

1 HB556
2 177178-3
3 By Representatives Ingram and Clouse
4 RFD: Ways and Means General Fund
5 First Read: 19-APR-16

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8 SYNOPSIS: Under current law, the Department of Revenue
9 collects a fee for issuing and processing certain
10 motor vehicle titles. This bill levies an
11 additional processing fee for issuing and
12 processing such titles and provide for the
13 distribution of proceeds.

14
15 A BILL
16 TO BE ENTITLED
17 AN ACT

18
19 To amend Sections 32-8-6, 32-8-87, and 32-20-4, Code
20 of Alabama 1975, relating to motor vehicle titles; to levy an
21 additional processing fee for issuing and processing certain
22 motor vehicle titles; and to provide for the distribution of
23 proceeds.

24 BE IT ENACTED BY THE LEGISLATURE OF ALABAMA:

25 Section 1. Sections 32-8-6, 32-8-87, and 32-20-4,
26 Code of Alabama 1975, are hereby amended to read as follows:

27 "§32-8-6.

1 "(a) There shall be paid to the department for
2 issuing and processing documents required by this chapter a
3 fee of fifteen dollars (\$15) plus an additional processing fee
4 of thirteen dollars (\$13) for each of the following
5 transactions:

6 "(1) Each application for certificate of title;

7 "(2) Each application for replacement or corrected
8 certificate of title;

9 "(3) Each application for certificate of title after
10 transfer;

11 "(4) Each notice of security interest;

12 "(5) Each assignment by lienholder;

13 "(6) Each application for ordinary certificate of
14 title upon surrender of a distinctive certificate; or

15 "(7) Each application for ~~the title history on a~~
16 ~~vehicle~~ salvage or rebuilt certificate of title.

17 "(b) The designated agents shall add the sum of one
18 dollar fifty cents (\$1.50) for each transaction, as ~~specified~~
19 prescribed in subsection (a), processed for which this fee is
20 charged to be retained as the agent's commission for services
21 rendered, and all other fees collected shall be remitted to
22 the department in a manner prescribed by the department.

23 "(c) If more than one transaction is involved in any
24 application on a single vehicle and if supported by all
25 required documents, the fee charged by the department and by
26 the designated agent for processing and issuing shall be
27 considered as only one transaction for which the designated

1 agent shall receive and retain one dollar fifty cents (\$1.50)
2 and shall collect and remit to the department ~~fifteen dollars~~
3 ~~(\$15)~~ the fees prescribed in subsection (a).

4 (d) Every transaction shall be accompanied by the
5 ~~fee~~ fees specified in this chapter, regardless of whether the
6 title is issued electronically or not, unless specifically
7 exempted by this chapter.

8 "(e) ~~Notwithstanding any other provisions of this~~
9 ~~section, when~~ Each application for the title history for a
10 motor vehicle shall be accompanied by a fifteen dollar (\$15)
11 fee. When any motor vehicle record, as prescribed by the
12 department, is requested, other than a title history ~~as~~
13 ~~provided in subdivision (7) of subsection (a)~~, and the record
14 is provided electronically or in the form of a printout of an
15 electronic record, the fee shall be five dollars (\$5). The
16 five dollar (\$5) fee shall be distributed as follows: Fifty
17 percent shall be distributed to the State General Fund and the
18 remaining 50 percent shall be retained by the department for
19 use solely by the Motor Vehicle Division of the department for
20 training and technological and processing improvements.

21 "(f) The department may establish and charge a fee
22 not greater than the fee provided in subsection (e) for motor
23 vehicle records obtained through the national motor vehicle
24 title information system and provided to end users. The fee
25 shall be retained by the department for use solely by the
26 motor division of the department for costs associated with

1 providing the records, training, and technological and
2 processing improvements.

3 "(g) All motor vehicle title records, registration
4 records, and any other motor vehicle records as designated by
5 the department containing personal information as defined
6 under state or federal law, rules, or regulations shall only
7 be released by the department in accordance with such laws,
8 rules, or regulations. The department may establish procedures
9 to insure that all motor vehicle record disclosures are
10 handled in a uniform manner.

11 "(h) The department may prescribe the method of
12 payment of any fees required under this chapter.

13 "§32-8-87.

14 "(a) Each owner of a motor vehicle and each person
15 mentioned as owner in the last certificate of title who
16 scraps, dismantles, destroys, or changes the motor vehicle in
17 such a manner that it is not the same motor vehicle described
18 in the certificate of origin or certificate of title shall as
19 soon as practicable cause the certificate of origin or
20 certificate of title, if any, and any other documents or
21 information required by the department to be mailed or
22 delivered to the department for processing. The department
23 shall, with the consent of any holder of liens noted on the
24 surrendered certificate, enter a cancellation upon its
25 records. Upon cancellation of a certificate of origin or
26 certificate of title in the manner prescribed by this section,
27 the department shall cancel all certificates of origin or

1 certificates of title in that chain of title. A certificate of
2 title for the vehicle shall not again be issued except upon
3 application containing the information the department
4 requires, accompanied by a certificate of inspection in the
5 form and content as specified in this section.

