

TRANSMITTAL SHEET FOR
NOTICE OF INTENDED ACTION

Control 810 Department or Agency REVENUE

Rule Nos. 810-5-8-10

Rule Title: Mandatory Liability Insurance (MLI) Questionnaire and Notice of Suspension

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

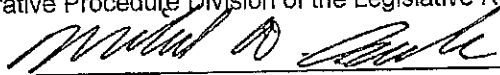
Does the proposed rule have any economic impact?

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 9/16/15

APA-6
10/96

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

Control No. 810 Department or Agency REVENUE

Rule No: 810-5-8-.10

Rule Title: Mandatory Liability Insurance (MLI) Questionnaire and Notice of Suspension

 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

810-5-1-.228.01 Sending in Monthly Vehicle Reports

INTENDED ACTION: Repeal rule

SUBSTANCE OF PROPOSED ACTION: The department proposes repeal the above rule to delete obsolete procedures.

RULE NO. & TITLE

810-5-1-.237 Mandatory Liability Insurance (MLI) Registration Reinstatement Procedures

INTENDED ACTION: Repeal rule

SUBSTANCE OF PROPOSED ACTION: The department proposes to repeal the above rule and replace it with new proposed rule 810-5-8-.06. The purpose of this action is to ensure that all mandatory liability insurance administrative rules are included within the same taxing division area of the rules index.

RULE NO. & TITLE

810-5-1-.442 Farm and Forest Products License Plates

INTENDED ACTION: Amend rule

SUBSTANCE OF PROPOSED ACTION: The department proposes to amend the above rule to comply with the provisions of Act 2015-499.

RULE NO. & TITLE

810-5-8-.01 Issuance of Certificate of Motor Vehicle Liability Bond
810-5-8-.02 Issuance of Certificate of Cash Bond and Satisfaction of Judgements

INTENDED ACTION: Amend rule

SUBSTANCE OF PROPOSED ACTION: The department proposes to clarify that liability bond amounts and cash bond amounts are in accordance with Section 32-7-6(c), Code of Alabama 1975.

RULE NO. & TITLE

810-5-8-.05 Evidence of Insurance Requirements

INTENDED ACTION: Amend rule

SUBSTANCE OF PROPOSED ACTION: The department proposes to amend the above rule to clarify, in accordance with Section 32-7A-6, Code of Alabama 1975, that evidence of insurance can be provided in either a tangible or in an electronic format.

RULE NO. & TITLE

810-5-8-.06 Mandatory Liability Insurance (MLI) Registration Reinstatement Procedures

INTENDED ACTION: Adopt rule

SUBSTANCE OF PROPOSED ACTION: The department proposes to adopt the above new rule which will replace existing rule 810-5-1-.237. The purpose of this action is to ensure that all mandatory liability insurance administrative rules are included within the same taxing division area of the rules index.

RULE NO. & TITLE

810-5-8-.10 Mandatory Liability Insurance (MLI) Questionnaire and Notice of Suspension

INTENDED ACTION: Amend rule

SUBSTANCE OF PROPOSED ACTION: The department proposes to amend the above rule to clarify, in accordance with Section 32-7A-26, Code of Alabama 1975, that the department may send notices in an electronic format, instead of mailing such notices, when an electronic mail address is available.

TIME, PLACE, MANNER OF PRESENTING VIEWS: A public hearing will be held at 10:00 a.m. on Thursday, November 12, 2015, Room 1203, First Floor, Gordon Persons Building, located at 50 N Ripley Street, Montgomery, Alabama. Copies of the rule(s) can be obtained at <http://revenue.alabama.gov/analysis/upcoming-rule-hearings.cfm>

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:

Thursday, November 12, 2015

CONTACT PERSON AT AGENCY:

Patricia Thomas
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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810-5-8-.10 Mandatory Liability Insurance (MLI) Questionnaire and Notice of Suspension.

(1) In accordance with Section 32-7A-7, Code of Alabama 1975, the Department of Revenue, or its designee, may review registrations of motor vehicles subject to §32-7A-4, or owners thereof to verify whether the motor vehicles are insured.

