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AMENDED IN SENATE JULY 16, 2015

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AMENDED IN ASSEMBLY JUNE 1, 2015

AMENDED IN ASSEMBLY APRIL 20, 2015

CALIFORNIA LEGISLATURE—2015–16 REGULAR SESSION

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**ASSEMBLY BILL**

**No. 516**

**Introduced by Assembly Member Mullin**  
**(Coauthor: Assembly Member Chiu)**  
(Coauthor: Senator Hill)

February 23, 2015

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An act to amend Section 1685 of, and to amend, repeal, and add Sections 4456, 4456.5, 4462, 4463, 4763, 4773, 5201, 5202, 5901, 6100, 11714, and 38080 of, and to add Section 4456.2 to, the Vehicle Code, relating to vehicles.

LEGISLATIVE COUNSEL'S DIGEST

AB 516, as amended, Mullin. Vehicles: temporary license plates.

Existing law requires the Department of Motor Vehicles (DMV), upon registering a vehicle, to issue to the owner 2 license plates, as specified. Existing law also requires vehicle dealers and lessor-retailers to attach a numbered report-of-sale form issued by the DMV to a vehicle at the time of sale, and to submit to the DMV an application for registration of the vehicle, and the applicable fees, within a specified period after the date of sale. Existing law authorizes a dealer, as specified, to assess a specified document processing charge on the

purchaser or lessee of a vehicle for the preparation and processing of documents, disclosures, and titling, registration, and information security obligations imposed by state and federal law. Existing law generally makes a violation of the Vehicle Code an infraction, but makes counterfeiting a license plate a felony.

Existing law requires the driver of a motor vehicle to present evidence of registration of a vehicle under the driver's immediate control upon demand by a peace officer. Existing law prohibits displaying or presenting to a peace officer specified indicia of vehicle registration that are not issued for that vehicle. Existing law authorizes the DMV to assess administrative fees on a processing agency for providing notices of delinquent parking violations or toll evasion violations to the offenders in connection with the collection of penalties for those violations, and authorizes the use of those administrative fees to support those collection procedures. Existing law requires license plates to be securely fastened to the vehicle for which they were issued for the period of validity of the license plates, and authorizes the use of a special permit in lieu of license plates for that purpose.

This bill would require the DMV to develop an operational system, no later than January 1, ~~2018~~, *2019*, that allows a dealer or lessor-retailer to electronically report the sale of a vehicle and provide a temporary license plate, as specified. The bill would, commencing January 1, ~~2017~~, *2018*, authorize the ~~department~~ *DMV* to assess specified administrative fees on *parking and toll evasion* processing agencies to support the administration of this system. The bill would also, commencing January 1, ~~2018~~, *2019*, increase the document processing charge, as specified, that a dealer may impose on the purchaser or lessee of a ~~vehicle~~, *vehicle* and would authorize the imposition of a specified electronic filing charge for reporting vehicle sales and producing temporary license plates. The bill would authorize the DMV to establish contracts with qualified industry partners to provide these vehicle sale reporting and temporary license plate services.

The bill would, commencing January 1, ~~2018~~, *2019*, prohibit a person from displaying on a vehicle or presenting to a ~~peace officer~~, *officer* a temporary license plate that was not issued for that vehicle, as ~~specified~~. ~~The bill would, commencing January 1, 2018, specified, and would~~ make counterfeiting a temporary license plate a felony. The bill would, commencing January 1, ~~2018~~, *2019*, require temporary license plates to be securely fastened to the vehicle for which they are issued, as specified, and would require a person upon receipt of permanent license

plates to replace and destroy the temporary license plates. The bill would make additional conforming changes. By creating new crimes and expanding the scope of existing crimes, the bill would impose a state-mandated local program.

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.

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

1 SECTION 1. Section 1685 of the Vehicle Code is amended to  
2 read:

3 1685. (a) In order to continue improving the quality of products  
4 and services it provides to its customers, the department, in  
5 conformance with Article 4 (commencing with Section 19130) of  
6 Chapter 5 of Part 2 of Division 5 of Title 2 of the Government  
7 Code, may establish contracts for electronic programs that allow  
8 qualified private industry partners to join the department in  
9 providing services that include processing and payment programs  
10 for vehicle registration and titling transactions, and services related  
11 to reporting vehicle sales and producing temporary license plates  
12 pursuant to Sections 4456 and 4456.2.

13 (b) (1) The department may enter into contractual agreements  
14 with qualified private industry partners. There are the following  
15 three types of private industry partnerships authorized under this  
16 section:

17 (A) First-line business partner is an industry partner that receives  
18 data directly from the department and uses it to complete  
19 registration and titling activities for that partner's own business  
20 purposes.

21 (B) First-line service provider is an industry partner that receives  
22 information from the department and then transmits it to another  
23 authorized industry partner.

24 (C) Second-line business partner is a partner that receives  
25 information from a first-line service provider.

1 (2) The private industry partner contractual agreements shall  
2 include the following minimum requirements:

3 (A) Filing of an application and payment of an application fee,  
4 as established by the department.

5 (B) Submission of information, including, but not limited to,  
6 fingerprints and personal history statements, focusing on and  
7 concerning the applicant's character, honesty, integrity, and  
8 reputation as the department may consider necessary.

9 (C) Posting a bond in an amount consistent with Section 1815.

10 (3) The department shall, through regulations, establish any  
11 additional requirements for the purpose of safeguarding privacy  
12 and protecting the information authorized for release under this  
13 section.

14 (c) The director may establish, through the adoption of  
15 regulations, the maximum amount that a qualified private industry  
16 partner may charge its customers in providing the services  
17 authorized under subdivision (a).

18 (d) The department shall charge a three-dollar (\$3) transaction  
19 fee for the information and services provided under subdivision  
20 (a). The private industry partner may pass the transaction fee to  
21 the customer, but the total charge to a customer may not exceed  
22 the amount established by the director under subdivision (c).

23 (e) All fees collected by the department pursuant to subdivision  
24 (d) shall be deposited in the Motor Vehicle Account. On January  
25 1 of each year, the department shall adjust the fee in accordance  
26 with the California Consumer Price Index. The amount of the fee  
27 shall be rounded to the nearest whole dollar, with amounts equal  
28 to, or greater than, fifty cents (\$0.50) rounded to the next highest  
29 whole dollar.

30 (f) The department shall adopt regulations and procedures that  
31 ensure adequate oversight and monitoring of qualified private  
32 industry partners to protect vehicle owners from the improper use  
33 of vehicle records. These regulations and procedures shall include  
34 provisions for qualified private industry partners to periodically  
35 submit records to the department, and the department shall review  
36 those records as necessary. The regulations shall also include  
37 provisions for the dedication of department resources to program  
38 monitoring and oversight; the protection of confidential records  
39 in the department's files and databases; and the duration and nature  
40 of the contracts with qualified private industry partners.

1 (g) The department shall, annually, by October 1, provide a  
2 report to the Legislature that shall include all of the following  
3 information gathered during the fiscal year immediately preceding  
4 the report date:

5 (1) Listing of all qualified private industry partners, including  
6 names and business addresses.

7 (2) Volume of transactions, by type, completed by business  
8 partners.

9 (3) Total amount of funds, by transaction type, collected by  
10 business partners.

11 (4) Total amount of funds received by the department.

12 (5) Description of any fraudulent activities identified by the  
13 department.

14 (6) Evaluation of the benefits of the program.

15 (7) Recommendations for any administrative or statutory  
16 changes that may be needed to improve the program.

17 (h) Nothing in this section impairs or limits the authority  
18 provided in Section 4610 or Section 12155 of the Insurance Code.

