

1 SB407
2 138001-3
3 By Senator Whatley
4 RFD: Commerce, Transportation, and Utilities
5 First Read: 15-MAR-12

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8 SYNOPSIS: Under existing law, the Department of
9 Revenue may issue a certificate of title to any
10 motor vehicle for which a salvage certificate has
11 been issued by this or any other state, and the
12 vehicle has been completely restored to its
13 operating condition that existed prior to the event
14 which caused the issuance of a salvage certificate.
15 Any motor vehicle for which a certificate of title
16 has been issued by any state with the notation of
17 junk, parts car, parts only, nonrebuildable, or
18 when a certificate of destruction or bill of sale
19 has been issued for transfer of the vehicle with
20 similar language is considered a junk vehicle and
21 shall not be titled in this state. No certificate
22 of title may be issued for any rebuilt vehicle
23 where the frame or majority of the major component
24 parts were obtained from a junk vehicle.

25 This bill would delete the reference to the
26 frame being considered separately and would
27 authorize a new certificate of title to be used

1 provided a majority of the major component parts
2 were not obtained from a junk vehicle.

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4 A BILL
5 TO BE ENTITLED
6 AN ACT

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8 To amend Section 32-8-87, Code of Alabama 1975, as
9 last amended by Act 2011-633 of the 2011 Regular Session,
10 relating to the issuance of new certificates of titles for
11 rebuilt motor vehicles; to authorize a certificate of title to
12 be issued for a certain rebuilt motor vehicle provided a
13 majority of the major component parts were not obtained from a
14 junk vehicle.

15 BE IT ENACTED BY THE LEGISLATURE OF ALABAMA:

16 Section 1. Section 32-8-87, Code of Alabama 1975, as
17 last amended by Act 2011-633 of the 2011 Regular Session, is
18 amended to read as follows:

19 "§32-8-87.

20 "(a) Each owner of a motor vehicle and each person
21 mentioned as owner in the last certificate of title who
22 scraps, dismantles, destroys, or changes the motor vehicle in
23 such a manner that it is not the same motor vehicle described
24 in the certificate of origin or certificate of title shall as
25 soon as practicable cause the certificate of origin or
26 certificate of title, if any, and any other documents or
27 information required by the department to be mailed or

1 delivered to the department for processing. The department
2 shall, with the consent of any holder of liens noted on the
3 surrendered certificate, enter a cancellation upon its
4 records. Upon cancellation of a certificate of origin or
5 certificate of title in the manner prescribed by this section,
6 the department shall cancel all certificates of origin or
7 certificates of title in that chain of title. A certificate of
8 title for the vehicle shall not again be issued except upon
9 application containing the information the department
10 requires, accompanied by a certificate of inspection in the
11 form and content as specified in this section.

12 "No motor vehicle for which a salvage or junk
13 certificate has been issued by this state or any other state
14 shall be driven or operated on the highways or other public
15 places of this state. A vehicle which is in this state and for
16 which a salvage certificate has been issued, and the vehicle
17 is being restored to its operating condition which existed
18 prior to the event which caused the salvage certificate of
19 title to issue, may be moved to and from repair points as
20 necessary by the rebuilder to complete the restoration or may
21 be moved as permitted by the Department of Revenue for
22 inspection or for any other purpose. A valid Alabama dealer
23 license plate shall be displayed on the vehicle during its
24 movement. A person who violates this subsection shall, upon
25 conviction, be guilty of a Class A misdemeanor and shall be
26 punishable as required by law.

1 "(b) When the frame or engine is removed from a
2 motor vehicle and not immediately replaced by another frame or
3 engine, or when an insurance company has paid money or made
4 other monetary settlement as compensation for a total loss of
5 any motor vehicle, the motor vehicle shall be considered to be
6 salvage. The owner of every motor vehicle in which total loss
7 or salvage has occurred in this state, shall, within 72 hours
8 after the total loss or salvage occurs, make application for a
9 salvage certificate of title and forward to the department the
10 certificate of origin or certificate of title to the motor
11 vehicle, whereupon the department shall process the
12 certificate of origin or certificate of title in a manner
13 prescribed by law or regulation. An insurance company which
14 pays money or makes other monetary settlement as compensation
15 for total loss of a motor vehicle shall at the time of payment
16 or monetary settlement obtain the vehicle's properly assigned
17 certificate of origin or certificate of title and, as soon as
18 practicable after receiving it, shall forward it along with
19 their application for a salvage certificate, to the department
20 for processing. In the event the payment or monetary
21 settlement was made because of the theft of the vehicle, which
22 shall be considered a total loss as defined in this section,
23 the insurance company shall forward the vehicle's properly
24 assigned certificate of origin or certificate of title as
25 provided herein, to the department as soon as practicable
26 after the vehicle is recovered. When a stolen motor vehicle
27 has been reported to the department in compliance with this