6 "No motor vehicle for which a salvage or junk
7 certificate has been issued by this state or any other state
8 shall be driven or operated on the highways or other public
9 places of this state. A vehicle which is in this state and for
10 which a salvage certificate has been issued, and the vehicle
11 is being restored to its operating condition which existed
12 prior to the event which caused the salvage certificate of
13 title to issue, may be moved to and from repair points as
14 necessary by the rebuilder to complete the restoration or may
15 be moved as permitted by the Department of Revenue for
16 inspection or for any other purpose. A valid Alabama dealer
17 license plate shall be displayed on the vehicle during its
18 movement. A person who violates this subsection shall, upon
19 conviction, be guilty of a Class A misdemeanor and shall be
20 punishable as required by law.

21 "(b) When the frame or engine is removed from a
22 motor vehicle and not immediately replaced by another frame or
23 engine, or when an insurance company has paid money or made
24 other monetary settlement as compensation for a total loss of
25 any motor vehicle, the motor vehicle shall be considered to be
26 salvage. The owner of every motor vehicle in which total loss
27 or salvage has occurred in this state, shall, within 72 hours

1 after the total loss or salvage occurs, make application for a
2 salvage certificate of title and forward to the department the
3 certificate of origin or certificate of title to the motor
4 vehicle, whereupon the department shall process the
5 certificate of origin or certificate of title in a manner
6 prescribed by law or regulation. An insurance company which
7 pays money or makes other monetary settlement as compensation
8 for total loss of a motor vehicle shall at the time of payment
9 or monetary settlement obtain the vehicle's properly assigned
10 certificate of origin or certificate of title and, as soon as
11 practicable after receiving it, shall forward it along with
12 their application for a salvage certificate, to the department
13 for processing. In the event the payment or monetary
14 settlement was made because of the theft of the vehicle, which
15 shall be considered a total loss as defined in this section,
16 the insurance company shall forward the vehicle's properly
17 assigned certificate of origin or certificate of title as
18 provided herein, to the department as soon as practicable
19 after the vehicle is recovered. When a stolen motor vehicle
20 has been reported to the department in compliance with this
21 section and is later recovered, and for which a salvage
22 certificate has been issued, the owner recorded on the salvage
23 certificate shall assign that certificate to the purchaser. A
24 person who violates this subsection shall, upon conviction, be
25 guilty of a Class A misdemeanor and shall be punishable as
26 required by law.

1 "(c) If an insurance company acquires a motor
2 vehicle in settlement of an insurance claim and holds the
3 vehicle for resale and procures the certificate of origin or
4 certificate of title from the owner or lienholder within 15
5 days after delivery of the vehicle to the insurance company,
6 and if the vehicle was not a total loss as defined by this
7 section, the insurance company need not send the certificate
8 of origin or certificate of title to the department but, upon
9 transferring the vehicle to another person, other than by the
10 creation of a security interest, the insurance company shall
11 complete an affidavit of acquisition and disposition of the
12 motor vehicle on a form prescribed by the department and
13 deliver the certificate of origin or certificate of title,
14 affidavit, and any other documents required by the department
15 to the transferee at the time of delivery of the motor
16 vehicle.

17 "(d) For the purposes of this section, a total loss
18 shall occur when an insurance company or any other person pays
19 or makes other monetary settlement to a person when a vehicle
20 is damaged and the damage to the vehicle is greater than or
21 equal to 75 percent of the fair retail value of the vehicle
22 prior to damage as set forth in a current edition of a
23 nationally recognized compilation of retail values, including
24 automated data bases. The compensation for total loss as
25 defined in this subsection shall not include payments by an
26 insurer or other person for medical care, bodily injury,
27 vehicle rental, or for anything other than the amount paid for

1 the actual damage to the motor vehicle. A vehicle that has
2 sustained minor damage as a result of theft or vandalism shall
3 not be considered a total loss. Any person acquiring ownership
4 of a damaged motor vehicle that meets the definition of total
5 loss for which a salvage title has not been issued shall apply
6 for a salvage title, other than a scrap metal processor
7 acquiring such vehicle for purposes of recycling into metallic
8 scrap for remelting purposes only. This application shall be
9 made before the vehicle is further transferred, but in any
10 event, within 30 days after ownership is acquired.

