

1 HB663  
2 168746-1  
3 By Representative Williams (JD)  
4 RFD: Public Safety and Homeland Security  
5 First Read: 14-MAY-15

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8 SYNOPSIS: Under existing law, persons holding a  
9 current automotive dismantler and parts recycler  
10 license or their agents or employees can buy at a  
11 salvage pool or salvage disposal sale provided they  
12 have a buyer's identification card.

13 This bill would eliminate certain  
14 requirements relating to the purchase of a buyer's  
15 identification card.

16 This bill would revise the qualifications  
17 for buying at a salvage pool or salvage disposal  
18 sale to include any firm, person, or corporation  
19 that is domiciled in another state or jurisdiction  
20 that has a similar license.

21 This bill would also require the licensee to  
22 deposit a bond with the Commissioner of Revenue  
23 that is the same as the bond required for motor  
24 vehicle dealers and would authorize the department,  
25 by rule, to allow a bond obtained by a motor  
26 vehicle dealer to serve in lieu of the required

1 bond for automotive dismantler and parts recycler  
2 licensees.

3  
4 A BILL  
5 TO BE ENTITLED  
6 AN ACT

7  
8 To amend Sections 40-12-414 and 40-12-421, Code of  
9 Alabama 1975, relating to restrictions on sales at salvage  
10 pools or salvage disposal sales; to revise the qualifications  
11 for persons making purchases at salvage pool or salvage  
12 disposal sales; to eliminate certain requirements relating to  
13 the purchase of a buyer's identification card; to revise the  
14 requirements for the deposit of a bond by licensees; to allow  
15 for an alternative bond if authorized by department rule; and  
16 to repeal Sections 40-12-422, Code of Alabama 1975, relating  
17 to salvage dealers licensed in other states.

18 BE IT ENACTED BY THE LEGISLATURE OF ALABAMA:

19 Section 1. Sections 40-12-414 and 40-12-421, Code of  
20 Alabama 1975, are amended to read as follows:

21 "§40-12-414.

22 "Every (a) Except as provided in subsection (b),  
23 every person, firm, or corporation, before being licensed  
24 under this article, must show proof of responsibility by  
25 depositing with the Commissioner of Revenue ~~cash in the amount~~  
26 ~~of \$10,000 or~~ a continuing bond in the amount ~~of \$10,000~~  
27 prescribed in Section 40-12-398 with surety thereon of a

1 company authorized to do business in the State of Alabama,  
2 which bond shall be approved by the Commissioner of Revenue,  
3 payable to the State of Alabama, and shall be conditioned upon  
4 the faithful observance of all the provisions of this article  
5 and shall also indemnify any person who suffers any loss by  
6 reason of a failure to observe the provisions of this article.

7 "(b) The department, by rule, may permit a surety  
8 bond obtained pursuant to Section 40-12-398, to serve in lieu  
9 of the surety bond prescribed in subsection (a).

10 "§40-12-421.

11 ~~"(a) Sales at a salvage pool or a salvage disposal~~  
12 ~~sale shall be open only to persons holding a current~~  
13 ~~automotive dismantler and parts recycler license or their~~  
14 ~~agents or employees as hereinafter defined and to any firm,~~  
15 ~~person, or corporation that is domiciled in another state or~~  
16 ~~jurisdiction that has a similar license. Such persons must~~  
17 ~~have a separate buyer's identification card to buy at a~~  
18 ~~salvage pool or salvage disposal sale.~~

19 ~~"(b) Any person, firm, or corporation desiring to~~  
20 ~~purchase a buyer's identification card must do so by making~~  
21 ~~application to the Department of Revenue upon a form~~  
22 ~~prescribed by the department, which form shall contain:~~

23 ~~"(1) The name of the applicant.~~

24 ~~"(2) The street address of the applicant's principal~~  
25 ~~place of business.~~

1           ~~"(3) If an agent or employee, the name of the~~  
2 ~~licensee for whom the applicant will be making purchases at~~  
3 ~~salvage pools or salvage disposal sales.~~

4           ~~"(4) The license number under which the applicant~~  
5 ~~will be making purchases.~~

6           ~~"(5) Such other information as may be required by~~  
7 ~~the Department of Revenue.~~

8           ~~"(c) In order to obtain a buyer's identification~~  
9 ~~card, a person, firm or corporation must:~~

10           ~~"(1) Be a licensed automotive dismantler and parts~~  
11 ~~recycler or an agent or employee of a licensed automotive~~  
12 ~~dismantler and parts recycler.~~

13           ~~"(2) Pay a fee of \$10 to the Department of Revenue~~  
14 ~~for processing said buyer's identification card. The card~~  
15 ~~shall be valid as long as the holder is a licensed automotive~~  
16 ~~dismantler and parts recycler or an agent or employee of the~~  
17 ~~same licensed automotive dismantler and parts recycler at the~~  
18 ~~time the card is issued. Buyer's identification cards are not~~  
19 ~~transferable, and should the holder no longer be a licensed~~  
20 ~~automotive dismantler and parts recycler or an agent or~~  
21 ~~employee of a licensed automotive dismantler and parts~~  
22 ~~recycler, then the card becomes invalid and it is the duty of~~  
23 ~~the holder to return the same to the Department of Revenue.~~

24           ~~"(d) A licensee shall not have more than three~~  
25 ~~agents or employees who are holders of a buyer's~~  
26 ~~identification card.~~

1           ~~"(e) It shall be unlawful for the owner, manager, or~~  
2 ~~person in charge of any salvage pool or salvage disposal sale~~  
3 ~~to permit the bidding by a person who does not possess a valid~~  
4 ~~buyer's identification card at a sale.~~

5           ~~"(f) All buyer identification cards heretofore~~  
6 ~~issued by the Department of Revenue are hereby revoked and~~  
7 ~~each person, firm, or corporation who qualify and desire to~~  
8 ~~obtain a new buyer's identification card must resubmit their~~  
9 ~~application and pay the fee prescribed.~~

10           Section 2. Section 40-12-422, Code of Alabama 1975,  
11 relating to salvage dealers licensed in other states, is  
12 repealed.

13           Section 3. This act shall become effective on  
14 October 1, 2015, following its passage and approval by the  
15 Governor, or its otherwise becoming law.