1 section and is later recovered, and for which a salvage
2 certificate has been issued, the owner recorded on the salvage
3 certificate shall assign that certificate to the purchaser. A
4 person who violates this subsection shall, upon conviction, be
5 guilty of a Class A misdemeanor and shall be punishable as
6 required by law.

7 "(c) If an insurance company acquires a motor
8 vehicle in settlement of an insurance claim and holds the
9 vehicle for resale and procures the certificate of origin or
10 certificate of title from the owner or lienholder within 15
11 days after delivery of the vehicle to the insurance company,
12 and if the vehicle was not a total loss as defined by this
13 section, the insurance company need not send the certificate
14 of origin or certificate of title to the department but, upon
15 transferring the vehicle to another person, other than by the
16 creation of a security interest, the insurance company shall
17 complete an affidavit of acquisition and disposition of the
18 motor vehicle on a form prescribed by the department and
19 deliver the certificate of origin or certificate of title,
20 affidavit, and any other documents required by the department
21 to the transferee at the time of delivery of the motor
22 vehicle.

23 "(d) For the purposes of this section, a total loss
24 shall occur when an insurance company or any other person pays
25 or makes other monetary settlement to a person when a vehicle
26 is damaged and the damage to the vehicle is greater than or
27 equal to 75 percent of the fair retail value of the vehicle

1 prior to damage as set forth in a current edition of a
2 nationally recognized compilation of retail values, including
3 automated data bases. The compensation for total loss as
4 defined in this subsection shall not include payments by an
5 insurer or other person for medical care, bodily injury,
6 vehicle rental, or for anything other than the amount paid for
7 the actual damage to the motor vehicle. A vehicle that has
8 sustained minor damage as a result of theft or vandalism shall
9 not be considered a total loss. Any person acquiring ownership
10 of a damaged motor vehicle that meets the definition of total
11 loss for which a salvage title has not been issued shall apply
12 for a salvage title, other than a scrap metal processor
13 acquiring such vehicle for purposes of recycling into metallic
14 scrap for remelting purposes only. This application shall be
15 made before the vehicle is further transferred, but in any
16 event, within 30 days after ownership is acquired.

17 "(e) It shall be unlawful for the owner of any
18 junkyard, salvage yard, or automotive dismantler and parts
19 recycler or his or her agents or employees to have in their
20 possession any motor vehicle which is junk or salvage or a
21 total loss when the manufacturer's vehicle identification
22 number plate or plates, authorized replacement vehicle
23 identification number plate or plates, or serial plate or
24 plates have been removed, unless previously required to be
25 removed by a statute or law of this state or another
26 jurisdiction. A person who violates this subsection shall,

1 upon conviction, be guilty of a Class A misdemeanor and shall
2 be punishable as required by law.

3 "(f) It shall be unlawful for a person, firm, or
4 corporation to possess, sell or exchange, offer to sell or
5 exchange, or to give away any certificate of origin,
6 certificate of title, salvage certificate of title,
7 manufacturer's identification number plate or plates,
8 authorized replacement vehicle identification number plate or
9 plates, serial plate or plates, or motor vehicle license plate
10 or plates of any motor vehicle which has been scrapped,
11 dismantled, or sold as junk or salvage or as a total loss
12 contrary to this section, and every officer, agent, or
13 employee of a person, firm, or corporation, and every person
14 who shall authorize, direct, aid in or consent to the
15 possession, sale or exchange, or offer to sell, exchange, or
16 give away such certificate of origin, certificate of title,
17 salvage certificate of title, manufacturer's vehicle
18 identification number plate or plates, authorized replacement
19 vehicle identification number plate or plates, serial plate or
20 plates, or motor vehicle license plate or plates contrary to
21 this section, shall, upon conviction, be guilty of a Class A
22 misdemeanor and shall be punishable as required by law.

23 "(g) The department is authorized to issue a salvage
24 certificate of title for a fee of fifteen dollars (\$15), on a
25 form prescribed by the department which shall provide for
26 assignments of this title. The salvage certificate of title is
27 to replace a certificate of origin or certificate of title

1 required to be surrendered by this section. The department
2 shall prescribe necessary forms and procedures to comply with
3 this subsection.

4 "(h) It shall be unlawful for a person to sign as
5 assignor or for a person to have in his or her possession a
6 salvage certificate of title which has been signed by the
7 owner as assignor without the name of the assignee and other
8 information called for on the form prescribed by the
9 department. A person who violates this subsection, upon
10 conviction, shall be guilty of a Class A misdemeanor and shall
11 be punishable as required by law.

12 "(i) Every owner of a salvage or junk motor vehicle
13 who sells or transfers the vehicle to any person shall provide
14 at the time of the sale or transfer a properly executed
15 assignment and warranty of title to the transferee in the
16 space provided therefor on the salvage certificate of title or
17 junk certificate of title or as the department prescribes. A
18 person who willfully violates this subsection shall, upon
19 conviction, be guilty of a Class A misdemeanor and shall be
20 punishable as required by law.

21 "(j) The department may issue a certificate of title
22 to any motor vehicle for which a salvage certificate has been
23 issued by this or any other state, and the vehicle has, in
24 this state, been completely restored to its operating
25 condition which existed prior to the event which caused the
26 salvage certificate of title to issue, provided that all
27 requirements of this section have been met. The department may

1 issue a certificate of title for any motor vehicle for which a
2 salvage certificate of title has been issued by this or any
3 other state or when the department has evidence that a salvage
4 title should have been issued by this or any other state, and
5 the vehicle has been completely restored outside of this state
6 to its operating condition which existed prior to the event
7 which caused the salvage certificate of title to be issued,
8 provided the department is satisfied that the vehicle was
9 rebuilt in the other state in accordance with that state's
10 salvage rebuilding laws. Any motor vehicle for which a
11 certificate of title has been issued by any state with the
12 notation of junk, parts car, parts only, nonrebuildable, or
13 when a certificate of destruction or bill of sale has been
14 issued for transfer of the vehicle with similar language shall
15 be considered to be a junk vehicle and shall not be titled in
16 this state. In addition, no certificate of title may be issued
17 for any vehicle where ~~the frame or~~ the majority of the major
18 component parts were obtained from ~~a junk vehicle~~ vehicles as
19 previously defined.

20 "(k) Every owner of a salvage motor vehicle
21 designated a 1975 year model and all models subsequent thereto
22 which is in this state and which has been restored in this
23 state to its operating condition which existed prior to the
24 event which caused the salvage certificate of title to issue
25 shall make application to the department for an inspection of
26 the vehicle in the form and content as determined by the
27 department. Each application for inspection of a salvage

1 vehicle which has been so restored shall be accompanied by all
2 of the following:

3 "(1) The outstanding salvage certificate or
4 out-of-state title previously issued for the salvage vehicle.

5 "(2) Notarized bills of sale evidencing acquisition
6 of all major component parts (listing the manufacturer's
7 vehicle identification number of the vehicle from which the
8 parts were removed, if parts contain or should contain the
9 manufacturer's vehicle identification number) used to restore
10 the vehicle and bills of sale evidencing acquisition of all
11 minor component parts. Notarization shall not be required on
12 bills of sale for minor component parts; provided that a
13 notarized bill of sale which lists the manufacturer's vehicle
14 identification number of the vehicle from which the parts were
15 removed, if parts contain or should contain the manufacturer's
16 vehicle identification number, shall be required for a
17 transmission.

18 "(3) Evidence that the owner is a licensed motor
19 vehicle rebuilder as defined in Section 40-12-390, unless
20 otherwise exempt from the licensing requirement by Chapter 12
21 of Title 40. Notwithstanding the foregoing, where an owner
22 acquires an Alabama salvage certificate of title to his or her
23 own vehicle from his or her insurance company in settlement of
24 a claim, a prior registration or other documentation that
25 shows that the owner owned the vehicle prior to the salvage
26 title being issued may be submitted in lieu of a rebuilder's
27 license.

1 "(4) The owner shall also provide a written
2 affirmation which states the following:

3 "a. The actions taken to restore the vehicle to its
4 operating condition which existed prior to the event which
5 caused the salvage certificate to issue.

