

**TRANSMITTAL SHEET FOR
NOTICE OF INTENDED ACTION**

Control 810 Department or Agency REVENUE

Rule Nos. 810-5-75-66

Rule Title: Title Procedure - Cancellation of Manufactured Home Certificate of Origin or Certificate of Title

New; Amend; Repeal; Adopt by Reference

Would the absence of the proposed rule significantly harm or endanger the public health, welfare, or safety? No

Is there a reasonable relationship between the state's police power and the protection of the public health, safety, or welfare? Yes

Is there another, less restrictive method of regulation available that could adequately protect the public? No

Does the proposed rule have the effect of directly or indirectly increasing the costs of any goods or services involved and, if so, to what degree? No

Is the increase in cost, if any, more harmful to the public than the harm that might result from the absence of the proposed rule? N/A

Are all facets of the rulemaking process designed solely for the purpose of, and so they have, as their primary effect, the protection of the public? Yes

Does the proposed rule have any economic impact? No

If the proposed rule has an economic impact, the proposed rule is required to be accompanied by a fiscal note prepared in accordance with subsection (f) of Section 41-22-23, Code of Alabama 1975.

Certification of Authorized Official

I certify that the attached proposed rule has been proposed in full compliance with the requirements of Chapter 22, Title 41, Code of Alabama 1975 and that it conforms to all applicable filing requirements of the Administrative Procedure Division of the Legislative Reference Service.

Signature of certifying officer Michael E. Mason

Date 3/20/2012

APA-6
10/96

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

Control No. 810 Department or Agency REVENUE

Rule No: 810-5-75-.66

Rule Title: Title Procedure - Cancellation of Manufactured Home Certificate of Origin or Certificate of Title

New Amend Repeal Adopt by Reference

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

810-5-75-.66 Title Procedure-Cancellation of Manufactured Home Certificate of Origin or Certificate of Title

INTENDED ACTION: Adopt the above rule

SUBSTANCE OF PROPOSED ACTION: The department proposes to adopt the above new rule to clarify the procedures for the cancellation of manufactured home certificates of origin and certificates of title in accordance with Section 32-20-20, Code of Alabama 1975.

RULE NO. & TITLE

810-5-75-.63 Powers of Attorney - Guidelines for Use

INTENDED ACTION: Amend the above rule

SUBSTANCE OF PROPOSED ACTION: The department proposes to amend the above rule to clarify procedures for using powers of attorney. In addition, the department proposes to amend the title of the rule.

RULE NO. & TITLE

810-5-1-.227.06 Memorandum of Understanding Between the Alabama Emergency Management Agency and the Department of Revenue

810-5-1-.488 Memorandum of Understanding Between the Finance Department and the Alabama Department of Revenue

INTENDED ACTION: Repeal the above rules

SUBSTANCE OF PROPOSED ACTION: The department proposes to repeal the above rules due to the fact that they are no longer necessary.

RULE NO. & TITLE

810-5-75-.40

Requirements for Names and Signatures on Title Application and Title Assignments. Reference: Sections 32-8-1 thru 32-8-88, Code of Alabama 1975, as amended

INTENDED ACTION: Amend the above rule

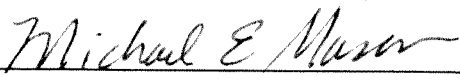
SUBSTANCE OF PROPOSED ACTION: The department proposes to amend the above rule to clarify name and signature requirements for title applications, title assignments and motor vehicle registrations.

TIME, PLACE, MANNER OF PRESENTING VIEWS: A public hearing will be held at 2:00 p.m. on Wednesday, May 16, 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:
Wednesday, May 16, 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

0869APC.INT

810-5-75-.66 Title Procedure – Cancellation of Manufactured Home Certificate of Origin or Certificate of Title. **(NEW RULE)**

(1) The certificate of origin or certificate of title for a manufactured home that is not more than 20 model years old, as determined by the department, and is permanently affixed to a parcel of real property may be cancelled if the ownership of the manufactured home and real property is identical. The term “permanently affixed” means that the tongue, axles and wheels have been removed from the manufactured home and it has been installed in accordance with the Installation Rules and Regulations of the Alabama Manufactured Housing Commission as found in chapters 535-X-12 and 535-X-13. Either the original retail purchaser or lienholder as recorded on the certificate of origin, or the titled owner or owner’s lienholder as recorded on the certificate of title or listed on a completed surety bond may apply for cancellation of a certificate of origin or certificate of title. The request for cancellation must be made through a designated agent appointed by the Alabama Department of Revenue. The department, upon approval of the cancellation request, will issue a certificate of cancellation of the certificate of origin or cancellation of the certificate of title to the manufactured home in accordance with the following procedures:

(a) Cancellation of Certificate of Origin/Title.

1. The original retail purchaser or lienholder for the original retail purchaser, or titled owner or owner’s lienholder as recorded on the certificate of origin/title must apply for a cancellation of certificate of origin/title through a designated agent of the department.

2. A designated agent will use the Electronic Title Application Processing System (ETAPS) to prepare a Form MVT 5-39E “Notice of Cancellation of a Certificate of Origin or Alabama Certificate of Title for a Manufactured Home Classified as Real Property” by entering the following information concerning the manufactured home:

(i) Primary supporting document type (Alabama title or manufacturers certificate of origin),

(ii) Manufactured home identification number(s),

(iii) Year model, make, model, New/Used, color, date of purchase,

(iv) Owner’s name and owner’s address,

(v) County of fixation.

(I) Note: The terms “manufactured home identification number” and “vehicle identification number” are used interchangeably within this rule.

