# GENERAL ASSEMBLY OF NORTH CAROLINA SESSION 2009

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# $BILL\ DRAFT\ 2009\text{-}RWz\text{-}28\ [v.9]\quad (04/27)$

# (THIS IS A DRAFT AND IS NOT READY FOR INTRODUCTION) 4/28/2010 10:13:44 AM

Short Title:	Motor Vehicles Law Changes.	(Public)
Sponsors:	Unknown.	
Referred to:		
	A BILL TO BE ENTITLED	
	MAKE VARIOUS CHANGES TO THE MOTOR VEHI	CLES LAWS.
	Assembly of North Carolina enacts:	
	ECTION 1. G.S. 20-3 reads as rewritten:	
	ganization of Division.	
	the Commissioner, subject to the approval of the Secreta	
-	on, shall organize and administer the Division in such a conduct the work of the Division." The Commissioner	•
•	oyees of the Division, upon request of the employee, from	
	the Commissioner may deem necessary. Any transfers u	•
	in the same salary grade as the position the employee is le	
	ECTION 2. G.S. 20-7(f) reads as rewritten:	aving.
	uration and Renewal of Licenses. – Drivers licenses sha	ll be issued and renewed
` '	ne provisions of this subsection:	ii be issued und tenewed
(1)	1	A full provisional license
(-	issued to a person under the age of 18 expires on	-
	birthday.	1
(2	·	years of age or older. – A
	drivers license issued to a person at least 18 years of	_
	old expires on the birthday of the licensee in the en	
	A drivers license issued to a person at least 54	years old expires on the
	birthday of the licensee in the fifth year after issuar	nce. A commercial driver
	license shall expire on the birth date of the licens	<u>-</u>
	issuance. A commercial drivers license that h	•
	passengers (P) and school bus (S) endorsement	-
	20-37.16 shall expire on the birth date of the licer	•
	date of issuance, if the licensee is certified to driv	e a school bus in North
	Carolina.	
(2	a) Duration of renewed licenses. – A renewed driver	
	by the Division to a person at least 18 years old b	<del>-</del>
	expires eight years after the expiration date of the li	
	renewed drivers license that was issued by the Div	ision to a person at least

54 years old expires five years after the expiration date of the license that is

renewed. A commercial driver license shall expire on the birth date of the licensee in the fifth year after issuance.

- (3) Duration of license for certain other drivers. The durations listed in subdivisions (1), (2) and (2a) of this subsection are valid unless the Division determines that a license of shorter duration should be issued when the applicant holds valid documentation issued by, or under the authority of, the United States government that demonstrates the applicant's legal presence of limited duration in the United States. In no event shall a license of limited duration expire later than the expiration of the authorization for the applicant's legal presence in the United States.
- (3a) When to renew. A person may apply to the Division to renew a license during the 180-day period before the license expires. The Division may not accept an application for renewal made before the 180-day period begins.
- (3b) Renewal for certain members of the Armed Forces and reserve components of the Armed Forces.
  - a. The Division may renew a drivers license, without limitation on the period of time before the license expires, if the person applying for renewal is a member of the Armed Forces or of a reserve component of the Armed Forces of the United States and provides orders that place the member on active duty and duty station outside this State.
  - b. A person who is a member of a reserve component of the Armed Forces of the United States whose license bears an expiration date that occurred while the person was on active duty outside this State shall be considered to have a valid license until 60 days after the date of release from active duty upon showing proof of the release date, unless the license was rescinded, revoked, or otherwise invalidated under some other provision of law. Notwithstanding the provisions of this sub-subdivision, no license shall be considered valid more than 18 months after the date of expiration.
- (4) Renewal by mail. The Division may renew by mail a drivers license issued by the Division to a person who meets any of the following descriptions:
  - a. Is a member of the Armed Forces or a reserve component of the Armed Forces of the United States serving on active duty and is stationed outside this State.
  - b. Is a resident of this State and has been residing outside the State for at least 30 continuous days.

When renewing a license by mail, the Division may waive the examination that would otherwise be required for the renewal and may impose any conditions it finds advisable. A license renewed by mail is a temporary license that expires 60 days after the person to whom it is issued returns to this State.