6 "b. That the owner personally inspected the
7 completed vehicle and it complies with all safety requirements
8 set forth by the State of Alabama and any regulations
9 promulgated thereunder.

10 "c. That the identification numbers of the restored
11 vehicle and its parts have not, to the knowledge of the owner,
12 been removed, destroyed, falsified, altered, or defaced.

13 "d. That the salvage certificate document or
14 out-of-state title certificate attached to the application has
15 not to the knowledge of the owner been forged, falsified,
16 altered, or counterfeited.

17 "e. That all information contained on the
18 application and its attachments is true and correct to the
19 knowledge of the owner.

20 "f. The owner, as specified in subsection (r), shall
21 be required to post a bond in accordance with Section 32-8-36
22 in the event that the owner cannot provide any information
23 required in subsection (k) or any other information specified
24 by the department.

25 "(1) The application fee for each inspection of a
26 restored vehicle shall be seventy-five dollars (\$75), payable

1 to the department in a manner as prescribed by the department,
2 which shall accompany the application.

3 "(1) All application fees and title fees received by
4 the department pursuant to this subsection shall be applied
5 toward the personnel and maintenance costs of the vehicle
6 inspection program and the vehicle inspection program shall be
7 conducted by the office of investigations and inspections of
8 the department. Upon receipt of the application for
9 inspection, application fee of seventy-five dollars (\$75), its
10 supporting documents, and title fee of fifteen dollars (\$15),
11 payable to the department in a manner as prescribed by the
12 department, the department shall require an inspection to be
13 made of the title and the vehicle by qualified agents or law
14 enforcement officers of the department.

15 "(2) The inspection and certification shall include
16 an examination of the vehicle and its parts to determine that
17 the identification numbers of the vehicle or its parts have
18 not been removed, falsified, altered, defaced, destroyed, or
19 tampered with; that the vehicle information contained in the
20 application for certificate of title and supporting documents
21 is true and correct; and that there are no indications that
22 the vehicle or any of its parts are stolen. The certification
23 shall not attest to the roadworthiness or safety condition of
24 the vehicle.

25 "(m) Component parts are defined as:

26 "(1) PASSENGER VEHICLES.

27 "a. Major components:

1 "1. Motor or engine.

2 "2. Trunk floor pan or rear section and roof.

3 "3. Frame or any portion thereof (except frame

4 horn), or, in the case of a unitized body, the supporting

5 structure which serves as the frame, except when it is a part

6 of the trunk floor pan, or rear section and roof.

7 "4. Cowl, firewall, or any portion thereof.

8 "5. Roof assembly.

9 "b. Minor components:

10 "1. Each door allowing entrance to or egress from

11 the passenger compartment.

12 "2. Hood.

13 "3. Each front fender or each rear fender when used

14 with a rear section and roof.

15 "4. Deck lid, tailgate, or hatchback (whichever is

16 present).

17 "5. Each quarter panel.

18 "6. Each bumper.

19 "7. T-tops, moon roof, or whichever is present.

20 "8. Transmission or trans-axle.

21 "(2) TRUCK, TRUCK TYPE, OR BUS TYPE VEHICLE.

22 "a. Major components:

23 "1. Motor or engine.

24 "2. Transmission or trans-axle.

25 "3. Frame or any portion thereof (except frame

26 horn), or, in the case of a unitized body, the supporting

27 structure which serves as the frame.

1 "4. Cab.

2 "5. Cowl or firewall or any portion thereof.

3 "6. Roof assembly.

4 "7. Cargo compartment floor panel or passenger

5 compartment floor pan.

6 "b. Minor components:

7 "1. Each door.

8 "2. Hood.

9 "3. Grill, except on one ton or smaller trucks.

10 "4. Each bumper.

11 "5. Each front fender.

12 "6. Roof panel and rear cab panel.

13 "7. Each rear fender or side panel.

14 "8. Pickup box.

15 "9. Body or bed.

16 "(3) MOTORCYCLE: COMPONENT PARTS.

17 "a. Engine or motor.

18 "b. Transmission or trans-axle.

19 "c. Frame.

20 "d. Front fork.

21 "e. Crankcase.

22 "(n) A salvage vehicle which has been restored in

23 this state to its operating condition which existed prior to

24 the event which caused the salvage certificate of title to

25 issue shall be issued a certificate of title which shall

26 contain the word rebuilt.