19 SEC. 2. Section 4456 of the Vehicle Code is amended to read:

20 4456. (a) When selling a vehicle, dealers and lessor-retailers  
21 shall use numbered report-of-sale forms issued by the department.  
22 The forms shall be used in accordance with the following terms  
23 and conditions:

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

27 (2) The dealer or lessor-retailer shall submit to the department  
28 an application accompanied by all fees and penalties due for  
29 registration or transfer of registration of the vehicle within 30 days  
30 from the date of sale, as provided in subdivision (c) of Section  
31 9553, if the vehicle is a used vehicle, and 20 days if the vehicle is  
32 a new vehicle. Penalties due for noncompliance with this paragraph  
33 shall be paid by the dealer or lessor-retailer. The dealer or  
34 lessor-retailer shall not charge the purchaser for the penalties.

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

39 (A) Date of sale and report-of-sale number.

40 (B) Purchaser's name and address.

1 (C) Dealer's name, address, number, and signature or signature  
2 of authorized agent.

3 (D) Salesperson number.

4 (4) If the department returns an application and the application  
5 was first received by the department within 30 days of the date of  
6 sale of the vehicle if the vehicle is a used vehicle, and 20 days if  
7 the vehicle is a new vehicle, the dealer or lessor-retailer shall  
8 submit a corrected application to the department within 50 days  
9 from the date of sale of the vehicle if the vehicle is a used vehicle,  
10 and 40 days if the vehicle is a new vehicle, or within 30 days from  
11 the date that the application is first returned by the department if  
12 the vehicle is a used vehicle, and 20 days if the vehicle is a new  
13 vehicle, whichever is later.

14 (5) If the department returns an application and the application  
15 was first received by the department more than 30 days from the  
16 date of sale of the vehicle if the vehicle is a used vehicle, and 20  
17 days if the vehicle is a new vehicle, the dealer or lessor-retailer  
18 shall submit a corrected application to the department within 50  
19 days from the date of sale of the vehicle if the vehicle is a used  
20 vehicle, and 40 days if the vehicle is a new vehicle.

21 (6) An application first received by the department more than  
22 50 days from the date of sale of the vehicle if the vehicle is a used  
23 vehicle, and 40 days if the vehicle is a new vehicle, is subject to  
24 the penalties specified in subdivisions (a) and (b) of Section 4456.1.

25 (7) The dealer or lessor-retailer shall report the sale pursuant to  
26 Section 5901.

27 (b) (1) A transfer that takes place through a dealer conducting  
28 a wholesale vehicle auction shall be reported to the department by  
29 that dealer on a single form approved by the department. The  
30 completed form shall contain, at a minimum, all of the following  
31 information:

32 (A) The name and address of the seller.

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

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

35 (D) The actual mileage of the vehicle as indicated by the  
36 vehicle's odometer at the time of delivery to the dealer conducting  
37 the auction.

38 (E) The name, address, and occupational license number of the  
39 dealer conducting the auction.

1 (F) The name, address, and occupational license number of the  
2 buyer.

3 (G) The signature of the dealer conducting the auction.

4 (2) Submission of the completed form specified in paragraph  
5 (1) to the department shall fully satisfy the requirements of  
6 subdivision (a) and subdivision (a) of Section 5901 with respect  
7 to the dealer selling at auction and the dealer conducting the  
8 auction.

9 (3) The single form required by this subdivision does not relieve  
10 a dealer of any obligation or responsibility that is required by any  
11 other law.

12 (c) A vehicle displaying a copy of the report of sale may be  
13 operated without license plates or registration card until either of  
14 the following, whichever occurs first:

15 (1) The license plates and registration card are received by the  
16 purchaser.

17 (2) A 90-day period, commencing with the date of sale of the  
18 vehicle, has expired.

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

20 (e) This section shall remain in effect only until January 1, ~~2018~~,  
21 ~~2019~~, and as of that date is repealed, unless a later enacted statute,  
22 that is enacted before January 1, ~~2018~~, ~~2019~~, deletes or extends  
23 that date.

24 SEC. 3. Section 4456 is added to the Vehicle Code, to read:

25 4456. (a) When selling a vehicle, dealers and lessor-retailers  
26 shall report the sale using the reporting system described in Section  
27 4456.2. After providing information to the reporting system, the  
28 dealer or lessor-retailer shall do all of the following:

29 (1) The dealer or lessor-retailer shall attach for display a copy  
30 of the report-of-sale form provided by the reporting system on the  
31 vehicle before the vehicle is delivered to the purchaser.

32 (2) The dealer or lessor-retailer shall submit to the department  
33 an application accompanied by all fees and penalties due for  
34 registration or transfer of registration of the vehicle within 30 days  
35 from the date of sale, as provided in subdivision (c) of Section  
36 9553, if the vehicle is a used vehicle, and within 20 days if the  
37 vehicle is a new vehicle. Penalties due for noncompliance with  
38 this paragraph shall be paid by the dealer or lessor-retailer. The  
39 dealer or lessor-retailer shall not charge the purchaser for the  
40 penalties.

- 1 (3) As part of an application to transfer registration of a used  
2 vehicle, the dealer or lessor-retailer shall include all of the  
3 following information on the certificate of title, application for a  
4 duplicate certificate of title, or form prescribed by the department:  
5 (A) Date of sale and report-of-sale number.  
6 (B) Purchaser's name and address.  
7 (C) Dealer's name, address, number, and signature, or signature  
8 of authorized agent.  
9 (D) Salesperson number.
- 10 (4) If the department returns an application and the application  
11 was first received by the department within 30 days of the date of  
12 sale of the vehicle if the vehicle is a used vehicle, and within 20  
13 days if the vehicle is a new vehicle, the dealer or lessor-retailer  
14 shall submit a corrected application to the department within 50  
15 days from the date of sale of the vehicle if the vehicle is a used  
16 vehicle, and within 40 days if the vehicle is a new vehicle, or within  
17 30 days from the date that the application was first returned by the  
18 department if the vehicle is a used vehicle, and within 20 days if  
19 the vehicle is a new vehicle, whichever is later.
- 20 (5) If the department returns an application and the application  
21 was first received by the department more than 30 days from the  
22 date of sale of the vehicle if the vehicle is a used vehicle, and more  
23 than 20 days if the vehicle is a new vehicle, the dealer or  
24 lessor-retailer shall submit a corrected application to the department  
25 within 50 days from the date of sale of the vehicle if the vehicle  
26 is a used vehicle, and within 40 days if the vehicle is a new vehicle.
- 27 (6) An application first received by the department more than  
28 50 days from the date of sale of the vehicle if the vehicle is a used  
29 vehicle, and more than 40 days if the vehicle is a new vehicle, is  
30 subject to the penalties specified in subdivisions (a) and (b) of  
31 Section 4456.1.
- 32 (7) The dealer or lessor-retailer shall report the sale pursuant to  
33 Section 5901.
- 34 (8) If the vehicle does not display license plates previously  
35 issued by the department, the dealer or lessor-retailer shall attach  
36 the temporary license plates issued by the reporting system.
- 37 (b) (1) A transfer that takes place through a dealer conducting  
38 a wholesale vehicle auction shall be reported to the department  
39 electronically in a manner approved by the department. The report  
40 shall contain, at a minimum, all of the following information:



