

1 HB686
2 119673-3
3 By Representative Page
4 RFD: Banking and Insurance
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ENROLLED, An Act,

To amend Section 32-7A-9, Code of Alabama 1975, to provide for the payment of reinstatement fees and the submission of current proof of insurance documentation by vehicle owners to the Administrative Office of Courts; and to provide for the distribution of reinstatement fees collected.

BE IT ENACTED BY THE LEGISLATURE OF ALABAMA:

Section 1. Section 32-7A-9, Code of Alabama 1975, is amended to read as follows:

"§32-7A-9.

"(a) The department shall suspend the vehicle registration of any motor vehicle determined to be in violation of Section 32-7A-4, including any motor vehicle operated in violation of Section 32-7A-16 by an operator other than the owner of the vehicle. Neither the fact that, subsequent to the date of verification or violation, the owner acquired the required liability insurance policy nor the fact that the owner terminated ownership of the motor vehicle shall have any bearing upon the required suspension.

"(b) The registration of any motor vehicle registered in this state shall be suspended upon the department receiving notice of the conviction of the operator of the motor vehicle in another state of an offense which, if committed in this state, would constitute a violation of

1 Section 32-7A-4. Until it is terminated, any suspension under
2 this chapter shall remain in force even if the registration is
3 renewed or a new registration is acquired for the motor
4 vehicle contrary to Section 32-7A-10.

5 "(c) In the case of a first violation, the
6 department shall terminate the suspension upon payment by the
7 owner of a reinstatement fee of one hundred dollars (\$100) in
8 ~~certified funds~~ a manner as prescribed by the department and
9 submission of proof of current insurance as prescribed by the
10 department to either the department, ~~or to the vehicle owner's~~
11 county license plate issuing official, the circuit clerk of
12 any county, or the Administrative Office of Courts. Upon a
13 first violation, the owner's name and identifying information
14 shall be provided to the director by the department, for the
15 purpose of requiring the owner to purchase and maintain
16 insurance pursuant to Section 32-7-13 or Section 32-7-31, or
17 both, for a period of one year.

18 "(d) In the case of a second or subsequent violation
19 by a person having ownership interest in a motor vehicle or
20 vehicles within the preceding four years, or a violation of
21 Section 32-7A-16(3), the department shall terminate the
22 suspension four months after its effective date upon payment
23 by the owner of a reinstatement fee of two hundred dollars
24 (\$200) in ~~certified funds~~ a manner as prescribed by the
25 department and submission of proof of current insurance as

1 prescribed by the department to either the department or to
2 the vehicle owner's county license plate issuing official, the
3 circuit clerk of the county, or the Administrative Office of
4 Courts. In the case of a second or subsequent violation, the
5 owner's name and identifying information shall be provided to
6 the director by the department, for the purpose of the
7 director requiring the owner to purchase and maintain
8 insurance pursuant to Section 32-7-13 or Section 32-7-31, or
9 both, for a period of three years. Upon conviction of a second
10 offense the violator shall be guilty of a Class B misdemeanor.

11 "(e) In accepting the reinstatement fee and proof of
12 current insurance, the owner's county license plate issuing
13 official, the circuit clerk of any county, or the
14 Administrative Office of Courts shall be responsible for
15 notifying and forwarding, not later than the next business
16 day, any required documentation concerning the reinstatement
17 of motor vehicle registration or registrations to the
18 department in the manner prescribed by the department.

