

1 SB198
2 209159-2
3 By Senator Chesteen
4 RFD: Governmental Affairs
5 First Read: 04-FEB-21

1 SB198

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4 ENROLLED, An Act,

5 Relating to certificates of title; to amend Sections
6 32-8-3, 32-8-7, 32-8-35, 32-8-43, 32-20-3, 32-20-5, 32-20-23,
7 and 32-20-29, Code of Alabama 1975, to authorize the
8 Commissioner of Revenue to waive certain notarization
9 requirements; to authorize the Department of Revenue to
10 collect certain certificate of title application commissions;
11 and to provide further for the issuance of new certificates of
12 title under certain conditions.

13 BE IT ENACTED BY THE LEGISLATURE OF ALABAMA:

14 Section 1. This act shall be known and may be cited
15 as the Title Modernization Act of 2021.

16 Section 2. Sections 32-8-3, 32-8-7, 32-8-35,
17 32-8-43, 32-20-3, 32-20-5, 32-20-23, and 32-20-29, Code of
18 Alabama 1975, are amended to read as follows:

19 "§32-8-3.

20 "(a) The department shall prescribe and provide
21 suitable forms of applications, certificates of title, notices
22 of security interests, and all other notices and forms
23 necessary to carry out this chapter.

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

1 "(1) Make necessary investigations to procure
2 information required to carry out this chapter.

3 "(2) Adopt and enforce reasonable rules to carry out
4 this chapter.

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

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

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

23 "(c) The department, in accordance with applicable
24 privacy and confidentiality statutes, rules, and regulations,
25 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 to Alabama law enforcement agencies or law
5 enforcement agencies of any other state when that state
6 furnishes like or similar information without charge to the
7 department or to 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 and may waive the notarization requirements
13 as otherwise required by this chapter. The department may also
14 establish procedures for the electronic transfer of title and
15 the recording and release of security interests. ~~Such~~ The
16 filing or transfer by electronic means shall be accepted only
17 if the content of the filing satisfies all of the requirements
18 of this chapter.

19 "§32-8-7.

20 "(a) The ~~probate~~ judge of probate or other county
21 official who is authorized and required by law to issue
22 license plates and who is required to process applications for
23 certificate of title by this chapter may collect and retain a
24 one dollar and fifty cent (\$1.50) commission fee for each
25 application processed in addition to the one dollar and fifty

1 cent (\$1.50) designated agent commission fee to further defray
2 the cost of processing and mailing of title applications.

3 "(b) When an application is not processed through a
4 designated agent, the department may collect and retain a
5 commission for each application processed by the department to
6 defray the cost associated with processing and supporting
7 electronic title applications and payments. The commission
8 amount shall be the same as the commissions provided for
9 designated agents and, in addition to all other
10 appropriations, shall be continuously appropriated to the
11 department.

12 "§32-8-35.

13 "(a) The application for the first certificate of
14 title of a vehicle in this state shall be made by the owner to
15 a designated agent, on the form the department prescribes, and
16 shall contain all of the following:

17 "(1) The current legal name, current residence, and
18 current mailing address of the owner.

19 "(2) A description of the vehicle including the
20 following data: Year, make, model, vehicle identification
21 number, type of body, the number of cylinders, color, and
22 whether new or used.

23 "(3) The date of purchase by applicant, the name and
24 address of the person from whom the vehicle was acquired, and

1 the names and addresses of any lienholders in the order of
2 their priority and the dates of their security agreements.

3 "(4) Other information that the department may
4 require.

5 "(b) If the application is for a vehicle purchased
6 from a dealer, it shall contain the name and address of any
7 lienholder holding a security interest created or reserved at
8 the time of the sale and the date of the security agreement.
9 ~~and~~ The application shall be signed by the designated agent as
10 well as the owner, and the designated agent shall forward the
11 application to the department in a manner prescribed by the
12 department.

13 "(c) If the application is for a new vehicle, it
14 shall be accompanied by the certified manufacturer's statement
15 of origin showing proper assignments to the applicant. The
16 manufacturer, upon the shipment of a motor vehicle into this
17 state, shall ~~forthwith~~ promptly furnish the dealer with a
18 certified statement of origin.

19 "(d) Each application shall contain or be
20 accompanied by the certificate of a designated agent that the
21 vehicle has been physically inspected by the agent, that the
22 vehicle identification number and descriptive data shown on
23 the application, pursuant to the requirements of ~~subsection~~
24 subdivision (a) (2), are correct, and that the agent identified

1 the person signing the application and ~~witnessed~~ verified the
2 signature.

3 "(e) If the application is for a first certificate
4 of title on a vehicle other than a new vehicle, then the
5 application shall conform with the requirements of this
6 section; except, that in lieu of the manufacturer's statement
7 of origin, the application shall be accompanied by a copy of
8 the bill of sale of the motor vehicle whereby the applicant
9 claims title or in lieu thereof certified copies of the last
10 two years' license plates and tax receipts and any other
11 information the department may reasonably require to identify
12 the vehicle and to enable the department to determine the
13 ownership of the vehicle and the existence or nonexistence of
14 security interests in it.

