

APA-6
10/96

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

Control No. 810 Department or Agency REVENUE

Rule No: 810-8-5-.07

Rule Title: Bond for New Motor Vehicle Dealers , Used Motor Vehicle Dealers , Motor Vehicle Reconditioners , Motor Vehicle Rebuilders , or Motor Vehicle Wholesalers .

 New Amend X 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

810-5-12-.02 Surety Bond and Surety Bond Continuation Form for New and Used Motor Vehicle Dealers, Motor Vehicle Wholesalers, Motor Vehicle Reconditioners, and Motor Vehicle Rebuilders

INTENDED ACTION: Adopt a new rule

SUBSTANCE OF PROPOSED ACTION: The department proposes to promulgate the above rule to provide the requirements for posting surety bonds and surety bond renewal certificates for new and used motor vehicle dealers, motor vehicle wholesalers, motor vehicle reconditioners, and motor vehicle rebuilders.

RULE NO. & TITLE

810-5-12-.03 Bond Claim for New Motor Vehicle Dealers, Motor Vehicle Wholesalers, Used Motor Vehicle Dealers, Motor Vehicle Reconditioners, and Motor Vehicle Rebuilders

INTENDED ACTION: Adopt a new rule

SUBSTANCE OF PROPOSED ACTION: The department proposes to promulgate the above rule to provide procedures for making a bond claim for new and used motor vehicle dealers, motor vehicle wholesalers, motor vehicle reconditioners, and motor vehicle rebuilders.

RULE NO. & TITLE

810-8-5-.01 Sign Requirements Pertaining to New and Used Motor Vehicle Dealers

810-8-5-.02 Requirement Relating to a Camera Photograph Pertaining to New and Used Vehicle Dealers Regulatory License

INTENDED ACTION: Repeal the above rules

SUBSTANCE OF PROPOSED ACTION: The department proposes repeal the above rules due to the fact that they are being superseded by proposed new Rule 810-5-12-.01.

RULE NO. & TITLE

810-8-5-.07 Bond for New Motor Vehicle Dealers, Used Motor Vehicle Dealers, Motor Vehicle Reconditioners, Motor Vehicle Rebuilders, or Motor Vehicle Wholesalers

810-8-5-.08 Bond Continuation Certificate for New Motor Vehicle Dealers, Used Motor Vehicle Dealers, Motor Vehicle Reconditioners, Motor Vehicle Rebuilders, or Motor Vehicle Wholesalers

INTENDED ACTION: Repeal the above rules

SUBSTANCE OF PROPOSED ACTION: The department proposes repeal the above rules due to the fact that they are being superseded by proposed new Rule 810-5-12-.02.

RULE NO. & TITLE

810-8-5-.09 Bond Claim for New Motor Vehicle Dealers, Used Motor Vehicle Dealer, Motor Vehicle Reconditioner, Motor Vehicle Rebuilders, or Motor Vehicle Wholesalers

INTENDED ACTION: Repeal the above rules

SUBSTANCE OF PROPOSED ACTION: The department proposes repeal the above rules due to the fact that they are being superseded by proposed new Rule 810-5-12-.03.

TIME, PLACE, MANNER OF PRESENTING VIEWS: A public hearing will be held at **2:00 p.m. on Thursday, June 7, 2012, in the Office of the Legal Division, Room 3114, Gordon Persons Building, located at 50 N Ripley Street, Montgomery, Alabama.** Copies of the rule(s) can be obtained at www.revenue.alabama.gov/rulehear.html.


All interested parties may present their views in writing to the **Deputy Commissioner of the Alabama Department of Revenue, Room 4112, 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, June 7, 2012

CONTACT PERSON AT AGENCY:

Patricia Toles
Alabama Department of Revenue
4131 Gordon Persons Building
Montgomery, Alabama 36132
(334) 242-1380



Michael E. Mason, Deputy Commissioner
Alabama Department of Revenue

0873APC.INT

810-8-5-.07 Bond for New Motor Vehicle Dealers, Used Motor Vehicle Dealers, Motor Vehicle Reconditioners, Motor Vehicle Rebuilders, or Motor Vehicle Wholesalers.

(REPEALED)

(1) PURPOSE: Section 40-12-398, Code of Alabama 1975, requires motor vehicle dealers, motor vehicle reconditioners, motor vehicle rebuilders, and motor vehicle wholesalers to deliver to the Commissioner a good and sufficient surety bond in the sum of \$25,000 for a new motor vehicle dealer and \$10,000 for all other dealers. This rule amends the existing bond forms and establishes the new forms of the bonds to be received from each license applicant.

(2) BOND FORM: The bond form must be in a form as prescribed in the attached appendices and the surety company shall provide the following information:

(a) The true legal name of the party for whom a bond is being sought, as follows:

(i) If an individual, the applicant's name as well as well as the business name.

(ii) If a partnership, the names of all partners and the name of the partnership.

(iii) If a limited liability company, the names of all members and the name of the company.

(iv) If a corporation, the corporate name.

(b) The city, county and state in which the business is located.

(c) The name and address of the surety company providing the coverage.

(d) The effective date and the expiration date of the bond coverage. (See Section 4)

(e) The issue date of the bond.

(f) The original signature of an agent of the surety company.

(g) The original signature of an Alabama resident agent.

(h) The signature of the applicant (individual), all partners, all members of the LLC or a corporate officer.

(i) The telephone number of the Alabama resident agent.

(3) BOND REQUIREMENTS:

(a) The bond must be accompanied by an original power of attorney form, indicating that the agent is authorized to execute the bond on behalf of the surety company.

(b) The bond form and power of attorney must have the same issue date.

(c) The bond form shall be an original with original signatures. No facsimiles, photocopies, letters or phone calls are acceptable substitutes for the original bond.

(4) COVERAGE PERIOD: The coverage may not be for a period of more than one year. It must not begin prior to October 1 and must expire on September 30 of the same license year.

(5) Beginning with the license year 2002/2003, the forms in the appendices must be used. All prior versions are obsolete. (Adopted through APA effective February 21, 2003)

Author: Mike Gamble, Ella Stubbs Jones

Authority: Sections 40-2A-7(a)5 and 40-12-398, Code of Alabama 1975

History: New rule: Filed January 17, 2003, effective February 21, 2003.