



COMPLIANCE CIRCULAR

NO.

**SUBJECT: Changes to Licensing Rules for Manufacturers of Vehicles, Tow Dollies, and Recreational Use Trailers**

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Managers, Victoria	Carrier Safety Inspectors	Driver Services Centres
Motor Vehicle Inspectors	Government Agents	MOT (Director, Chair
Passenger Transportation Board	Appointed Agents	Transportation Policy)
Deputy Director, CVSE	Trucking Industry	Supt of Motor Vehicles
Regional CVSE Managers	Law Enforcement Agencies	
Managers, Licensing	Commercial Transport Insp.	
ADM (Compliance and Consumer Services)	(Weigh Scales)	
	Passenger Transportation Branch	

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**PURPOSE OF CIRCULAR**

To advise that effective May 1, 2008, legislative changes were implemented impacting the licensing of the following:

1. vehicles operated or towed under the manufacturer's licence;
2. tow-dollies temporarily in BC from another jurisdiction; and
3. trailers designated for recreational use.

***1. Vehicles Operated or Towed under the Manufacturer's Licence***

Prior to May 1, 2008, the Manufacturer's Licence and number plate were available only to manufacturers that did not sell their vehicles at retail. The licence also required that *only* the manufacturer or its employees operate manufactured vehicles. Also, operation was limited solely for road tests or deliveries to purchasers.

Effective May 1, 2008, changes to the Manufacturer's Licence also allow:

- issuance of a Manufacturer's Licence to manufacturers who sell manufactured vehicles at retail;
- delivery of manufactured vehicles between manufacturing locations;
- delivery of a trailer by a person authorized by the manufacturer; and
- delivery of a load of vehicles manufactured by the manufacturer.

Specific to manufactured trailers, the recent changes now allow a person authorized by the manufacturer (e.g., an independent truck tractor owner), in addition to a manufacturer's employee, to use the Manufacturer's plate provided that plate is displayed on the manufactured trailer.

In order to tow or carry other vehicles built by the manufacturer for delivery, the load carrying vehicle must meet *Motor Vehicle Safety Act* (Canada) standards, bear the National Safety Mark, and itself be part of the delivery. In all other circumstances, vehicles using the Manufacturer's plate must be unladen.

**Note:** Licence and Certificate of Insurance forms issued prior to May 1, 2008, will not have been updated to reflect the changes to the Manufacturer's Licence. Please consult *Motor Vehicle Act* Section 42 (see attached) for the revisions.

## **2. Tow Dollies Temporarily in BC from Another Jurisdiction**

Effective May 1, 2008, operators of tow dollies<sup>1</sup> from jurisdictions that do not require the licensing or display of a licence plate on a tow dolly are not required to license or display a licence plate on the tow dolly while temporarily operating in British Columbia in accordance with *Motor Vehicle Act* (MVA), Section 21 provisions.

MVA s. 21 exempts the owner of a passenger motor vehicle or utility/recreational use trailer that is duly registered and licensed outside of BC from BC vehicle registration and licensing requirements for:

- (a) 6 months, if the owner or operator of the motor vehicle or trailer is in BC and uses the motor vehicle or trailer for touring purposes only; or,
- (b) 30 days, if the owner or operator of the motor vehicle or trailer is in BC and uses the motor vehicle or trailer for other than touring purposes

from the date the motor vehicle or trailer began to operate on a BC highway.

**Note:** MVA s. 21 does not apply to commercial motor vehicles.

## **3. Trailers Designated for Recreational Use**

Effective May 1, 2008, the *Commercial Transport Act* (CTA) definition of "trailer" is clarified for consistency with the long-standing practice of licensing recreational use trailers under the *Motor Vehicle Act* rather than the CTA.

Boat, horse, snowmobile, automobile or motorcycle trailers not used for business purposes or financial gain<sup>2</sup> are licensed under the MVA, regardless of their weight. House trailers and trailers with a gross vehicle weight (GVW) of less than 1,401 kg continue to be licensed under the MVA. In addition, the changes introduce a definition of house trailer into the CTA to align with the definition of house trailer provided in the Motor Vehicle Act Regulations.

Trailers with a licensed GVW of 1,401 kg or greater and trailers used for commercial purposes continue to be required to be licensed as commercial trailers (displaying a commercial plate).

The weight of a commercial trailer and load must be included in the licensed GVW of a commercially licensed tow vehicle. In contrast, the weight of a recreational use trailer (displaying a utility trailer plate) and load is not required to be included in the licensed GVW of a commercially licensed tow vehicle.

