicle identification system that is different from the process described above. The bill would require the department, in making this assessment, to consider information from relevant entities and the experience of other states, as specified. The bill would require the department, if its assessment demonstrates the need to enhance or change the existing temporary vehicle identification system, to examine the costs and benefits of employing different systems, as specified. The bill would require the department to submit, no later than January 1, 2016, a report that includes the results of the assessments and examinations described above, as specified. The bill would require the department, in consultation with the Department of the California Highway Patrol, to make a recommendation in the report as to whether the state should implement a new temporary vehicle identification system. This bill would repeal these provisions on January 1, 2017.

~~The California Constitution requires the state to reimburse local agencies and school districts for certain costs mandated by the state. Statutory provisions establish procedures for making that reimbursement.~~

~~This bill would provide that no reimbursement is required by this act for a specified reason.~~

Vote: majority. Appropriation: no. Fiscal committee: yes.  
State-mandated local program: ~~yes~~*no*.

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

1 SECTION 1. Section 1687 is added to the Vehicle Code, to  
2 read:  
3 1687. (a) The department shall, in consultation with the  
4 Department of the California Highway Patrol, assess the need for  
5 a temporary vehicle identification system that is different from the  
6 current practice of displaying the report of sale on a vehicle  
7 pursuant to Section 4456. In making this assessment, the  
8 department shall consider information from relevant entities,  
9 including, but not limited to, local government, law enforcement  
10 agencies, licensed vehicle dealers, *first-line business partners*, and  
11 consumer representatives. The department shall also consider the  
12 experience of other states in using temporary vehicle license plates  
13 or other alternative temporary vehicle identification systems that  
14 are employed prior to the installation of permanent license plates.

1 (b) If the department's assessment, as specified in subdivision  
2 (a), demonstrates the need to enhance or change the existing  
3 temporary vehicle identification system, the department shall  
4 examine the costs and benefits of employing different temporary  
5 vehicle identification systems, including potential methods of  
6 paying for the costs associated with these systems. The types of  
7 temporary vehicle identification systems examined by the  
8 department shall include, but not be limited to, all of the following:

- 9 (1) An enhanced display of the report of sale on a vehicle.  
10 (2) A temporary license plate system that is not integrated with  
11 the databases of the department or law enforcement.  
12 (3) A temporary license plate system with a database that is  
13 accessible to the department and law enforcement.  
14 (4) A temporary license plate system that is fully integrated  
15 with the department's database and the California Law  
16 Enforcement Telecommunications System.

17 (c) (1) The department shall submit, no later than January 1,  
18 2016, a report to the Assembly Committee on Transportation and  
19 the Senate Committee on Transportation and Housing that includes  
20 the results of the assessment specified in subdivision (a) and the  
21 examination specified in subdivision (b), if conducted. The  
22 department, in consultation with the Department of the California  
23 Highway Patrol, shall make a recommendation in the report as to  
24 whether the state should implement a new temporary vehicle  
25 identification system.

26 (2) A report submitted pursuant to paragraph (1) shall be  
27 submitted in compliance with Section 9795 of the Government  
28 Code.

29 (3) Notwithstanding Section 10231.5 of the Government Code,  
30 the requirement for submitting a report imposed by this section is  
31 inoperative on January 1, 2017.

32 (d) This section shall remain in effect only until January 1, 2017,  
33 and as of that date is repealed, unless a later enacted statute, that  
34 is enacted before January 1, 2017, deletes or extends that date.

35 ~~SEC. 2. Section 4456 of the Vehicle Code is amended to read:~~  
36 ~~4456. (a) When selling a vehicle, dealers and lessor-retailers~~  
37 ~~shall use numbered report-of-sale forms issued by the department.~~  
38 ~~The forms shall be used in accordance with the following terms~~  
39 ~~and conditions:~~

1 ~~(1) The dealer or lessor-retailer shall attach for display a copy~~  
2 ~~of the report of sale on the vehicle before the vehicle is delivered~~  
3 ~~to the purchaser.~~

4 ~~(2) The dealer or lessor-retailer shall submit to the department~~  
5 ~~an application accompanied by all fees and penalties due for~~  
6 ~~registration or transfer of registration of the vehicle within 30 days~~  
7 ~~from the date of sale, as provided in subdivision (e) of Section~~  
8 ~~9553, if the vehicle is a used vehicle, and 20 days if the vehicle is~~  
9 ~~a new vehicle. Penalties due for noncompliance with this paragraph~~  
10 ~~shall be paid by the dealer or lessor-retailer. The dealer or~~  
11 ~~lessor-retailer shall not charge the purchaser for the penalties.~~

