

TRANSMITTAL SHEET FOR
NOTICE OF INTENDED ACTION

Control 810 Department or Agency REVENUE

Rule Nos. 810-5-12-.03

Rule Title: Bond Claim for New Motor Vehicle Dealers, Motor Vehicle Wholesalers, Used Motor Vehicle Dealers, Motor Vehicle Reconditioners, and Motor Vehicle Builders

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 

Date 6/20/14

APA-6
10/96

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

Control No. 810 Department or Agency REVENUE

Rule No: 810-5-12-.03

Rule Title: Bond Claim for New Motor Vehicle Dealers, Motor Vehicle Wholesalers, Used Motor Vehicle Dealers, and Motor Vehicle Rebuilders.

 New X 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
Motor Vehicle Division**

NOTICE OF INTENDED ACTION

RULE NO. & TITLE

- | | |
|--------------|--|
| 810-5-12-.01 | Application for New and Used Motor Vehicle Dealer, Motor Vehicle Wholesaler, Motor Vehicle Reconditioner, and Motor Vehicle Rebuilder Licenses and Renewals – Application for Off-site Sales Event |
| 810-5-12-.02 | Surety Bond and Surety Bond Continuation form for New and Used Motor Vehicle Dealers, Motor Vehicle Wholesalers, Motor Vehicle Reconditioners, and Motor Vehicle Rebuilders. |
| 810-5-12-.03 | Bond Claim for New Motor Vehicle Dealers, Motor Vehicle Wholesalers, Used Motor Vehicle Dealers, Motor Vehicle Reconditioners, and Motor Vehicle Builders |

INTENDED ACTION: Amend above rules

SUBSTANCE OF PROPOSED ACTION: The department proposes to amend the above rules to comply with the provisions of Act 2014-158.

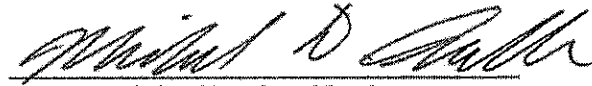
TIME, PLACE, MANNER OF PRESENTING VIEWS: A public hearing will be held at 3:00 p.m. on Wednesday, August 6, 2014, Room 1203, First Floor, Gordon Persons Building, located at 50 N Ripley Street, Montgomery, Alabama. Copies of the rule(s) can be obtained at www.revenue.alabama.gov/rulehear.html.

All interested parties may present their views in writing to the **Secretary of the Alabama Department of Revenue, Room 4131, 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, August 6, 2014

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

0933APC.INT

810-5-12-.03 Bond Claim for New Motor Vehicle Dealers, Motor Vehicle Wholesalers, Used Motor Vehicle Dealers, ~~Motor Vehicle Reconditioners~~, and Motor Vehicle Rebuilders.

(1) ~~PURPOSE:~~ Section 40-12-398, Code of Alabama 1975, states that the bond shall be in favor of any person who shall recover any judgment for any loss as a result of any violation of the conditions of the license of a motor vehicle dealer, ~~motor vehicle reconditioner~~, motor vehicle rebuilder, and motor vehicle wholesaler. This rule establishes the procedures to be followed for making a bond claim with the commissioner.

(2) ~~JUDGMENT REQUIRED:~~ In order to make a bond claim, a claimant must first secure a final judgment from a court of competent jurisdiction.

(3) ~~COLLECTION EFFORT:~~ A person wishing to make a bond claim must exhaust all available remedies in attempting to collect the judgment, prior to making a bond claim with the commissioner.

(4) ~~REQUIRED DOCUMENTS:~~ The following items must be submitted to the commissioner in order for a bond claim to be processed.

(a) A complaint relating to the violation of the conditions of a contract made in connection with the sale or exchange of a motor vehicle; or the violation of any provision of law relating to the conduct of the business of a motor vehicle dealer, ~~motor vehicle reconditioner~~, motor vehicle rebuilder, or motor vehicle wholesaler.

(b) A final judgment relating to the complaint in item (a) above. The judge rendering such must sign the judgment. No certificate or any other document that is not signed by the judge will be accepted.

(c) A description of efforts made to enforce the judgment; along with a statement of all amounts recovered, or a statement that no amount has been recovered.

(5) The total amount of all bond claims made against a single bond shall not exceed \$25,000. Once the bond claim limit of \$25,000 has been reached, no further claims shall be allowed against the bond.

Author: Don Clemons, Mike Gamble
Authority: Sections 40-2A-7(a)(5), 40-12-392 and 40-12-398, Code of Alabama 1975
History: New rule: Filed July 27, 2012, effective August 31, 2012.