

AB 516 Temp Tags FAQ



AB 516 Basics

1. Who must use Electronic Reports of Sale?

California dealers, New Vehicle or Used Vehicle, will be required to use electronically assigned ROS numbers beginning January 1, 2019. This includes Auto, Commercial, Motorcycle, Trailer and Recreational Vehicle (Motorhomes) dealers, as well as Lessor-Retailers and Low-volume Wholesale dealers.

2. Does this mean the ROS will be paperless and use electronic signatures?

No, it does not. Two copies of the ROS will be printed, and original (wet) signatures will be required.

3. What is going to be different with AB 516?

ROS numbers will be assigned to the First Line Service Provider (FLSP), rather than the dealer, and will be provided to dealers in a round-robin fashion. Dealers will not need to order ROS directly from DMV, nor will dealers run out of ROS. DMV will automatically refresh the FLSP supply of ROS when the supply is nearing the predetermined threshold. Temporary License Plates (TLP) will be introduced and will be placed on all vehicles at time of delivery to buyer, except where there are already the required number of plates on the vehicle. In instances where there are already the requisite number of plates on the vehicle, the Operating Copy of the ROS (window copy) will still be placed in the window, however, no TLP will be generated.

4. Are Vessel dealers subject to AB 516?

For vessel transactions - no, as vessels/boats sold by dealers are reported on BOAT 101 form, not a Report of Sale. As many vessel transactions involve the sale of a Trailer, vessel dealers will need to meet the requirement for Electronic ROS & TLP in those instances.

5. Which Reports of Sale will be included?

This change will impact:

- REG 397 (New Vehicle ROS)
- REG 397A (Multiple New Vehicle ROS)
- REG 51 (Used Vehicle ROS)
- REG 396 (Wholesale ROS)
- REG 398 (Auction ROS)

6. Will Temporary License Plates be required on every vehicle?

Temporary License Plates (TLP) will be required on every vehicle sold on REG 397, REG 397A, or REG 51 that does not already have the requisite number of license plates.

New vehicles, Out of State Titled vehicles, and California Titled Auto/Commercial vehicles with less than two permanent plates will require TLP on the front and rear of the vehicle.

Motorcycles and Trailers will require a single TLP, unless the vehicle already has a permanent plate.

Wholesale (REG 396) and Auction (REG 398) vehicles are exempt from TLP.

Vehicles requiring two plates:

- Automobiles, including SUVs and motorhomes
- Commercial vehicles, including pickup trucks

Vehicles requiring one plate:

- Motorcycles
- Trailers (PTI)
- Camp Trailers
- Trailer Coaches

Electronic Report of Sale (eROS)

7. Can eROS be amended?

Yes, the eROS may be amended within 20 days (REG 397/REG 397A) or 30 days (REG 51) from the date of sale. eROS must be reprinted with the correct information and will require REG 256 to indicate what changes were made, as the amendments will be made in electronic form. Amendments may only be made until the Registration has been completed, and a permanent plate is assigned to the vehicle.

8. Will dealers be required to send in 5-Day notices after January 1, 2019?

No, dealers will not be required to send in 5-Day notices once the eROS system goes live on January 1, 2019. A file will be transmitted each night to DMV by the First Line Service Provider (FLSP), which will update the ROS/TLP Database.

9. Does the dealer need to send a report to DMV of vehicles delivered?

No, the FLSP will produce the report, which will be sent to DMV nightly.

10. Does the Temporary License Plate (TLP) take the place of an Operating Copy of the ROS in the window of the vehicle?

No, the TLP does not replace the Operating Copy of the ROS. Vehicles delivered by the dealer that will be used on CA roadways will require a TLP, and an Operating Copy of the ROS must be displayed in the front window.

11. What does the dealer need to do with the supply of ROS on hand on January 1, 2019?

DMV has not yet determined what they will require dealers do with the existing supply of paper ROS. It is likely the dealer will need to destroy the supply, after documenting on dealer letterhead what the sequences were, to keep on hand in the event of an audit.

12. What changes will be made to the ROS document?

Report of Sale documents will be revised with a January 2019 date, and shall now include a field for Temporary License Plate Number, among other changes.

13. Are there any additional documents/forms that will be required?

A Privacy Policy will be added as a portion of the ROS.

Temporary License Plates (TLP)

14. How long is the TLP good for?

TLP expire 90 days after the Date of Sale.

15. Can I get an extension on the TLP if there is an issue preventing the Transfer from being completed within 90 days?

There are no measures in place to allow an extension of the TLP. A Temporary Operating Permit (TOP) can be obtained at DMV Field Offices.

16. The TLP was damaged before the Registration was completed. Can the issuing dealer reprint the TLP?

Yes, the dealer will be allowed to reprint the TLP. The dealer will indicate the TLP was Damaged, and the TLP number and identifying information will remain the same, including the expiration date.

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Temporary License Plates (TLP) continued

17. The TLP was stolen from the vehicle before the Registration was completed. Can the issuing dealer reprint the TLP?

The dealer will issue a new TLP. The dealer will indicate the TLP was Stolen, and a new TLP number will be generated. All additional identifying information will remain the same, including the expiration date.

18. What if I have a Disabled Person or Specialty Plate that I am reassigning to a new vehicle? Will TLP be required?

Yes, TLP will be required on the vehicle until the Registration has been completed; the Disabled Person or Specialty Plates may be reassigned to the new vehicle during the Registration, or sequential plates may be assigned.

19. Is there a maximum number of times a TLP can be reprinted?

No, however, TLP may only be reprinted once without Manager approval. Additional reprints after the first two printings of TLP will require Manager approval with each reprint.

20. If a vehicle has expired plates, but there are two plates on the vehicle, can a TLP be generated?

No, DMV has stated a TLP should not be generated in this instance. The Operating Copy of the ROS is used to operate the vehicle until Registration/Transfer is complete, and Registration Card and/or Stickers are received. The Operating Copy is valid for 90 days.

21. Can the dealer place their dealer advertiser plates ("flashers") over the expired/expiring license plates that exist on the vehicle?

No, dealers will not be able to deliver a vehicle using the advertiser plates as is done currently. All vehicles delivered by California dealers must have TLP or permanent plates to operate on California roads.

22. Will the TLP be placed on top of the existing plate for used vehicles, until the Transfer is complete?

No, if the required number of plates are already on the vehicle, a TLP will not be issued. If the required amount of plates are not on the vehicle, a TLP will be issued. The Operating Copy of the ROS is used to operate the vehicle until Registration/Transfer is complete, and Registration Card and/or Stickers are received. The Operating Copy is valid for 90 days.

23. Will TLP be generated/required if processing Title Only transaction on REG 397?

No, TLP will not be generated when processing REG 397 if Title Only is indicated.

24. Will TLP be generated/required upon printing of REG 51?

TLP will be generated upon printing REG 51, if the vehicle does not have the required number of plates. If Transfer Only is indicated, or there are already the required number of plates on the vehicle, no TLP will be generated.

25. Will law enforcement have access to TLP information on the day of sale, or will the buyer need to carry paperwork?

The TLP Database is updated nightly, however, an Operating Copy of the ROS (window copy) will still be required. The TLP contains several identifying pieces of information, such as: ROS number, TLP expiration date, VIN, Year and Make of the vehicle.

26. How will TLP be affixed to the vehicle?

TLP will need to be affixed by four screws inserted as they are on a hard plate. The TLP will contain marks where the holes will be. TLP for Automobile, Commercial vehicles and Trailers shall measure 6 x 11". TLP for Motorcycles shall measure 4 x 7".

Common Procedural Questions

27. How will AB 516 affect Unwinds/Voids?

Sales that are not consummated/delivered to buyer may be marked Unwind (Void) in the system. Manager approval is required when an ROS is marked Void. Any TLP associated with Void ROS will be Void, and must be destroyed. Complete a Statement of Facts, REG 256, to retain with the Void ROS.