- 1 (A) The name and address of the seller.
- 2 (B) The seller's dealer number, if applicable.
- 3 (C) The date of delivery to the dealer conducting the auction.
- 4 (D) The actual mileage of the vehicle as indicated by the
- 5 vehicle's odometer at the time of delivery to the dealer conducting
- 6 the auction.
- 7 (E) The name, address, and occupational license number of the
- 8 dealer conducting the auction.
- 9 (F) The name, address, and occupational license number of the
- 10 buyer.
- 11 (G) The signature of the dealer conducting the auction.
- 12 (2) Submission of the electronic report specified in paragraph
- 13 (1) to the department shall fully satisfy the requirements of
- 14 subdivision (a) and subdivision (a) of Section 5901 with respect
- 15 to the dealer selling at auction and the dealer conducting the
- 16 auction.
- 17 (3) The electronic report required by this subdivision does not
- 18 relieve a dealer of any obligation or responsibility that is required
- 19 by any other law.
- 20 (c) A vehicle displaying a report-of-sale form or temporary
- 21 license plate issued pursuant to paragraph (8) of subdivision (a)
- 22 may be operated without license plates until either of the following,
- 23 whichever occurs first:
- 24 (1) The license plates and registration card are received by the
- 25 purchaser.
- 26 (2) A 90-day period, commencing with the date of sale of the
- 27 vehicle, has expired.
- 28 (d) Notwithstanding subdivision (c), a vehicle may continue to
- 29 display a report-of-sale form or temporary license plates after 90
- 30 days if the owner ~~has not yet received the permanent license plates~~
- 31 ~~and~~ provides proof that he or she has submitted an application to
- 32 the department pursuant to Section ~~4457. 4457~~ *and it has been no*
- 33 *more than 14 days since the permanent license plates were issued*
- 34 *to the owner. A violation of this paragraph is a correctable offense*
- 35 *pursuant to Section 40303.5.*
- 36 (e) This section shall become operative January 1, ~~2018. 2019.~~
- 37 SEC. 4. Section 4456.2 is added to the Vehicle Code, to read:
- 38 4456.2. (a) The department shall develop a system for dealers
- 39 and lessor-retailers to electronically report the sale of a vehicle

1 before the vehicle is delivered to the purchaser. At minimum, the  
2 system shall conform to the following conditions:

3 (1) The system shall provide a licensed dealer with the forms  
4 for use as prescribed in subdivision (a) of Section 4456.

5 (2) For a vehicle that does not already display license plates,  
6 the system shall also produce a temporary license plate to be used  
7 and displayed in lieu of license plates, pursuant to subdivision (c)  
8 of Section 4456. The temporary license plate shall display the  
9 report-of-sale number, expiration date, and any other information  
10 deemed necessary by the department.

11 (3) The dealer reporting system shall assign each transaction a  
12 unique report-of-sale number that will be displayed on the  
13 report-of-sale forms and any temporary license plate.

14 (4) The system shall record the vehicle identification number,  
15 vehicle year, ~~model~~, *model* and make, name of dealer or  
16 lessor-retailer, purchaser name and address, and any other  
17 information deemed necessary by the department.

18 *(b) The department shall develop standards for temporary*  
19 *license plates produced pursuant to this section. The standards*  
20 *shall specify content, format, and physical attributes that are cost*  
21 *effective and reasonably necessary to create appropriately durable*  
22 *and legible temporary license plates, including the type and quality*  
23 *of paper, ink, and printer required to create the temporary license*  
24 *plates.*

25 ~~(b)~~

26 (c) Access to the dealer reporting system shall be restricted to  
27 authorized users of the department's vehicle registration and  
28 occupational licensing databases.

29 ~~(e)~~

30 (d) The department shall make the dealer reporting system  
31 operational for use no later than January 1, ~~2018~~. 2019.

32 ~~SEC. 5. Section 4456.5 of the Vehicle Code is amended to~~  
33 ~~read:~~

34 ~~4456.5. (a) A dealer may charge the purchaser or lessee of a~~  
35 ~~vehicle the following charges:~~

36 ~~(1) A document processing charge for the preparation and~~  
37 ~~processing of documents, disclosures, and titling, registration, and~~  
38 ~~information security obligations imposed by state and federal law.~~  
39 ~~The dealer document processing charge shall not be represented~~  
40 ~~as a governmental fee.~~

1 (A) If a dealer has a contractual agreement with the department  
2 to be a private industry partner pursuant to Section 1685, the  
3 document processing charge shall not exceed eighty dollars (\$80).

4 (B) If a dealer does not have a contractual agreement with the  
5 department to be a private industry partner pursuant to Section  
6 1685, the document processing charge shall not exceed sixty-five  
7 dollars (\$65).

8 (2) An electronic filing charge, not to exceed the actual amount  
9 the dealer is charged by a first-line service provider for providing  
10 license plate processing, postage, and the fees and services  
11 authorized pursuant to subdivisions (a) and (d) of Section 1685.  
12 The director may establish, through the adoption of regulations,  
13 the maximum amount that a first-line service provider may charge  
14 a dealer. The electronic filing charge shall not be represented as a  
15 governmental fee.

16 (b) As used in this section, the term “first-line service provider”  
17 shall have the same meaning as defined in subdivision (b) of  
18 Section 1685.

19 (e) This section shall remain in effect only until January 1, 2018,  
20 and as of that date is repealed, unless a later enacted statute, that  
21 is enacted before January 1, 2018, deletes or extends that date.

22 SEC. 6. Section 4456.5 is added to the Vehicle Code, to read:

23 4456.5. (a) A dealer may charge the purchaser or lessee of a  
24 vehicle the following charges:

25 (1) A document processing charge for the preparation and  
26 processing of documents, disclosures, and titling, registration, and  
27 information security obligations imposed by state and federal law.  
28 The dealer document processing charge shall not be represented  
29 as a governmental fee.

30 (A) If a dealer has a contractual agreement with the department  
31 to be a private industry partner pursuant to Section 1685, the  
32 document processing charge shall not exceed ninety dollars (\$90).

33 (B) If a dealer does not have a contractual agreement with the  
34 department to be a private industry partner pursuant to Section  
35 1685, the document processing charge shall not exceed seventy-five  
36 dollars (\$75).

37 (2) An electronic filing charge, not to exceed the actual amount  
38 the dealer is charged by a first-line service provider for providing  
39 license plate processing, postage, and the fees and services  
40 authorized pursuant to subdivisions (a) and (d) of Section 1685,

1 including services related to reporting vehicle sales and producing  
2 temporary license plates pursuant to Sections 4456 and 4456.2.  
3 The director may establish, through the adoption of regulations,  
4 the maximum amount that a first-line service provider may charge  
5 a dealer. The electronic filing charge shall not be represented as a  
6 governmental fee.

7 (b) ~~As used in this section, the term “first-line service provider”~~  
8 ~~shall have the same meaning as defined in subdivision (b) of~~  
9 ~~Section 1685.~~

10 (e) ~~This section shall become operative on January 1, 2018.~~

11 *SEC. 5. Section 4456.5 of the Vehicle Code is amended to read:*

12 4456.5. (a) A dealer may charge the purchaser or lessee of a  
13 vehicle the following charges:

14 (1) A document processing charge for the preparation and  
15 processing of documents, disclosures, and titling, registration, and  
16 information security obligations imposed by state and federal law.  
17 The dealer document processing charge shall not be represented  
18 as a governmental fee.

19 (A) If a dealer has a contractual agreement with the department  
20 to be a private industry partner pursuant to Section 1685, the  
21 document processing charge shall not exceed eighty dollars (\$80).

22 (B) If a dealer does not have a contractual agreement with the  
23 department to be a private industry partner pursuant to Section  
24 1685, the document processing charge shall not exceed sixty-five  
25 dollars (\$65).

26 (2) An electronic filing charge, not to exceed the actual amount  
27 the dealer is charged by a first-line service provider for providing  
28 license plate processing, postage, and the fees and services  
29 authorized pursuant to subdivisions (a) and (d) of Section 1685.  
30 The electronic filing charge shall not be used to pay for additional  
31 fees, goods, or services not directly related to the electronic  
32 registration of a motor vehicle, including, but not limited to, the  
33 receipt by the dealer of free or discounted goods, services, or  
34 financial incentives. The director may establish, through the  
35 adoption of regulations, the maximum amount that a first-line  
36 service provider may charge a dealer. The electronic filing charge  
37 shall not be represented as a governmental fee.

