HB280
173899-6
By Representative Wood
RFD: Public Safety and Homeland Security
First Read: 23-FEB-16
ENROLLED, An Act,

Relating to motor vehicles and certificates of title; to amend Sections 32-8-30, as amended by Act 2015-362; 32-8-31; 32-8-42; and 32-8-46, Code of Alabama 1975, to further provide title requirements for certain motor vehicles; to change the penalty for a dealer who violates the law; to require notice to the department of an involuntary transfer of a motor vehicle title by operation of law; and in connection therewith would have as its purpose or effect the requirement of a new or increased expenditure of local funds within the meaning of Amendment 621 of the Constitution of Alabama of 1901, now appearing as Section 111.05 of the Official Recompilation of the Constitution of Alabama of 1901, as amended.

BE IT ENACTED BY THE LEGISLATURE OF ALABAMA:

Section 1. Sections 32-8-30, as amended by Act 2015-362; 32-8-31; 32-8-42; and 32-8-46 of the Code of Alabama 1975, are amended to read as follows:

"§32-8-30.

"(a) Except as provided in Section 32-8-31, every owner of a motor vehicle which is in this state and which is required to be registered under the motor vehicle laws of this state and for which no certificate of title has been issued by
the department, shall make application to a designated agent
as herein defined for a certificate of title to the vehicle.

"(b) In the event that the owner's legal name, as
recorded on the current certificate of title, has changed, the
owner shall make application for a corrected certificate of
title to record the current legal name of the owner. The
application for certificate of title shall be made prior to
the renewal of the registration for the motor vehicle.

"(c) Any dealer, acting for himself or herself or
another, who sells, trades or otherwise transfers any vehicle
required to be titled under this chapter who does not comply
with the provisions of this chapter shall be guilty of a Class
A misdemeanor and upon conviction shall be fined a sum not
exceeding $500.00.

"§32-8-31.

"No certificate of title shall be issued under this
chapter for any of the following:

"(1) A vehicle owned by the United States or any
agency thereof.

"(2) A vehicle owned by a manufacturer or dealer and
held for sale, even though incidentally moved on the highway
or used for purposes of testing or demonstration, or a vehicle
used by a manufacturer solely for testing.

"(3) A vehicle owned by a nonresident of this state
and not required by law to be registered in this state.
"(4) A vehicle for which the Alabama license plate issuing official has verified that both the current owner and operator is recorded as the owner and operator on a currently effective certificate of title issued by another state and the certificate of title is being held by a recorded lienholder.

"(5) A vehicle moved solely by animal power.

"(6) An implement of husbandry.

"(7) Special mobile equipment.

"(8) A pole trailer.

"(9) Travel trailers and mobile trailers designated 1990 year models and prior year models A trailer, semi-trailer, travel trailer, or moving collapsible and folding camper more than 20 model years old. This exemption is applicable on January 1 of each year and applies to a trailer, semi-trailer, travel trailer, or moving collapsible folding camper with a model year, as designated by the manufacturer, more than 20 years from the current calendar year.

"(10) A manufactured home as defined in Section 32-20-2.

"(11) Utility trailers other than moving collapsible and folding campers designated 1990 and subsequent year models.

"(12) A low speed vehicle, including neighborhood electric vehicles, defined as a four-wheeled motor vehicle with a top speed of not greater than 25 miles per hour, a
gross vehicle weight rating of less than 3,000 pounds, and
complying with the safety standards provided in 49 C.F.R.
Section 571.500.

"(12)(13) Any other motor vehicle designated a
1974 year model or prior year model more than 35 model years
old. This exemption is applicable on January 1 of each year
and applies to all motor vehicles with a model year, as
designated by the manufacturer, more than 35 years from the
current calendar year.

"(14) A mini-truck as defined in Section 40-12-240.

"(15) A motor-driven cycle as defined in Section
32-1-1.1.

"(13)(16) Any other vehicles as prescribed by the
department.

§32-8-42.

"The department shall refuse issuance of certificate
of title if any required fee is not paid or if the department
has reasonable grounds to believe that one of the following
exists:

"(1) The applicant is not the owner of the vehicle.

"(2) The application contains a false or fraudulent
statement.

"(3) The vehicle was not manufactured to comply with
federal and state statutes, rules, and regulations governing
safety, emissions, and antitheft standards in effect at the
time of manufacture, and has not subsequently been modified to comply with the standards.

"(4) A vehicle is designated a 1974 year model or prior year model exempt pursuant to Section 32-8-31.

"(5) The applicant fails to furnish required information or documents or any additional information the department reasonably requires.

"§32-8-46.

"(a)(1) If the interest of an owner in a vehicle passes to another other than by voluntary transfer, the transferee shall, except as hereinafter provided in subsection (b), promptly mail or deliver to a designated agent the last certificate of title, if available, and proof of the transfer, together with his or her application for a new certificate in the form the department prescribes.

