

TRANSMITTAL SHEET FOR
NOTICE OF INTENDED ACTION

Control 810 Department or Agency REVENUE

Rule Nos. 810-5-75-.68

Rule Title: Title Procedure - Exemption from Titling

New; Amend; Repeal; Adopt by Reference

Would the absence of the proposed rule significantly harm or endanger the public health, welfare, or safety?

No

Is there a reasonable relationship between the state's police power and the protection of the public health, safety, or welfare?

Yes

Is there another, less restrictive method of regulation available that could adequately protect the public?

No

Does the proposed rule have the effect of directly or indirectly increasing the costs of any goods or services involved and, if so, to what degree?

No

Is the increase in cost, if any, more harmful to the public than the harm that might result from the absence of the proposed rule?

N/A

Are all facets of the rulemaking process designed solely for the purpose of, and so they have, as their primary effect, the protection of the public?

Yes

Does the proposed rule have any economic impact?

No

If the proposed rule has an economic impact, the proposed rule is required to be accompanied by a fiscal note prepared in accordance with subsection (f) of Section 41-22-23, Code of Alabama 1975.

Certification of Authorized Official

I certify that the attached proposed rule has been proposed in full compliance with the requirements of Chapter 22, Title 41, Code of Alabama 1975 and that it conforms to all applicable filing requirements of the Administrative Procedure Division of the Legislative Reference Service.

Signature of certifying officer Michael D. Gable

Date 4/23/13

APA-6
10/96

**ECONOMIC IMPACT STATEMENT
FOR APA RULE
(Section 41-22-23(f))**

Control No. 810 Department or Agency REVENUE

Rule No: 810-5-75-.68

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 New x Amend Repeal Adopt by Reference

- NO
 YES

This rule has no economic impact.

This rule has an economic impact, as explained below:

1. NEED/EXPECTED BENEFIT OF RULE:
2. COSTS/BENEFITS OF RULE AND WHY RULE IS THE MOST EFFECTIVE, EFFICIENT, AND FEASIBLE MEANS FOR ALLOCATING RESOURCES AND ACHIEVING THE STATED PURPOSE:
3. EFFECT OF THIS RULE ON COMPETITION:
4. EFFECT OF THIS RULE ON COST OF LIVING AND DOING BUSINESS IN THE GEOGRAPHICAL AREA WHERE THE RULE IS TO BE IMPLEMENTED:
5. EFFECT OF THIS RULE ON EMPLOYMENT IN THE GEOGRAPHICAL AREA HERE THE RULE IS TO BE IMPLEMENTED:
6. SOURCE OF REVENUE TO BE USED FOR IMPLEMENTING AND ENFORCING THIS RULE:
7. THE SHORT-TERM/LONG-TERM ECONOMIC IMPACT OF THIS RULE ON AFFECTED PERSONS, INCLUDING ANALYSIS OF PERSONS WHO WILL BEAR THE COSTS AND THOSE WHO WILL BENEFIT FROM THE RULE:
8. UNCERTAINTIES ASSOCIATED WITH THE ESTIMATED BENEFITS AND

BURDENS OF THE RULE, INCLUDING QUALITATIVE/QUANTITATIVE
BENEFITS AND BURDEN COMPARISON:

9. THE EFFECT OF THIS RULE ON THE ENVIRONMENT AND PUBLIC
HEALTH:

10. DETRIMENTAL EFFECT ON THE ENVIRONMENT AND PUBLIC HEALTH
IF THE RULE IS NOT IMPLEMENTED:

11. OTHER COMMENTS:

APA-2
11/96

ALABAMA DEPARTMENT OF REVENUE
Motor Vehicle Division

NOTICE OF INTENDED ACTION

RULE NO. & TITLE

810-5-1-.238 Registration of Motor Vehicles Not Subject to Titling

INTENDED ACTION: Adopt a new rule

SUBSTANCE OF PROPOSED ACTION: The department proposes to adopt the above rule to provide guidelines regarding the registration of motor vehicles that are not subject to titling in Alabama.

RULE NO. & TITLE

810-5-1-.247 Vehicle Identification Number (VIN) Inspections

INTENDED ACTION: Amend an existing rule

SUBSTANCE OF PROPOSED ACTION: The department proposes to amend the above rule to clarify requirements related to Form MVT5-10.

RULE NO. & TITLE

810-5-75-.21 TITLE PROCEDURE - First Lien or Security Interest Releases on Title. Reference: Sections 32-8-1 through 32-8-87, Code of Alabama 1975, as amended

INTENDED ACTION: Repeal and Replace

SUBSTANCE OF PROPOSED ACTION: The department proposes to repeal the existing language in the above rule and replace it with new language to provide procedures for releasing the first lien or security interest recorded on a certificate of title and to provide procedures for maintaining the continuous perfection of liens of security interests otherwise released pursuant to Section 32-8-64.2, Code of Alabama 1975.

RULE NO. & TITLE

810-5-75-.39

Altered Documents. Reference: Sections 32-8-1 through 32-8-87, Code of Alabama 1975, as amended.

INTENDED ACTION: Amend an existing rule

SUBSTANCE OF PROPOSED ACTION: The department proposes to amend the above rule to expand the definition of altered documents. In addition, the department proposes to amend the title of the rule.

RULE NO. & TITLE

810-5-75-.42

Dealer Records. Reference: Sections 32-8-1 through 32-8-87, Code of Alabama 1975, as amended.

INTENDED ACTION: Amend an existing rule

SUBSTANCE OF PROPOSED ACTION: The department proposes to amend the above rule to clarify dealer recordkeeping requirements for motor vehicle dealers. In addition, the department proposes to amend the title of the rule.

RULE NO. & TITLE

810-5-75-.15

Title Procedure - Application for Replacement Alabama Certificate of Title (Form MVT 12-1).

INTENDED ACTION: Amend an existing rule

SUBSTANCE OF PROPOSED ACTION: The department proposes to amend the above rule to clarify the process for applying for a replacement certificate of title by all parties other than designated agents of the department. In addition, the department proposes to amend the title of the rule.

RULE NO. & TITLE

810-5-75-.68

Title Procedure - Exemption from Titling

INTENDED ACTION: Amend an existing rule

SUBSTANCE OF PROPOSED ACTION: The department proposes to amend the above rule to provide guidance in determining whether a motor-driven cycle meets the requirements for title exemption.

TIME, PLACE, MANNER OF PRESENTING VIEWS: A public hearing will be held at 2:00 p.m. on Tuesday, June 11, 2013, in the Office of the Legal Division, Room 3114, Gordon Persons Building, located at 50 N Ripley Street, Montgomery, Alabama. Copies of the rule(s) can be obtained at www.revenue.alabama.gov/rulehear.html.

All interested parties may present their views in writing to the Deputy Commissioner of the Alabama Department of Revenue, Room 4112, Gordon Persons Building, 50 N Ripley Street, Montgomery, Alabama 36132 at any time during the thirty-five (35) day period following publication of the notice or by appearing at the hearing.

FINAL DATE FOR COMMENT AND COMPLETION OF NOTICE:
June 11, 2013

CONTACT PERSON AT AGENCY:

Patricia Toles
Alabama Department of Revenue
4131 Gordon Persons Building
Montgomery, Alabama 36132
(334) 242-1380



Michael D. Gamble, Secretary
Alabama Department of Revenue

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810-5-75-.68 Title Procedure –Exemptions from Titling.

(1) Effective January 1, 2012, no certificate of title shall be issued for any trailer, semi-trailer, travel trailer, or utility trailer more than twenty (20) model years old. This exemption is applicable on January 1 of each year and applies to all trailers, semi-trailers, travel trailers, and utility trailers with a model year, as designated by the manufacturer, older than twenty (20) years from the current calendar year.

Example: As of January 1, 2012, all 1991 and prior year model trailers, semi-trailers, travel trailers, and utility trailers are exempt from the titling provisions of Chapter 8, Title 32, Code of Alabama 1975.

(2) Effective January 1, 2012, no certificate of title shall be issued for any motor vehicle more than thirty-five (35) model years old. This exemption is applicable on January 1 of each year and applies to all motor vehicles with a model year, as designated by the manufacturer, older than thirty-five (35) years from the current calendar year.

Example: As of January 1, 2012, all 1976 and prior year motor vehicles are exempt from the titling provisions of Chapter 8, Title 32, Code of Alabama 1975.

(3) Effective January 1, 2012, no certificate of title shall be issued for a low speed vehicle. A low speed vehicle is defined as a four-wheeled motor vehicle with a top speed of not greater than 25 miles per hour, a gross vehicle weight rating (GVWR) of which is less than 3,000 pounds and complying with the safety standards provided in 49 C.F.R. Section 571.500. The term includes neighborhood electric vehicles.

(4) Effective January 1, 2013, no certificate of title shall be issued for a motor-driven cycle as defined in Section 32-1-1.1, Code of Alabama 1975. A motor-driven cycle is defined as every motorcycle, including every motor scooter, with a motor which produces not to exceed five brake horsepower nor to exceed 150 cubic centimeter engine displacement, and weighs less than 200 pounds fully equipped, and every bicycle with motor attached.

(a) Every motor-driven cycle is required to have a vehicle emission control information label. This label includes the engine displacement. The label should be permanently affixed to the cycle and be readily accessible. Locations may vary. However, the most common locations are under the seat and on the frame rails. In addition, the MSO should contain the engine displacement. If the MSO is not available and the decal has been removed or altered so that it is unreadable, the engine displacement may be established using a title history that included the MSO or a statement from the manufacturer attesting to the cycle's engine displacement.

(5) No title records will be maintained by the Department of Revenue for any motor vehicle or manufactured home exempted from titling under the provisions of Chapters 8 or 20 of Title 32, Code of Alabama 1975, or any rules promulgated thereunder.

Example: As of January 1, 2012, the title records for the following motor vehicles will no longer be maintained due to the motor vehicles being exempt from titling by statute or rules promulgated thereunder:

1. Trailers more than twenty (20) model years which would include all 1991 and prior year model trailers.
2. Manufactured homes more than twenty (20) model years old which would include all 1991 and prior year manufactured homes.
3. Motor vehicles more than thirty-five (35) model years old which would include all 1976 and prior year model motor vehicles.
4. All low speed vehicles as defined in section (3) of this rule.
5. All motor-driven cycles as defined in section (4) of the rule (effective January 1, 2013).

Author: **Don Clemmons**, Mike Gamble
Authority: Sections 40-2A-7(a)(5), 32-8-3(b)(2), 32-20-3(b)(2) and 32-8-31(13), Code of Alabama 1975
History: New rule: Filed November 18, 2011, effective December 23, 2011.