38 (b) ~~As used in this section, the term “first-line service provider”~~  
39 ~~shall have the same meaning as defined in subdivision (b) of~~  
40 ~~Section 1685.~~

1 (c) This section does not prohibit a first-line service provider  
2 from entering into contracts with dealers for products and services  
3 unrelated to electronic vehicle registration services.

4 (d) *This section shall remain in effect only until January 1, 2019,*  
5 *and as of that date is repealed, unless a later enacted statute, that*  
6 *is enacted before January 1, 2019, deletes or extends that date.*

7 SEC. 6. Section 4456.5 is added to the Vehicle Code, to read:

8 4456.5. (a) A dealer may charge the purchaser or lessee of a  
9 vehicle the following charges:

10 (1) A document processing charge for the preparation and  
11 processing of documents, disclosures, and titling, registration,  
12 and information security obligations imposed by state and federal  
13 law. The dealer document processing charge shall not be  
14 represented as a governmental fee.

15 (A) If a dealer has a contractual agreement with the department  
16 to be a private industry partner pursuant to Section 1685, the  
17 document processing charge shall not exceed eighty-five dollars  
18 (\$85).

19 (B) If a dealer does not have a contractual agreement with the  
20 department to be a private industry partner pursuant to Section  
21 1685, the document processing charge shall not exceed seventy  
22 dollars (\$70).

23 (2) An electronic filing charge, not to exceed the actual amount  
24 the dealer is charged by a first-line service provider for providing  
25 license plate processing, postage, and the fees and services  
26 authorized pursuant to subdivisions (a) and (d) of Section 1685,  
27 including services related to reporting vehicle sales and producing  
28 temporary license plates pursuant to Sections 4456 and 4456.2.  
29 The electronic filing charge shall not be used to pay for additional  
30 fees, goods, or services not directly related to the electronic  
31 registration of a motor vehicle, including, but not limited to, the  
32 receipt by the dealer of free or discounted goods, services, or  
33 financial incentives. The director may establish, through the  
34 adoption of regulations, the maximum amount that a first-line  
35 service provider may charge a dealer. The electronic filing charge  
36 shall not be represented as a governmental fee.

37 (b) As used in this section, the term “first-line service provider”  
38 shall have the same meaning as defined in subdivision (b) of  
39 Section 1685.

1 (c) *This section does not prohibit a first-line service provider*  
2 *from entering into contracts with dealers for products and services*  
3 *unrelated to electronic vehicle registration services.*

4 (d) *This section shall become operative on January 1, 2019.*

5 SEC. 7. Section 4462 of the Vehicle Code is amended to read:

6 4462. (a) The driver of a motor vehicle shall present the  
7 registration or identification card or other evidence of registration  
8 of any or all vehicles under his or her immediate control for  
9 examination upon demand of any peace officer.

10 (b) A person shall not display upon a vehicle, nor present to any  
11 peace officer, any registration card, identification card, temporary  
12 receipt, license plate, device issued pursuant to Section 4853, or  
13 permit not issued for that vehicle or not otherwise lawfully used  
14 thereon under this code.

15 (c) This section shall remain in effect only until January 1, ~~2018,~~  
16 ~~2019~~, and as of that date is repealed, unless a later enacted statute,  
17 that is enacted before January 1, ~~2018,~~ 2019, deletes or extends  
18 that date.

19 SEC. 8. Section 4462 is added to the Vehicle Code, to read:

20 4462. (a) The driver of a motor vehicle shall present the  
21 registration or identification card or other evidence of registration  
22 of any or all vehicles under his or her immediate control for  
23 examination upon demand of any peace officer.

24 (b) A person shall not display upon a vehicle, nor present to any  
25 peace officer, any registration card, identification card, temporary  
26 receipt, license plate, temporary license plate, device issued  
27 pursuant to Section 4853, or permit not issued for that vehicle or  
28 not otherwise lawfully used thereon under this code.

29 (c) This section shall become operative January 1, ~~2018,~~ 2019.

30 SEC. 9. Section 4463 of the Vehicle Code is amended to read:

31 4463. (a) A person who, with intent to prejudice, damage, or  
32 defraud, commits any of the following acts is guilty of a felony  
33 and upon conviction thereof shall be punished by imprisonment  
34 pursuant to subdivision (h) of Section 1170 of the Penal Code for  
35 16 months, or two or three years, or by imprisonment in a county  
36 jail for not more than one year:

37 (1) Alters, forges, counterfeits, or falsifies a certificate of  
38 ownership, registration card, certificate, license, license plate,  
39 device issued pursuant to Section 4853, special plate, or permit  
40 provided for by this code or a comparable certificate of ownership,

1 registration card, certificate, license, license plate, device  
2 comparable to that issued pursuant to Section 4853, special plate,  
3 or permit provided for by a foreign jurisdiction, or alters, forges,  
4 counterfeits, or falsifies the document, device, or plate with intent  
5 to represent it as issued by the department, or alters, forges,  
6 counterfeits, or falsifies with fraudulent intent an endorsement of  
7 transfer on a certificate of ownership or other document evidencing  
8 ownership, or with fraudulent intent displays or causes or permits  
9 to be displayed or have in his or her possession a blank, incomplete,  
10 canceled, suspended, revoked, altered, forged, counterfeit, or false  
11 certificate of ownership, registration card, certificate, license,  
12 license plate, device issued pursuant to Section 4853, special plate,  
13 or permit.

14 (2) Utters, publishes, passes, or attempts to pass, as true and  
15 genuine, a false, altered, forged, or counterfeited matter listed in  
16 paragraph (1) knowing it to be false, altered, forged, or  
17 counterfeited.

18 (b) A person who, with intent to prejudice, damage, or defraud,  
19 commits any of the following acts is guilty of a misdemeanor, and  
20 upon conviction thereof shall be punished by imprisonment in a  
21 county jail for six months, a fine of not less than five hundred  
22 dollars (\$500) and not more than one thousand dollars (\$1,000),  
23 or both that fine and imprisonment, which penalty shall not be  
24 suspended:

25 (1) Forges, counterfeits, or falsifies a disabled person placard  
26 or a comparable placard relating to parking privileges for disabled  
27 persons provided for by a foreign jurisdiction, or forges,  
28 counterfeits, or falsifies a disabled person placard with intent to  
29 represent it as issued by the department.

30 (2) Passes, or attempts to pass, as true and genuine, a false,  
31 forged, or counterfeit disabled person placard knowing it to be  
32 false, forged, or counterfeited.

33 (3) Acquires, possesses, sells, or offers for sale a genuine or  
34 counterfeit disabled person placard.

35 (c) A person who, with fraudulent intent, displays or causes or  
36 permits to be displayed a forged, counterfeit, or false disabled  
37 person placard, is subject to the issuance of a notice of parking  
38 violation imposing a civil penalty of not less than two hundred  
39 fifty dollars (\$250) and not more than one thousand dollars  
40 (\$1,000), for which enforcement shall be governed by the

1 procedures set forth in Article 3 (commencing with Section 40200)  
2 of Chapter 1 of Division 17 or is guilty of a misdemeanor  
3 punishable by imprisonment in a county jail for six months, a fine  
4 of not less than two hundred fifty dollars (\$250) and not more than  
5 one thousand dollars (\$1,000), or both that fine and imprisonment,  
6 which penalty shall not be suspended.

7 (d) For purposes of subdivision (b) or (c), “disabled person  
8 placard” means a placard issued pursuant to Section 22511.55 or  
9 22511.59.

10 (e) A person who, with intent to prejudice, damage, or defraud,  
11 commits any of the following acts is guilty of an infraction, and  
12 upon conviction thereof shall be punished by a fine of not less than  
13 one hundred dollars (\$100) and not more than two hundred fifty  
14 dollars (\$250) for a first offense, not less than two hundred fifty  
15 dollars (\$250) and not more than five hundred dollars (\$500) for  
16 a second offense, and not less than five hundred dollars (\$500)  
17 and not more than one thousand dollars (\$1,000) for a third or  
18 subsequent offense, which penalty shall not be suspended:

19 (1) Forges, counterfeits, or falsifies a Clean Air Sticker or a  
20 comparable clean air sticker relating to high-occupancy vehicle  
21 lane privileges provided for by a foreign jurisdiction, or forges,  
22 counterfeits, or falsifies a Clean Air Sticker with intent to represent  
23 it as issued by the department.

