

# Bulletin

**D 03-06-01**

**March 31, 2006**

**BULLETIN TO:**

**ALL DEALERS AND TITLE SERVICES**

- 1. Signature & Capacity**
- 2. New 60 Day Temp Tags**
- 3. ERT Sticker Audit**
- 4. Common Reasons for Title Work Being Rejected**
- 5. Low Speed Vehicles**

## **1. Signature & Capacity**

Any document that is signed on behalf of a company must indicate the capacity of the signer. This includes applications, renewals, requests for official copies, and all other MVA transactions. It also includes all supporting documents submitted for the titling and registration of vehicles, including title re-assignments, odometer statements, title applications, etc.

When vehicles are being titled to business entities (companies, corporations, partnerships, LLC, etc) the person(s) signing for the business must state their capacity/title (ie; owner, officer, partner, title clerk, finance manager, or other title that indicates the authority to sign). If a person who does not have the capacity to sign for a business entity is signing the documents, a power of attorney (p/a) must accompany the transaction. This may either be a restricted power of attorney identifying the vehicle by year, make and VIN or a general power of attorney that allows transfer of personal property. In these instances, the original or a notarized copy must be submitted. You must indicate p/a after the signature.

Preparers of dealer work who are signing documents on behalf of the dealership should follow their signatures with their job title or capacity within the dealership. Or indicate that they have power of attorney (p/a). A copy of the power of attorney must be submitted with each transaction.

The time involved to correct and resubmit work that has been returned may result in processing delays that could impact your customer's ability to operate their vehicle.

**Contact: Rhonda Witt, Manager, Glen Burnie Branch, 410-787-7899**

## **2. 60 Day Dealer Temporary Tags**

The Maryland Motor Vehicle Administration will begin issuing a new 60-Day Temporary Plate in mid January 2006. The new plate will still be a blue and white cardboard plate consisting of 5 numeric and 1 alpha. The change to the plate is the holographic image reflecting the words AAMVA-MD throughout the hologram. In addition, a field has been added to the plate which now shows the plates manufacture date (year).

Please note that we currently still have old 60-day plates, therefore we will continue to sell them and the dealerships may continue to use them until they have been depleted.

**Contact: Vehicle Services - Betty Rabbitt, Assistant Manager, 410-768-7409**

## **3. ERT Sticker Audits**

MVA Auditors have recently completed an audit to assess sticker accountability and wish to share the following.

In many instances we observed that the dealerships could not provide pertinent information on missing stickers, whether they were used, voided or returned. This was mainly due to the fact that they don't utilize a log and other pertinent documentation was not readily available. Accordingly, we recommend that the dealership account for the registration stickers and tags by maintaining perpetual inventory records as to received, issued, void, missing and on hand. In addition, we recommend that dealership personnel report missing or stolen registration stickers to the Administration's ERT Unit, to Business Licensing & Consumer Services and to local law enforcement agencies.

During the course of the audit, we reviewed the dealership's internal control in safeguarding the registration stickers. In some instances, we noted that although the registration materials are kept locked, all business office employees have access to the secured areas. In many instances, we noted that the dealership does not deface a voided sticker, prior to returning to the Administration and does not maintain a copy of the voided sticker. Accordingly, we recommend that the dealership deface all voided stickers, keep readily available records for voided, returned and missing stickers and tags. We also recommend that the registration stickers and tags be kept in a separate locked room and accessible only to authorized personnel and that three key functions - 1) access to the stickers, 2) perpetual record keeping and 3) periodic independent review of the stickers be properly segregated.

**Contact: Rick Bilenky, Acting Chief, Internal Auditing, 410- 768-7049**

#### **4. Top Reasons for Rejection of Title Service and Dealer Work**

The Glen Burnie Branch staff has prepared the following list of the most common reasons for dealer and title service work being rejected. Please be guided by this list. It should help speed processing of your customer's work and reduce the number of transactions being rejected.

- Full names and date of birth not given. No middle name or only a middle initial is on application.
- Capacity of signer for business not indicated.
- Documents and applications are not complete. Date of sale, delivery, address, printed name, etc is blank.
- Tag transfer (VR-5) is not complete or a copy of the registration card not submitted.
- Letters of correction for cross-outs or errors on paperwork don't meet requirements.
- Bill of sale not acceptable – not on dealers letterhead, unsigned, not original or notarized true copy.
- Transmittal incomplete or contains conflicting requests.
- Weights not indicated for trucks.
- Proper odometer statement not submitted.
- Supporting documents not submitted - Birth certificates, marriage licenses, etc to define relationship for change of name or gift transactions.
- Checks and/or forms not signed.
- Payment short.
- Photos for dump trucks and homemade trailers not submitted with the application.

**Contact: Rhonda Witt, Manager, Glen Burnie Branch, 410-787-7899**

#### **5. Low Speed Vehicles**

Effective January 1, 2006, the Maryland Motor Vehicle Administration will begin titling and registering Low Speed Vehicles (LSVs). The vehicle class for low speed vehicles is D with an R in the exception field. The new plate format is 3 numeric + R + 2 numeric.

A low speed vehicle is a four-wheeled electric vehicle that has a maximum speed capability that exceeds 20 mph but is less than 25 mph. This vehicle cannot be driven on a road where the posted speed is greater than 30 mph.

Businesses selling LSVs must have a vehicle dealer's license. Manufacturers of the LSVs must also be licensed prior to transferring these vehicles to their dealers. Franchises for new LSVs can be added to existing new vehicle dealer's licenses. Sale of used LSVs will require a used vehicle dealer's license.

**Contact: Title & Registration - Brenda Scheydt, Section Manager, Electronic Services, 410-768-7365**

**Dealer Licenses – Cheryl Lesage, Manager, Business Licensing, 410-768-7248**

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Cheryl Lesage, Manager  
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