(5) License to be sent by mail. – The Division shall issue to the applicant a temporary driving certificate valid for 20 days, unless the applicant is applying for renewal by mail under subdivision (4) of this subsection. The temporary driving certificate shall be valid for driving purposes only and shall not be valid for identification purposes. The Division shall produce the applicant's drivers license at a central location and send it to the applicant by first-class mail at the residence address provided by the applicant, unless the applicant is ineligible for mail delivery by the United States Postal Service at the applicant's residence. If the United States Postal Service documents that it does not deliver to the residential address provided by the applicant, and

the Division has verified the applicant's residential address by other means, the Division may mail the drivers license to the post office box provided by the applicant. Applicants whose only mailing address prior to July 1, 2008, was a post office box in this State may continue to receive their license at that post office box, provided the applicant's residential address has been verified by the Division."

**SECTION 3.** G.S. 20-64.2 is repealed.

current text of G.S. 20-64:

#### § 20-64.2. Permit for emergency use of registration plate.

The Commissioner may, if in his opinion it is equitable, grant to the licensee a special permit for the use of a registration plate on a vehicle other than the vehicle for which the plate was issued, when the vehicle for which such plate was issued is undergoing repairs in a regular repair shop or garage.

Application for such permit shall be made on forms provided by the Division and must show, in addition to such other information as may be required by the Commissioner, that an emergency exists which would warrant the issuance of such permit.

Such permit shall be evidenced by a certificate issued by the Commissioner and which shall show the time of issuance, the person to whom issued, the motor number, serial number or identification number of the vehicle on which such plate is to be used and shall be in the immediate possession of the person operating such vehicle at all times while operating the same. And such certificate shall be valid only so long as the vehicle for which the registration plate has been issued shall remain in the repair shop or garage but not to exceed a period of 20 days from its issuance. The person to whom the permit provided in this section is issued shall be liable for any additional license fees or penalties that might accrue by reason of the provisions of G.S. 20-86 and 20-96 of the General Statutes.

#### **SECTION 4.** G.S. 20-79 reads as rewritten:

### "§ 20-79. Dealer license plates.

- (a) How to Get a Dealer Plate. The Division may issue a person licensed under Article 12 of this Chapter the appropriate classification of dealer license plate. A person eligible for a dealer license plate may obtain one by filing an application with the Division and paying the required fee. An application must be filed on a form provided by the Division. The required fee is the amount set by G.S. 20-87(7).
- (b) Number of Plates. A dealer who was licensed under Article 12 of this Chapter for the previous 12-month period ending December 31 may obtain the number of dealer license plates allowed by the following table; the number allowed is based on the number of motor vehicles the dealer sold during the relevant 12-month period and the average number of qualifying sales representatives the dealer employed during that same 12-month period:

Vehicles Sold In Relevant	Maximum Number of Plates
12-Month Period	
Fewer than 12	<u> 4 3</u>
At least 12 but less than 25	4 <u>6</u>
At least 25 but less than 37	<u>5_7</u>
At least 37 but less than 49	<u>6 8</u>
49 or more	At least $-6 \ 8$ , but no more than $-4 \ 5$ times the
	average number of qualifying sales representatives
	employed by the dealer during the relevant

A dealer who was not licensed under Article 12 of this Chapter for part or all of the previous 12-month period ending December 31 may obtain the number of dealer license plates that equals four times the number of qualifying sales representatives employed by the dealer on the date the dealer files the application. A "qualifying sales representative" is a sales representative who works for the dealer at least 25 hours a week on a regular basis and is compensated by the dealer for this work.

12-month period.

A dealer who sold fewer than 49 motor vehicles the previous 12-month period ending December 31 but has sold at least that number since January 1 may apply for additional dealer license plates at any time. The maximum number of dealer license plates the dealer may obtain is the number the dealer could have obtained if the dealer had sold at least 49 motor vehicles in the previous 12-month period ending December 31.

A dealer who applies for a dealer license plate must certify to the Division the number of motor vehicles the dealer sold in the relevant period. Making a material misstatement in an application for a dealer license plate is grounds for the denial, suspension, or revocation of a dealer's license under G.S. 20-294.

A dealer engaged in the alteration and sale of specialty vehicles may apply for up to two dealer plates in addition to the number of dealer plates that the dealer would otherwise be entitled to under this section.

This subsection does not apply to manufacturers licensed under Article 12 of this Chapter.

(c) Form and Duration. – A dealer license plate is subject to G.S. 20-63, except for the requirement that the plate display the registration number of a motor vehicle and the requirement that the plate be a "First in Flight" plate. A dealer license plate must have a distinguishing symbol identifying the plate as a dealer license plate. The symbol may vary depending upon the classification of dealer license plate issued. The Division must provide suitably reduced sized license plates for motorcycle dealers and manufacturers.

A dealer license plate is issued for a period of one year. The Division shall vary the expiration dates of dealer registration renewals so that an approximately equal number expires at the end of each month, quarter, or other period consisting of one or more months. A dealer license plate may be transferred from one vehicle to another. When the Division issues a dealer plate, it may issue a registration that expires at the end of any monthly interval. When one of the following occurs, a dealer must surrender to the Division all dealer license plates issued to the dealer:

- (1) The dealer surrenders the license issued to the dealer under Article 12 of this Chapter.
- (2) The Division suspends or revokes the license issued to the dealer under Article 12 of this Chapter.
- (3) The Division rescinds the dealer license plates because of a violation of the restrictions on the use of a dealer license plate.

To obtain a dealer license plate after it has been surrendered, the dealer must file a new application for a dealer license plate and pay the required fee for the plate.

- (d) Restrictions on Use. A dealer license plate <u>or dealer transporter plate</u> may be displayed only on a motor vehicle that meets all of the following requirements:
  - (1) Is part of the inventory of the dealer.
  - (2) Is not consigned to the dealer.
  - (3) Is covered by liability insurance that meets the requirements of Article 9A of this Chapter.
  - (4) Is not used by the dealer in another business in which the dealer is engaged.
  - (5) Is driven on a highway by a person who meets one of the following descriptions:
    - a. Has a demonstration permit to test-drive the motor vehicle and carries the demonstration permit while driving the motor vehicle.
    - b. Is an officer or sales representative of the dealer and is driving the vehicle for a business purpose of the dealer.
    - c. Is an employee of the dealer and is driving the vehicle in the course of employment.
    - d. <u>Is an employee of the dealer, or an employee of a business contracted</u> by the dealer to pick up and repair or otherwise prepare for sale, a

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"§ 20-79.2. Transporter plates.

vehicle that is part of the inventory of the dealer. Where the vehicle is being repaired or prepared for sale, the vehicle may only be operated within a 10 mile radius of the place where it is being repaired or prepared for sale.

- Is an employee or contractor of the dealer when transporting a <u>e.</u> vehicle that is part of the inventory of the dealer when the vehicle is being transported to or from a vehicle auction, or transporting a vehicle that is part of the inventory of the dealer to the dealer's established saleroom.
- A dealer transporter plate shall not be used for purposes of <u>f.</u> subsections (a), (b), and (c) of this section.
- A copy of the registration card for the dealer plate or dealer transporter plate (6) issued to the dealer is carried by the person operating the motor vehicle or, if the person is operating the motor vehicle in this State, the registration card is maintained on file at the dealer's address listed on the registration card, and the registration card must be able to be produced within 24 hours upon request of any law enforcement officer.

A dealer may issue a demonstration permit for a motor vehicle to a person licensed to drive that type of motor vehicle. A demonstration permit authorizes each person named in the permit to drive the motor vehicle described in the permit for up to 96 hours after the time the permit is issued. A dealer may, for good cause, renew a demonstration permit for one additional 96-hour period.

A dealer may not lend, rent, lease, or otherwise place a dealer license plate at the disposal of a person except as authorized by this subsection.

- Sanctions. The following sanctions apply when a motor vehicle displaying a dealer license plate or a dealer transporter plate is driven in violation of the restrictions on the use of the plate:
  - (1) The individual driving the motor vehicle is responsible for an infraction and is subject to a penalty of fifty dollars (\$50.00).
  - (2) The dealer to whom the plate is issued is subject to a civil penalty imposed by the Division of two hundred dollars (\$200.00).
  - The Division may rescind all dealer license plates and dealer transporter (3) plates issued to the dealer whose plate was displayed on the motor vehicle.

A penalty imposed under subdivision (1) of this subsection is payable to the county where the infraction occurred, as required by G.S. 14-3.1. A civil penalty imposed under subdivision (2) of this subsection shall be credited to the Highway Fund as nontax revenue.

- Transfer of Dealer Registration. No change in the name of a firm, partnership or corporation, nor the taking in of a new partner, nor the withdrawal of one or more of the firm, shall be considered a new business; but if any one or more of the partners remain in the firm, or if there is change in ownership of less than a majority of the stock, if a corporation, the business shall be regarded as continuing and the dealers' plates originally issued may continue to be used.
- Penalties. The clear proceeds of all civil penalties, civil forfeitures, and civil fines that are collected by the Department of Transportation pursuant to this section shall be remitted to the Civil Penalty and Forfeiture Fund in accordance with G.S. 115C-457.2.
- Definition. For purposes of this section, the term "dealer" means a person who is licensed under Article 12 of this Chapter."

**SECTION 5.** G.S. 20-79.2 reads as rewritten:

Who Can Get a Plate. - A person engaged in a business or a dealer licensed pursuant to Article 12 of this Chapter requiring the limited operation of a motor vehicle for any

of the following purposes may obtain a transporter plate authorizing the movement of the vehicle for the specific purpose:

- (1) To facilitate the manufacture, construction, rebuilding, or delivery of new or used truck cabs or bodies between manufacturer, dealer, seller, or purchaser.
- (2) To repossess a motor vehicle. Any applicant for a transporter tag pursuant to this subsection shall show proof of garage liability insurance coverage as required by Article 9A of this Chapter. Issuance of a transporter plate for this purpose shall be limited to a financial institution to repossess a motor vehicle of which they are the recorded lienholder.
- (3) To pick up a motor vehicle that is to be repaired or otherwise prepared for sale by a dealer, to road-test the vehicle, if it is repaired, within a 10-mile radius of the place where it is repaired, and to deliver the vehicle to the dealer. <u>Issuance of a transporter plate for this purpose shall be limited to licensed dealers.</u>
- (4) To move a motor vehicle that is owned by the business and is a replaced vehicle offered for sale. <u>Issuance of a transporter plate for this purpose shall</u> be limited to licensed dealers.
- (5) To take a motor vehicle either to or from a motor vehicle auction where the vehicle will be or was offered for sale. <u>Issuance of a transporter plate for this</u> purpose shall be limited to licensed dealers.
- (6) To road-test a repaired truck whose GVWR is at least 15,000 pounds when the test is performed within a 10-mile radius of the place where the truck was repaired and the truck is owned by a person who has a fleet of at least five trucks whose GVWRs are at least 15,000 pounds and who maintains the place where the truck was repaired. Any applicant for a transporter plate pursuant to this subsection shall show proof of garage liability insurance coverage as required by Article 9A of this Chapter.
- (7) To move a mobile office, a mobile classroom, or a mobile or manufactured home. home, or to transport a newly manufactured travel trailer, fifth-wheel trailer, or camping trailer between a manufacturer and a dealer. Any transporter plate used for this purpose shall not be used on the power unit.
- (8) To drive a motor vehicle that is at least 2535 years old to and from a parade or another public event and to drive the motor vehicle in that event. A person who owns a motor vehicle that is at least 2535 years old is considered to be in the business of collecting those vehicles. These vehicle shall be titled in this State, and have proof of insurance as required under Article 9A of this Chapter.
- (9) To drive a motor vehicle that is part of the inventory of a dealer to and from a motor vehicle trade show or exhibition or to, during, and from a parade in which the motor vehicle is used. <u>Issuance of a transporter plate for this purpose shall be limited to licensed dealers.</u>
- (10) To drive special mobile equipment in any of the following circumstances:
  - a. From the manufacturer of the equipment to a facility of a dealer.
  - b. From one facility of a dealer to another facility of a dealer.
  - c. From a dealer to the person who buys the equipment from the dealer.
- (b) How to Get a Plate. A person-business may obtain a transporter plate by filing an application with the Division and paying the required fee. An application must be on a form provided by the Division and contain the information required by the Division. The fee for a transporter plate is one-half the fee set in G.S. 20-87(5) for a passenger motor vehicle of not more than 15 passengers.