(II) ETAPS will assign a unique document control number (DCN) and creation date to each completed MVT 5-39E. The MVT 5-39E will be valid for 90 days from its creation to be

used in conjunction with the Form MVT 5-44E "Application for Cancellation of Certificate of Origin/Title".

3. All parties who have ownership in both the manufactured home and the realty to which the manufactured home has become permanently affixed must sign the MVT 5-39E attesting to the fact that the manufactured home has been permanently affixed, and recorded as real property.

(i) Note: No more than two owners can be recorded on a certificate of cancellation.

4. The MVT 5-39E must be signed by the judge of probate (or his/her designee) in the county where the manufactured home is located attesting to the fact that the manufactured home has been recorded in that office as real property.

5. A designated agent will use ETAPS to complete an MVT 5-44E "Application for Cancellation of Certificate of Origin/Title", for each manufactured home identification number listed on the MVT 5-39E, based on information listed on the MVT 5-39E.

6. The designated agent shall assemble the cancellation package (MVT 5-44E, MVT 5-39E, certificate of origin/title for each separate unit, lien release, etc.), and submit it to the department. The title application and Alabama Housing Foundation fees as required by Section 32-20-4, Code of Alabama 1975, as amended, shall be sent electronically through ETAPS utilizing either an Automated Clearing House (ACH) transaction or credit card payment.

7. The department will examine the documents received and, if approved, issue a Certificate of Cancellation For A Certificate of Origin/Title For A Manufactured Home Classified As Real Property, in the name of the first retail purchaser or the titled owner.

(b) Certification of Cancellation by Posting a Surety Bond.

1. When the current owner or owner's lienholder is not properly recorded on a certificate of title, such parties may post a bond by applying through a designated agent. In addition, if the department is not satisfied as to the ownership of the manufactured home or that there are no undisclosed security interests in it, as a condition of issuing a certificate of cancellation, the department may require the applicant to file with the department a surety bond executed by a person/company authorized to conduct a surety business in this state, or in lieu of, a deposit of cash with the department in the amount of the required bond. The bond shall be conditioned to indemnify any prior owner and lienholder and any subsequent purchaser of the manufactured home or person acquiring any security interest in it.

2. A single bond shall be required for each manufactured home.

3. The bond shall be in an amount equal to fifty thousand dollars (\$50,000.00) for manufactured homes less than ten (10) model years old and twenty-five thousand dollars (\$25,000.00) for all manufactured homes ten (10) model years old and less than 20 model years old, or in lieu of, a deposit of cash in the amount of the required bond will be accepted.

4. A designated agent will use the Electronic Title Application Processing System (ETAPS) to partially complete a Form MVT 11B "Manufactured Home Bond Form" by entering the following information for the manufactured home:

- (i) Manufactured home identification number(s),
- (ii) Vehicle year, vehicle make, vehicle model, vehicle color,
- (iii) New/Used,
- (iv) Owner's name and owner's address,
- (v) Date of purchase, and
- (vi) County of affixation.

(I) Note: A maximum of four (4) manufactured home identification numbers can be entered on the Form MVT 11B, if the manufactured home contains more than one unit.

(II) Note: ETAPS will print identical MVT 11B forms for each manufactured home identification number listed, because a separate MVT 11B is required for each unit of the home. The same certificate of title surety bond number will be recorded on each of the MVT 11B forms.

(III) Note: ETAPS assigns the bond amount to the MVT 11B in accordance with section (b) (3) of this rule.

5. ETAPS will assign the partially completed MVT 11B a unique document control number (DCN) and creation date. The MVT 11B will be valid for 90 days from date of creation to be used in conjunction with the Form MVT 5-39E.

6. The MVT 11B shall be completed and executed by a surety company licensed and duly authorized to do business in Alabama.

7. A designated agent will use ETAPS to prepare a Form MVT 5-39E by entering the document control number (DCN) assigned to the MVT 11B, or in accordance with subsection (a) (2).

8. All parties who have ownership in both the manufactured home and the realty to which the manufactured home has become permanently affixed must sign the MVT 5-39E

attesting to the fact that the manufactured home has been permanently affixed, and recorded as real property.

9. The MVT 5-39E must be signed by the judge of probate (or his/her designee) in the county where the manufactured home is located attesting to the fact that the manufactured home has been recorded in that office as real property.

10. A designated agent will use ETAPS to complete an Application for Cancellation of Certificate of Origin/Title (MVT 5-44E), for each manufactured home identification number listed on the MVT 5-39E, based on information listed on the MVT 5-39E.

11. The designated agent shall assemble the cancellation package (MVT 5-44E, MVT 5-39E, MVT 11B, and bond endorsement), and submit it to the department. The title application and Alabama Housing Foundation fees as required by Section 32-20-4, Code of Alabama 1975, as amended, shall be sent electronically through ETAPS utilizing either an Automated Clearing House (ACH) transaction or credit card payment.

12. The department will examine the documents received and, if approved, issue a Certificate of Cancellation For A Certificate of Origin/Title For A Manufactured Home Classified As Real Property, in the name of the owner.

13. Chapter 20 of Title 32, Code of Alabama 1975 does not provide for the issuance of a replacement certificate of cancellation. In the event that a certificate of cancellation is lost, stolen, mutilated, destroyed, or becomes illegible, a replacement certificate of cancellation cannot be issued. However, records of the cancellation may be obtained by completing the form MV DPPA1 (See rule 810-5-1-.485).

Author: Don Clemons

Authority: Sections 40-2A-7(a) (5) and 32-20-3 (b), Code of Alabama 1975, as amended

History: