

1 IN THE SENATE

BY SENATOR B. PHILLIPS

2 SENATE BILL NO. 32

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 SECOND 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 state  
8 dealers in motor vehicles to register and  
9 file a bond; amending Sec. 4, Ch. 135, SLA  
10 1959 and Sec. 5, Ch. 135, SLA 1959 as  
11 amended by Ch. 159, SLA 1960; and providing  
12 for an effective date."

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

14 Section 1. Sec. 4, Ch. 135, SLA 1959 is amended to read:

15 Sec. 4. APPLICATION: FILING AND RENEWAL. The applica-  
16 tion shall be filed with the Department of Public Safety  
17 [REVENUE]. Upon receipt thereof the Department shall examine  
18 it and may make an individual investigation relative to  
19 statements contained therein. Upon being satisfied that the  
20 dealer is entitled to registration, that the proper fees  
21 therefor have been paid and that a bond has been filed, the  
22 Department shall assign to such dealer a distinctive regis-  
23 tration number and shall file his application and index it  
24 alphabetically under the name designated in the application  
25 and also numerically. Upon assignment of a registration  
26 number to a dealer, he shall be considered as registered.  
27 Registration shall be renewed annually by each dealer on or  
28 before December 31 of each year.

29 Sec. 2. Sec. 5, Ch. 135, SLA 1959 as amended by Ch. 159,

1 SLA 1960 is amended to read:

2           Sec. 5. BOND. (1) Every applicant for a dealer's  
3 registration or for the renewal of such dealer's registration  
4 shall file with the application or request for renewal, and  
5 shall thereafter maintain in force while so registered, a  
6 bond, in favor of the State of Alaska, executed by an author-  
7 ized corporate surety approved by the Commissioner of Public  
8 Safety [REVENUE], in the amount of \$10,000.00, or in lieu  
9 thereof the Commissioner may, in his sole discretion, accept  
10 a bond in that amount with at least two individual sureties,  
11 each justifying with real property in twice the amount of the  
12 bond. In the event a bond with individual sureties is of-  
13 fered, the Commissioner shall make such investigation as may  
14 be necessary to determine the actual financial responsibility  
15 of such sureties. The bond shall be conditioned that the  
16 applicant will conduct his business in accordance with the  
17 provisions of this Act and will not commit fraud or make  
18 fraudulent representations in the course thereof. (2) Any  
19 such bond shall be held in the office of the Commissioner of  
20 Public Safety [REVENUE] and shall remain in force until the  
21 surety or sureties are released from the liability by the  
22 Commissioner, or until the bond is cancelled by the surety or  
23 sureties as set forth herein. Without prejudice to any  
24 liability accrued prior to cancellation, the surety or  
25 sureties may cancel the bond upon thirty days advance notice  
26 in writing filed with the Commissioner, and the Commissioner  
27 shall cancel such bond six months after receipt of notice in  
28 writing from the surety or sureties that the dealer has  
29 ceased to do such business in the state.

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