

1 IN THE HOUSE

BY COMMITTEE ON FINANCE  
BY REQUEST

2 HOUSE BILL NO. 395

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 FIRST LEGISLATURE - SECOND SESSION

5 A BILL

6 For an Act entitled: "An Act relating to registration of motor  
7 vehicle dealers; amending Sec. 5, Ch. 135,  
8 SLA 1959; adding a new section to Ch. 135,  
9 SLA 1959; and providing for an effective  
10 date."

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

12 Section 1. Sec. 5, Ch. 135, SLA 1959, is amended to read as  
13 follows:

14 Sec. 5. BOND. (1) Every applicant for a dealer's regis-  
15 tration or for the renewal of such dealer's registration shall  
16 file with the application or request for renewal, and shall  
17 thereafter maintain in force while so registered, a bond, in  
18 favor of the State of Alaska, executed by an authorized cor-  
19 porate surety approved by the Commissioner of Revenue, in the  
20 amount of \$10,000.00 [\$10,000,00], or in lieu thereof the Com-  
21 missioner may, in his sole discretion, accept a bond in that  
22 amount with at least two individual sureties, each justifying  
23 with real property in twice the amount of the bond. In the  
24 event a bond with individual sureties is offered, the Commis-  
25 sioner shall make such investigation as may be necessary to  
26 determine the actual financial responsibility of such sureties  
27 The bond shall be conditioned that the applicant will conduct  
28 his business in accordance with the provisions of this Act and  
29 will not commit fraud or make fraudulent representations in the

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course thereof. (2) Any such bond shall be held in the office of the Commissioner of Revenue and shall remain in force until the surety or sureties are [IS] released from the liability by the Commissioner, or until the bond is cancelled by the surety or sureties as set forth herein. Without prejudice to any liability accrued prior to cancellation, the surety or sureties may cancel the bond upon thirty ~~days~~ advance notice in writing filed with the Commissioner, and the Commissioner shall cancel such bond six months after receipt of notice in writing from the surety or sureties that the dealer has ceased to do such business in the state.

Sec. 2. Ch. 135, SLA 1959 is amended by adding a new Sec. 7 to read as follows:

Sec. 7. PENALTIES. Any dealer failing to register and file a bond as required by this Act by December 31 of each year shall pay a penalty of \$100.00. Any dealer wilfully violating any provision of this Act shall be deemed to have committed a misdemeanor thereby, and upon conviction, shall be punished by a fine of not more than \$300.00.

Sec. 3. This Act takes effect on the day after its passage and approval or on the day it becomes law without such approval.