11 "(e) It shall be unlawful for the owner of any
12 junkyard, salvage yard, or automotive dismantler and parts
13 recycler or his or her agents or employees to have in their
14 possession any motor vehicle which is junk or salvage or a
15 total loss when the manufacturer's vehicle identification
16 number plate or plates, authorized replacement vehicle
17 identification number plate or plates, or serial plate or
18 plates have been removed, unless previously required to be
19 removed by a statute or law of this state or another
20 jurisdiction. A person who violates this subsection shall,
21 upon conviction, be guilty of a Class A misdemeanor and shall
22 be punishable as required by law.

23 "(f) It shall be unlawful for a person, firm, or
24 corporation to possess, sell or exchange, offer to sell or
25 exchange, or to give away any certificate of origin,
26 certificate of title, salvage certificate of title,
27 manufacturer's identification number plate or plates,

1 authorized replacement vehicle identification number plate or
2 plates, serial plate or plates, or motor vehicle license plate
3 or plates of any motor vehicle which has been scrapped,
4 dismantled, or sold as junk or salvage or as a total loss
5 contrary to this section, and every officer, agent, or
6 employee of a person, firm, or corporation, and every person
7 who shall authorize, direct, aid in or consent to the
8 possession, sale or exchange, or offer to sell, exchange, or
9 give away such certificate of origin, certificate of title,
10 salvage certificate of title, manufacturer's vehicle
11 identification number plate or plates, authorized replacement
12 vehicle identification number plate or plates, serial plate or
13 plates, or motor vehicle license plate or plates contrary to
14 this section, shall, upon conviction, be guilty of a Class A
15 misdemeanor and shall be punishable as required by law.

16 "(g) The department is authorized to issue a salvage
17 certificate of title for ~~a fee of fifteen dollars (\$15)~~ the
18 fees prescribed in subsection (a) of Section 32-8-6, on a form
19 prescribed by the department which shall provide for
20 assignments of this title. The salvage certificate of title is
21 to replace a certificate of origin or certificate of title
22 required to be surrendered by this section. The department
23 shall prescribe necessary forms and procedures to comply with
24 this subsection.

25 "(h) It shall be unlawful for a person to sign as
26 assignor or for a person to have in his or her possession a
27 salvage certificate of title which has been signed by the

1 owner as assignor without the name of the assignee and other
2 information called for on the form prescribed by the
3 department. A person who violates this subsection, upon
4 conviction, shall be guilty of a Class A misdemeanor and shall
5 be punishable as required by law.

6 "(i) Every owner of a salvage or junk motor vehicle
7 who sells or transfers the vehicle to any person shall provide
8 at the time of the sale or transfer a properly executed
9 assignment and warranty of title to the transferee in the
10 space provided therefor on the salvage certificate of title or
11 junk certificate of title or as the department prescribes. A
12 person who willfully violates this subsection shall, upon
13 conviction, be guilty of a Class A misdemeanor and shall be
14 punishable as required by law.

15 "(j) The department may issue a certificate of title
16 to any motor vehicle for which a salvage certificate has been
17 issued by this or any other state, and the vehicle has, in
18 this state, been completely restored to its operating
19 condition which existed prior to the event which caused the
20 salvage certificate of title to issue, provided that all
21 requirements of this section have been met. The department may
22 issue a certificate of title for any motor vehicle for which a
23 salvage certificate of title has been issued by this or any
24 other state or when the department has evidence that a salvage
25 title should have been issued by this or any other state, and
26 the vehicle has been completely restored outside of this state
27 to its operating condition which existed prior to the event

1 which caused the salvage certificate of title to be issued,
2 provided the department is satisfied that the vehicle was
3 rebuilt in the other state in accordance with that state's
4 salvage rebuilding laws. Any motor vehicle for which a
5 certificate of title has been issued by any state with the
6 notation of junk, parts car, parts only, nonrebuildable, or
7 when a certificate of destruction or bill of sale has been
8 issued for transfer of the vehicle with similar language shall
9 be considered to be a junk vehicle and shall not be titled in
10 this state. In addition, no certificate of title may be issued
11 for any vehicle where the frame or the majority of the major
12 component parts were obtained from a junk vehicle as
13 previously defined.

14 "(k) Every owner of a salvage motor vehicle
15 designated a 1975 year model and all models subsequent thereto
16 which is in this state and which has been restored in this
17 state to its operating condition which existed prior to the
18 event which caused the salvage certificate of title to issue
19 shall make application to the department for an inspection of
20 the vehicle in the form and content as determined by the
21 department. Each application for inspection of a salvage
22 vehicle which has been so restored shall be accompanied by all
23 of the following:

24 "(1) The outstanding salvage certificate or
25 out-of-state title previously issued for the salvage vehicle.