The system shall allow a second REG 397 for the same VIN only if the first ROS is marked Unwind (Void).

28. How will AB 516 affect Rollbacks?

Sales that are consummated/delivered to buyer and are subsequently returned to the dealer shall be marked as a Rollback. Manager approval is required when an ROS is marked as a Rollback.

The system shall allow appropriate Rollback options to be selected in these instances.

Any TLP associated with Rollback ROS will be void.

The system shall NOT allow a second REG 397 for the same VIN if the first ROS is marked Rollback; a REG 51 will be required.

29. How will AB 516 affect Courtesy Deliveries?

The dealer will issue the eROS and accompanying TLP for all vehicles delivered. TLP will be generated for REG 397/REG 397A unless Title Only is indicated in the system.

30. How will vehicles be allowed to be transported prior to delivery?

Prior to sale, vehicles must be moved by transport, or with Dealer Plates attached.

31. Dealer Plates - what are the requirements for using Dealer Plates (Special Plates)?

Special Plates issued to dealers may be used to move vehicles prior to sale, provided the vehicle is in the dealer's inventory, available for sale. Dealer Plates may not be used to move a vehicle once the vehicle has been delivered, but may be used to deliver a vehicle to the buyer, provided the sale is consummated at the place of delivery.

32. Will there be changes to the process for those businesses who purchase vehicles from dealers and complete the Registration themselves?

The dealer will issue the eROS, and the accompanying TLP. If the vehicle is delivered via transport, and not driven on California roads until the permanent plates are affixed, the TLP may be destroyed in a manner compliant with AB 516. If the vehicle is delivered to the buyer and is used on California roads, the TLP will be required to operate the vehicle.

33. Will there be any changes to the audit process?

There are no changes expected in the Registration audit process, however, there is a change to the process to amend ROS. Strikethroughs on ROS will not be permitted; all amendments must be made electronically through the eROS system, and supported with REG 256 indicating the amendments.

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Best Practices

34. In & Out Sheet/Checklist

Dealers are encouraged to use an In & Out Sheet when purchasing a vehicle, taking a vehicle in trade, or selling a vehicle to a new buyer. In & Out Sheets typically require information such as:

VIN, Make, Model, Model Year, Stock #, Odometer reading, and the number of plates on the vehicle. In & Out Sheets can contain more, depending on the dealer's needs.

Equipment and Paper Requirements

35. What special equipment does the dealer need to be prepared for AB 516?

DMV requires use of a commercially available laser printer to generate the TLP. There are no other hardware requirements.

36. How does the dealer obtain the paper for the TLP?

Final factors are still being determined, but it is expected that the dealer will obtain the TLP paper from their First Line Service Provider (FLSP).

37. Does paper come cut to size, or does it have to be cut to fit?

TLP will be printed on 8.5 x 11" paper. Final factors are still being determined regarding the paper.

38. How does the dealer get compensated for the additional hardware and paper expense?

Effective January 1, 2019, dealers may increase the Document Processing Charge (Doc Fee) to eighty-five dollars (\$85).

Non-BPA Dealers and Other Industry Partners

39. What if I'm an Independent dealer, and I don't participate in the Business Partner Automation (BPA) program?

Dealers not currently in the BPA are welcome to apply for participation, however, they are not required to at this time. Dealers not in the BPA may increase the Document Processing Charge (Doc Fee) to seventy dollars (\$70), effective January 1, 2019.

40. How does an Independent dealer comply with AB 516?

DMV has selected an independent contractor, Fairfax Imaging, to create a system for non-BPA dealers to utilize for AB 516 compliance.

41. How will the DMV provide information to any non-BPA dealers & to Registration Services?

DMV will issue a VIN/OLIN memo near the end of September, notifying the Industry of this upcoming change.