15 "(f) If the application refers to a vehicle last
16 previously registered in another state or country, the
17 application shall contain or be accompanied by all of the
18 following:

19 "(1) Any certificate of title issued by the other
20 state or country.

21 "(2) Any other information and documents as the
22 department may reasonably require to establish the ownership
23 of the vehicle and the existence or nonexistence of security
24 interests in it.

1 "(3) The certificate of a designated agent that the
2 vehicle has been physically inspected by him or her, that the
3 vehicle identification number and descriptive data shown on
4 the application pursuant to ~~subsection~~ subdivision (a) (2) are
5 correct, and any other proof of the identity of the vehicle as
6 the department may reasonably require.

7 "(g) Every designated agent, within 10 calendar days
8 after an application is received by him or her, shall forward
9 to the department, in a manner as prescribed by the
10 department, the fee as provided in Section 32-8-6, and the
11 application, along with any other evidence of title as may
12 have been delivered to the designated agent by the applicant.

13 "§32-8-43.

14 "(a) If a certificate of title is lost, stolen,
15 mutilated, or destroyed or becomes illegible, the first
16 lienholder or, if none, the owner or legal representative of
17 the owner named in the certificate, as shown by the records of
18 the department, shall promptly make application for and may
19 obtain a replacement upon furnishing information satisfactory
20 to the department and payment of the applicable transaction
21 fee and commissions as ~~hereinafter~~ required by this chapter.
22 The replacement certificate of title shall contain the legend,
23 "This is a replacement certificate and may be subject to the
24 rights of a person under the original certificate." It shall

1 be mailed to the first lienholder named in it, or, if none, to
2 the owner.

3 "(b) The department shall not issue a new
4 certificate of title to a transferee upon application made on
5 a replacement certificate until 15 calendar days after the
6 issuance date of the surrendered replacement title or unless
7 the title information can be verified electronically through
8 the National Motor Vehicle Title Information System.

9 "(c) A person recovering an original certificate of
10 title for which a replacement has been issued shall promptly
11 surrender the original certificate to the department.

12 "§32-20-3.

13 "(a) The department shall prescribe and provide
14 suitable forms of applications, certificates of title, notices
15 of security interests, and all other notices and forms
16 necessary to carry out ~~the provisions of~~ this chapter.

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

18 "(1) Make necessary investigations to procure
19 information required to carry out ~~the provisions of~~ this
20 chapter.

21 "(2) Adopt and enforce reasonable rules ~~and~~
22 ~~regulations~~ to carry out the provisions of this chapter,
23 including rules that allow alternative methods of proof of
24 satisfaction of liens.

1 "(3) Assign a new identification number to a
2 manufactured home if it has none, or its identification number
3 is destroyed or obliterated, and shall issue a new certificate
4 of title showing the new identification number.

5 "(4) Revoke the authority of a dealer or other
6 person appointed by the department to act as a designated
7 agent under this chapter when ~~it~~ the department finds that the
8 dealer or other person has failed to faithfully perform his or
9 her duties under this chapter or has been convicted of
10 violating any felony provisions of this chapter or of Title
11 40.

12 "(c) The department, in accordance with applicable
13 privacy and confidentiality statutes, rules, and regulations,
14 may make available information concerning the status of a
15 title on any manufactured home as reflected by the records in
16 a manner prescribed by the department. ~~Such~~ The information
17 supplied by the department shall be considered official only
18 if in writing. The department shall charge the fees set forth
19 in Section 32-20-4; provided, that no fee shall be charged to
20 Alabama law enforcement agencies or law enforcement agencies
21 of any other state when the state furnishes like or similar
22 information without charge to the department or to Alabama law
23 enforcement agencies.

24 "(d) Whenever this chapter provides that a written
25 certificate or other document is to be filed with the

1 department, the commissioner may establish procedures for and
2 accept in lieu of ~~such~~ the paper document a filing made by
3 electronic means and may waive notarization requirements as
4 otherwise required by this chapter. The department may also
5 establish procedures for the electronic transfer of title and
6 the recording and release of security interests. ~~Such~~ A filing
7 or transfer by electronic means shall be accepted only if the
8 content of the filing satisfies all of the requirements of
9 this chapter.

10 "§32-20-5.

11 "(a) The judge of probate or other county official
12 who is authorized and required by law to process applications
13 for certificates of title by this chapter may collect and
14 retain a one dollar and fifty cent (\$1.50) commission fee for
15 each application processed in addition to the one dollar and
16 fifty ~~cents~~ cent (\$1.50) designated agent commission fee to
17 further defray the cost of processing and mailing of title
18 application and supporting documents.