(2) The Department may send MLI questionnaires to owners/registrants to be completed and returned to the Department "within 30 calendar days after the department mails a request." [§32-7A-7]

(3) Section 32-7A-8 provides, in part, that "...the Department shall notify the owner that such owner's vehicle registration shall be suspended 30 calendar days after the date of mailing the notice unless the owner furnishes evidence of insurance in effect on the verification date, as prescribed by the department. The notice shall be in writing and shall be mailed by the U.S. Postal Service to the registrant's last known address as reflected on the Department's motor vehicle registration records." The Department will provide a Notice of Suspension to anyone whose registration is to be suspended pursuant to Chapter 7A of Title 32. The notice includes information regarding the suspension, including the reason for the suspension, the effective date of the suspension, and the earliest date the suspension may be removed. The notice provides additional information as to what procedures the vehicle owner must follow to prevent registration suspension or to have his or her vehicle registration reinstated.

(4) If the vehicle owner receives a Questionnaire or Notice of Suspension (NOS) and the subject vehicle was insured by an Alabama liability insurance policy company qualified to transact business in Alabama on the insurance verification date shown on the questionnaire or NOS for the vehicle and vehicle license plate identified, the vehicle owner is required to provide the following information by one of the methods provided in this rule:

(a) The name of the Alabama insurance company that ~~is qualified to transact business in~~ issued the Alabama liability insurance policy;

(b) NAIC Number of the insurance company;

(c) The address of the insurance company, including city, state, and zip code;

(d) The insurance company telephone number;

(e) The insurance policy number issued to the vehicle;

(f) The effective date of the insurance policy;

(g) The policy expiration date.

(5) If the vehicle listed on the questionnaire or NOS was not insured on the insurance verification date shown on the questionnaire or NOS because the vehicle was stored, inoperable, or otherwise unused, the vehicle owner must indicate this exemption reason on the questionnaire or NOS and provide evidence of the vehicle's non-use to the licensing official prior to re-registering the vehicle, as provided in administrative rule 810-5-1-.244. The current vehicle registration will be revoked for the remainder of the registration period. In the event the vehicle is no longer stored, inoperable, or unused, a new license plate/registration must be obtained prior to operating the vehicle. Failure to provide acceptable evidence of non-use will result in the suspension of the vehicle registration as provided in subsection (6).

(6) If the vehicle listed on the questionnaire or NOS was not insured on the insurance verification date shown on the questionnaire or NOS in violation of §32-7A-4, the department shall suspend the registration. The registrant must serve any required suspension period, remit reinstatement fees and provide current evidence of insurance in order to reinstate the registration.

(7) The vehicle owner, or his/her authorized representative, is required to sign the questionnaire or NOS in the place provided on the questionnaire or NOS if mailed or faxed to the Department.

(8) The Department must receive the required questionnaire or NOS information within 30 calendar days of the date of correspondence shown on the questionnaire or NOS form by one of the following methods:

(a) By entering information on-line at the Department's website and electronically transmitting it to the Department; or

(b) Faxing the questionnaire or NOS to the fax number shown on the questionnaire or NOS; or

(c) Mailing the questionnaire or NOS to the department address indicated in the correspondence.

(9) In accordance with § 32-7A-7, any vehicle owner failing to respond to the questionnaire or NOS "shall be deemed to have registered or maintained registration of a motor vehicle in violation of § 32-7A-4," and the Department shall suspend the registration.

(10) In accordance with § 32-7A-7, if the vehicle owner responds to the questionnaire or NOS by asserting that his or her vehicle was covered by a liability insurance policy on the verification date stated in the department's request, the department may conduct a verification of the response through the Online Insurance Verification System (OIVS) or by furnishing necessary information to the insurer named in the response. Insurance information received from

vehicle owners at the time of reinstatement should be processed the same as information received from insurance questionnaires or NOS.

(11) If the insurer fails to respond within 30 calendar days to the NOS, the Department shall suspend the registration.

(12) In accordance with Section 32-7A-26, the Department may send notices in an electronic format, instead of mailing such notices, when an electronic mail address is available.

Author: Sherry Helms
Authority: Sections 40-2A-7(a)(5), ~~and 32-7A-3(a)~~, and 32-7A-26 Code of Alabama 1975
History: New Rule: Filed July 12, 2001, effective August 16, 2001.
Amended: Filed May 6, 2011, effective June 10, 2011.
Amended: Filed January 10, 2013, effective February 14, 2013.
Amended: Filed July 17, 2015, effective August 21, 2015.