

## AUTO INDUSTRY DIVISION

# Salesperson Application Information



STATE OF COLORADO  
Department of Revenue  
1881 Pierce St #142  
Lakewood CO 80214  
(303) 205-5604  
dealers@spike.dor.state.co.us  
[www.revenue.state.co.us/dlr/home.asp](http://www.revenue.state.co.us/dlr/home.asp)

### 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 DR2115 "Motor Vehicle Salesperson License Application"
- Pass the Mastery Exam and complete the Exam Affidavit.
- Provide a \$5,000 surety bond.
- 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 provided with the application.**

### LICENSE LAW SEMINAR

The license law seminar is held three times each month. The first seminar is held on the first Tuesday of each month at the Colorado Springs Department of Revenue Service Center located at 4420 Austin Bluffs Pkwy and begins at 10:00 a.m. The second seminar is held the second Wednesday of each month in Ft. Collins at 1121 W. Prospect Road and begins at 10:00 a.m. This seminar is by appointment only. The third seminar is held on the third Tuesday of each month at 9:00 a.m. at the Department of Revenue located at 1881 Pierce St. in Lakewood. The seminar is free and lasts approximately two hours.

### SURETY BOND REQUIREMENT

Colorado law requires an applicant to provide a \$5,000 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 and attached to the application. The surety bond must be renewed annually at the same time the license is renewed.

### APPLICATION REQUIREMENT

Form DR2115 "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.

### 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.** Failure to provide court documents with the application will result in the application being returned to the dealer. The applicant will not be able to sell vehicles for the dealership until all requested documents are received.

To secure the court documents, the applicant should follow these steps:

- 1) Identify the county where the charges were filed; i.e. if the arresting agency was Lakewood P.D. then the court would be Jefferson County. Do not expect to get Jefferson County records from Arapahoe County.
- 2) Request records in person and expect a fee to be charged.
- 3) Records are kept with each court's clerk; i.e. District Court Clerk vs County Court Clerk. The applicant may have to contact more than one clerk's office to obtain all of the records.
- 4) Complete the record request card (slip) at the

clerk's counter. The clerk will locate the court file and the applicant must locate the court's findings from within the file. Some courts may provide a computer printout.

5) Be prepared to make photocopies of the documents and have change for the copier.

Denial 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 or the defrauding of a retail consumer in a motor vehicle sale or lease transaction.

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 \$400, 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 \$400), commercial bribery, bribery in sports and equity skimming.

#### **AUTHORITY TO SELL MOTOR VEHICLES**

The Dealer Board allows an applicant to start selling motor vehicles when a completed application, surety bond, exam affidavit and license fee have been submitted to the AID. Upon receipt, the AID will issue the salesperson license. The license issued is only TEMPORARY and is subject to denial pending the results of the 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.

#### **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 and a current bond must be on file with the AID before the new license can issued. The notification may be sent to Department of Revenue, AID, Denver CO 80261-0016 **OR** the applicant may complete form DR2115 which is available on the AID webpage.

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 through the dealer along with the new bond or continuation certificate and renewal fee. In order to renew a current existing license, the Auto Industry Division must receive the renewal application **prior** to the license expiration date. A request for a license to be issued after it is expired requires a new original application, surety bond and fee.

#### **APPLICATION FEES**

Original - \$75; Renewal - \$55; Reissue - \$55; Additional/Multiples - \$55; Late Fee - \$25. Make checks payable to the Colorado Department of Revenue. Licensing fees are subject to change on July 1 of each year.

#### **FURTHER INFORMATION**

For additional information about the requirements contact the AID at (303) 205-5604. Walk-in assistance is provided at the Department of Revenue, 1881 Pierce Street, Lakewood. The AID Internet homepage, [www.revenue.state.co.us/dlr/home.asp](http://www.revenue.state.co.us/dlr/home.asp), has information and forms available for consumers, dealers and salespersons.