

LEGAL SERVICES

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MEMORANDUM

January 24, 2014

SUBJECT: Agents for transactions related to vehicles:
SB 127 sectional analysis (Work Order No. 28-LS1263\A)

TO: Senator Cathy Giessel
Attn: Forrest Wolfe

FROM: Kathleen Strasbaugh
Legislative Counsel

You have requested a sectional summary of the above-described bill.

As a preliminary matter, note that a sectional summary of a bill should not be considered an authoritative interpretation of the bill and that the bill itself is the best statement of its contents. If you would like an interpretation of the bill as it may apply to a particular set of circumstances, please advise.

Section 1. Subsection (a) of proposed AS 20.05.024 would authorize the commissioner of the Department of Administration (department) to enter into agreements with agents to provide vehicle title and registration services. The department is to set qualifications and requirements by regulation, including, at a minimum, requirements that the agent be bonded, have an Alaska business license, and have existed as a business for a minimum of one year prior to entering into an agreement with the commissioner. The regulations may, subject to the department's regulations, permit the agent to retain as compensation up to 15% of the proceeds collected on behalf of the department, excluding taxes or fees collected by a municipality. The agreement must provide for regular audits and penalties for failure to timely report and remit the proceeds.

Subsection (b) requires the agent to remit the proceeds collected on behalf of the department, and to report the services provided.

Subsection (c) provides that in proposed sec. 20.05.024, an agent does not include a state employee acting in their capacity of a state employee.

Section 2. Sets an effective date of July 1, 2014.

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