These licensing changes clarify the exclusion of recreational use trailers and their tow vehicles from commercial vehicle safety programs that are intended for larger, commercial use trailers and towing vehicles.

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<sup>1</sup> Tow dolly means a small trailer that is designed exclusively to carry one axle of a motor vehicle for the purpose of towing that motor vehicle behind another motor vehicle

<sup>2</sup> Financial gain / commercial purpose, among other things, includes competing for prize money at recreational/hobbyist events such as car races, car shows, rodeos and other competitions.

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Ministry of Transportation

For further information, please contact:

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Attachment

## Corresponding Amendments to the *Motor Vehicle Act*

Note: Revision areas are underlined

### Manufacturer's licence

- 42.(1) Subject to this section, a licence known as a manufacturer's licence may be issued to a manufacturer of vehicles.
- (2) An application for a manufacturer's licence must be
  - (a) made in the form required by the Insurance Corporation of British Columbia,
  - (b) signed by or on behalf of the manufacturer,
  - (c) delivered to
    - (i) the Insurance Corporation of British Columbia,
    - (ii) a government agent, or
    - (iii) a person authorized in writing by the Insurance Corporation of British Columbia for the purposes of this section, and
  - (d) accompanied by the prescribed fee.
- (3) On receiving the application form, the Insurance Corporation of British Columbia, if satisfied that the applicant is entitled to it, must issue the applicant a manufacturer's licence in the form established by the corporation, and a distinctive manufacturer's number plate corresponding to the licence.
- (3.1) A manufacturer's licence authorizes the use or operation on a highway of a vehicle manufactured by the manufacturer for the following purposes:
  - (a) a road test;
  - (b) delivery of the vehicle to another place of business of the manufacturer;
  - (c) delivery of the vehicle to a purchaser.
- (3.2) A vehicle referred to in subsection (3.1) (b) or (c) must be delivered without load unless
  - (a) the vehicle complies with safety standards under the *Motor Vehicle Safety Act* (Canada) and bears the national safety mark as required under that Act, and
  - (b) the load is comprised of vehicles manufactured by the manufacturer.
- (4) A vehicle driven on a highway under authority of a manufacturer's licence is deemed sufficiently registered and licensed for the purposes of this Act and the *Commercial Transport Act*.
- (5) A manufacturer's number plate must be conspicuously displayed on every vehicle being used or operated on a highway.
- (6) A manufacturer's number plate must not be used by a person other than
  - (a) the licensee,
  - (b) an authorized person in the regular employ of the manufacturer, or
  - (c) in the case of a trailer that is being delivered, either person referred to in paragraph (a) or (b) or a person authorized by the manufacturer.
- (7) A licence issued under this section is not transferable.
- (8) A holder of a licence under this section who ceases to carry on the business of manufacturing vehicles must immediately transmit to the Insurance Corporation of British Columbia a notice in writing relinquishing the manufacturer's licence and all manufacturer's number plates held by the manufacturer.

## Registration of foreign motor vehicles and trailers

- 21.(1) The owner of a motor vehicle or trailer
- (a) that is duly registered outside British Columbia,
  - (b) for which the licensing requirements of the jurisdiction in which it is registered are fulfilled, and
  - (c) that has displayed on it the registration number plates of that jurisdiction for the current year, or is a trailer that is designed exclusively to carry one axle of a motor vehicle for the purpose of towing that motor vehicle behind another motor vehicle and is from a jurisdiction that does not issue registration number plates for that type of trailer,
  - (d) the owner or operator of the motor vehicle or trailer is in British Columbia for, and uses the motor vehicle or trailer for, touring purposes only, for a period of 6 months, or
  - (e) the owner or operator of the motor vehicle or trailer is in British Columbia for, and uses the motor vehicle or trailer for, other than touring purposes, for a period of 30 days
- from the date he or she began to operate the motor vehicle or trailer on a highway in British Columbia.

### Corresponding Amendments to the *Commercial Transport Act*

Note: Revision areas are underlined

#### Definitions

1. In this Act:

"trailer" includes a vehicle without motive power designed to be drawn by or used in conjunction with a motor vehicle and constructed so that no appreciable part of its weight rests on or is carried by the motor vehicle, but does not include

- (a) a trailer having a gross vehicle weight of less than 1 401 kg that is licensed under the Motor Vehicle Act,
- (b) a trailer that is
  - (i) designed, constructed and equipped for human habitation, or
  - (ii) designed, constructed and equipped for human occupancy for industrial, professional or commercial purposes, or
- (c) a boat, horse, snowmobile, automobile or motorcycle trailer that is not used for business purposes or financial gain;