24 (2) Passes, or attempts to pass, as true and genuine, a false,  
25 forged, or counterfeit Clean Air Sticker knowing it to be false,  
26 forged, or counterfeited.

27 (3) Acquires, possesses, sells, or offers for sale a counterfeit  
28 Clean Air Sticker.

29 (4) Acquires, possesses, sells, or offers for sale a genuine Clean  
30 Air Sticker separate from the vehicle for which the department  
31 issued that sticker.

32 (f) As used in this section, “Clean Air Sticker” means a label  
33 or decal issued pursuant to Sections 5205.5 and 21655.9.

34 (g) This section shall remain in effect only until January 1, ~~2018~~,  
35 2019, and as of that date is repealed, unless a later enacted statute,  
36 that is enacted before January 1, ~~2018~~, 2019, deletes or extends  
37 that date.

38 SEC. 10. Section 4463 is added to the Vehicle Code, to read:

39 4463. (a) A person who, with intent to prejudice, damage, or  
40 defraud, commits any of the following acts is guilty of a felony



1 and upon conviction thereof shall be punished by imprisonment  
2 pursuant to subdivision (h) of Section 1170 of the Penal Code for  
3 16 months, or two or three years, or by imprisonment in a county  
4 jail for not more than one year:

5 (1) Alters, forges, counterfeits, or falsifies a certificate of  
6 ownership, registration card, certificate, license, license plate,  
7 temporary license plate, device issued pursuant to Section 4853,  
8 special plate, or permit provided for by this code or a comparable  
9 certificate of ownership, registration card, certificate, license,  
10 license plate, temporary license plate, device comparable to that  
11 issued pursuant to Section 4853, special plate, or permit provided  
12 for by a foreign jurisdiction, or alters, forges, counterfeits, or  
13 falsifies the document, device, or plate with intent to represent it  
14 as issued by the department, or alters, forges, counterfeits, or  
15 falsifies with fraudulent intent an endorsement of transfer on a  
16 certificate of ownership or other document evidencing ownership,  
17 or with fraudulent intent displays or causes or permits to be  
18 displayed or have in his or her possession a blank, incomplete,  
19 canceled, suspended, revoked, altered, forged, counterfeit, or false  
20 certificate of ownership, registration card, certificate, license,  
21 license plate, temporary license plate, device issued pursuant to  
22 Section 4853, special plate, or permit.

23 (2) Utters, publishes, passes, or attempts to pass, as true and  
24 genuine, a false, altered, forged, or counterfeited matter listed in  
25 paragraph (1) knowing it to be false, altered, forged, or  
26 counterfeited.

27 (b) A person who, with intent to prejudice, damage, or defraud,  
28 commits any of the following acts is guilty of a misdemeanor, and  
29 upon conviction thereof shall be punished by imprisonment in a  
30 county jail for six months, a fine of not less than five hundred  
31 dollars (\$500) and not more than one thousand dollars (\$1,000),  
32 or both that fine and imprisonment, which penalty shall not be  
33 suspended:

34 (1) Forges, counterfeits, or falsifies a disabled person placard  
35 or a comparable placard relating to parking privileges for disabled  
36 persons provided for by a foreign jurisdiction, or forges,  
37 counterfeits, or falsifies a disabled person placard with intent to  
38 represent it as issued by the department.

1 (2) Passes, or attempts to pass, as true and genuine, a false,  
2 forged, or counterfeit disabled person placard knowing it to be  
3 false, forged, or counterfeited.

4 (3) Acquires, possesses, sells, or offers for sale a genuine or  
5 counterfeit disabled person placard.

6 (c) A person who, with fraudulent intent, displays or causes or  
7 permits to be displayed a forged, counterfeit, or false disabled  
8 person placard, is subject to the issuance of a notice of parking  
9 violation imposing a civil penalty of not less than two hundred  
10 fifty dollars (\$250) and not more than one thousand dollars  
11 (\$1,000), for which enforcement shall be governed by the  
12 procedures set forth in Article 3 (commencing with Section 40200)  
13 of Chapter 1 of Division 17, or is guilty of a misdemeanor  
14 punishable by imprisonment in a county jail for six months, a fine  
15 of not less than two hundred fifty dollars (\$250) and not more than  
16 one thousand dollars (\$1,000), or both that fine and imprisonment,  
17 which penalty shall not be suspended.

18 (d) For purposes of subdivision (b) or (c), “disabled person  
19 placard” means a placard issued pursuant to Section 22511.55 or  
20 22511.59.

21 (e) A person who, with intent to prejudice, damage, or defraud,  
22 commits any of the following acts is guilty of an infraction, and  
23 upon conviction thereof shall be punished by a fine of not less than  
24 one hundred dollars (\$100) and not more than two hundred fifty  
25 dollars (\$250) for a first offense, not less than two hundred fifty  
26 dollars (\$250) and not more than five hundred dollars (\$500) for  
27 a second offense, and not less than five hundred dollars (\$500)  
28 and not more than one thousand dollars (\$1,000) for a third or  
29 subsequent offense, which penalty shall not be suspended:

30 (1) Forges, counterfeits, or falsifies a Clean Air Sticker or a  
31 comparable clean air sticker relating to high-occupancy vehicle  
32 lane privileges provided for by a foreign jurisdiction, or forges,  
33 counterfeits, or falsifies a Clean Air Sticker with intent to represent  
34 it as issued by the department.

35 (2) Passes, or attempts to pass, as true and genuine, a false,  
36 forged, or counterfeit Clean Air Sticker knowing it to be false,  
37 forged, or counterfeited.

38 (3) Acquires, possesses, sells, or offers for sale a counterfeit  
39 Clean Air Sticker.

1 (4) Acquires, possesses, sells, or offers for sale a genuine Clean  
2 Air Sticker separate from the vehicle for which the department  
3 issued that sticker.

4 (f) As used in this section, “Clean Air Sticker” means a label  
5 or decal issued pursuant to Sections 5205.5 and 21655.9.

6 (g) This section shall become operative January 1, ~~2018~~ 2019.

7 SEC. 11. Section 4763 of the Vehicle Code is amended to read:

8 4763. (a) The department shall assess a fee for the recording  
9 of the notice of delinquent parking violation, which is given to the  
10 department by a processing agency pursuant to Section 40220, in  
11 an amount, as determined by the department, that is sufficient to  
12 provide a total amount equal to its actual costs of administering  
13 Sections 4760, 4761, 4762, 4764, and 4765.

14 (b) This section shall remain in effect only until January 1, ~~2017~~,  
15 2018, and as of that date is repealed, unless a later enacted statute,  
16 that is enacted before January 1, ~~2017~~, 2018, deletes or extends  
17 that date.

18 SEC. 12. Section 4763 is added to the Vehicle Code, to read:

19 4763. (a) The department shall assess a fee for the recording  
20 of the notice of delinquent parking violation, which is given to the  
21 department by a processing agency pursuant to Section 40220, in  
22 an amount, as determined by the department, that is sufficient to  
23 provide a total amount equal to its actual costs of administering  
24 Sections 4760, 4761, 4762, 4764, and 4765, and administering the  
25 system described in Section 4456.2.

26 (b) This section shall become operative January 1, ~~2017~~ 2018.

