

# A Dealer Guide to Obtaining HOV Stickers for New Car Inventory

# Revised 9-19-2013 with Questions 12 and 14

California law allows drivers of certain electric, natural gas, and plug-in hybrid vehicles to obtain stickers for attachment to the vehicle that allow access to High Occupancy Vehicle (HOV) lanes without additional passengers. Traditionally, in order to receive these stickers, owners of these vehicles had to wait until they received permanent license plates, and then submit an \$8.00 fee, completed application, and supporting documents to the Department of Motor Vehicles. Due to staff limitations, the application processing and sticker issuance took as a long as ten weeks—meaning that eligible vehicle owners were unable to take advantage of the HOV program for months.

Through a collaborative effort involving the Department of Motor Vehicles, the Office of the Governor, and CNCDA, new car dealers will be able to apply for and install HOV stickers on eligible vehicle before they are even purchased, *beginning Monday, September 16, 2013*. This will allow purchasers of qualifying vehicles to access HOV lanes on the date of purchase.

The sticker must be applied for in advance by completing **DMV Form REG 1000D**—which allows dealers to apply for up to 10 stickers (multiple forms can be completed at one time). This form will be used to list the vehicles for which you apply for an HOV sticker. When the vehicle is retailed, the selling dealer must then complete **DMV Form REG 1000**, which is to be attached to the **New Vehicle Report of Sale Form**. The serial number for the HOV sticker also needs to be entered when processing the registration transaction electronically through the Business Partner Automation (BPA) program.

# **Important Notes:**

- Each sticker contains a serial number that assigned to a specific vehicle; dealers should take
  every precaution to avoid mixing up the stickers. Attaching the incorrect sticker to a vehicle
  could result in disciplinary action against the dealer's license, and potential HOV lane
  violations for the purchaser of the vehicle.
- DMV will not allow dealers to advertise the HOV Lane Sticker as "free" or "included with price"; DMV instructing dealers, until further notice, that they can only advertise that the "HOV Lane Decal is available at the dealership" at the time of purchase.

### **HOV Lane Sticker Application Procedures**

#### 1. Complete DMV Form REG 1000D

<u>Section 1</u> - Dealer Information: Insert the dealer business name, dealer license number, and dealer physical address (and mailing address if different).

<u>Section 2</u> - New Vehicle Information: Insert the Vehicle Identification Number, year, make and model for each vehicle, as well as the appropriate motive power code and its respective sticker checkbox, as follows:

White Sticker Motive Power Codes	Green Sticker Motive Power Code
Electric – E	Plug-In Hybrid – Q
Hydrogen Fuel Cell – E	
Liquefied Petroleum Gas (LPG) – P	
Compressed Natural Gas (CNG) – N	

<u>Section 3</u> – <u>Certification</u>: By completing and signing this section, you certify under penalty of perjury that the information submitted was true and correct.

<u>Payment</u>: The fee for each sticker is \$8.00. When sending in the application form, the dealer must make a single payment in full for the aggregate amount of fees for stickers applied for.

<u>Delivery</u>: The DMV expects to deliver sticker inventory to the dealer within 14 business days by *Golden State Overnight* delivery.

# 2. Complete DMV Form REG 1000 after Sale

- a. Line-though the "\$8 FEE REQUIRED MADE PAYABLE TO DMV" in upper left corner, and write "Pre-paid."
- b. In upper right corner, enter the number of the sticker that was placed on the vehicle.
- c. Attach the completed form to the New Vehicle Report of Sale Form.
- d. Write "N/A" in field for "Vehicle License Plate"
- e. Complete Sections A, B, and F of the REG 1000 form.
- f. Attach the completed and executed form REG 1000 along with the New Vehicle Report of Sale (REG 397) for the vehicle.

# 3. Business Partner Automation (BPA) Processing

- a. Process new vehicle transaction as usual;
- b. In the MISC# Field, enter the HOV sticker number for the Vehicle; and
- c. If either the REG 397 or REG 1000 is incomplete, return *both* documents—they must be re-submitted together to complete the transaction.

# **Frequently Asked Questions**

The following Questions and Answers were created in consultation with senior DMV Registration and Enforcement personnel.

### **Application Process**

### 1. What vehicles are eligible?

Eligible vehicles can qualify for two kinds of HOV Stickers:

- <u>White HOV Stickers:</u> These white stickers are available to an unlimited number of qualifying "Federal Inherently Low Emission Vehicles". Typical vehicles that meet this requirement are battery electric vehicles and compresses natural gas (CNG) vehicles. As of September 1<sup>st</sup>, 32,764 White HOV Stickers have been issued.
- <u>Green HOV Stickers:</u> These green stickers are available to the first 40,000 applications that purchase or lease cars meeting California's Enhanced Advanced Technology Partial Zero Emission Vehicle (AT PZEV) requirement. As of September 1<sup>st</sup>, 18,270 Green HOV Stickers have been issued.

For a list of what vehicles are eligible for this program, and what color stickers they would qualify for, consult the Air Resources Board's webpage on the subject: http://www.arb.ca.gov/msprog/carpool/carpool.htm

# 2. How many HOV stickers can I order at once?

Up to ten (10) White and Green HOV stickers can be requested per application form. More than one application may be submitted at one time.

