

Date: July 8, 2022
Bulletin: All Dealers
From: Business Licensing and Drive Instructional Services
RE: Legislation Update: HB0679

The below bill passed the legislature this year and defines “vehicle salesman” and potentially when a vehicle salesman license is required.

HB0679 Vehicle Laws – Licensing of Businesses and Occupations – Definition of Vehicle Salesman

Effective October 1, 2022, the definition of a “Vehicle Salesman” also includes any individual who for a commission or other compensation, negotiates with or induces any other person to enter into a **financial security, or warranty agreement** on behalf of a dealer in connection with the sale of a vehicle and a “Vehicle Salesman” license ***is required***.

For example, if any employee (finance manager, sales manager, sales associate, etc.) of the dealership who does not typically performs the duties of a “Vehicle Salesman” but for a commission or other compensation negotiates with or induces any person to enter into a financial security or warranty agreement on behalf of the dealer in connection with the sale of a vehicle; that individual ***is required*** by law to be licensed as a “Vehicle Salesman”.

A “Vehicle Salesman” license ***is not required*** for an individual who is compensated for arranging for the leasing of a vehicle for a period exceeding 180 days; or for a person who induces or arranges for the sale of a vehicle from a licensed dealer to another person, who in turn leased the vehicle to a lessee; or for a person engaged in the leasing of vehicles under leased into intended as security.

For instructions on ***How To obtain a “Vehicle Salesman”*** license you may download the Salesman License application packet at <https://mva.maryland.gov/Documents/SalesmanLicensePacket.pdf>. Please complete the application in its entirety and answer all background questions completely. The following documents need to accompany the salesman application:

- Submit receipt from Criminal Justice Information System – Central Repository attesting that the applicant has completed the fingerprinting process.
- Include a photocopy of current driver’s license or identification card. (Note: Possession of a valid driver’s license is not required. For applicants without a valid driver’s license, a letter from the owner or designee of the dealership stating perspective salesperson will not be driving any vehicle for sale or demonstration is required to be submitted with the packet.)
- Submit payment of \$202.50 for 3-year licensure.

The completed application and required documents may be uploaded into your e-service business portal for processing or mail directly to MDOT Motor Vehicle Administration, 6601 Ritchie Highway N. E., 2106, Attention: Business Licensing and Driver Instructional Services Division.

If you have questions, please contact MDOT MVA Business Licensing and Driver Instructional Services at 410-787-2952 or mvabldisd@mva.maryland.gov