12 ~~(3) As part of an application to transfer registration of a used~~  
13 ~~vehicle, the dealer or lessor-retailer shall include all of the~~  
14 ~~following information on the certificate of title, application for a~~  
15 ~~duplicate certificate of title, or form prescribed by the department:~~

16 ~~(A) Date of sale and report of sale number.~~

17 ~~(B) Purchaser's name and address.~~

18 ~~(C) Dealer's name, address, number, and signature or signature~~  
19 ~~of authorized agent.~~

20 ~~(D) Salesperson number.~~

21 ~~(4) If the department returns an application and the application~~  
22 ~~was first received by the department within 30 days of the date of~~  
23 ~~sale of the vehicle if the vehicle is a used vehicle, and 20 days if~~  
24 ~~the vehicle is a new vehicle, the dealer or lessor-retailer shall~~  
25 ~~submit a corrected application to the department within 50 days~~  
26 ~~from the date of sale of the vehicle if the vehicle is a used vehicle,~~  
27 ~~and 40 days if the vehicle is a new vehicle, or within 30 days from~~  
28 ~~the date that the application is first returned by the department if~~  
29 ~~the vehicle is a used vehicle, and 20 days if the vehicle is a new~~  
30 ~~vehicle, whichever is later.~~

31 ~~(5) If the department returns an application and the application~~  
32 ~~was first received by the department more than 30 days from the~~  
33 ~~date of sale of the vehicle if the vehicle is a used vehicle, and 20~~  
34 ~~days if the vehicle is a new vehicle, the dealer or lessor-retailer~~  
35 ~~shall submit a corrected application to the department within 50~~  
36 ~~days from the date of sale of the vehicle if the vehicle is a used~~  
37 ~~vehicle, and 40 days if the vehicle is a new vehicle.~~

38 ~~(6) An application first received by the department more than~~  
39 ~~50 days from the date of sale of the vehicle if the vehicle is a used~~

1 vehicle, and 40 days if the vehicle is a new vehicle, is subject to  
2 the penalties specified in subdivisions (a) and (b) of Section 4456.1.

3 ~~(7) The dealer or lessor-retailer shall report the sale pursuant to  
4 Section 5901.~~

5 ~~(b) (1) A transfer that takes place through a dealer conducting  
6 a wholesale vehicle auction shall be reported to the department by  
7 that dealer on a single form approved by the department. The  
8 completed form shall contain, at a minimum, all of the following  
9 information:~~

10 ~~(A) The name and address of the seller.~~

11 ~~(B) The seller's dealer number, if applicable.~~

12 ~~(C) The date of delivery to the dealer conducting the auction.~~

13 ~~(D) The actual mileage of the vehicle as indicated by the  
14 vehicle's odometer at the time of delivery to the dealer conducting  
15 the auction.~~

16 ~~(E) The name, address, and occupational license number of the  
17 dealer conducting the auction.~~

18 ~~(F) The name, address, and occupational license number of the  
19 buyer.~~

20 ~~(G) The signature of the dealer conducting the auction.~~

21 ~~(2) Submission of the completed form specified in paragraph  
22 (1) to the department shall fully satisfy the requirements of  
23 subdivision (a) and subdivision (a) of Section 5901 with respect  
24 to the dealer selling at auction and the dealer conducting the  
25 auction.~~

26 ~~(3) The single form required by this subdivision does not relieve  
27 a dealer of any obligation or responsibility that is required by any  
28 other provision of law.~~

29 ~~(e) A vehicle displaying a copy of the report of sale may be  
30 operated without license plates or registration card until either of  
31 the following, whichever occurs first:~~

32 ~~(1) The license plates and registration card are received by the  
33 purchaser.~~

34 ~~(2) A 75-day period, commencing with the date of sale of the  
35 vehicle, has expired.~~

36 ~~(d) This section shall become operative on July 1, 2012.~~

37 ~~SEC. 3. No reimbursement is required by this act pursuant to  
38 Section 6 of Article XIII B of the California Constitution because  
39 the only costs that may be incurred by a local agency or school  
40 district will be incurred because this act creates a new crime or~~

1 ~~infraction, eliminates a crime or infraction, or changes the penalty~~  
2 ~~for a crime or infraction, within the meaning of Section 17556 of~~  
3 ~~the Government Code, or changes the definition of a crime within~~  
4 ~~the meaning of Section 6 of Article XIII B of the California~~  
5 ~~Constitution.~~

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