#### 3. How long will I wait before I receive the HOV stickers?

It will take the Department of Motor Vehicles up to 14 business days to process the application and send you the stickers.

# 4. May I order more HOV stickers than I currently need?

No. Each sticker requires a Vehicle Identification Number of an eligible vehicle. The sticker provided will correspond with the VIN of the eligible vehicle. This must be recorded by the DMV when it processes the application.

5. After receiving the sticker at the dealership, how long do I have to place the sticker on an eligible vehicle?

Once the dealership receives the sticker, it means that the sticker's serial number has been assigned to the vehicle and will not be useable until the sticker has been affixed to the vehicle. The dealer can place the sticker on the vehicle before it is sold or give the sticker to the purchaser at the point of sale.

6. Can I apply the stickers onto applicable vehicles in the showroom?

Yes. Dealers will be able to purchase the stickers in advance and affix them to eligible vehicles that have not yet been sold.

7. What happens if I sell and deliver a vehicle after applying for the sticker, but before the sticker is received?

After the sticker is received from DMV, complete the REG 1000 form and attach it to the New Vehicle Report of Sale. Afterward, when processing electronically, enter the serial number for the sticker into the "MISC" field through the BPA program. Once the sticker is received, it can be mailed to the customer, or the customer can pick it up at the dealership.

If the sticker is not received until <u>after</u> the New Vehicle Report of Sale has been submitted and registration transaction has been processed electronically, the dealer only needs to send the completed REG 1000 form to the address listed on the form—there is no need to worry about voiding the Report of Sale or amending the record through the BPA program.

8. What if I sell a vehicle that does not have the sticker, but another similar showroom model has one. Can I reassign the sticker to the sold vehicle?

No. Each sticker is registered with a specific VIN and is non-transferrable.

#### Point-of-Sale

9. Can I complete DMV Form REG 1000 on behalf of the customer after they have granted me power of attorney through signing a REG 262 form?

Yes. If the customer has properly granted power of attorney through appropriate execution of DMV Form REG 262, the DMV has concluded the dealer can complete Form REG 1000 on behalf of the customer.

10. Can I pass the \$8 HOV sticker fee on to the customer?

Yes. DMV has told CNCDA that if a dealer will pass on the \$8.00 fee to the customer, it must be disclosed on the retail installment sale contract or lease agreement.

- On the 553-CA in the "Amounts Paid to Public Officials" Section, on Line 2.D. "Other", as "DMV HOV Lane Sticker Fee".
- On a lease agreement, on a blank line in either the "Itemization of Amount Due At Lease Signing" or "Itemization of Gross Capitalized Cost" section (whichever appropriate), insert "DMV HOV Lane Sticker Fee".

# 11. What if the sticker becomes lost or destroyed before I have a chance to affix it onto the eligible vehicle? May I order another one?

If one of the stickers becomes lost or destroyed, all remaining stickers having the same serial number must be returned to the DMV (usually four stickers) and the dealer must apply for a new sticker. This can be done by submitting a completed REG 1000 form with Section D completed.

#### 12. What if the customer does not want the HOV Lane Sticker?

In the unlikely event that a customer does not want HOV Lane Stickers installed on the vehicle, and you have not yet affixed the stickers to the vehicle, you can send the stickers back to DMV at the following address, along with a REG 256 Statement of Facts explaining that you are abandoning the stickers for the vehicle:

Department of Motor Vehicles
Special Program Processing – MS H825
P.O. Box 825393
Sacramento, CA 94232-5393

#### <u>Other</u>

#### 13. May I use the HOV sticker in my advertising materials?

At this point, the DMV is only comfortable with an advertisement that states "HOV Lane Stickers available at dealership". The DMV will not allow dealers to advertise that the HOV decal is "free" or "included with purchase."

# 14. What if I dealer trade a vehicle after applying for HOV Lane Stickers?

Two situations may arise when dealer trades involve a vehicle for which HOV stickers have been applied:

a) The Selling Dealer applies for HOV lane stickers and dealer trades the vehicle before receiving the stickers:

# <u>Selling Dealer</u>:

- 1. Upon receiving the HOV lane stickers, forward the stickers and a copy of the REG 1000 form to the Purchasing Dealer.
- 2. Inform the Purchasing Dealer of their obligation to file the paperwork.

<u>Purchasing Dealer</u>: Upon retail sale of the vehicle, follow the procedures described above as if you had applied for the stickers. If the vehicle is retailed prior to receiving the stickers, follow the advice provided in the answer to Question 7, above.

b) The Selling Dealer applies for and receives the HOV stickers prior to dealer trade: Selling Dealer:

- 1. Include a copy of DMV Form REG 1000 with the paperwork for the vehicle, as well as the stickers (if not already affixed to the vehicle), and a note providing the sticker serial numbers.
- 2. Inform the Purchasing Dealer of their obligation to file the paperwork.

<u>Purchasing Dealer</u>: Upon retail sale of the vehicle, follow the procedures described above as if you had applied for the stickers.