

# Occupational Licensing Industry News OLIN 2025-06 CMVRC Notice to Discontinue Collection

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# **New Information**

The Consumer Motor Vehicle Recovery Corporation (CMVRC) has notified the Department of Motor Vehicles (DMV) that the Consumer Motor Vehicle Recovery Fund (CMVRF) has reached \$5 million.

Pursuant to Vehicle Code §4456.3, DMV must cease collecting the fee within 90 days.

## **Procedures**

DMV will **not** process payments of the \$1 fee received on or after June 8, 2025. Payments will be returned to dealers and lessor-retailers.

# **Background**

The CMVRC administers a recovery fund to safeguard consumers and maintain public confidence in the vehicle dealer industry. DMV collects a fee of \$1 per vehicle sold by a dealer or lessor-retailer and deposits the fees into the CMVRF. Billing is limited to \$2,500 annually per dealer or lessor-retailer. Once the recovery fund is less than \$2 million, the CMVRC will notify DMV to resume collection of the fee.

## References

Vehicle Code §§4456.3, 11604, 11703, 11705, Chapter 11 §§12200–12217 Senate Bill (SB) 729 (Padilla, Ch. 437, Stats. 2007) OLIN 2008–04 Consumer Protection - Motor Vehicle Dealer's Recovery Fund

### **Distribution**

Notification of this memo (available at **dmv.ca.gov** by searching Vehicle Industry Services) was sent through the California DMV Automated Email Alert System in May 2025 to:

- Dealers
- Registration Services

### Contact

Direct questions related to this memo to Occupational Licensing Operations at (877) 563-5213.