19 "(b) When an application is not processed through a
20 designated agent, the department may collect and retain a
21 commission for each application processed by the department to
22 defray the cost associated with processing and supporting
23 electronic title applications and payments. The commission
24 amount shall be the same as the commissions provided for
25 designated agents and, in addition to all other

1 appropriations, shall be continuously appropriated to the
2 department.

3 "§32-20-23.

4 "(a) The application for the certificate of title of
5 a manufactured home in this state shall be made by the owner
6 to a designated agent, on the form the department prescribes,
7 and shall contain all of the following:

8 "(1) The name, current residence, and mailing
9 address of the owner.

10 "(2) A description of the manufactured home
11 including the following data: Year, make, model, manufactured
12 home identification number, and whether new or used.

13 "(3) The date of purchase by the applicant, the name
14 and address of the person from whom the manufactured home was
15 acquired, and the names and addresses of any lienholders in
16 the order of their priority and the dates of their security
17 agreements.

18 "(4) Other information that the department may
19 require.

20 "(b) If the application is for a manufactured home
21 purchased from a dealer, ~~it~~ the application shall contain the
22 name and address of any lienholder holding a security interest
23 created or reserved at the time of the sale and the date of
24 the security agreement and shall be signed by the designated
25 agent ~~as well as~~ and the owner., ~~and the~~ The designated agent

1 shall promptly mail or deliver the application to the
2 department.

3 "(c) If the application is for a new manufactured
4 home, it shall be accompanied by the certified manufacturer's
5 statement of origin showing proper assignments to the
6 applicant. The manufacturer, upon the shipment of a
7 manufactured home into this state, shall ~~forthwith~~ promptly
8 furnish the dealer with a certified statement of origin.

9 "(d) If the application is for a used manufactured
10 home last titled in this state, it shall be accompanied by the
11 outstanding Alabama certificate of title issued under this
12 chapter or under ~~the provisions of Chapter 8 of this title.~~

13 "(e) Each application shall contain or be
14 accompanied by the certificate of a designated agent that the
15 manufactured home identification number and descriptive data
16 shown on the application, pursuant to the requirements of
17 subdivision ~~(2) of subsection (a)(2),~~ are correct, and that
18 the agent identified the person signing the application and
19 ~~witnessed~~ verified the signature.

20 "(f) If the application refers to a manufactured
21 home last previously titled in another state or country, the
22 application shall contain or be accompanied by the following:

23 "(1) Any certificate of title issued by the other
24 state or country.

1 "(2) Any other information and documents as the
2 department may reasonably require to establish the ownership
3 of the manufactured home and the existence or nonexistence of
4 security interest in it.

5 "(3) The certificate of a designated agent stating
6 that the manufactured home identification number and
7 descriptive data shown on the application pursuant to
8 subdivision ~~(2)~~ of subsection (a) (2) are correct, and any
9 other proof of the identity of the manufactured home as the
10 department may reasonably require.

11 "(g) Every designated agent, within 20 calendar days
12 after an application is received by him or her, shall forward
13 to the department, in a manner as prescribed by the
14 department, the fee as provided in Section 32-20-4, and the
15 application, along with any other evidence of title as may
16 have been delivered to the designated agent by the applicant.

17 "§32-20-29.

18 "(a) If a certificate of title issued under this
19 chapter or previously issued under Chapter 8 ~~of this title~~ is
20 lost, stolen, mutilated, or destroyed or becomes illegible,
21 the first lienholder or, if none, the owner or legal
22 representative of the owner named in the certificate, as shown
23 by the records of the department, shall promptly make
24 application for and may obtain a replacement upon furnishing
25 information satisfactory to the department and payment of the

1 applicable transaction fee and commissions as ~~hereinafter~~
2 required by this chapter. The replacement certificate of title
3 shall contain the legend, "This is a replacement certificate
4 and may be subject to the rights of a person under the
5 original certificate." It shall be mailed to the first
6 lienholder named in it, or, if none, to the owner.

7 ~~"(b) The department shall not issue a new~~
8 ~~certificate of title to a transferee upon application made on~~
9 ~~a replacement certificate until 15 calendar days after the~~
10 ~~issuance date of the surrendered replacement title.~~

11 ~~"(c)~~ (b) A person recovering an original certificate
12 of title for which a replacement has been issued shall
13 promptly surrender the original certificate to the
14 department."

15 Section 3. The Department of Revenue may adopt rules
16 for the implementation and administration of this act.

17 Section 4. This act shall become effective
18 immediately following its passage and approval by the
19 Governor, or its otherwise becoming law.

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President and Presiding Officer of the Senate

Speaker of the House of Representatives

SB198

Senate 02-MAR-21

I hereby certify that the within Act originated in and passed the Senate.

Patrick Harris,
Secretary.

House of Representatives
Passed: 30-MAR-21

By: Senator Chesteen