26 "(2) Notarized bills of sale evidencing acquisition
27 of all major component parts (listing the manufacturer's

1 vehicle identification number of the vehicle from which the
2 parts were removed, if parts contain or should contain the
3 manufacturer's vehicle identification number) used to restore
4 the vehicle and bills of sale evidencing acquisition of all
5 minor component parts. Notarization shall not be required on
6 bills of sale for minor component parts; provided that a
7 notarized bill of sale which lists the manufacturer's vehicle
8 identification number of the vehicle from which the parts were
9 removed, if parts contain or should contain the manufacturer's
10 vehicle identification number, shall be required for a
11 transmission.

12 "(3) Evidence that the owner is a licensed motor
13 vehicle rebuilder as defined in Section 40-12-390, unless
14 otherwise exempt from the licensing requirement by Chapter 12
15 of Title 40. Notwithstanding the foregoing, where an owner
16 acquires an Alabama salvage certificate of title to his or her
17 own vehicle from his or her insurance company in settlement of
18 a claim, a prior registration or other documentation that
19 shows that the owner owned the vehicle prior to the salvage
20 title being issued may be submitted in lieu of a rebuilder's
21 license.

22 "(4) The owner shall also provide a written
23 affirmation which states the following:

24 "a. The actions taken to restore the vehicle to its
25 operating condition which existed prior to the event which
26 caused the salvage certificate to issue.

1 "b. That the owner personally inspected the
2 completed vehicle and it complies with all safety requirements
3 set forth by the State of Alabama and any regulations
4 promulgated thereunder.

5 "c. That the identification numbers of the restored
6 vehicle and its parts have not, to the knowledge of the owner,
7 been removed, destroyed, falsified, altered, or defaced.

8 "d. That the salvage certificate document or
9 out-of-state title certificate attached to the application has
10 not to the knowledge of the owner been forged, falsified,
11 altered, or counterfeited.

12 "e. That all information contained on the
13 application and its attachments is true and correct to the
14 knowledge of the owner.

15 "f. The owner, as specified in subsection (r), shall
16 be required to post a bond in accordance with Section 32-8-36
17 in the event that the owner cannot provide any information
18 required in subsection (k) or any other information specified
19 by the department.

20 "(1) The application fee for each inspection of a
21 restored vehicle shall be seventy-five dollars (\$75), payable
22 to the department in a manner as prescribed by the department,
23 which shall accompany the application.

24 "(1) All application fees and title fees received by
25 the department pursuant to this subsection shall be applied
26 toward the personnel and maintenance costs of the vehicle
27 inspection program and the vehicle inspection program shall be

1 conducted by the office of investigations and inspections of
2 the department. Upon receipt of the application for
3 inspection, application fee of seventy-five dollars (\$75), its
4 supporting documents, and title ~~fee of fifteen dollars (\$15),~~
5 fees prescribed in subsection (a) of Section 32-8-6 payable to
6 the department in a manner as prescribed by the department,
7 the department shall require an inspection to be made of the
8 title and the vehicle by qualified agents or law enforcement
9 officers of the department.

10 "(2) The inspection and certification shall include
11 an examination of the vehicle and its parts to determine that
12 the identification numbers of the vehicle or its parts have
13 not been removed, falsified, altered, defaced, destroyed, or
14 tampered with; that the vehicle information contained in the
15 application for certificate of title and supporting documents
16 is true and correct; and that there are no indications that
17 the vehicle or any of its parts are stolen. The certification
18 shall not attest to the roadworthiness or safety condition of
19 the vehicle.

20 "(m) Component parts are defined as:

21 "(1) PASSENGER VEHICLES.

22 "a. Major components:

23 "1. Motor or engine.

24 "2. Trunk floor pan or rear section and roof.

25 "3. Frame or any portion thereof (except frame
26 horn), or, in the case of a unitized body, the supporting

1 structure which serves as the frame, except when it is a part
2 of the trunk floor pan, or rear section and roof.

3 "4. Cowl, firewall, or any portion thereof.

4 "5. Roof assembly.

5 "b. Minor components:

6 "1. Each door allowing entrance to or egress from
7 the passenger compartment.

8 "2. Hood.

9 "3. Each front fender or each rear fender when used
10 with a rear section and roof.

11 "4. Deck lid, tailgate, or hatchback (whichever is
12 present).

13 "5. Each quarter panel.

14 "6. Each bumper.

15 "7. T-tops, moon roof, or whichever is present.

16 "8. Transmission or trans-axle.

17 "(2) TRUCK, TRUCK TYPE, OR BUS TYPE VEHICLE.

