

TRANSMITTAL SHEET FOR
NOTICE OF INTENDED ACTION

Control 810 Department or Agency REVENUE

Rule Nos. 810-8-5-.17

Rule Title: Surety Bond for Automotive Dismantler and Parts Recyclers

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 B. Duke*

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: 810-8-5-.17

Rule Title: Surety Bond for Automotive Dismantler and Parts Recyclers

New Amend Repeal Adopt by Reference

- NO This rule has no economic impact.
- YES 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
Business & License Tax Division**

NOTICE OF INTENDED ACTION

RULE NO. & TITLE

810-8-5-.03 Fee for Costs Incurred in Providing Copies of Privilege/Regulatory License Records

INTENDED ACTION: Amend the above rule

SUBSTANCE OF PROPOSED ACTION: The department proposes to amend the above rule to correct the division's name and to include fees for costs incurred for requested license and buyer's identification card information. In addition, the department proposes to amend the title of the rule.

810-8-5-.17 Surety Bond for Automotive Dismantler and Parts Recyclers

INTENDED ACTION: Adopt new rule

SUBSTANCE OF PROPOSED ACTION: The department proposes to adopt the above rule to establish the required information for dismantler surety bonds.

810-8-5-.18 Bond Claim for Automotive Dismantler and Parts Recyclers

INTENDED ACTION: Adopt new rule

SUBSTANCE OF PROPOSED ACTION: The department proposes to adopt the above rule to establish procedures for filing a claim against an automotive dismantler's bond.

TIME, PLACE, MANNER OF PRESENTING VIEWS: A public hearing will be held at 2:00 p.m. on Thursday, June 13, 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 13, 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

0896APC.INT

810-8-5-.17 Surety Bond for Automotive Dismantler and Parts Recyclers. (NEW
RULE)

(1) PURPOSE: Section 40-12-414, Code of Alabama 1975, requires automotive dismantler and parts recyclers to deliver to the Commissioner a continuing surety bond in the sum of \$10,000.

(2) BOND FORM: The bond form must be in a form as prescribed in the attached appendices and the surety company shall provide the following information:

- (a) The true legal name of the party for whom a bond is being sought, as follows:
1. If an individual, the applicant's name as well as the business name.
 2. If a partnership, the names of all partners and the name of the partnership.
 3. If a single member LLC, the LLC company name followed by the sole member name. If a multi-member LLC, the name of the company.
 4. If a corporation, the corporate name.
- (b) The city, county and state in which the business is located.
- (c) The name and address of the surety company providing the coverage.
- (d) The effective date of the bond coverage.
- (e) The signature of an agent of the surety company.
- (f) A telephone number for the surety company.
- (g) The signature of the applicant (individual), all partners, all members of the LLC or a corporate officer.

(3) BOND REQUIREMENTS:

- (a) The bond must be accompanied by a power of attorney form indicating that the agent is authorized to execute the bond on behalf of the surety company.
- (b) The bond form and power of attorney must have the same issue date.
- (c) The bond form shall be forwarded to the Commissioner of Revenue.

(d) The bond shall be continuous. However, in the event of cancellation, the surety company shall provide 60 days written notice with the Department prior to being released and discharged from the bond.

(e) The bond shall be payable to the Alabama Commissioner of Revenue.

Author: Alisa Johnson
Authority: Sections 40-2A-7(a)5 and 40-12-414, Code of Alabama 1975
History:

APPENDIX A - Chapter 810-8-5

Attachment 810-8-5-.17

Authority: Sections 40-2A-7(a)5 and 40-12-414, Code of Alabama 1975
History: Bond of Automotive Dismantler and Parts Recycler Form LIC 756-2 (8/11)



ALABAMA DEPARTMENT OF REVENUE
 BUSINESS & LICENSE TAX DIVISION
 SEVERANCE & LICENSE SECTION

LIC: 756-2 8/11
 Bond Number _____

Bond of Automotive Dismantler and Parts Recycler

KNOW ALL MEN BY THESE PRESENTS, that we _____

City _____, County _____, State _____

As Principal (hereinafter called Principal), and _____
NAME OF SURETY

of _____, as Surety (hereinafter called Surety), are held and firmly bound unto the State of Alabama in the sum of Ten Thousand Dollars (\$10,000.00), for payment of which, well and truly to be made, we bind ourselves, our heirs, executors, administrators, successors, and assigns, jointly and severally, firmly by these presents.

The condition of the foregoing obligation is such that:

WHEREAS, the Principal has been duly licensed as an "automotive dismantler and parts recycler" by the Alabama Department of Revenue as provided for in the Sections 40-12-410 through 40-12-425, Code of Alabama 1975, subject to the execution of this bond.

NOW THEREFORE, in consideration of the Premise:

If the aforesaid Principal shall well and faithfully perform the duties as such "automotive dismantler and parts recycler," then this obligation shall be null and void; otherwise, the same shall remain in full force and effect.

It is expressly understood and agreed that neither this obligation nor any liability thereunder shall be released or the validity thereof affected by reason of the adoption by the State of Alabama of any Act in lieu of or amendatory to said laws, but this obligation shall continue in full force and effect with respect to said statutes or any amendments thereto or changes therein which may be adopted before the cancellation of this obligation as herein provided, or before the actual cancellation and surrender of this obligation by the State of Alabama pursuant to any law now existing or hereafter adopted relating thereto.