27 SEC. 13. Section 4773 of the Vehicle Code is amended to read:

28 4773. (a) The department shall assess a fee for the recording  
29 of the notice of delinquent toll evasion violation, which is given  
30 to the department by a processing agency pursuant to Section  
31 40267, in an amount, as determined by the department, that is  
32 sufficient to provide a total amount equal to at least its actual costs  
33 of administering Sections 4770, 4771, 4774, and 4775.

34 (b) This section shall remain in effect only until January 1, ~~2017~~,  
35 2018, and as of that date is repealed, unless a later enacted statute,  
36 that is enacted before January 1, ~~2017~~, 2018, deletes or extends  
37 that date.

38 SEC. 14. Section 4773 is added to the Vehicle Code, to read:

39 4773. (a) The department shall assess a fee for the recording  
40 of the notice of delinquent toll evasion violation, which is given

1 to the department by a processing agency pursuant to Section  
2 40267, in an amount, as determined by the department, that is  
3 sufficient to provide a total amount equal to at least its actual costs  
4 of administering Sections 4770, 4771, 4774, and 4775, and  
5 administering the system described in Section 4456.2.

6 (b) This section shall become operative January 1, ~~2017~~ 2018.

7 SEC. 15. Section 5201 of the Vehicle Code is amended to read:

8 5201. (a) License plates shall at all times be securely fastened  
9 to the vehicle for which they are issued so as to prevent the plates  
10 from swinging, shall be mounted in a position so as to be clearly  
11 visible, and so that the characters are upright and display from left  
12 to right, and shall be maintained in a condition so as to be clearly  
13 legible. The rear license plate shall be mounted not less than 12  
14 inches nor more than 60 inches from the ground, and the front  
15 license plate shall be mounted not more than 60 inches from the  
16 ground, except as follows:

17 (1) The rear license plate on a tow truck or reposessor's tow  
18 vehicle may be mounted on the left-hand side of the mast assembly  
19 at the rear of the cab of the vehicle, not less than 12 inches nor  
20 more than 90 inches from the ground.

21 (2) The rear license plate on a tank vehicle hauling hazardous  
22 waste, as defined in Section 25117 of the Health and Safety Code,  
23 or asphalt material may be mounted not less than 12 inches nor  
24 more than 90 inches from the ground.

25 (3) The rear license plate on a truck tractor may be mounted at  
26 the rear of the cab of the vehicle, but not less than 12 inches nor  
27 more than 90 inches from the ground.

28 (4) The rear license plate of a vehicle designed by the  
29 manufacturer for the collection and transportation of garbage,  
30 rubbish, or refuse that is used regularly for the collection and  
31 transportation of that material by a person or governmental entity  
32 employed to collect, transport, and dispose of garbage, rubbish,  
33 or refuse may be mounted not less than 12 inches nor more than  
34 90 inches from the ground.

35 (5) The rear license plate on a two-axle livestock trailer may be  
36 mounted 12 inches or more, but not more than 90 inches, from the  
37 ground.

38 (6) (A) The rear license plate on a dump bed motortruck  
39 equipped with a trailing, load bearing swing axle shall be mounted

1 more than 12 inches, but not more than 107 inches, from the  
2 ground.

3 (B) As used in this section, a trailing, load bearing swing axle  
4 is an axle which can be moved from a raised position to a position  
5 behind the vehicle that allows for the transfer of a portion of the  
6 weight of the vehicle and load to the trailing axle.

7 (b) A covering shall not be used on license plates except as  
8 follows:

9 (1) The installation of a cover over a lawfully parked vehicle  
10 to protect it from the weather and the elements does not constitute  
11 a violation of this subdivision. A peace officer or other regularly  
12 salaried employee of a public agency designated to enforce laws,  
13 including local ordinances, relating to the parking of vehicles may  
14 temporarily remove so much of the cover as is necessary to inspect  
15 any license plate, tab, or indicia of registration on a vehicle.

16 (2) The installation of a license plate security cover is not a  
17 violation of this subdivision if the device does not obstruct or  
18 impair the recognition of the license plate information, including,  
19 but not limited to, the issuing state, license plate number, and  
20 registration tabs, and the cover is limited to the area directly over  
21 the top of the registration tabs. No portion of a license plate security  
22 cover shall rest over the license plate number.

23 (c) A casing, shield, frame, border, product, or other device that  
24 obstructs or impairs the reading or recognition of a license plate  
25 by an electronic device operated by state or local law enforcement,  
26 an electronic device operated in connection with a toll road,  
27 high-occupancy toll lane, toll bridge, or other toll facility, or a  
28 remote emission sensing device, as specified in Sections 44081  
29 and 44081.6 of the Health and Safety Code, shall not be installed  
30 on, or affixed to, a vehicle.

31 (d) (1) It is the intent of the Legislature that an accommodation  
32 be made to persons with disabilities and to those persons who  
33 regularly transport persons with disabilities, to allow the removal  
34 and relocation of wheelchair lifts and wheelchair carriers without  
35 the necessity of removing and reattaching the vehicle's rear license  
36 plate. Therefore, it is not a violation of this section if the reading  
37 or recognition of a rear license plate is obstructed or impaired by  
38 a wheelchair lift or wheelchair carrier and all of the following  
39 requirements are met:

1 (A) The owner of the vehicle has been issued a special  
2 identification license plate pursuant to Section 5007, or the person  
3 using the wheelchair that is carried on the vehicle has been issued  
4 a distinguishing placard under Section 22511.55.

5 (B) (i) The operator of the vehicle displays a decal, designed  
6 and issued by the department, that contains the license plate number  
7 assigned to the vehicle transporting the wheelchair.

8 (ii) The decal is displayed on the rear window of the vehicle,  
9 in a location determined by the department, in consultation with  
10 the Department of the California Highway Patrol, so as to be clearly  
11 visible to law enforcement.

12 (2) Notwithstanding any other law, if a decal is displayed  
13 pursuant to this subdivision, the requirements of this code that  
14 require the illumination of the license plate and the license plate  
15 number do not apply.

16 (3) The department shall adopt regulations governing the  
17 procedures for accepting and approving applications for decals,  
18 and issuing decals, authorized by this subdivision.

19 (4) This subdivision does not apply to a front license plate.

20 (e) This section shall remain in effect only until January 1, ~~2018~~,  
21 ~~2019~~, and as of that date is repealed, unless a later enacted statute,  
22 that is enacted before January 1, ~~2018~~, ~~2019~~, deletes or extends  
23 that date.

24 SEC. 16. Section 5201 is added to the Vehicle Code, to read:

25 5201. (a) License plates, including temporary license plates,  
26 shall at all times be securely fastened to the vehicle for which they  
27 are issued so as to prevent the plates from swinging, shall be  
28 mounted in a position so as to be clearly visible, and so that the  
29 characters are upright and display from left to right, and shall be  
30 maintained in a condition so as to be clearly legible. The rear  
31 license plate shall be mounted not less than 12 inches nor more  
32 than 60 inches from the ground, and the front license plate shall  
33 be mounted not more than 60 inches from the ground, except as  
34 follows:

35 (1) The rear license plate on a tow truck or reposessor's tow  
36 vehicle may be mounted on the left-hand side of the mast assembly  
37 at the rear of the cab of the vehicle, not less than 12 inches nor  
38 more than 90 inches from the ground.

39 (2) The rear license plate on a tank vehicle hauling hazardous  
40 waste, as defined in Section 25117 of the Health and Safety Code,

1 or asphalt material may be mounted not less than 12 inches nor  
2 more than 90 inches from the ground.

3 (3) The rear license plate on a truck tractor may be mounted at  
4 the rear of the cab of the vehicle, but not less than 12 inches nor  
5 more than 90 inches from the ground.

6 (4) The rear license plate of a vehicle designed by the  
7 manufacturer for the collection and transportation of garbage,  
8 rubbish, or refuse that is used regularly for the collection and  
9 transportation of that material by a person or governmental entity  
10 employed to collect, transport, and dispose of garbage, rubbish,  
11 or refuse may be mounted not less than 12 inches nor more than  
12 90 inches from the ground.