18 "a. Major components:

19 "1. Motor or engine.

20 "2. Transmission or trans-axle.

21 "3. Frame or any portion thereof (except frame
22 horn), or, in the case of a unitized body, the supporting
23 structure which serves as the frame.

24 "4. Cab.

25 "5. Cowl or firewall or any portion thereof.

26 "6. Roof assembly.

1 "7. Cargo compartment floor panel or passenger
2 compartment floor pan.

3 "b. Minor components:

4 "1. Each door.

5 "2. Hood.

6 "3. Grill, except on one ton or smaller trucks.

7 "4. Each bumper.

8 "5. Each front fender.

9 "6. Roof panel and rear cab panel.

10 "7. Each rear fender or side panel.

11 "8. Pickup box.

12 "9. Body or bed.

13 "(3) MOTORCYCLE: COMPONENT PARTS.

14 "a. Engine or motor.

15 "b. Transmission or trans-axle.

16 "c. Frame.

17 "d. Front fork.

18 "e. Crankcase.

19 "(n) A salvage vehicle which has been restored in
20 this state to its operating condition which existed prior to
21 the event which caused the salvage certificate of title to
22 issue shall be issued a certificate of title which shall
23 contain the word rebuilt.

24 "(o) (1) Each salvage vehicle restored or rebuilt in
25 this state which is required to be inspected by the department
26 pursuant to subsection (l) and for which a certificate of
27 title may be issued pursuant to subsection (n) shall be issued

1 a decal, plate, or other emblem as prescribed by the
2 department to reflect that the vehicle is rebuilt. The decal,
3 plate, or other emblem shall be attached to the vehicle in a
4 place and in a manner prescribed by the department.

5 "(2) A person who willfully removes, mutilates,
6 tampers with, obliterates, or destroys a decal, plate, or
7 other emblem issued and attached to a salvage vehicle pursuant
8 to this subsection is guilty of a Class A misdemeanor
9 punishable as provided by law.

10 "(p) Each person who sells, exchanges, delivers, or
11 otherwise transfers any interest in any vehicle for which a
12 title bearing the designation salvage or rebuilt has been
13 issued shall disclose in writing the existence of this title
14 to the prospective purchaser, recipient in exchange, recipient
15 by donation, or recipient by other act of transfer. The
16 disclosure, which shall be made at the time of or prior to the
17 completion of the sale, exchange, donation, or other act of
18 transfer, shall contain the following information in no
19 smaller than 10 point type: "This vehicle's title contains the
20 designation salvage or rebuilt."

21 "(q) (1) Any motor vehicle for which an insurance
22 company has paid a total loss due, in part, to being damaged
23 by water shall be deemed a flood vehicle. The motor vehicle's
24 certificate of title and every subsequent certificate of title
25 shall contain the designation flood vehicle.

26 "(2) Each person who sells, exchanges, donates,
27 delivers, or otherwise transfers any interest for which a

1 certificate of title bearing the designation flood vehicle has
2 been issued shall disclose in writing the existence of this
3 designation to the prospective purchaser, recipient in
4 exchange, recipient by donation, or recipient by other act of
5 transfer. The disclosure shall be made at the time of or prior
6 to the completion of the sale, exchange, donation, delivery,
7 or other act of transfer and shall contain the following
8 information in no smaller than 10 point type: The certificate
9 of title of this motor vehicle contains the designation flood
10 vehicle.

11 "(r) If an owner acquires a salvage vehicle for
12 which a previous insurer or owner did not properly obtain a
13 salvage title from this or any other state or the vehicle was
14 rebuilt by a rebuilder who is no longer licensed as a
15 rebuilder, the current owner may proceed as provided in
16 subsection (k) and apply for an inspection of the vehicle. In
17 any case where the department has determined that an insurer
18 or prior owner did not properly obtain a salvage certificate
19 of title, a prior registration or other documentation that
20 shows that the owner owned the vehicle prior to the
21 notification by the department may be submitted in lieu of a
22 rebuilder's license.

23 "(s) (1)a. A licensed automotive dismantler and parts
24 recycler as defined in Section 40-12-410, secondary metals
25 recycler as defined in Section 13A-8-30, who acquires a motor
26 vehicle for the purpose of dismantling it or recycling it into
27 metallic scrap for melting purposes or any person who crushes

1 a motor vehicle acquired from anyone other than a licensed
2 automotive dismantler and parts recycler or a secondary metal
3 recycler, except as provided in subdivision (2), shall
4 surrender any certificate of title received to the department
5 for cancellation in a manner as prescribed by the department.
6 A notice of cancellation shall be submitted and a receipt of
7 the notice shall be obtained from the department prior to
8 crushing the vehicle or dismantling the vehicle or recycling
9 it into metallic scrap for remelting purposes. A licensed
10 automotive dismantler and parts recycler or secondary metals
11 recycler shall file the notice electronically and the
12 department, at the time of filing, shall provide the filer
13 with an electronic notice of receipt. The licensed automotive
14 dismantler and parts recycler or secondary metals recycler
15 shall maintain the properly assigned original certificate of
16 title when the notice is filed electronically. The department
17 shall verify through its records that the title is the current
18 title of the motor vehicle and that the vehicle is not
19 reported as stolen prior to issuing the receipt.

