

AMERICAN AUTO SALES
7222 Airport Boulevard
Mobile, AL 36608,

STATE OF ALABAMA
DEPARTMENT OF REVENUE
ADMINISTRATIVE LAW DIVISION

Petitioner,

DOCKET NO. MV. 00-275

v.

STATE OF ALABAMA
DEPARTMENT OF REVENUE.

FINAL ORDER

The Revenue Department notified American Auto Sales, Inc. (APetitioner@) that it intended to revoke the Petitioner-s status as a designated agent of the Department. The Petitioner appealed to the Administrative Law Division pursuant to Code of Ala. 1975, ' 40-2A-8(a). A hearing was conducted on October 17, 2000 in Mobile, Alabama. The Petitioner-s authorized representative was notified of the hearing by certified mail, but failed to appear. Assistant Counsel Duncan Crow represented the Department.

The issue in this case is whether the Department has sufficient grounds to revoke the Petitioner-s designated agent status, as authorized by Code of Ala. 1975, ' 32-8-3(a)(4).

On March 14, 2000, the Department received a letter from Auto Title Clearance Company of New Orleans, Louisiana. Enclosed with the letter were applications for title and the outstanding titles for 33 vehicles which the Petitioner had sold on various dates. Auto Title wanted the Department to issue new Alabama titles for the vehicles, and send the titles to Liberty Bank & Trust Company in Louisiana. Liberty Bank had apparently financed the vehicles.

The Department wrote the Petitioner on March 16, 2000 concerning the 33 titles. The letter notified the Petitioner of its duty as a designated agent to submit title applications directly to the Department by the close of the next business day. It also requested payment of a \$495 fee concerning the applications, and a letter from the Petitioner explaining why the title applications had been given to a third party, and not the Department. The Department also notified the Petitioner that if it failed to respond within ten days, its designated agent status would be revoked.

The Petitioner failed to respond within ten days. The Department consequently notified the Petitioner that its status as a designated agent was being revoked. The Petitioner appealed.

The Department is authorized to revoke the designated agent status of any motor vehicle dealer that fails to faithfully perform its duties as a designated agent. Section 32-8-3(a)(4). Every designated agent is required to submit a title application to the Department by the close of the next business day, along with the outstanding certificate of title for the subject vehicle. Code of Ala. 1975, ' 32-8-35(g). The Petitioner in this case failed to comply with that statute, and instead submitted the title applications for the 33 vehicles in issue to a third party. Because the Petitioner failed to faithfully perform its duties as a designated agent, the Department's revocation of the Petitioner's designated agent status is affirmed.

This Final Order may be appealed to circuit court within 30 days pursuant to Code of Ala. 1975, ' 40-2A-9(g).

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Entered November 13, 2000.