13 (5) The rear license plate on a two-axle livestock trailer may be  
14 mounted 12 inches or more, but not more than 90 inches, from the  
15 ground.

16 (6) (A) The rear license plate on a dump bed motortruck  
17 equipped with a trailing, load bearing swing axle shall be mounted  
18 more than 12 inches, but not more than 107 inches, from the  
19 ground.

20 (B) As used in this section, a trailing, load bearing swing axle  
21 is an axle which can be moved from a raised position to a position  
22 behind the vehicle that allows for the transfer of a portion of the  
23 weight of the vehicle and load to the trailing axle.

24 (b) Temporary license plates shall be replaced with permanent  
25 license plates upon receipt of the permanent license plates, and  
26 the temporary license plates shall be destroyed at that time.

27 (c) A covering shall not be used on license plates except as  
28 follows:

29 (1) The installation of a cover over a lawfully parked vehicle  
30 to protect it from the weather and the elements does not constitute  
31 a violation of this subdivision. A peace officer or other regularly  
32 salaried employee of a public agency designated to enforce laws,  
33 including local ordinances, relating to the parking of vehicles may  
34 temporarily remove so much of the cover as is necessary to inspect  
35 any license plate, tab, or indicia of registration on a vehicle.

36 (2) The installation of a license plate security cover is not a  
37 violation of this subdivision if the device does not obstruct or  
38 impair the recognition of the license plate information, including,  
39 but not limited to, the issuing state, license plate number, and  
40 registration tabs, and the cover is limited to the area directly over

1 the top of the registration tabs. No portion of a license plate security  
2 cover shall rest over the license plate number.

3 (d) A casing, shield, frame, border, product, or other device that  
4 obstructs or impairs the reading or recognition of a license plate  
5 by an electronic device operated by state or local law enforcement,  
6 an electronic device operated in connection with a toll road,  
7 high-occupancy toll lane, toll bridge, or other toll facility, or a  
8 remote emission sensing device, as specified in Sections 44081  
9 and 44081.6 of the Health and Safety Code, shall not be installed  
10 on, or affixed to, a vehicle.

11 (e) (1) It is the intent of the Legislature that an accommodation  
12 be made to persons with disabilities and to those persons who  
13 regularly transport persons with disabilities, to allow the removal  
14 and relocation of wheelchair lifts and wheelchair carriers without  
15 the necessity of removing and reattaching the vehicle's rear license  
16 plate. Therefore, it is not a violation of this section if the reading  
17 or recognition of a rear license plate is obstructed or impaired by  
18 a wheelchair lift or wheelchair carrier and all of the following  
19 requirements are met:

20 (A) The owner of the vehicle has been issued a special  
21 identification license plate pursuant to Section 5007, or the person  
22 using the wheelchair that is carried on the vehicle has been issued  
23 a distinguishing placard under Section 22511.55.

24 (B) (i) The operator of the vehicle displays a decal, designed  
25 and issued by the department, that contains the license plate number  
26 assigned to the vehicle transporting the wheelchair.

27 (ii) The decal is displayed on the rear window of the vehicle,  
28 in a location determined by the department, in consultation with  
29 the Department of the California Highway Patrol, so as to be clearly  
30 visible to law enforcement.

31 (2) Notwithstanding any other law, if a decal is displayed  
32 pursuant to this subdivision, the requirements of this code that  
33 require the illumination of the license plate and the license plate  
34 number do not apply.

35 (3) The department shall adopt regulations governing the  
36 procedures for accepting and approving applications for decals,  
37 and issuing decals, authorized by this subdivision.

38 (4) This subdivision does not apply to a front license plate.

39 (f) This section shall become operative January 1, ~~2018~~ 2019.

40 SEC. 17. Section 5202 of the Vehicle Code is amended to read:



1 5202. (a) A license plate issued by this state or any other  
2 jurisdiction within or without the United States shall be attached  
3 upon receipt and remain attached during the period of its validity  
4 to the vehicle for which it is issued while being operated within  
5 this state or during the time the vehicle is being held for sale in  
6 this state, or until the time that a vehicle with special or  
7 identification plates is no longer entitled to those plates; and a  
8 person shall not operate, and an owner shall not knowingly permit  
9 to be operated, upon any highway, a vehicle unless the license  
10 plate is so attached. A special permit issued in lieu of plates shall  
11 be attached and displayed on the vehicle for which the permit was  
12 issued during the period of the permit's validity.

13 (b) This section shall remain in effect only until January 1, ~~2018~~;  
14 ~~2019~~, and as of that date is repealed, unless a later enacted statute,  
15 that is enacted before January 1, ~~2018~~, ~~2019~~, deletes or extends  
16 that date.

17 SEC. 18. Section 5202 is added to the Vehicle Code, to read:

18 5202. (a) A license plate issued by this state or any other  
19 jurisdiction within or without the United States shall be attached  
20 upon receipt and remain attached during the period of its validity  
21 to the vehicle for which it is issued while being operated within  
22 this state or during the time the vehicle is being held for sale in  
23 this state, or until the time that a vehicle with special or  
24 identification plates is no longer entitled to those plates; and a  
25 person shall not operate, and an owner shall not knowingly permit  
26 to be operated, upon any highway, a vehicle unless the license  
27 plate is so attached. A special permit or temporary license plate  
28 issued in lieu of permanent license plates shall be attached and  
29 displayed on the vehicle for which the permit or temporary license  
30 plate was issued until the temporary license plate or the special  
31 permit expires, or the permanent license plates are received,  
32 whichever occurs first.

33 (b) This section shall become operative January 1, ~~2018~~. ~~2019~~.

34 SEC. 19. Section 5901 of the Vehicle Code is amended to read:

35 5901. (a) Every dealer or lessor-retailer, upon transferring by  
36 sale, lease, or otherwise any vehicle, whether new or used, of a  
37 type subject to registration under this code, shall, not later than  
38 the end of the fifth calendar day thereafter not counting the day of  
39 sale, give written notice of the transfer to the department at its  
40 headquarters upon an appropriate form provided by it.

1 (b) Except as otherwise provided in this subdivision or in  
2 subdivision (c), the dealer or lessor-retailer shall enter on the form  
3 and pursuant to Section 32705(a) of Title 49 of the United States  
4 Code, on the ownership certificate, the actual mileage of the vehicle  
5 as indicated by the vehicle's odometer at the time of the transfer.  
6 However, if the vehicle dealer or lessor-retailer has knowledge  
7 that the mileage displayed on the odometer is incorrect, the licensee  
8 shall indicate on the form on which the mileage is entered that the  
9 mileage registered by the odometer is incorrect. A vehicle dealer  
10 or lessor-retailer need not give the notice when selling or  
11 transferring a new unregistered vehicle to a dealer or lessor-retailer.

12 (c) When the dealer or lessor-retailer is not in possession of the  
13 vehicle that is sold or transferred, the person in physical possession  
14 of the vehicle shall give the information required by subdivision  
15 (b).

16 (d) A sale is deemed completed and consummated when the  
17 purchaser of the vehicle has paid the purchase price, or, in lieu  
18 thereof, has signed a purchase contract or security agreement, and  
19 has taken physical possession or delivery of the vehicle.

20 (e) This section shall remain in effect only until January 1, ~~2018~~,  
21 ~~2019~~, and as of that date is repealed, unless a later enacted statute,  
22 that is enacted before January 1, ~~2018~~, ~~2019~~, deletes or extends  
23 that date.

24 SEC. 20. Section 5901 is added to the Vehicle Code, to read:

25 5901. (a) Every dealer or lessor-retailer, upon transferring by  
26 sale, lease, or otherwise any vehicle, whether new or used, of a  
27 type subject to registration under this code, shall, not later than  
28 the end of the fifth calendar day thereafter not counting the day of  
29 sale, give notice of the transfer to the department electronically in  
30 a manner approved by the department.