20 "b. Each licensed automotive dismantler and parts
21 recycler, secondary metals recycler, and any other person who
22 crushes a motor vehicle shall maintain records of every motor
23 vehicle crushed or acquired for the purpose of dismantling it
24 or recycling it into metallic scrap for remelting purposes.
25 The records shall be maintained by these parties for a period
26 of not less than five years and shall include the vehicle
27 identification number, name and address of the seller, copy of

1 the seller's state issued driver's license or identification
2 card, the date of sale, and a copy of the certificate of title
3 surrendered to the department. In the event that a person
4 crushes a vehicle or vehicles on behalf of the owner but does
5 not acquire the vehicle or vehicles, that person shall
6 maintain a record of the vehicle identification number, and
7 the name and address of the entity for whom the vehicles were
8 crushed, as well as a copy of the person's state issued
9 driver's license or identification card, or state issued tax
10 ID number if the entity is not a natural person. For purposes
11 of this chapter, a crushed motor vehicle as defined in Section
12 40-12-116 shall not be deemed a motor vehicle or vehicle,
13 provided, however, that any person who is responsible for
14 transforming a motor vehicle into a crushed motor vehicle is
15 responsible for complying with this section.

16 "(2) Notwithstanding any other provision of this
17 title to the contrary, if the owner or authorized agent of the
18 owner of a motor vehicle has not obtained a title in his or
19 her name for the motor vehicle to be transferred, he or she
20 may sign a sworn statement that, in addition to the foregoing
21 conditions, the vehicle is worth one thousand dollars (\$1,000)
22 or less and is at least 12 model years old. The statement
23 described in this subsection may be used only to transfer such
24 a motor vehicle to a licensed automotive dismantler and parts
25 recycler as defined at Section 40-12-410 or secondary metals
26 recycler as defined at Section 13A-8-30 and shall be used in
27 lieu of a certificate of title when the motor vehicle is being

1 dismantled or recycled into metallic scrap. The department, in
2 consultation with the above industries, shall promulgate a
3 form for the statement which shall include, but not be limited
4 to, all of the following information:

5 "a. A statement that the motor vehicle shall never
6 be titled again and that it must be dismantled or scrapped.

7 "b. A description of the motor vehicle including the
8 year, make, model, and vehicle identification number.

9 "c. The license plate number and state of issue of
10 any vehicle transporting the motor vehicle being sold.

11 "d. The name, address, and driver's license number
12 of the seller.

13 "e. A certification by the seller that the seller is
14 lawfully in possession of the vehicle and the seller is the
15 current owner of the vehicle and the seller never obtained a
16 title to the motor vehicle in his or her name.

17 "f. A certification that the motor vehicle meets all
18 of the following requirements:

19 "1. Is worth one thousand dollars (\$1,000) or less.

20 "2. Is at least 12 model years old.

21 "3. Is not subject to any recorded security interest
22 or lien.

23 "g. An acknowledgment, made under penalties of
24 perjury, that the seller realizes this information will be
25 filed with the department and that it is a Class C felony to
26 knowingly falsify any information on this statement.

1 "h. The seller's signature and the date of the
2 transaction.

3 "i. The name and address of the business acquiring
4 the vehicle.

5 "j. The unique registration number provided by the
6 Administrator of the National Motor Vehicle Title Information
7 System known as the NMVTIS ID Number.

8 "k. A certification by the business, made under
9 penalties of perjury, that one thousand dollars (\$1,000) or
10 less was paid to acquire the vehicle.

11 "l. The business agent's signature and date along
12 with a printed name and title if the agent is signing on
13 behalf of a corporation.

14 "m. The unique tracking number provided by a
15 Department of Revenue system that indicates that the
16 automotive dismantler and parts recycler or secondary metals
17 recycler has utilized that system to verify that the vehicle
18 is not currently reported as stolen and that there is no
19 recorded lien or notice of a lien on file or that the
20 department has no record of the vehicle. A licensed automotive
21 dismantler and parts recycler or secondary metals recycler
22 shall file the notice electronically, and the department shall
23 provide the filer with an electronic notice of receipt. This
24 statement shall be invalid without this tracking number and
25 without the purchaser's NMVTIS ID Number.

26 "n. An acknowledgement by the automotive dismantler
27 and parts recycler or secondary metals recycler that the motor

1 vehicle will not be crushed or shredded for a period of 48
2 hours not including Saturday and Sunday after the initial
3 filing with the department of the notice required in this
4 subsection and receipt of such notice.

5 "(3) The automotive dismantler and parts recycler or
6 secondary metals recycler shall electronically deliver the
7 statement required under this subsection to the department
8 within 72 hours of the completion of the transaction,
9 requesting that the department cancel the certificate of title
10 and registration. A transmission of the identical information,
11 in the identical format as prescribed by the Alabama
12 Department of Revenue, shall be sent by the automotive
13 dismantler and parts recycler or secondary metals recycler to
14 the sheriff of the county, or the chief of police if located
15 in a municipality, if requested by the sheriff or chief of
16 police. The transmittal shall be completed and a receipt of
17 the notice, generated at the time of the transmittal, shall be
18 obtained from the department before dismantling the vehicle or
19 recycling it into metallic scrap for remelting purposes. In
20 addition, the automotive dismantler and parts recycler or
21 secondary metals recycler shall maintain the original signed
22 documents required by this subsection for a period of not less
23 than five years. An automotive dismantler and parts recycler
24 or secondary metals recycler who has complied with the
25 requirements of this section shall be immune from, and held
26 harmless from, any claims related to liens which were not
27 recorded or a notice of lien was not recorded, or stolen

1 vehicles not reported, at the time that the vehicle was
2 purchased and the inquiry made and documented with the unique
3 tracking number issued by the department.

4 "(4) Any person who knowingly and willfully violates
5 this subsection, or any person who falsifies the statement
6 required under this subsection, or any person who knowingly
7 and willfully sells a vehicle upon which there is an
8 unsatisfied lien, shall be guilty of a Class C felony. In
9 addition to any punishment rendered, each person convicted
10 shall be subject to the laws regarding restitution.

11 "(5) Any motor vehicle used to transport another
12 motor vehicle or crushed motor vehicle illegally sold under
13 this section may be seized by law enforcement and is subject
14 to forfeiture ordered by the court; provided, however, that no
15 motor vehicle used by any person in the transaction of a sale
16 of such motor vehicle shall be subject to forfeiture unless
17 the owner or other person in charge of the motor vehicle is a
18 consenting or knowing party to the commission of a crime, and
19 a forfeiture of the motor vehicle is subject to the rights of
20 any lienholder who holds a perfected security interest in the
21 motor vehicle so long as the lienholder had no knowledge of or
22 consented to the act. Whenever property is forfeited under
23 this subsection by order of the court, it shall be sold and
24 the proceeds distributed, pro rata after payment of all
25 property expenses relating to the forfeiture and sale,
26 including any court ordered restitution to the owner of the
27 vehicle, satisfaction of any liens associated with the vehicle

1 sold in violation of this section, and any losses incurred by
2 the automotive dismantler and parts recycler or secondary
3 metals recycler to the general fund of the state or any county
4 or municipality whose department, office, or agency
5 contributed to the investigation of the acts resulting in
6 forfeiture, based upon the contribution, including expenses,
7 of the department, office, or agency, as determined by the
8 court.

9 "(t) The Department of Revenue shall provide a
10 system for a real-time online verification of motor vehicle
11 titles, liens, and stolen vehicle status that can be accessed
12 by an automotive dismantler and parts recycler or a secondary
13 metals recycler. The system shall be capable of transmitting
14 the information from the statement required pursuant to
15 subsection (s) either online or by bulk electronic
16 transmission and shall provide a unique tracking number on a
17 receipt at the time of the submission that indicates that the
18 automotive dismantler and parts recycler or a secondary metals
19 recycler has used the system and that at the time of the
20 inquiry, the vehicle was not reported as stolen and that there
21 were no recorded liens or notices of liens on file associated
22 with the vehicle, or that the department has no record of the
23 vehicle. The charge assessed for the transmittal of the
24 statement required by subsection (s) to the automotive
25 dismantler and parts recycler or secondary metals recycler
26 shall be five dollars (\$5) per submittal. In lieu of a per
27 submittal charge, an automotive dismantler and parts recycler

1 or a secondary metals recycler may pay an annual fee of five
2 hundred dollars (\$500) for all submittals and inquiries made
3 during that fiscal year. The fee shall be paid on a fiscal
4 year basis, beginning October 1 of each fiscal year. Every
5 automotive dismantler and parts recycler, secondary metals
6 recycler or person or company licensed pursuant to Section
7 40-12-116, shall pay the annual fee for each location or
8 license. Any fees collected under this section shall be
9 retained by the department for use solely by the Motor Vehicle
10 Division of the department for training and technological and
11 processing improvements.

12 "§32-20-4.

13 "(a) There shall be paid to the department for
14 issuing and processing documents required by this chapter ~~a~~
15 ~~fee of fifteen dollars (\$15)~~ fees in the amounts prescribed by
16 subsection (a) of Section 32-8-6 for each of the following
17 transactions:

18 "(1) Each application for certificate of title.

19 "(2) Each application for replacement or corrected
20 certificate of title.

21 "(3) Each application for certificate of title after
22 transfer.

23 "(4) Each notice of security interest.

24 "(5) Each assignment by lienholder.

25 "(6) Each application for cancellation of a
26 certificate of origin or certificate of title.

1 "~~(7) Each application for information as to the~~
2 ~~status of the title of a manufactured home. Such information~~
3 ~~shall be treated in the same manner as prescribed by state and~~
4 ~~federal statutes, rules, and regulations regarding the~~
5 ~~confidentiality and disclosure of motor vehicle records.~~

6 "(b) The designated agents shall add the sum of one
7 dollar fifty cents (\$1.50) for each transaction, as specified
8 in subsection (a), processed for which this fee is charged to
9 be retained as the agent's commission for services rendered,
10 and all other fees collected shall be remitted to the
11 department in a manner prescribed by the department.

12 "(c) If more than one transaction is involved in any
13 application on a single manufactured home and if supported by
14 all required documents, the fee charged by the department and
15 by the designated agent for processing and issuing shall be
16 considered as only one transaction for which the designated
17 agent shall receive and retain one dollar fifty cents (\$1.50)
18 and shall collect and remit to the department ~~fifteen dollars~~
19 ~~(\$15)~~ the fees prescribed in subsection (a) of Section 32-8-6.

20 "(d) A fee of five dollars (\$5) shall be added for
21 each transaction, as specified in subdivisions (1), (3), and
22 (6) of subsection (a), for the nonprofit 501(c)3 foundation
23 known as the Alabama Housing Foundation.

24 "(e) Every transaction shall be accompanied by the
25 fee specified in this chapter, regardless of whether the title
26 is issued electronically or not, unless specifically exempted
27 by this chapter.

1 "(f) Each application for the title history of a
2 manufactured home shall be accompanied by a fifteen dollar
3 (\$15) fee. When any manufactured home record is requested,
4 other than a title history, and the record is provided
5 electronically or in the form of a printout of an electronic
6 record, the fee shall be five dollars (\$5). The five dollar
7 (\$5) fee shall be distributed as follows:

8 "Fifty percent shall be distributed to the State
9 General Fund and the remaining fifty percent shall be retained
10 by the department for use solely by the Motor Vehicle Division
11 of the department for training and technological and
12 processing improvements. Such information shall be treated in
13 the same manner as prescribed by state and federal statutes,
14 rules, and regulations regarding the confidentiality and
15 disclosure of motor vehicle records."

16 Section 2. Notwithstanding any other provision of
17 law to the contrary, proceeds from the additional processing
18 fee of thirteen dollars (\$13) levied in subsection (a) of
19 Section 32-8-6, Code of Alabama 1975, shall be distributed as
20 follows:

21 (1) Five percent (5%) to the Department of Revenue
22 to cover their administrative obligations relating to the
23 issuance of certificates of title; and

24 (2) The remainder to the Alabama Corrections
25 Institution Finance Authority created in Chapter 2, Title 14,
26 Code of Alabama 1975, to be used initially to pay the
27 principal of, premium, if any, and interest on that portion of

1 any bonds issued by the authority to construct, reconstruct,
2 alter, demolish or improve women's prison facilities and
3 thereafter to pay the principal of, premium, if any, and
4 interest on that portion of any bonds issued by the authority
5 to construct, reconstruct, alter, demolish or improve regional
6 prison facilities. If, at any time after the effective date of
7 this act, the Authority certifies to the Joint Legislative
8 Prison Committee that proceeds from the additional processing
9 fee are no longer needed for the purposes provided in this
10 subdivision, the remaining proceeds shall thereafter be
11 deposited into the State General Fund.

12 Section 3. This act shall become effective of the
13 first day of the second month following its passage and
14 approval by the Governor, or its otherwise becoming law, but
15 only if Senate Bill 287 of the 2016 Regular Session
16 authorizing the Corrections Institution Finance Authority to
17 issue additional bonds is also enacted. If Senate Bill 287 is
18 not enacted, the provisions of this act shall be null and
19 void.