The Surety on this bond may be released and discharged from any and all liability to the State of Alabama accruing on this bond after the expiration of sixty (60) days from the date upon which said Surety shall have filed with the Alabama Department of Revenue written request to be released and discharged; provided, however, such request shall not operate to relieve, release, or discharge such Surety from any liability already accrued or which shall accrue before the expiration of said sixty-day (60) period.

IN WITNESS WHEREOF, we hereunto set our names and seals on this date _____

_____ <small>NAME OF SURETY COMPANY</small>	_____ <small>SIGNATURE OF PRINCIPAL, PARTNER, MEMBER, OR CORPORATE OFFICER</small>	_____ <small>(TYPE OR PRINT NAME)</small>
By: _____ <small>SIGNATURE OF AGENT OF SURETY COMPANY</small>	_____ <small>SIGNATURE OF PARTNER/MEMBER</small>	_____ <small>(TYPE OR PRINT NAME)</small>
Telephone (_____) _____	_____ <small>SIGNATURE OF PARTNER/MEMBER</small>	_____ <small>(TYPE OR PRINT NAME)</small>
_____ <small>COMMISSIONER OF REVENUE</small>	_____ <small>SIGNATURE OF PARTNER/MEMBER</small>	_____ <small>(TYPE OR PRINT NAME)</small>

*** ALL NAMES MUST BE TYPED UNDER SIGNATURES ***
 (See Back For Special Instructions)

Bond Form Instructions

The surety company must complete all bonds on the form prescribed by the Alabama Department of Revenue.

Completion of The Bond:

- ◆ The bond must include the true legal name of the party for whom the bond is being sought, as follows:
 - If an individual ownership, the applicant's name as well as the business name;
Example: John Doe, DBA ABC Auto Sales
 - If a partnership, the names of all partners and the name of the partnership;
Example: John Doe & Jane Doe, DBA ABC Auto Sales
 - If a limited liability company, the true legal name of company;
Example: AAA Auto Sales LLC
 - If a corporation, the complete corporate name.
- ◆ The bond must also show the following:
 - The city, county and state in which the business is located;
 - The name and address of the surety company providing the coverage;
 - The issue date of the bond;
 - The telephone number of the agent.

Signature Section Requirements:

- ◆ All signatures must be originals.
- ◆ The bond must include the signatures of the following:
 - The signature of the surety company agent;
 - The signature of the applicant (individual owner), all partners, all LLC members, or a corporate officer. In some cases one member may be able to sign for a Limited Liability Company. See the enclosed authorization form for details.
- ◆ Type or print the name of the person(s) signing the form.

Power of Attorney Requirements:

- ◆ An original power of attorney form indicating that the agent is authorized to execute the bond on behalf of the surety company must accompany the bond.
- ◆ The power of attorney must have the same date as that on the bond.

All required documents should be mailed to:

Alabama Department of Revenue
Business & LicenseTax Division
Severance & License Section
PO Box 327550
Montgomery, AL 36132-7550

Telephone: (334) 353-7827

Any bond or power of attorney received separately from application will be returned to sender.

The bond form must be an original with original signatures. No facsimiles, photocopies, letters or phone calls are acceptable substitutes for the original bond.

APPENDIX B - Chapter 810-8-5

Attachment 810-8-5-.17

Authority: Sections 40-2A-7(a)5 and 40-12-414, Code of Alabama 1975
History: Limited Liability Company Authorization Form for Automotive Dismantler
and Parts Recycler Form AUTH-1 (8/11)



ALABAMA DEPARTMENT OF REVENUE
BUSINESS & LICENSE TAX DIVISION
SEVERANCE & LICENSE SECTION

AUTH-1
B/11

P.O. Box 327550 • Montgomery, AL 36132-7550 • (334) 353-7827

Limited Liability Company Authorization Form
for
Automotive Dismantler and Parts Recycler

I am signing as a **member** of the LLC for which a bond and/or application for an automotive dismantler and parts recycler is submitted, I hereby certify, under penalty of perjury, as follows: (1) I am vested with full authority to execute this Bond and/or Application on behalf of the LLC; and (2) the Articles of Organization or any operating agreements of the LLC DO NOT provide that management is vested in a manager or managers.

_____, LLC
An Alabama Limited Liability Company

By: _____
Its Member

I am signing as **manager** of the LLC for which a bond and/or application for an automotive dismantler and parts recycler is submitted, I hereby certify under penalty of perjury, as follows: (1) I am vested with full authority to execute this Bond and/or Application on behalf of the LLC; and (2) the Articles of Organization or any operating agreements specifically vest management authority in me.

_____, LLC
An Alabama Limited Liability Company

By: _____
Its Manager

STATE OF _____

COUNTY OF _____

I, the undersigned, a Notary Public in and for said County, in said State, hereby certify that _____
of _____ whose name as _____
of _____, LLC, is signed to the foregoing instrument and who is
known to me, acknowledged before me on this day that, being informed of the contents of said instrument,
(s)he, as such member or manager, and with full authority, executed the same voluntarily on the day the
same bears date for and as the act of said Limited Liability Company.

Given under my hand and seal this _____ day of _____.

NOTARY PUBLIC

Authorization Form Instructions

This form should only be completed for a multiple member limited liability company when less than all members of the LLC are signing the application. Also, the person completing the form must be a vested member or manager that is authorized to sign on behalf of the company.

The following information must be included on the authorization form.

- The true legal name of the limited liability company.
- The signature of the member or manager that is authorized to execute this form.
- The signature and seal of a Notary Public. The individual notarizing the signature cannot be one of the individuals required to be listed on the application.