31 (b) Except as otherwise provided in this subdivision or in  
32 subdivision (c), the dealer or lessor-retailer shall enter on the form  
33 and pursuant to Section 32705(a) of Title 49 of the United States  
34 Code, on the ownership certificate, the actual mileage of the vehicle  
35 as indicated by the vehicle's odometer at the time of the transfer.  
36 However, if the vehicle dealer or lessor-retailer has knowledge  
37 that the mileage displayed on the odometer is incorrect, the licensee  
38 shall indicate on the form on which the mileage is entered that the  
39 mileage registered by the odometer is incorrect. A vehicle dealer

1 or lessor-retailer need not give the notice when selling or  
2 transferring a new unregistered vehicle to a dealer or lessor-retailer.

3 (c) When the dealer or lessor-retailer is not in possession of the  
4 vehicle that is sold or transferred, the person in physical possession  
5 of the vehicle shall give the information required by subdivision  
6 (b).

7 (d) A sale is deemed completed and consummated when the  
8 purchaser of the vehicle has paid the purchase price, or, in lieu  
9 thereof, has signed a purchase contract or security agreement, and  
10 has taken physical possession or delivery of the vehicle.

11 (e) This section shall become operative January 1, ~~2018~~, 2019.

12 SEC. 21. Section 6100 of the Vehicle Code is amended to read:

13 6100. (a) A dealer who conducts a wholesale motor vehicle  
14 auction and who uses the form prescribed in subdivision (b) of  
15 Section 4456 shall include the phrase “SOLD THROUGH [name  
16 of dealer conducting the auction]” and the date of the auction on  
17 the certificate of title of every vehicle sold, in a manner prescribed  
18 by the department.

19 (b) This section shall remain in effect only until January 1, ~~2018~~,  
20 2019, and as of that date is repealed, unless a later enacted statute,  
21 that is enacted before January 1, ~~2018~~, 2019, deletes or extends  
22 that date.

23 SEC. 22. Section 6100 is added to the Vehicle Code, to read:

24 6100. (a) A dealer who conducts a wholesale motor vehicle  
25 auction and reports the sale of the vehicle in the manner prescribed  
26 in subdivision (b) of Section 4456 shall include the phrase “SOLD  
27 THROUGH [name of dealer conducting the auction]” and the date  
28 of the auction on the certificate of title of every vehicle sold, in a  
29 manner prescribed by the department.

30 (b) This section shall become operative January 1, ~~2018~~, 2019.

31 SEC. 23. Section 11714 of the Vehicle Code is amended to  
32 read:

33 11714. (a) The department, upon granting a license, shall issue  
34 to the applicant a license containing the applicant’s name and  
35 address and the general distinguishing number assigned to the  
36 applicant.

37 (b) A dealer shall not sell any vehicle at retail at a location that  
38 is not posted pursuant to Section 11709.

39 (c) A dealer who is authorized by the department to sell motor  
40 vehicles only at wholesale shall not sell any vehicle at retail and

1 shall report every sale to the department on the wholesale report  
2 of sale form prescribed by the department.

3 (d) When the department has issued a license pursuant to  
4 subdivision (a), the licensee may apply for and the department  
5 shall issue special plates which shall have displayed thereon the  
6 general distinguishing number assigned to the applicant. Each plate  
7 so issued shall also contain a number or symbol identifying the  
8 plate from every other plate bearing a like general distinguishing  
9 number.

10 (e) The department shall also furnish books and forms as it may  
11 determine necessary. Those books and forms are and shall remain  
12 the property of the department and may be taken up at any time  
13 for inspection.

14 (f) This section shall remain in effect only until January 1, ~~2018~~,  
15 ~~2019~~, and as of that date is repealed, unless a later enacted statute,  
16 that is enacted before January 1, ~~2018~~, ~~2019~~, deletes or extends  
17 that date.

18 SEC. 24. Section 11714 is added to the Vehicle Code, to read:

19 11714. (a) The department, upon granting a license, shall issue  
20 to the applicant a license containing the applicant's name and  
21 address and the general distinguishing number assigned to the  
22 applicant.

23 (b) A dealer shall not sell any vehicle at retail at a location that  
24 is not posted pursuant to Section 11709.

25 (c) A dealer who is authorized by the department to sell motor  
26 vehicles only at wholesale shall not sell any vehicle at retail and  
27 shall report every sale to the department as prescribed in  
28 subdivision (b) of Section 4456.

29 (d) When the department has issued a license pursuant to  
30 subdivision (a), the licensee may apply for and the department  
31 shall issue special plates which shall have displayed thereon the  
32 general distinguishing number assigned to the applicant. Each plate  
33 so issued shall also contain a number or symbol identifying the  
34 plate from every other plate bearing a like general distinguishing  
35 number.

36 (e) The department shall also furnish books and forms as it may  
37 determine necessary. Those books and forms are and shall remain  
38 the property of the department and may be taken up at any time  
39 for inspection.

40 (f) This section shall become operative January 1, ~~2018~~, ~~2019~~.

1 SEC. 25. Section 38080 of the Vehicle Code is amended to  
2 read:

3 38080. (a) The department may authorize, under Section 4456,  
4 dealers licensed under Article 1 (commencing with Section 11700)  
5 of Chapter 4 of Division 5 to use numbered copies of the  
6 report-of-sale form and corresponding temporary identification  
7 devices upon off-highway motor vehicles subject to identification  
8 that they sell.

9 (b) Off-highway motor vehicles subject to identification that  
10 are purchased from dealers not required to be licensed under Article  
11 1 (commencing with Section 11700) of Chapter 4 of Division 5,  
12 or that are specially constructed by the owner or owners, may be  
13 operated off-highway, as provided by this division, without an  
14 identification plate or device or identification certificate, provided  
15 a receipt or other suitable device issued by the department is  
16 displayed upon the vehicle evidencing an application has been  
17 made and appropriate fees paid pursuant to this division, until the  
18 identification plate or device and identification certificate are  
19 received from the department.

20 (c) This section shall remain in effect only until January 1, ~~2018~~,  
21 2019, and as of that date is repealed, unless a later enacted statute,  
22 that is enacted before January 1, ~~2018~~, 2019, deletes or extends  
23 that date.

24 SEC. 26. Section 38080 is added to the Vehicle Code, to read:

25 38080. (a) The department may authorize, under Section 4456,  
26 dealers licensed under Article 1 (commencing with Section 11700)  
27 of Chapter 4 of Division 5 to use the process described in Section  
28 4456 and corresponding temporary identification devices upon  
29 off-highway motor vehicles subject to identification that they sell.

30 (b) Off-highway motor vehicles subject to identification that  
31 are purchased from dealers not required to be licensed under Article  
32 1 (commencing with Section 11700) of Chapter 4 of Division 5,  
33 or that are specially constructed by the owner or owners, may be  
34 operated off-highway, as provided by this division, without an  
35 identification plate or device or identification certificate, provided  
36 a receipt or other suitable device issued by the department is  
37 displayed upon the vehicle evidencing an application has been  
38 made and appropriate fees paid pursuant to this division, until the  
39 identification plate or device and identification certificate are  
40 received from the department.

1 (c) This section shall become operative January 1, ~~2018~~ 2019.  
2 SEC. 27. No reimbursement is required by this act pursuant to  
3 Section 6 of Article XIII B of the California Constitution because  
4 the only costs that may be incurred by a local agency or school  
5 district will be incurred because this act creates a new crime or  
6 infraction, eliminates a crime or infraction, or changes the penalty  
7 for a crime or infraction, within the meaning of Section 17556 of  
8 the Government Code, or changes the definition of a crime within  
9 the meaning of Section 6 of Article XIII B of the California  
10 Constitution.

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