

TRANSMITTAL SHEET FOR
NOTICE OF INTENDED ACTION

Control 810 Department or Agency REVENUE

Rule Nos. 810-5-8-.07

Rule Title: Vehicles Exempt from the Mandatory Liability Insurance Law

XX 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 E. Mason

Date 1/20/12

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

Control No. 810 Department or Agency REVENUE

Rule No: **810-5-8-.07**

Rule Title: **Vehicles Exempt from the Mandatory Liability Insurance Law**

XX New _____ Amend _____ Repeal _____ Adopt by Reference

- This rule has no economic impact.
- This rule has an economic impact, as explained below:
 1. NEED/EXPECTED BENEFIT OF RULE: **n/a**
 2. COSTS/BENEFITS OF RULE AND WHY RULE IS THE MOST EFFECTIVE, EFFICIENT, AND FEASIBLE MEANS FOR ALLOCATING RESOURCES AND ACHIEVING THE STATED PURPOSE: **n/a**
 3. EFFECT OF THIS RULE ON COMPETITION: **n/a**
 4. EFFECT OF THIS RULE ON COST OF LIVING AND DOING BUSINESS IN THE GEOGRAPHICAL AREA WHERE THE RULE IS TO BE IMPLEMENTED: **n/a**
 5. EFFECT OF THIS RULE ON EMPLOYMENT IN THE GEOGRAPHICAL AREA WHERE THE RULE IS TO BE IMPLEMENTED: **n/a**
 6. SOURCE OF REVENUE TO BE USED FOR IMPLEMENTING AND ENFORCING THIS RULE: **n/a**
 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: **n/a**
 8. UNCERTAINTIES ASSOCIATED WITH THE ESTIMATED BENEFITS AND BURDENS OF THE RULE, INCLUDING QUALITATIVE/QUANTITATIVE BENEFITS AND BURDEN COMPARISON: **n/a**
 9. THE EFFECT OF THIS RULE ON THE ENVIRONMENT AND PUBLIC HEALTH: **n/a**
 10. DETRIMENTAL EFFECT ON THE ENVIRONMENT AND PUBLIC HEALTH IF THE RULE IS NOT IMPLEMENTED: **n/a**
 11. OTHER COMMENTS:

APA-2
11/96

ALABAMA DEPARTMENT OF REVENUE
Motor Vehicle Division

NOTICE OF INTENDED ACTION

RULE NO. & TITLE: 810-5-1-.207 Motor Vehicle Wreckers

INTENDED ACTION: Adopt new rule

SUBSTANCE OF PROPOSED ACTION: The department proposes to adopt the above rule to provide guidance regarding the new motor vehicle wrecker classification created by Act 2011-540.

RULE NO. & TITLE: 810-5-1-.212 Undercover License Plates

INTENDED ACTION: Adopt new rule

SUBSTANCE OF PROPOSED ACTION: The department proposes to adopt the above rule to provide guidelines and procedures when issuing undercover license plates to law enforcement agencies.

RULE NO. & TITLE: 810-5-1-.247 Guidelines for Vehicle Identification Number (VIN) Inspections

INTENDED ACTION: Amend an existing rule

SUBSTANCE OF PROPOSED ACTION: The department proposes to amend the above rule due to the provisions of Act 2010-579 which exempt vehicles registered in this state in the previous two calendar years from a physical inspection by the county licensing official.

RULE NO. & TITLE: 810-5-8-.07 Vehicles Exempt from the Mandatory Liability Insurance Law

INTENDED ACTION: Adopt new rule

SUBSTANCE OF PROPOSED ACTION: The department proposes to adopt the above rule to exempt vehicles covered by a blanket liability insurance policy or commercial automobile liability insurance policy from the Mandatory Liability Insurance Law verification process.

RULE NO. & TITLE: 810-5-75-.34 Title Procedure – Title Obtained Under Surety Bond

INTENDED ACTION: Amend an existing rule

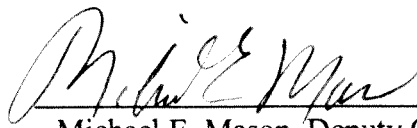
SUBSTANCE OF PROPOSED ACTION: The department proposes to amend the above rule to provide uniform amounts for surety bonds that are being posted to obtain certificates of title. By establishing uniform surety bond amounts, the surety bond request process can be standardized and integrated into the electronic title application processing system (ETAPS).

TIME, PLACE, MANNER OF PRESENTING VIEWS: A public hearing will be held at 10:00 a.m. on Wednesday, March 7, 2012, 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:
Wednesday, March 7, 2012

CONTACT PERSON AT AGENCY:
Patricia Toles
Alabama Department of Revenue
4131 Gordon Persons Building
Montgomery, Alabama 36132
(334) 242-1380



Michael E. Mason, Deputy Commissioner
Alabama Department of Revenue

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810-5-8-.07 Vehicles Exempt from the Mandatory Liability Insurance Law (NEW RULE)

(1) The vehicles listed in Section 32-7A-5, Code of Alabama 1975, are exempt from the Mandatory Liability Insurance Law.

(2) Under the authority granted to the commissioner by §32-7A-5(13), any vehicle covered by a blanket liability insurance policy or commercial automobile liability insurance policy is exempt from the Mandatory Liability Insurance Law.

(3) The terms “blanket liability insurance policy” and “commercial automobile liability insurance policy” may be used interchangeably.

(4) Section 32-7A-2 (2), Code of Alabama 1975, defines a commercial automobile liability insurance policy as a policy that:

(a) Is written on either a commercial coverage or other commercially rated personal policy form, including, but not limited to, a commercial auto, garage, or truckers form, and is not dependent on the type, number, or ownership of vehicle or entity covered or insured.

(b) Insures vehicles that are not identified individually by vehicle identification number on the policy.

(5) Vehicles insured under a blanket or commercial automobile liability insurance policy are not subject to the department insurance verification process; however, every operator of a motor vehicle subject to §32-7A-4, shall carry within the vehicle evidence of insurance.

(6) In accordance with §32-7A-6, if the insurance card is issued for a blanket or commercial automobile liability insurance policy, the insurance card may state “FLEET,” “COMMERCIAL,” “COMMERCIAL POLICY,” or “COMMERCIAL EXEMPT” in lieu of vehicle years, makes, and VINs if vehicles years, makes, and VINs are not captured by the insurer. If the vehicle years, makes, and VINs are captured by the insurer, then the insurer may provide such information on the insurance card, but must state “FLEET,” “COMMERCIAL,” “COMMERCIAL POLICY,” or “COMMERCIAL EXEMPT” on the insurance card. If the insurance card is issued for a non-owner policy, the card may state “NONOWNER POLICY” in lieu of the vehicle year, make, and VIN.

(7) In accordance with §32-7A-4(b)(1), vehicles insured under a blanket or commercial automobile liability insurance policy are required to be insured by a policy issued in amounts no less than the minimum amounts set for bodily injury or death and for destruction of property as provided in §32-7-6(c).

Author: Sherry Helms
Authority: Sections 40-2A-7(a)(5) and 32-7A(5)

History: