

1 HB222
2 197432-2
3 By Representatives Pettus and Wood (R)
4 RFD: State Government
5 First Read: 19-MAR-19

1 title, shall notify the department of the change of address in
2 the manner prescribed by the department.

3 "(2) DEALER. A person licensed as an automobile or
4 motor vehicle dealer, or travel trailer dealer and engaged
5 regularly in the business of buying, selling, or exchanging
6 motor vehicles, trailers, semitrailers, trucks, tractors or
7 other character of commercial or industrial motor vehicles, or
8 travel trailers in this state, and having in this state an
9 established place of business.

10 "(3) DEPARTMENT. The Department of Revenue of this
11 state.

12 "(4) DESIGNATED AGENT. Each judge of probate,
13 commissioner of licenses, director of revenue, or other county
14 official in this state authorized and required by law to issue
15 motor vehicle license tags, who may perform his or her duties
16 under this chapter personally or through his or her deputies,
17 ~~or such other persons located in this state, as the department~~
18 ~~may designate~~; the term shall also mean those dealers as
19 herein defined who are appointed by the department as provided
20 in Section 32-8-34 and such persons who are appointed by the
21 department as provided in subsection (c) of Section 32-8-34 to
22 perform the duties of designated agent for the purposes of
23 this chapter, ~~the~~. Such dealers or other designated persons
24 may perform their duties under this chapter either personally,
25 ~~or~~ through any of their officers or employees, or through a
26 title service provider.

1 "(5) IMPLEMENT OF HUSBANDRY. Every vehicle designed
2 and adapted exclusively for agricultural, horticultural, or
3 livestock raising operations or for lifting or carrying an
4 implement of husbandry and in either case not subject to
5 licensing or registration if used upon the highways.

6 "(6) LIEN. Every kind of written lease which is
7 substantially equivalent to an installment sale or which
8 provides for a right of purchase, conditional sale,
9 reservation of title, deed of trust, chattel mortgage, trust
10 receipt, and every written agreement or instrument of whatever
11 kind or character whereby an interest other than absolute
12 title is sought to be held or given on a motor vehicle.

13 "(7) LIENHOLDER. Any person, firm, copartnership,
14 association, or corporation holding a lien as herein defined
15 on a motor vehicle.

16 "(8) MANUFACTURER. Any person regularly engaged in
17 the business of manufacturing, constructing, assembling,
18 importing, or distributing new motor vehicles, either within
19 or without this state.

20 "(9) MOTOR VEHICLE. The term shall include all of
21 the following:

22 "a. Every automobile, motorcycle, mobile trailer,
23 semitrailer, truck, truck tractor, trailer, and other device
24 that is self-propelled or drawn, in, upon, or by which any
25 person or property is or may be transported or drawn upon a
26 public highway except such as is moved by animal power or used
27 exclusively upon stationary rails or tracks.

1 "b. Every trailer coach and travel trailer
2 manufactured upon a chassis or undercarriage as an integral
3 part thereof drawn by a self-propelled vehicle.

4 "(10) NEW VEHICLE. A motor vehicle that has never
5 been the subject of a first sale for use by a new motor
6 vehicle dealer as defined in Section 40-12-390 or an
7 equivalently licensed dealer in another state and includes,
8 among others, vehicles maintained in a dealer's inventory,
9 vehicles provided by the manufacturer or dealer for use by
10 participants in charity, sporting, or other special events,
11 vehicles used for drivers' education, and vehicles delivered
12 to customers that were subsequently returned to the dealer
13 without a registration being issued on the vehicle.

14 "(11) NONRESIDENT. Every person who is not a
15 resident of this state.

16 "(12) OWNER. A person, other than a lienholder,
17 having the property in or title to a vehicle. The term
18 includes a person entitled to the use and possession of a
19 vehicle subject to a security interest in another person, but
20 excludes a lessee under a lease not intended as security.
21 Under any lease-purchase or installment sales agreement where
22 a governmental agency, either city, county or state, is the
23 lessee or purchaser with a security interest or right to
24 purchase, the lessee or purchaser shall be the owner for
25 purposes of this chapter.

26 "(13) PERSON. The term shall include every natural
27 person, firm, copartnership, association, or corporation.

1 "(14) PICKUP TRUCK. A truck with not more than two
2 axles and a gross weight not exceeding 12,000 pounds.

3 "(15) POLE TRAILER. Every vehicle without motive
4 power designed to be drawn by another vehicle and attached to
5 the towing vehicle by means of a reach or pole, or by being
6 boomed or otherwise secured to the towing vehicle, and
7 ordinarily used for transporting long or irregularly shaped
8 loads such as logs, poles, pipes, boats, or structural members
9 capable generally of sustaining themselves as beams between
10 the supporting connections.

11 "(16) SCRAP METAL PROCESSOR. Any person, firm, or
12 corporation engaged in the business of buying scrap vehicles,
13 automotive parts, or other metallic waste by weight to process
14 the material into scrap metal for remelting purposes, who
15 utilizes machinery and equipment for processing and
16 manufacturing ferrous and nonferrous metallic scrap into
17 prepared grades, and whose principal product is metallic
18 scrap.

19 "(17) SCRAP VEHICLE. Any vehicle that has been
20 crushed or flattened by mechanical means or which has been
21 otherwise damaged to the extent that it cannot economically be
22 repaired or made roadworthy.

23 "(18) SECURITY AGREEMENT. A written agreement that
24 reserves or creates a security interest.

25 "(19) SECURITY INTEREST. An interest in a vehicle
26 reserved or created by agreement and which secures payment or
27 performance of an obligation. The term includes the interest

1 of a lessor under a lease intended as security. A security
2 interest is perfected when it is valid against third parties
3 generally, subject only to specific statutory exceptions.

4 "(20) SPECIAL MOBILE EQUIPMENT. Every vehicle not
5 designed or used primarily for the transportation of persons
6 or property and only incidentally operated or moved over the
7 highway, including but not limited to: ditch-digging
8 apparatus; well-boring apparatus; road construction and
9 maintenance machinery such as asphalt spreaders, bituminous
10 mixers, bucket loaders, tractors other than truck tractors,
11 ditchers, leveling graders, finishing machines, motor graders,
12 road rollers, scarifiers, earth-moving carryalls and scrapers,
13 power shovels and draglines, and self-propelled cranes; and
14 earth-moving equipment. The term does not include manufactured
15 homes, dump trucks, truck-mounted transit mixers, cranes, or
16 shovels or other vehicles designed for the transportation of
17 persons or property to which machinery has been attached.

18 "(21) STATE. A state, territory, or possession of
19 the United States, the District of Columbia, the Commonwealth
20 of Puerto Rico, or a province of the Dominion of Canada.

21 "(22) TITLE SERVICE PROVIDER. A person who is bonded
22 under subsection (d) of Section ~~32-8-4~~ 32-8-34 and authorized
23 by the department to act as an agent for a fee or other
24 consideration on behalf of the following persons in the
25 performance of their duties under this chapter:

1 "a. A dealer or other designated person appointed
2 pursuant to subsection (b) or (c) of Section 32-8-34 as a
3 designated agent.

4 "b. A lienholder who appears on a certificate of
5 title.

6 "c. Other persons as prescribed by the department.

7 "~~(22)~~ (23) TRAVEL TRAILER. A vehicle without motive
8 power, designed and constructed as a camping vehicle or a
9 temporary dwelling, living, or sleeping place and designed to
10 be drawn or pulled on the highway, but not including folding
11 or collapsible camping trailers as defined in this section.

12 "~~(23)~~ (24) USED VEHICLE. A motor vehicle that has
13 been the subject of a first sale for use, whether within this
14 state or elsewhere or is being sold by a used motor vehicle
15 dealer as defined in Section 40-12-390.

16 "~~(24)~~ (25) UTILITY TRAILER. A vehicle without motive
17 power designed to be drawn by a passenger car or pickup truck,
18 including folding or collapsible camping trailers.

19 "~~(25)~~ (26) VEHICLE IDENTIFICATION NUMBER. The numbers
20 and letters on a motor vehicle designated by the manufacturer
21 or assigned by the department for the purpose of identifying
22 the motor vehicle."

23 "§32-8-3.

24 "(a) The department shall prescribe and provide
25 suitable forms of applications, certificates of title, notices
26 of security interests, and all other notices and forms
27 necessary to carry out the provisions of this chapter.

1 "(b) The department may do any of the following:

2 "(1) Make necessary investigations to procure
3 information required to carry out the provisions of this
4 chapter.

5 "(2) Adopt and enforce reasonable rules and
6 regulations to carry out the provisions of this chapter.

7 "(3) Assign a new identification number to a vehicle
8 if it has none, or its identification number is destroyed or
9 obliterated, or its motor is changed, and shall issue a new
10 certificate of title showing the new identification number.

11 "(4) Revoke the authority of a dealer or other
12 person appointed by the department to act as a designated
13 agent under this chapter and rules adopted thereunder when it
14 finds that the dealer or other person has failed to faithfully
15 perform his or her duties under this chapter or has been
16 convicted of violating any felony provisions of this chapter
17 or of Title 40.

18 "(5) Revoke the authority of a title service
19 provider to act as an agent on behalf of persons described in
20 subdivision (22) of Section 32-8-2 when it find that the title
21 service provider has failed to faithfully perform his or her
22 duties under this chapter and rules adopted thereunder or has
23 been convicted of violating any felony provisions of this
24 chapter or of Title 40.

25 "(c) The department, in accordance with applicable
26 privacy and confidentiality statutes, rules, and regulations,
27 may make available information concerning the status of a

1 title on any vehicle as reflected by the records in a manner
2 prescribed by the department. The department shall charge the
3 fees set forth in Section 32-8-6; provided, that no fee shall
4 be charged Alabama law enforcement agencies or law enforcement
5 agencies of any other state when that state furnishes like or
6 similar information without charge to the department or to
7 Alabama law enforcement agencies.

8 "(d) Whenever this chapter provides that a written
9 certificate or other document is to be filed with the
10 department, the commissioner may establish procedures for and
11 accept in lieu of such paper document a filing made by
12 electronic means. The department may also establish procedures
13 for the electronic transfer of title and the recording and
14 release of security interests. Such filing or transfer by
15 electronic means shall be accepted only if the content of the
16 filing satisfies all of the requirements of this chapter.

17 "§32-8-34.

18 "(a) Each judge of probate, commissioner of
19 licenses, director of revenue, or other county official in
20 this state authorized and required by law to issue motor
21 vehicle license plates shall by virtue of his or her office be
22 a designated agent of the department. Judges of probate,
23 commissioners of licenses, directors of revenue, or other
24 licensing officials may perform their duties under this
25 chapter either personally or through any of their deputies.

26 "(b) Every dealer, as defined in this chapter ~~or~~
27 ~~Chapter 20 of this title~~, shall be a designated agent of the

1 department. The dealers ~~may~~ shall perform their duties under
2 this chapter ~~either~~ personally, ~~or~~ through any of their
3 officers or employees, or through a title service provider;
4 provided, that the dealer ~~or persons~~ shall enter into a bond
5 with a corporate surety authorized to do business in this
6 state as surety thereon, payable to the State of Alabama in a
7 sum as provided in Section 40-12-398, conditioned on the
8 faithful performance of their duties under this chapter. No
9 dealer appointed under this subsection as a designated agent
10 shall process title applications on behalf of another dealer
11 unless both dealerships are owned by the same entity.

12 "(c) The department may appoint other persons in
13 this state as its designated agents. Such agents shall perform
14 their duties under this chapter either personally, through any
15 of their officers or employees, or through a title service
16 provider. An appointee shall enter into a bond as provided in
17 subsection (b). Full-time bonded employees of the Department
18 of Revenue may serve as designated agents without additional
19 bond. A qualified designated agent of the department located
20 outside of this state may continue as a designated agent of
21 the department as long as he or she complies with the
22 requirements of this chapter.

23 "(d) Each title service provider shall enter into a
24 bond with a corporate surety authorized to do business in this
25 state as a surety, thereon payable to the state in a sum
26 provided in Section 40-12-398, conditioned on the faithful
27 performance of their duties under this chapter."

1 Section 2. This act shall become effective October
2 1, 2019, following its passage and approval by the Governor,
3 or upon its otherwise becoming law.

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House of Representatives

Read for the first time and re-
ferred to the House of Representa-
tives committee on State Government
..... 19-MAR-19

Read for the second time and placed
on the calendar..... 03-APR-19

Read for the third time and passed
as amended..... 23-APR-19

Yeas 99, Nays 0, Abstains 0

Jeff Woodard
Clerk