19 "(f) Except as provided in ~~subsection~~ subsections
20 (g) and (i), all fees collected under this section shall be
21 retained by the department exclusively for use in the
22 administration of this chapter; provided, if the fees are
23 collected by the owner's county license plate issuing
24 official, the official shall remit the fee to the department,
25 except for 10 percent of the fee, which shall be retained by

1 the official and distributed 50 percent to the county license
2 plate issuing official and 50 percent to the county general
3 fund. ~~In the event the county license plate issuing official~~
4 ~~receives a salary, the~~ The retained fee fees distributed to
5 the county license plate issuing official shall be deposited
6 into a special ~~motor vehicle registration and titling~~
7 ~~technology fund.~~ designated as the "Special Licensing
8 Officials' Fund." The special fund shall be used for ~~all~~
9 ~~reasonable and necessary technology expenses directly related~~
10 ~~to the registration or titling, or both, of motor vehicles,~~
11 ~~including, but not limited to, the purchase of hardware or~~
12 ~~software, or both, for motor vehicle registration and titling~~
13 ~~activities. The special fund shall be for the use the~~
14 improvement of the equipment and operations in the office of
15 the licensing official charged with motor vehicle registration
16 and titling responsibilities and shall be in addition to the
17 amount budgeted for the office of the official. Moneys in Fees
18 deposited into the special fund shall be disbursed ~~by the~~
19 ~~county commission for the payment of motor vehicle~~
20 ~~registration or titling-related technology expenses of those~~
21 ~~official requisitioning expenditures from the fund. County~~
22 ~~license~~ at the sole discretion of the license plate issuing
23 official and shall be audited by the Examiners of Public
24 Accounts. Such moneys in the special fund shall not accumulate
25 in excess of ten thousand dollars (\$10,000) during any fiscal

1 year. Any excess moneys shall accrue to the county general
2 fund. License plate issuing officials shall remit the balance
3 of the funds to the department in the manner prescribed by the
4 department by the 10th day of the month following the month of
5 collection. Refunds of reinstatement fees, less the retained
6 fees, shall be granted in cases of duplicate payment, or as
7 approved by the department. Anyone who is denied a refund of
8 the reinstatement fee may appeal the denial to the
9 administrative law judge pursuant to Section 40-2A-8.

10 "(g) If the reinstatement fees are collected by the
11 Administrative Office of Courts, it shall remit the fee to the
12 department, except for 15 percent of the fee, which shall be
13 retained in its entirety by the Administrative Office of
14 Courts. If the reinstatement fees are collected by the circuit
15 clerk, it shall remit the fee to the department, except for 15
16 percent of the fee, which shall be retained by the circuit
17 clerk and distributed evenly between the circuit clerk's
18 office and the Administrative Office of Courts. Any portion of
19 the reinstatement fee due to the Administrative Office of
20 Courts shall be deposited into the Advanced Technology and
21 Data Exchange Fund established pursuant to Section 12-19-290.
22 Any portion of the reinstatement fee due to the circuit clerk
23 shall be deposited into the Clerk's Fund established pursuant
24 to Section 12-17-225.4(2).

1 "(h) Refunds of reinstatement fees, less the
2 retained fees, shall be granted in cases of duplicate payment,
3 or as approved by the department. Anyone who is denied a
4 refund of the reinstatement fee may appeal the denial to the
5 administrative law judge pursuant to Section 40-2A-7.

6 ~~"(g)(i)~~ Notwithstanding the provisions of subsection
7 (f), ~~ten dollars (\$10) of each reinstatement fee received~~ 15
8 percent of the net proceeds received by the department shall
9 be deposited by the department into the Alabama Peace
10 Officers' Annuity and Benefit Fund, as authorized by Section
11 36-21-66.

12 "(j) It shall be unlawful for the vehicle owner's
13 county license plate issuing official to fail to collect such
14 reinstatement fees, when due. Additionally, the reinstatement
15 fee shall not be waived by the court when the vehicle owner
16 cannot produce evidence that a valid liability insurance
17 policy was in effect on the date a citation was issued for
18 violation of the provisions of this chapter."

19 Section 2. The terms "circuit clerk" and "circuit
20 clerk's office" as used in any part of this act shall also
21 include any district clerk or district clerk's office that
22 functions separately from the office of the circuit clerk
23 pursuant to Section 12-17-161, Code of Alabama 1975.

1 Section 3. This act shall become effective on
2 January 1, 2011, following its passage and approval by the
3 Governor, or its otherwise becoming law.