- (b1) Number of Plates. The total number of <u>dealer</u> transporter and <u>or</u> dealer plates issued to a dealer may not exceed the <u>total</u> number of <u>dealer</u>-plates that can be issued to the dealer under G.S. 20-79(b). This restriction does not apply to a person who is not a dealer. Transporter plates issued to a dealer shall bear the words "Dealer-Transporter. <u>This subsection shall not apply to a person who is not a dealer.</u>"
- (b2) Sanctions. The following sanctions apply when a motor vehicle displaying a "Dealer-Transporter" or "Transporter" license plate is driven in violation of the restrictions on the use of the plate or in violation of the requirements for financial responsibility in subsections (d) or (e) of this section:
  - (1) The individual driving the motor vehicle is responsible for an infraction and is subject to a penalty of fifty dollars (\$50.00). one hundred dollars (\$100.00).
  - (2) The dealer person, dealer or business to whom the plate is issued is subject to a civil penalty imposed by the Division of two hundred dollars (\$200.00). two hundred and fifty dollars (\$250.00) per occurrence.
  - (3) The Division <u>may\_shall</u> rescind all dealer license plates <u>or transporter plates</u> issued to the <u>dealer\_dealer or business\_whose plate</u> was displayed on the motor vehicle.
  - (4) Any person or business who sells, rents, leases or otherwise provides a transporter plate to another person or business in exchange for money or any other thing of value shall be guilty of a Class I felony. Any conviction for violation of this subsection shall be considered a felony involving moral turpitude for purposes of G.S. 20-294.

A penalty imposed under subdivision (1) of this subsection is payable to the county where the infraction occurred, as required by G.S. 14-3.1. A civil penalty imposed under subdivision (2) of this subsection shall be credited to the Highway Fund as nontax revenue. A law enforcement officer having probable cause to believe that a transporter plate is being used in violation of this section may seize the plate.

- Form, Duration, and Transfer. —A transporter plate is a type of commercial license plate. A transporter plate issued to a dealer is issued on a fiscal-year basis. A transporter plate issued to a person who is not a dealer is issued on a calendar-year basis. A transporter license plate is subject to G.S. 20-63, except for the requirement that the plate display the registration number of a motor vehicle and the requirement that the plate be a "First in Flight" plate. A transporter license plate shall have a distinguishing symbol identifying the plate as a transporter license plate. The symbol may vary depending upon the classification of transporter license plate issued. A transporter license plate is issued for a period of one year. The Division shall vary the expiration dates of transporter registration renewals so that an approximately equal number expires at the end of each month, quarter, or other period consisting of one or more months. When the Division issues a transporter plate, it may issue a registration that expires at the end of any monthly interval. During the year for which it is issued, a person-business or dealer may transfer a transporter plate from one vehicle to another as long as the vehicle is driven only for a purpose authorized by subsection (a) of this section. The Division may shall rescind a transporter plate that is displayed on a motor vehicle driven for a purpose that is not authorized by subsection (a) of this section.
- (d) A county may obtain one transporter plate, without paying a fee, by filing an application with the Division on a form to be provided by the Division. A transporter plate issued pursuant to this subsection may only be used to transport motor vehicles as part of a program established by the county to receive donated motor vehicles and make them available to low-income individuals.

If a motor vehicle is operated on the highways of this State using a transporter plate authorized by this section, all of the following requirements shall be met:

- (1) The driver of the vehicle shall have in his or her possession the certificate of title for the motor vehicle, which has been properly reassigned by the previous owner to the county or the affected donor program.
- (2) The vehicle shall be covered by liability insurance that meets the requirements of Article 9A of this Chapter.

The form and duration of the transporter plate shall be as provided in subsection (c) of this section.

