



APA-6  
10/96

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

Control No. 810 Department or Agency REVENUE

Rule No: 810-5-8-.06

Rule Title: Mandatory Liability Insurance (MLI) Registration Reinstatement Procedures

New  Amend  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:

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**ALABAMA DEPARTMENT OF REVENUE  
Motor Vehicle Division**

**NOTICE OF INTENDED ACTION**

**RULE NO. & TITLE**

810-5-1-.228.01                      Sending in Monthly Vehicle Reports

**INTENDED ACTION:**              Repeal rule

**SUBSTANCE OF PROPOSED ACTION:** The department proposes repeal the above rule to delete obsolete procedures.

**RULE NO. & TITLE**

810-5-1-.237                      Mandatory Liability Insurance (MLI) Registration Reinstatement Procedures

**INTENDED ACTION:**              Repeal rule

**SUBSTANCE OF PROPOSED ACTION:** The department proposes to repeal the above rule and replace it with new proposed rule 810-5-8-.06. The purpose of this action is to ensure that all mandatory liability insurance administrative rules are included within the same taxing division area of the rules index.

**RULE NO. & TITLE**

810-5-1-.442                      Farm and Forest Products License Plates

**INTENDED ACTION:**              Amend rule

**SUBSTANCE OF PROPOSED ACTION:** The department proposes to amend the above rule to comply with the provisions of Act 2015-499.

**RULE NO. & TITLE**

810-5-8-.01                      Issuance of Certificate of Motor Vehicle Liability Bond  
810-5-8-.02                      Issuance of Certificate of Cash Bond and Satisfaction of Judgements

**INTENDED ACTION:**              Amend rule

**SUBSTANCE OF PROPOSED ACTION:** The department proposes to clarify that liability bond amounts and cash bond amounts are in accordance with Section 32-7-6(c), Code of Alabama 1975.

**RULE NO. & TITLE**

810-5-8-.05 Evidence of Insurance Requirements

**INTENDED ACTION:** Amend rule

**SUBSTANCE OF PROPOSED ACTION:** The department proposes to amend the above rule to clarify, in accordance with Section 32-7A-6, Code of Alabama 1975, that evidence of insurance can be provided in either a tangible or in an electronic format.

**RULE NO. & TITLE**

810-5-8-.06 Mandatory Liability Insurance (MLI) Registration Reinstatement Procedures

**INTENDED ACTION:** Adopt rule

**SUBSTANCE OF PROPOSED ACTION:** The department proposes to adopt the above new rule which will replace existing rule 810-5-1-.237. The purpose of this action is to ensure that all mandatory liability insurance administrative rules are included within the same taxing division area of the rules index.

**RULE NO. & TITLE**

810-5-8-.10 Mandatory Liability Insurance (MLI) Questionnaire and Notice of Suspension

**INTENDED ACTION:** Amend rule

**SUBSTANCE OF PROPOSED ACTION:** The department proposes to amend the above rule to clarify, in accordance with Section 32-7A-26, Code of Alabama 1975, that the department may send notices in an electronic format, instead of mailing such notices, when an electronic mail address is available.

**TIME, PLACE, MANNER OF PRESENTING VIEWS:** A public hearing will be held at 10:00 a.m. on Thursday, November 12, 2015, Room 1203, First Floor, Gordon Persons Building, located at 50 N Ripley Street, Montgomery, Alabama. Copies of the rule(s) can be obtained at <http://revenue.alabama.gov/analysis/upcoming-rule-hearings.cfm>

All interested parties may present their views in writing to the Secretary of the Alabama Department of Revenue, Room 4131, 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, November 12, 2015

**CONTACT PERSON AT AGENCY:**

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



Michael D. Gamble, Secretary  
Alabama Department of Revenue

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810-5-8-.06 Mandatory Liability Insurance (MLI) Registration Reinstatement Procedures. **(NEW RULE)**

(1) The term "official" includes any official authorized to collect MLI reinstatement fees, as provided in §32-7A-12, Code of Alabama 1975.

(2) The Department will provide a current list of registrations that have been suspended pursuant to §32-7A-12 to any official authorized to collect MLI reinstatement fees. This listing may be provided electronically or through other procedures as prescribed by the Department. These officials, at their discretion, may forward the list to the office responsible for assessing and collecting ad valorem taxes on motor vehicles in their respective county. Officials may register, renew or transfer registrations appearing on the list of suspended registrations only if the suspended registration has been reinstated.

(3) Alabama vehicle owners whose motor vehicle registrations have been suspended pursuant to §32-7A-3 may apply to have their vehicle registrations reinstated by an official. The registration shall be reinstated upon confirmation of insurance coverage utilizing the Online Insurance Verification System (OIVS). If the official cannot confirm insurance coverage utilizing OIVS, the official may accept evidence of insurance pursuant to §32-7A-17. Once evidence of insurance is provided and applicable reinstatement fees are collected, the vehicle owner shall be issued a MLI registration reinstatement pending the confirmation of vehicle insurance coverage by the Department. If evidence of insurance coverage is provided for the insurance verification date, the official may then remove the suspension without requiring the payment of the reinstatement fee provided in §32-7A-12.

(4) Until the official reinstates the suspended vehicle registration, the vehicle may not be operated on the streets or highways.

(5) The following information and/or documents are required in order for a reinstatement to be issued:

(a) In cases where a vehicle owner affirms that the vehicle, for which the registration has been suspended, had insurance with an Alabama-licensed insurance company on the ADOR specified insurance verification date, the owner must provide evidence of said insurance coverage for the insurance verification date that includes:

1. the insurance company name;
2. the insurance company NAIC number;
3. the insurance company telephone number and address, including city, state, and zip code; and
4. the policy holder's insurance policy/binder number and policy effective and expiration dates.

(b) When a vehicle owner affirms that the vehicle with the suspended registration was stored or inoperable on the ADOR specified insurance verification date, the owner must provide to the official, a response specifying that the suspended vehicle was stored or inoperable on the insurance verification date. The suspension may then be removed without the payment of the reinstatement fee; however, the registration will be revoked for the remainder of the registration period. In the event the vehicle is no longer stored, inoperable, or unused, a new license plate/ registration must be obtained prior to operating the vehicle. In order to obtain a new license plate/registration, in accordance with administrative rule 810-5-1-.244, the registrant must provide evidence of the vehicle's non-use to the licensing official prior to re-registering the vehicle. Failure to provide acceptable evidence of non-use will result in the suspension of the vehicle registration as provided in subsection (c) below.

(c) If a vehicle owner affirms that the vehicle with the suspended registration did not have liability insurance coverage on the ADOR specified insurance verification date and the vehicle does not qualify as an MLI exempt vehicle, as defined under §32-7A-5, in addition to payment of any required reinstatement fee(s), the vehicle owner must provide to the official evidence of current insurance coverage that includes the information as detailed in 5 (a) (1) through (4).

(6) Any required reinstatement fees due shall be paid using certified funds. Certified funds may include, but are not limited to the following if allowed by the official:

- (a) Cashier's check;
- (b) Money order;
- (c) Certified bank check;
- (d) Credit card;
- (e) Debit card; or
- (f) Cash. Cash payments should only be made in person.

No additional fee may be collected by the official for processing the reinstatement.

(7) The reinstatement will be on a form and in the format prescribed by ADOR and shall contain the following information:

- (a) The reinstatement issue and expiration dates.
- (b) Vehicle registrant's name, address, and driver license number.
- (c) Vehicle's VIN, year, make, and model.
- (d) Vehicle's current Alabama license plate number.
- (e) Vehicle insuring company's name, NAIC number, and address.
- (f) Insurance policy holder's binder number or policy number.
- (g) Identification of issuing clerk.



(8) A reinstatement is valid up to sixty (60) days from the date it is issued pending confirmation of liability insurance coverage on the insurance verification date, provided, that if ADOR does not receive verification of insurance coverage for the specified date from the insurance company reported by the motor vehicle owner, the reinstatement shall be revoked by ADOR. A notice of suspension will be issued to owners of vehicles for which a reinstatement has been revoked. Vehicle operators that operate the vehicle with a suspension will be subject to the penalties addressed by §32-7A-21.

(9) Pending confirmation of vehicle liability insurance coverage, the reinstatement shall be retained within the motor vehicle operating with the reinstated registration. A reinstatement cannot be transferred to another vehicle or vehicle owner.

(10) The reinstatement shall be presented, on demand, by the vehicle operator, for inspection by law enforcement officers. A copy of the reinstatement is acceptable as evidence of the registration reinstatement for law enforcement purposes, if the information contained on the document is legible, unaltered, and has not been revoked by ADOR. Any erasures or other alterations of the information required on a reinstatement will render it void, and of no value to the person or vehicle described thereon.

(11) The reinstatement is not acceptable as a substitute for a valid Alabama Motor Vehicle Registration Tag and Tax Receipt. The reinstatement is valid only for indicating that a motor vehicle MLI registration suspension has been reinstated, pending confirmation of vehicle liability insurance coverage in accordance with the MLI law.

(12) Officials shall provide registration reinstatement and insurance information to ADOR no later than the next business day through electronic means.

(13) All reinstatement fees collected by each official less the amount to be retained as provided by §32-7A-12, shall be remitted to ADOR by the tenth day of the month following the month that the reinstatement fees were collected along with a form prescribed by ADOR. Funds may be deposited directly to an ADOR designated account and the deposit slip for each deposit forwarded to ADOR, or the funds may be remitted by check or Electronic Funds Transfer (EFT) to the ADOR.

(14) Officials are not authorized to issue consecutive reinstatements for a motor vehicle, unless the preceding reinstatement for the vehicle has been voided due to clerical error and the replacement reinstatement is issued.

(15) In cases where an official has processed a reinstatement in error, ADOR, or its designee, must be notified no later than the close of business following the day that the reinstatement was processed.

Author: Sherry Helms

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