



SALESPERSON APPLICATION INFORMATION

LICENSING REQUIREMENTS/1ST TIME APPLICANTS

Colorado law has certain requirements that must be met before a Motor Vehicle Salesperson license is authorized by the Motor Vehicle Dealer Board:

- Employed by a licensed dealer
- Complete form DR 2115 "Motor Vehicle Salesperson License Application"
- Pass the Mastery Exam and complete the Exam Affidavit.
- Provide a \$15,000 surety bond.
- DR 4679, "Proof of lawful presence in the U.S."
- Copy of verifiable identification
- Payment of license fee.

LICENSE LAW EXAMINATION

An applicant must pass the license law exam. The Mastery Exam requires a passing score of 100% on the open book exam. The Mastery Exam will be given to the applicant by the hiring dealer or one of the approved third party testers. There is no fee to take the exam. **The exam affidavit must be retained by the dealership and available for inspection.**

SURETY BOND REQUIREMENT

Colorado law requires an applicant to provide a \$15,000 surety bond. The hiring dealer may suggest a bonding agent or the applicant may contact their insurance agent for a referral. The bond must be on a form approved by the State Attorney General. The original surety bond must be signed by the license applicant. The original signed bond will be retained by the dealership and available for inspection. The surety bond must be renewed annually at the same time the license is renewed.

APPLICATION REQUIREMENT

Form DR 2115, "Motor Vehicle Salesperson License Application" must be completed with true and accurate information. These disclosures are required for the Board and the hiring dealer. The hiring dealer must complete the "Employing Dealer's Certification" portion of the application. The completed application, required attachments and fee must be submitted to the Auto Industry Division (AID). Mail to the Department of Revenue, AID, Denver CO 80261-0016 or hand deliver to the AID, 1881 Pierce Street, Lakewood, CO 80214.

A motor vehicle salesperson license may be denied or suspended if a material misstatement is made in an application for a license. A "Material Misstatement" means any false or misleading statement, omission, or misrepresentation regarding personal identification information, employment history, prior occupational licensing history, criminal background and history, including arrests, filings, indictments, municipal, misdemeanor, and/or felony convictions and deferred judgements.

Denial of a license is mandated by statute when an applicant for a license has been convicted of or pled no contest to any of the following offenses in Colorado or any other jurisdiction during the past ten years: 1) A felony in violation of Article 3, 4 or 5 of Title 18 C.R.S. or any similar crime in another jurisdiction. 2) Any crime involving odometer, salvage, motor vehicle title fraud of the defrauding of a retail consumer in a motor vehicle sale or lease transaction.

COURT RECORDS

If the applicant has ever been arrested, charged with, convicted of or pled no contest to any felony or misdemeanor crime in the past ten years, excluding traffic violations, full details must be provided including type of crime, date, place of conviction, sentence received, etc. **Supporting court documents must be included with the application.**

Title 18 Article 3 covers crimes against persons such as murder, assault, kidnapping, sexual assault, custody violation, menacing weapon, vehicular homicide, manslaughter, criminal extortion and enticing a child.

Article 4 covers crimes against property including arson, theft, burglary, robbery, criminal mischief over \$500, criminal trespass in the 1st degree and unlawful transfer for sale (copyright infringement).

Fraud is covered by Article 5, including forgery, criminal possession of a forged instrument or forging instrument, criminal impersonation, fraud by check (over \$500), commercial bribery, bribery in sports and equity skimming.

AUTHORITY TO SELL MOTOR VEHICLES

First time applicants may begin selling motor vehicles when the applicant has completed the application process and a TEMPORARY LICENSE is issued. The TEMPORARY LICENSE is subject to denial pending the results of a background investigation. The application review and investigation process may take several weeks. If an applicant has received a Dealer Board disciplinary action within the past 5 years, the applicant may not start selling until the Board reviews the application and grants a license.

The TEMPORARY status is in effect until the license is approved or denied. If the application is approved, the TEMPORARY license becomes permanent. If the application is denied, a Notice of Denial is issued and the applicant must immediately cease selling motor vehicles upon receipt of the Board Order. The Notice explains an applicant's rights to request a formal hearing.

When a motor vehicle salesperson license is issued, it is valid for one year following the month of issuance. For example, if a motor vehicle salesperson license is issued on September 5th, the license is valid for one year and expires on September 30th of the following year. The 3-part license is mailed to the employing dealer. The dealer will post the top copy of the license and give the salesperson the second and third copy.

PROOF OF LAWFUL PRESENCE IN U.S.

The applicant must complete the Affidavit DR 4679 to prove lawful presence. The affidavit must be attached to the application and sent to the Auto Industry Division upon completion.

A copy of the applicant's identification provided as proof of lawful presence must be sent to the Auto Industry Division. Please review emergency rules in order to understand what constitutes "Proof of Lawful Presence."

www.colorado.gov/revenue/enforcement

CHANGING DEALERSHIPS

When a salesperson terminates employment with a dealership, the dealer is required to return the salesperson license to the AID. The salesperson must immediately cease

selling until employment at another dealership is obtained and proper notification is given to the AID. The applicant must submit the "Change of Employer Notification" form to the AID. The "Change of Employer Notification" form is at the bottom of the salesperson's license.

The form must be filled out completely and signed by both the salesperson and the new hiring dealer. There is a fee to reissue a license. The notification may be sent to Department of Revenue, AID, Denver CO 80261-0016.

The new license will be issued for the remaining months of the 12-month license and will display the salesperson's name, the new employing dealer's name, license number and address. The license will be mailed to the new employing dealer.

LICENSE RENEWAL

The license and surety bond expire 12 months after the month of issuance. A renewal form is mailed to the licensed dealer prior to the expiration of the salesperson license. The renewal application must be completed and returned along with the renewal fee and the original new bond or continuation certificate. A courtesy grace period of 30 days is granted after the expiration date. In order to renew a current existing license, the Auto Industry Division must receive the renewal application **prior** to the license expiration date, after which a late fee may be assessed. A request for a license to be renewed after the expiration date and 30 day grace period requires a new original application, surety bond and fee.

APPLICATION FEES

See fee schedule for the current year. Make checks payable to the Colorado Department of Revenue. Licensing fees are subject to change on July 1 of each year.

ADDITIONAL INFORMATION

For additional information contact AID at (303) 205-5604. The AID homepage has information available for consumers and dealers:

www.colorado.gov/revenue/enforcement

Walk-in assistance is available at the Department of Revenue, 1881 Pierce Street, Lakewood.