

1 IN THE HOUSE

BY MR. MEEKINS AND MRS. FISCHER

2 HOUSE BILL NO. 128

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 FIRST LEGISLATURE - FIRST SESSION

5 A BILL

6 For an Act entitled: "An Act requiring Alaska dealers and the
7 agents, brokers and salesmen of out-of-
8 state dealers in motor vehicles to register
9 and to file a bond; and providing for an
10 effective date."

11 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF ALASKA:

12 Section 1. REGISTRATION REQUIRED. Every dealer of or in
13 motor vehicles, trailers or semi-trailers shall, as a condition
14 to engaging in business in this state, register annually as such
15 with the Department of Revenue.

16 As used in this Act "dealer" means (1) Any individual, firm,
17 copartnership, corporation or association; or (2) any agent, broker
18 or salesman, whether individual, corporate or otherwise, engaged
19 as such agent, broker or salesman for any individual, firm, co-
20 partnership, corporation or association not located within the
21 state;

22 Who or which is engaged within the state in the business of
23 buying, selling or dealing in new or used motor vehicles, trailers
24 or semi-trailers.

25 Sec. 2. APPLICATION: BOND AND FEE. Application for a
26 dealer's registration shall be accompanied by an annual registra-
27 tion fee of \$25.00 and a bond as hereinafter provided for.

28 Sec. 3. APPLICATION: WHAT TO CONTAIN. The application shall
29 be on blanks furnished by the Department of Revenue and must show:

- 1 (1) Name under which business is conducted.
- 2 (2) Location of business.
- 3 (3) Name and address of all owners or persons having
- 4 an interest in the business; in the case of a corporation the
- 5 name and address of the two principal officers is sufficient.
- 6 (4) Name and make of all vehicles handled.
- 7 (5) Whether or not used vehicles are handled.
- 8 (6) A statement to the effect that the applicant is
- 9 a bona fide dealer in motor vehicles, trailers or semi-trailers
- 10 with an established business at the location given.
- 11 (7) Such other information as the Department of Revenue
- 12 shall require to efficiently administer this Act.

13 Sec. 4. APPLICATION: FILING AND RENEWAL. The application

14 shall be filed with the Department of Revenue. Upon receipt

15 thereof the Department shall examine it and may make an individual

16 investigation relative to statements contained therein. Upon

17 being satisfied that the dealer is entitled to registration,

18 that the proper fees therefor have been paid and that a bond has

19 been filed, the Department shall assign to such dealer a dis-

20 tinctive registration number and shall file his application and

21 index it alphabetically under the name designated in the appli-

22 cation and also numerically. Upon assignment of a registration

23 number to a dealer, he shall be considered as registered. Regis-

24 tration shall be renewed annually by each dealer or on before

25 December 31 of each year.

26 Sec. 5. BOND. (1) Every applicant for a dealer's registra-

27 tion or for the renewal of such a dealer's registration shall file

28 with the application or request for renewal, and shall thereafter

29 maintain in force while so registered, a bond, in favor of the

1 State of Alaska, executed by an authorized corporate surety approv-
2 ed by the Commissioner of Revenue, in the amount of \$10,000.00.
3 The bond shall be conditioned that the applicant will conduct his
4 business in accordance with the provisions of this Act and will not
5 commit fraud or make fraudulent representations in the course there-
6 of. (2) Any such bond shall be held in the office of the Commis-
7 sioner of Revenue and shall remain in force until the surety is
8 released from the liability by the Commissioner, or until the bond
9 is cancelled by the surety as set forth herein. Without prejudice
10 to any liability accrued prior to cancellation, the surety may
11 cancel the bond upon thirty days advance notice in writing filed
12 with the Commissioner, and the Commissioner shall cancel such bond
13 six months after receipt of notice in writing from the surety that
14 the dealer has ceased to do such business in the state.

15 Sec. 6. BOND: ACTION UPON. If any person suffers any loss
16 or damage by reason of fraud, fraudulent representations or viola-
17 tion of any of the provisions of this Act by a dealer, he has a
18 right of action against such dealer and a right of action in his
19 own name against the surety upon the bond, provided, however, that
20 the aggregate liability of the surety to all such persons shall,
21 in no event, exceed the amount of said bond.

22 Sec. 7. EFFECTIVE DATE. This Act shall take effect imme-
23 diately upon its passage and approval or upon its becoming law
24 without such approval.
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