1 "(o) (1) Each salvage vehicle restored or rebuilt in
2 this state which is required to be inspected by the department
3 pursuant to subsection (l) and for which a certificate of
4 title may be issued pursuant to subsection (n) shall be issued
5 a decal, plate, or other emblem as prescribed by the
6 department to reflect that the vehicle is rebuilt. The decal,
7 plate, or other emblem shall be attached to the vehicle in a
8 place and in a manner prescribed by the department.

9 "(2) A person who willfully removes, mutilates,
10 tampers with, obliterates, or destroys a decal, plate, or
11 other emblem issued and attached to a salvage vehicle pursuant
12 to this subsection is guilty of a Class A misdemeanor
13 punishable as provided by law.

14 "(p) Each person who sells, exchanges, delivers, or
15 otherwise transfers any interest in any vehicle for which a
16 title bearing the designation salvage or rebuilt has been
17 issued shall disclose in writing the existence of this title
18 to the prospective purchaser, recipient in exchange, recipient
19 by donation, or recipient by other act of transfer. The
20 disclosure, which shall be made at the time of or prior to the
21 completion of the sale, exchange, donation, or other act of
22 transfer, shall contain the following information in no
23 smaller than 10 point type: "This vehicle's title contains the
24 designation salvage or rebuilt."

25 "(q) (1) Any motor vehicle for which an insurance
26 company has paid a total loss due, in part, to being damaged
27 by water shall be deemed a flood vehicle. The motor vehicle's

1 certificate of title and every subsequent certificate of title
2 shall contain the designation flood vehicle.

3 "(2) Each person who sells, exchanges, donates,
4 delivers, or otherwise transfers any interest for which a
5 certificate of title bearing the designation flood vehicle has
6 been issued shall disclose in writing the existence of this
7 designation to the prospective purchaser, recipient in
8 exchange, recipient by donation, or recipient by other act of
9 transfer. The disclosure shall be made at the time of or prior
10 to the completion of the sale, exchange, donation, delivery,
11 or other act of transfer and shall contain the following
12 information in no smaller than 10 point type: The certificate
13 of title of this motor vehicle contains the designation flood
14 vehicle.

15 "(r) If an owner acquires a salvage vehicle for
16 which a previous insurer or owner did not properly obtain a
17 salvage title from this or any other state or the vehicle was
18 rebuilt by a rebuilder who is no longer licensed as a
19 rebuilder, the current owner may proceed as provided in
20 subsection (k) and apply for an inspection of the vehicle. In
21 any case where the department has determined that an insurer
22 or prior owner did not properly obtain a salvage certificate
23 of title, a prior registration or other documentation that
24 shows that the owner owned the vehicle prior to the
25 notification by the department may be submitted in lieu of a
26 rebuilder's license.

1 "(s) (1)a. A licensed automotive dismantler and parts
2 recycler as defined in Section 40-12-410, secondary metals
3 recycler as defined in Section 13A-8-30, who acquires a motor
4 vehicle for the purpose of dismantling it or recycling it into
5 metallic scrap for melting purposes or any person who crushes
6 a motor vehicle acquired from anyone other than a licensed
7 automotive dismantler and parts recycler or a secondary metal
8 recycler, except as provided in subdivision (2), shall
9 surrender any certificate of title received to the department
10 for cancellation in a manner as prescribed by the department.
11 A notice of cancellation shall be submitted and a receipt of
12 the notice shall be obtained from the department prior to
13 crushing the vehicle or dismantling the vehicle or recycling
14 it into metallic scrap for remelting purposes. A licensed
15 automotive dismantler and parts recycler or secondary metals
16 recycler shall file the notice electronically and the
17 department, at the time of filing, shall provide the filer
18 with an electronic notice of receipt. The licensed automotive
19 dismantler and parts recycler or secondary metals recycler
20 shall maintain the properly assigned original certificate of
21 title when the notice is filed electronically. The department
22 shall verify through its records that the title is the current
23 title of the motor vehicle and that the vehicle is not
24 reported as stolen prior to issuing the receipt.

25 "b. Each licensed automotive dismantler and parts
26 recycler, secondary metals recycler, and any other person who
27 crushes a motor vehicle shall maintain records of every motor

1 vehicle crushed or acquired for the purpose of dismantling it
2 or recycling it into metallic scrap for remelting purposes.
3 The records shall be maintained by these parties for a period
4 of not less than five years and shall include the vehicle
5 identification number, name and address of the seller, copy of
6 the seller's state issued driver's license or identification
7 card, the date of sale, and a copy of the certificate of title
8 surrendered to the department. In the event that a person
9 crushes a vehicle or vehicles on behalf of the owner but does
10 not acquire the vehicle or vehicles, that person shall
11 maintain a record of the vehicle identification number, and
12 the name and address of the entity for whom the vehicles were
13 crushed, as well as a copy of the person's state issued
14 driver's license or identification card, or state issued tax
15 ID number if the entity is not a natural person. For purposes
16 of this chapter, a crushed motor vehicle as defined in Section
17 40-12-116 shall not be deemed a motor vehicle or vehicle,
18 provided, however, that any person who is responsible for
19 transforming a motor vehicle into a crushed motor vehicle is
20 responsible for complying with this section.

21 "(2) Notwithstanding any other provision of this
22 title to the contrary, if the owner or authorized agent of the
23 owner of a motor vehicle has not obtained a title in his or
24 her name for the motor vehicle to be transferred, he or she
25 may sign a sworn statement that, in addition to the foregoing
26 conditions, the vehicle is worth one thousand dollars (\$1,000)
27 or less and is at least 12 model years old. The statement

1 described in this subsection may be used only to transfer such
2 a motor vehicle to a licensed automotive dismantler and parts
3 recycler as defined at Section 40-12-410 or secondary metals
4 recycler as defined at Section 13A-8-30 and shall be used in
5 lieu of a certificate of title when the motor vehicle is being
6 dismantled or recycled into metallic scrap. The department, in
7 consultation with the above industries, shall promulgate a
8 form for the statement which shall include, but not be limited
9 to, all of the following information:

10 "a. A statement that the motor vehicle shall never
11 be titled again and that it must be dismantled or scrapped.

12 "b. A description of the motor vehicle including the
13 year, make, model, and vehicle identification number.

14 "c. The license plate number and state of issue of
15 any vehicle transporting the motor vehicle being sold.

16 "d. The name, address, and driver's license number
17 of the seller.

18 "e. A certification by the seller that the seller is
19 lawfully in possession of the vehicle and the seller is the
20 current owner of the vehicle and the seller never obtained a
21 title to the motor vehicle in his or her name.

22 "f. A certification that the motor vehicle meets all
23 of the following requirements:

24 "1. Is worth one thousand dollars (\$1,000) or less.

25 "2. Is at least 12 model years old.

26 "3. Is not subject to any recorded security interest
27 or lien.

1 "g. An acknowledgment, made under penalties of
2 perjury, that the seller realizes this information will be
3 filed with the department and that it is a Class C felony to
4 knowingly falsify any information on this statement.

5 "h. The seller's signature and the date of the
6 transaction.

7 "i. The name and address of the business acquiring
8 the vehicle.

9 "j. The unique registration number provided by the
10 Administrator of the National Motor Vehicle Title Information
11 System known as the NMVTIS ID Number.

12 "k. A certification by the business, made under
13 penalties of perjury, that one thousand dollars (\$1,000) or
14 less was paid to acquire the vehicle.

15 "l. The business agent's signature and date along
16 with a printed name and title if the agent is signing on
17 behalf of a corporation.

18 "m. The unique tracking number provided by a
19 Department of Revenue system that indicates that the
20 automotive dismantler and parts recycler or secondary metals
21 recycler has utilized that system to verify that the vehicle
22 is not currently reported as stolen and that there is no
23 recorded lien or notice of a lien on file or that the
24 department has no record of the vehicle. A licensed automotive
25 dismantler and parts recycler or secondary metals recycler
26 shall file the notice electronically, and the department shall
27 provide the filer with an electronic notice of receipt. This

1 statement shall be invalid without this tracking number and
2 without the purchaser's NMVTIS ID Number.

3 "n. An acknowledgement by the automotive dismantler
4 and parts recycler or secondary metals recycler that the motor
5 vehicle will not be crushed or shredded for a period of 48
6 hours not including Saturday and Sunday after the initial
7 filing with the department of the notice required in this
8 subsection and receipt of such notice.