(e) Any vehicle being operated on the highways of this state using a transporter plate shall be covered by liability insurance that meets the requirement of Article 9A of this Chapter."

**SECTION 6.** G.S. 20-79.7(a) reads as rewritten:

# "§ 20-79.7. Fees for special registration plates and distribution of the fees.

(a) Fees. – Upon request, the Division shall provide and issue free of charge one registration plate a single Legion of Valor, 100% Disabled Veteran, and Ex-Prisoner of War plates registration plate to a recipient of a Legion of Valor award, a 100% disabled veteran, and an ex-prisoner of war. All other special registration plates, including additional Legion of Valor, 100% Disabled Veteran, and Ex-Prisoner of War plates, plates are subject to the regular motor vehicle registration fee in G.S. 20-87 or G.S. 20-88 plus an additional fee in the following amount:

..."

**SECTION 7.** G.S. 20-85.1 reads as rewritten:

### "§ 20-85.1. Registration by mail; one-day title service; fees.

- (a) The owner of a vehicle registered in North Carolina may renew that vehicle registration by mail. A postage and handling fee of one dollar (\$1.00) per vehicle to be registered shall be charged for this service.
- (b) The Commissioner and the employees of the Division designated by the Commissioner may prepare and deliver upon request a certificate of title, charging a fee of seventy-five dollars (\$75.00) for one-day title service, in lieu of the title fee required by G.S. 20-85(a). The fee for one-day title service must be paid by cash or by certified check. This fee shall be credited to the Highway Trust Fund.
- (c) The fee collected under subsection (a) shall be credited to the Highway Fund. The fee collected under subsection (b) shall be credited to the Highway Trust Fund."

**SECTION 8.** G.S. 20-88.02 is repealed.

Current text of G.S. 20-88.02:

#### § 20-88.02. Registration of logging vehicles.

Upon receipt of an application on a form prescribed by it, the Division shall register trucks, tractor trucks, trailers, and semitrailers used exclusively in connection with logging operations in a separate category. For the purposes of this section, "logging" shall mean the harvesting of timber and transportation from a forested site to places of sale.

Fees for the registration of vehicles under this section shall be the same as those ordinarily charged for the type of vehicle being registered.

#### **SECTION 9.** G.S. 20-130.1 reads as rewritten:

## "§ 20-130.1. Use of red or blue lights on vehicles prohibited; exceptions.

- (a) It is unlawful for any person to install or activate or operate a red light in or on any vehicle in this State. As used in this subsection, unless the context requires otherwise, "red light" means an operable red light not sealed in the manufacturer's original package which: (i) is designed for use by an emergency vehicle or is similar in appearance to a red light designed for use by an emergency vehicle; and (ii) can be operated by use of the vehicle's battery, vehicle's electrical system, or a dry cell battery. As used in this subsection, the term "red light" shall also mean any forward facing red light installed on a vehicle after initial manufacture of the vehicle.
  - (b) The provisions of subsection (a) of this section do not apply to the following:

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- The provisions of subsection (c) of this section do not apply to the possession and installation of an inoperable blue light on a vehicle that is inspected by and registered with the Department of Motor Vehicles as a specially constructed vehicle and that is used primarily for participation in shows, exhibitions, parades, or holiday/weekend activities, and not for general daily transportation. For purposes of this subsection, "inoperable blue light" means a blue-colored lamp housing or cover that does not contain a lamp or other mechanism having the ability to produce or emit illumination.
  - (d) Repealed by Session Laws 1999-249, s. 1.
  - Violation of subsection (a) or (c) of this section is a Class 1 misdemeanor." (e)
    - **SECTION 10.** G.S. 20-294 reads as rewritten:

# "§ 20-294. Grounds for denying, suspending or revoking licenses.

The Division may deny, suspend, or revoke a license issued under this Article for any one or more of the following grounds:

- Willfully and intentionally failing to comply with this Article, Article 15 of (2) this Chapter, or G.S. 20-52.1, 20-75, 20-79.1, 20-79.2, 20-108, 20-109, or a rule adopted by the Division under this Article.
- **SECTION 11.** This act becomes effective December 1, 2010, and applies to offenses committed on or after that date.