"(2) Except as provided in subdivision (3), a person or entity initiating an involuntary transfer by operation of law in this state shall give notice of the action to the department at least 35 calendar days prior to the date of the transfer. The notice shall be in a manner as prescribed by the department and shall include all of the following:

"a. The contact information for the person or entity filing the notice.

"b. The motor vehicle's identification number, year, make, and model.
"c. The date, time, and location of the involuntary transfer by operation of law.

"(3) The notice provisions of this subsection shall not apply to a motor vehicle transferred pursuant to Chapter 13, or to a motor vehicle transferred pursuant to a divorce decree, or to a motor vehicle transferred pursuant to documents creating a lien or other security interest in the motor vehicle.

"(4) The department shall maintain and appropriately index public records of motor vehicles reported to it pursuant to this subsection. The department may provide lists of the vehicle identification numbers for the motor vehicles without fee in a manner as the department determines.

"(5) An application for certificate of title may not be issued for a motor vehicle subject to an involuntary transfer by operation of law until the notice requirements of this subsection are satisfied.

"(b) If the interest of the owner is terminated or the vehicle is sold under a security agreement by a lienholder named in the certificate of title, the transferee shall promptly make application to a designated agent for a new certificate in the form the department prescribes. The application shall be accompanied by the last certificate of title and an affidavit made by or on behalf of the lienholder that the vehicle was repossessed and that the interest of the
owner was lawfully terminated or sold pursuant to the terms of
the security agreement.

"If the lienholder succeeds to the interest of the
owner and holds the vehicle for resale, he or she need not
secure a new certificate of title but, upon transfer to
another person, shall promptly mail or deliver to the
transferee the certificate, affidavit and other documents
required by the department. The transferee shall promptly make
application to a designated agent for a new certificate in the
form prescribed by the department.

"(c) Notwithstanding anything to the contrary
contained in this section, a person holding a certificate of
title whose interest in the vehicle has been extinguished or
transferred other than by voluntary transfer shall forthwith
mail or deliver the certificate to the department upon request
of the department; and the delivery of the certificate
pursuant to the request of the department does not affect the
rights of the person surrendering the certificate; and the
action of the department in issuing a new certificate of title
as provided herein is not conclusive upon the rights of an
owner or lienholder named in the old certificate."

Section 2. Section 32-13-11 is added to the Code of
Alabama 1975, to read as follows:

§32-13-11.
Act 2015-470, 2015 Regular Session, only applies to the sale of an abandoned motor vehicle for which notice of the sale is published on or after July 1, 2016. A purchaser of an abandoned motor vehicle sold pursuant to Chapter 13 of Title 32, Code of Alabama 1975, other than an abandoned motor vehicle sold in accordance with Act 2015-470, 2015 Regular Session, shall make application for certificate of title prior to January 1, 2017, or thereafter make application for certificate of title under Section 32-8-36(2), Code of Alabama 1975.

Section 3. Although this bill would have as its purpose or effect the requirement of a new or increased expenditure of local funds, the bill is excluded from further requirements and application under Amendment 621 because the bill defines a new crime or amends the definition of an existing crime.

Section 4. This act shall become effective January 1, 2017, following its passage and approval by the Governor, or its otherwise becoming law. Section 1 of this act shall become effective January 1, 2017, following its passage and approval by the Governor or its otherwise becoming law. Section 2 of this act shall become effective July 1, 2016, following its passage and approval by the Governor or its otherwise becoming law.
Speaker of the House of Representatives

Kay Ivey

President and Presiding Officer of the Senate

House of Representatives
I hereby certify that the within Act originated in and was passed by the House 22-MAR-16, as amended.

Jeff Woodard
Clerk

Senate 03-MAY-16
Amended and Passed

House 03-MAY-16
Concurred in Senate Amendment

APPROVED 5-11-2016

GOVERNOR

Alabama Secretary Of State
Act Num....: 2016-358
Bill Num....: H-280
Recv'd 05/12/16  09:16am SLF
I HEREBY CERTIFY THAT THE
RESOLUTION AS REQUIRED IN
SECTION C OF ACT NO. 81-889
WAS ADOPTED AND IS ATTACHED
TO THE BILL, H.B. 890

YEAS 100 NAYS 0

JEFF WOODARD, Clerk

I HEREBY CERTIFY THAT THE
NOTICE & PROOF IS ATTACHED
TO THE BILL, H.B. _____
AS REQUIRED IN THE GENERAL
ACTS OF ALABAMA, 1975 ACT NO.
919.

JEFF WOODARD, Clerk

This Bill was referred to the Standing
Committee of the Senate on

and was acted upon by such Committee in
session and is by order of the Committee
returned therefrom with a favorable report
w/amend(s) ____ w/sub ____ by a vote of

yeas 10 nays 0 abstain 0

this 22 day of April 2010

Chairperson

CONFERENCE COMMITTEE
House Conferees _______________________

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RE-REFERRED □ RE-COMMITTED □

I hereby certify that the Resolution as
required in Section C of Act No. 81-889
was adopted and is attached to the Bill,
HB ____

YEAS ______ NAYS ______

PATRICK HARRIS,
Secretary