9 "(3) The automotive dismantler and parts recycler or
10 secondary metals recycler shall electronically deliver the
11 statement required under this subsection to the department
12 within 72 hours of the completion of the transaction,
13 requesting that the department cancel the certificate of title
14 and registration. A transmission of the identical information,
15 in the identical format as prescribed by the Alabama
16 Department of Revenue, shall be sent by the automotive
17 dismantler and parts recycler or secondary metals recycler to
18 the sheriff of the county, or the chief of police if located
19 in a municipality, if requested by the sheriff or chief of
20 police. The transmittal shall be completed and a receipt of
21 the notice, generated at the time of the transmittal, shall be
22 obtained from the department before dismantling the vehicle or
23 recycling it into metallic scrap for remelting purposes. In
24 addition, the automotive dismantler and parts recycler or
25 secondary metals recycler shall maintain the original signed
26 documents required by this subsection for a period of not less
27 than five years. An automotive dismantler and parts recycler

1 or secondary metals recycler who has complied with the
2 requirements of this section shall be immune from, and held
3 harmless from, any claims related to liens which were not
4 recorded or a notice of lien was not recorded, or stolen
5 vehicles not reported, at the time that the vehicle was
6 purchased and the inquiry made and documented with the unique
7 tracking number issued by the department.

8 "(4) Any person who knowingly and willfully violates
9 this subsection, or any person who falsifies the statement
10 required under this subsection, or any person who knowingly
11 and willfully sells a vehicle upon which there is an
12 unsatisfied lien, shall be guilty of a Class C felony. In
13 addition to any punishment rendered, each person convicted
14 shall be subject to the laws regarding restitution.

15 "(5) Any motor vehicle used to transport another
16 motor vehicle or crushed motor vehicle illegally sold under
17 this section may be seized by law enforcement and is subject
18 to forfeiture ordered by the court; provided, however, that no
19 motor vehicle used by any person in the transaction of a sale
20 of such motor vehicle shall be subject to forfeiture unless
21 the owner or other person in charge of the motor vehicle is a
22 consenting or knowing party to the commission of a crime, and
23 a forfeiture of the motor vehicle is subject to the rights of
24 any lienholder who holds a perfected security interest in the
25 motor vehicle so long as the lienholder had no knowledge of or
26 consented to the act. Whenever property is forfeited under
27 this subsection by order of the court, it shall be sold and

1 the proceeds distributed, pro rata after payment of all
2 property expenses relating to the forfeiture and sale,
3 including any court ordered restitution to the owner of the
4 vehicle, satisfaction of any liens associated with the vehicle
5 sold in violation of this section, and any losses incurred by
6 the automotive dismantler and parts recycler or secondary
7 metals recycler to the general fund of the state or any county
8 or municipality whose department, office, or agency
9 contributed to the investigation of the acts resulting in
10 forfeiture, based upon the contribution, including expenses,
11 of the department, office, or agency, as determined by the
12 court.

13 "(t) The Department of Revenue shall provide a
14 system for a real-time online verification of motor vehicle
15 titles, liens, and stolen vehicle status that can be accessed
16 by an automotive dismantler and parts recycler or a secondary
17 metals recycler. The system shall be capable of transmitting
18 the information from the statement required pursuant to
19 subsection (s) either online or by bulk electronic
20 transmission and shall provide a unique tracking number on a
21 receipt at the time of the submission that indicates that the
22 automotive dismantler and parts recycler or a secondary metals
23 recycler has used the system and that at the time of the
24 inquiry, the vehicle was not reported as stolen and that there
25 were no recorded liens or notices of liens on file associated
26 with the vehicle, or that the department has no record of the
27 vehicle. The charge assessed for the transmittal of the

1 statement required by subsection (s) to the automotive
2 dismantler and parts recycler or secondary metals recycler
3 shall be five dollars (\$5) per submittal. In lieu of a per
4 submittal charge, an automotive dismantler and parts recycler
5 or a secondary metals recycler may pay an annual fee of five
6 hundred dollars (\$500) for all submittals and inquiries made
7 during that fiscal year. The fee shall be paid on a fiscal
8 year basis, beginning October 1 of each fiscal year. Every
9 automotive dismantler and parts recycler, secondary metals
10 recycler or person or company licensed pursuant to Section
11 40-12-116, shall pay the annual fee for each location or
12 license. Any fees collected under this section shall be
13 retained by the department for use solely by the Motor Vehicle
14 Division of the department for training and technological and
15 processing improvements."

16 Section 2. This act shall become effective on the
17 first day of the third month following its passage and
18 approval by the Governor, or its otherwise becoming law.