

1 HB385
2 166048-3
3 By Representative Johnson (R)
4 RFD: Financial Services
5 First Read: 02-APR-15

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8 SYNOPSIS: This bill would standardize the surety bond
9 amount for all designated agents of the Department
10 of Revenue for the issuance of certificates of
11 title.

12 This bill would also require that the owner
13 of a motor vehicle subject to titling make
14 application for a certificate of title to reflect
15 the owner's current legal name.

16
17 A BILL
18 TO BE ENTITLED
19 AN ACT

20
21 Relating to motor vehicle titles; to amend Sections
22 32-8-30, 32-8-34, 32-8-35, and 32-8-39, Code of Alabama 1975;
23 to standardize the surety bond amount for all designated
24 agents of the Department of Revenue for the issuance of
25 certificates of title; and to require that the owner of a
26 motor vehicle subject to titling make application for a

1 certificate of title to reflect the owner's current legal
2 name.

3 BE IT ENACTED BY THE LEGISLATURE OF ALABAMA:

4 Section 1. Sections 32-8-30, 32-8-34, 32-8-35, and
5 32-8-39, Code of Alabama 1975, are amended to read as follows:

6 "§32-8-30.

7 "(a) Except as provided in Section 32-8-31, every
8 owner of a motor vehicle ~~designated a 1975 year model, and all~~
9 ~~models subsequent thereto~~ which is in this state and which is
10 required to be registered under the motor vehicle laws of this
11 state and for which no certificate of title has been issued by
12 the department, shall make application to a designated agent
13 as herein defined for a certificate of title to the vehicle.

14 "~~(b) Except as provided in Section 32-8-31, every~~
15 ~~owner of a travel trailer designated a 1990 year model, and~~
16 ~~all models subsequent thereto which is in this state and which~~
17 ~~is required to be registered under the motor vehicle laws of~~
18 ~~this state and for which no certificate of title has been~~
19 ~~issued by the department, shall make application to a~~
20 ~~designated agent as herein defined for a certificate of title~~
21 ~~to the travel trailer. In the event that the owner's legal~~
22 ~~name, as recorded on the current certificate of title, has~~
23 ~~changed, the owner shall make application for a corrected~~
24 ~~certificate of title to record the current legal name of the~~
25 ~~owner. The application for certificate of title shall be made~~
26 ~~prior to the renewal of the registration for the motor~~
27 ~~vehicle.~~

1 "(c) Any dealer, acting for himself or another, who
2 sells, trades or otherwise transfers any vehicle required to
3 be titled under this chapter who does not comply with the
4 provisions of this chapter shall be guilty of a misdemeanor
5 and upon conviction shall be fined in a sum not exceeding
6 \$500.00.

7 "§32-8-34.

8 "(a) Each judge of probate, commissioner of
9 licenses, director of revenue, or other county official in
10 this state authorized and required by law to issue motor
11 vehicle license tags shall by virtue of his or her office be a
12 designated agent of the department. Judges of probate,
13 commissioners of licenses, directors of revenue, or other
14 ~~county~~ licensing officials may perform their duties under this
15 chapter either personally or through any of their deputies.

16 "(b) Every dealer, as defined in this chapter or
17 Chapter 20 of this title, shall be a designated agent of the
18 department. The dealers may perform their duties under this
19 chapter either personally or through any of their officers or
20 employees; provided, that the dealer or persons shall enter
21 into a bond with a corporate surety authorized to do business
22 in this state as surety thereon, payable to the State of
23 Alabama in a sum ~~to be determined by the department, but in no~~
24 ~~event less than ten thousand dollars (\$10,000)~~ as provided in
25 Section 40-12-398, conditioned on the faithful performance of
26 their duties under this chapter.

1 "(c) The department may appoint other persons in
2 this state as its designated agents. An appointee shall enter
3 into a bond as provided in subsection (b). Full-time bonded
4 employees of the Department of Revenue may serve as designated
5 agents without additional bond. A qualified designated agent
6 of the department located outside of this state may continue
7 as a designated agent of the department as long as he or she
8 complies with the requirements of this chapter.

9 "§32-8-35.

10 "(a) The application for the first certificate of
11 title of a vehicle in this state shall be made by the owner to
12 a designated agent, on the form the department prescribes, and
13 shall contain all of the following:

14 "(1) The current legal name, current residence, and
15 current mailing address of the owner.

16 "(2) A description of the vehicle including the
17 following data: Year, make, model, vehicle identification
18 number, type of body, the number of cylinders, color, and
19 whether new or used.

