

## 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 Online Mastery Examination and complete the Examination Affidavit
- Obtain a \$15,000 surety bond.
- Verification of Fingerprints
- Copy of verifiable identification
- Payment of license fee

### Mastery Examination

An applicant must pass the Online Mastery Exam with a passing score of 85%. This is an open book exam. The Mastery Exam will be administered to the applicant by the hiring Dealer or one of the approved third party providers. There is no fee to take the exam. The examination affidavit must accompany the completed license application.

### 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. A copy of the signed surety bond must accompany the completed license application. 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.

### Verification of Fingerprints

Provide a Verification of Fingerprints form (DR 2197) AND either a receipt/confirmation from a 3rd party vendor OR two (2) fingerprint cards. See the Auto Industry Division website listed above for specific requirements that must be met by all applicants.

### 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 or hand deliver to the Department of Revenue. The AID mailing address is listed at the top of this form. The physical address can be found on the AID website.

**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 filings, indictments, municipal, misdemeanor, and/or felony convictions and deferred judgment.

Denial of a license is mandated by statute when an applicant for a license has been convicted of, pled no contest to, or received a deferred judgment/sentence on any of the following offenses in Colorado or any other jurisdiction during the past three 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 or the defrauding of a retail consumer in a motor vehicle sale or lease transaction.

## Court Records

If the applicant has **ever** been convicted of, received a deferred judgment/sentence, pled no contest, or is currently charged with any **felony**, full details must be provided including type of crime, date, place of conviction, sentence received, etc. **Certified court records must be included with the application.**

If the applicant has been, convicted of, received a deferred judgment/sentence, or pled no contest, to any misdemeanor crime in the **past ten years** or is currently charged with any **misdemeanor**, full details must be provided including type of crime, date, place of conviction, sentence received, etc.

**Certified court records must be included with the application.**

Article 3 of Title 18 includes *but is not limited to* 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 of Title 18 includes *but is not limited to* 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).

Article 5 of Title 18 includes *but is not limited to* fraud, 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 been the subject of Dealer Board licensing or disciplinary action within the past 5 years, the applicant will not receive a temporary license and may not start licensing or 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, a permanent license will be issued. 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 of Denial documents explain 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 license is mailed to the employing dealer. The dealer will post the license at their place of business.

## Changing Dealerships

When a salesperson terminates employment with a dealership, the dealer is required to return the salesperson license to the Auto Industry Division. The salesperson must immediately cease selling until employment at another dealership is obtained and proper notification is given to the Auto Industry Division. The applicant must submit the "Change of Employer Notification" form to the Auto Industry Division. 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 employing dealer. There is a fee to transfer a license. Mail or hand deliver to the Department of Revenue. The AID Mailing/Physical address can be found on our website:

[SBG.Colorado.gov/AID](http://SBG.Colorado.gov/AID)

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 application 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 a copy of the 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 will 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 Auto Industry Division at (303) 205-5604. The Auto Industry Division homepage has information available for consumers and dealers:

[SBG.Colorado.gov/AID](http://SBG.Colorado.gov/AID)

Walk-in assistance is available at the Department of Revenue. The AID mailing address is listed at the top of this form. The physical address can be found on the AID website.