



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-.08.

Rule Title: Bond Continuation Certificate 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  
 YES

This rule has no economic impact.

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](http://www.revenue.alabama.gov/rulehear.html).

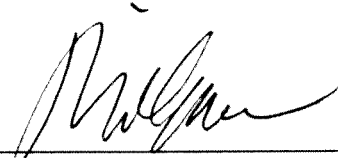
All interested parties may present their views in writing to the **Deputy Commissioner of the Alabama Department of Revenue, Room 4112, Gordon Persons Building, 50 N Ripley Street, Montgomery, Alabama 36132** at any time during the thirty-five (35) day period following publication of the notice or by 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



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Michael E. Mason, Deputy Commissioner  
Alabama Department of Revenue

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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. **(REPEALED)**

(1) PURPOSE: Section 40-12-398, Code of Ala. 1975, requires new motor vehicle dealers, used motor vehicle dealers, motor vehicle reconditioners, motor vehicle rebuilders, and motor vehicle wholesalers to provide a new bond or proper continuation certificate at the beginning of each license year. This rule establishes the form of a proper continuation certificate to be filed in lieu of a new bond with the application for license.

(2) ACCEPTANCE OF CONTINUATION CERTIFICATE: A proper continuation certificate will be accepted, provided:

(a) Applicant was licensed and in good standing in the previous license year.

(b) Applicant has previously provided an original bond form in accordance with Rule 810-8-5-.07 and a proper continuation certificate for each intervening license year. There can be no lapse in bond coverage since the original bond was presented to the Department.

(c) The continuation certificate is in the form as prescribed in the Appendix.

(3) PRESCRIBED FORM: The continuation form shall be in the form as prescribed in the appendix and the surety company shall provide the following information:

(a) The name of the surety company providing coverage.

(b) The bond number as assigned on the original bond form.

(c) The dollar amount of the extended bond coverage.

(d) The true legal name of the party for whom a continuation certificate is being furnished, 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.

(e) The effective date and the expiration date of the extended coverage. (See Section 4)

(f) The issue date of the continuation certificate.

(4) COVERAGE PERIOD: The extended 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) ORIGINAL CONTINUATION CERTIFICATE REQUIREMENTS: The continuation certificate must contain the original signature of an authorized agent of the surety company, or the original seal of the surety company. The agent's copy will not be accepted.

(6) SURETY COMPANY'S FORM: A Surety Company may use its own form, provided:

(a) The Surety does not alter or change any terms or conditions of the original bond. An example of an unacceptable alteration would be changing the amount of bond coverage for each license year.

(b) The surety company provides all required information.

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.