20 "(3) The date of purchase by applicant, the name and
21 address of the person from whom the vehicle was acquired, and
22 the names and addresses of any lienholders in the order of
23 their priority and the dates of their security agreements.

24 "(4) Other information that the department may
25 require.

26 "(b) If the application is for a vehicle purchased
27 from a dealer, it shall contain the name and address of any

1 lienholder holding a security interest created or reserved at
2 the time of the sale and the date of the security agreement
3 and shall be signed by the designated agent as well as the
4 owner, and the designated agent shall forward the application
5 to the department in a manner prescribed by the department.

6 "(c) If the application is for a new vehicle, it
7 shall be accompanied by the certified manufacturer's statement
8 of origin showing proper assignments to the applicant. The
9 manufacturer upon the shipment of a motor vehicle into this
10 state shall forthwith furnish the dealer with a certified
11 statement of origin.

12 "(d) Each application shall contain or be
13 accompanied by the certificate of a designated agent that the
14 vehicle has been physically inspected by the agent, that the
15 vehicle identification number and descriptive data shown on
16 the application, pursuant to the requirements of subsection
17 (a)(2), are correct, and that the agent identified the person
18 signing the application and witnessed the signature.

19 "(e) If the application is for a first certificate
20 of title on a vehicle other than a new vehicle, then the
21 application shall conform with the requirements of this
22 section; except, that in lieu of the manufacturer's statement
23 of origin, the application shall be accompanied by a copy of
24 the notarized bill of sale of the motor vehicle whereby the
25 applicant claims title or in lieu thereof certified copies of
26 the last two years' license tag and tax receipts and any other
27 information the department may reasonably require to identify

1 the vehicle and to enable the department to determine the
2 ownership of the vehicle and the existence or nonexistence of
3 security interests in it.

4 "(f) If the application refers to a vehicle last
5 previously registered in another state or country, the
6 application shall contain or be accompanied by the following:

7 "(1) Any certificate of title issued by the other
8 state or country.

9 "(2) Any other information and documents as the
10 department may reasonably require to establish the ownership
11 of the vehicle and the existence or nonexistence of security
12 interests in it.

13 "(3) The certificate of a designated agent that the
14 vehicle has been physically inspected by him or her, that the
15 vehicle identification number and descriptive data shown on
16 the application pursuant to subsection (a)(2) are correct, and
17 any other proof of the identity of the vehicle as the
18 department may reasonably require.

19 "(g) Every designated agent, within 10 calendar days
20 after an application is received by him or her, shall forward
21 to the department, in a manner as prescribed by the
22 department, the fee as provided in Section 32-8-6, and the
23 application, along with any other evidence of title as may
24 have been delivered to the designated agent by the applicant.

25 "§32-8-39.

26 "(a) Each certificate of title issued by the
27 department shall contain:

1 "(1) The date issued;

2 "(2) The current legal name and current address of
3 the owner;

4 "(3) The names and addresses of any lienholders in
5 the order of priority as shown on the application, or if the
6 application is based on a certificate of title, as shown on
7 the certificate;

8 "(4) The title number;

9 "(5) A description of the vehicle including the
10 following data: year, make, model, vehicle identification
11 number, type of body, number of cylinders, whether new or used
12 and if a new vehicle the date of the first sale of the vehicle
13 for use; and

14 "(6) Any other data the department prescribes.

15 "(b) Unless security is furnished as provided in
16 Section 32-8-36, a distinctive certificate of title shall be
17 issued for a vehicle last previously registered in another
18 state or country, the laws of which do not require that
19 lienholders be named on a certificate of title to perfect
20 their security interests. The certificate shall contain the
21 legend, "This vehicle may be subject to an undisclosed lien"
22 and may contain any other information the department
23 prescribes. If no notice of a security interest in the vehicle
24 is received by the department within four months from the
25 issuance of the distinctive certificate of title, the
26 department shall, upon application and surrender of the

1 distinctive certificate, issue a certificate of title in
2 ordinary form.

3 "(c) The certificate of title shall contain forms
4 for assignment and warranty of title by the owner, and for
5 assignment and warranty of title by a dealer, and may contain
6 forms for applications for a certificate of title by a
7 transferee, the naming of a lienholder and the assignment or
8 release of the security interest by a lienholder.

9 "(d) A certificate of title issued by the department
10 is prima facie evidence of the facts appearing on it.

11 "(e) A certificate of title to a vehicle is not
12 subject to garnishment, attachment, execution or other
13 judicial process, but this subsection does not prevent a
14 lawful levy upon the vehicle."

15 Section 2. This act shall become effective on the
16 first day of the third month following its passage and
17 approval by the Governor, or its otherwise becoming law.