

GENERAL ASSEMBLY OF NORTH CAROLINA  
SESSION 2023

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HOUSE BILL 199  
Committee Substitute Favorable 4/26/23  
Committee Substitute #2 Favorable 5/2/23  
Senate Transportation Committee Substitute Adopted 6/6/24  
PROPOSED SENATE COMMITTEE SUBSTITUTE H199-PCS40629-SUxf-19

Short Title: DMV Proposed Legislative Changes.-AB

(Public)

Sponsors:

Referred to:

February 27, 2023

1 A BILL TO BE ENTITLED  
2 AN ACT TO MAKE VARIOUS CHANGES TO THE MOTOR VEHICLE, LIEN HEARING  
3 NOTIFICATION, AND SERVICE OF PROCESS LAWS OF THE STATE, AS  
4 RECOMMENDED BY THE DIVISION OF MOTOR VEHICLES OF THE  
5 DEPARTMENT OF TRANSPORTATION, AND TO MAKE OTHER CHANGES TO  
6 LAWS RELATED TO TRANSPORTATION.

7 The General Assembly of North Carolina enacts:

8  
9 **AUTHORIZE AND STUDY MOBILE DRIVERS LICENSES**

10 **SECTION 1.(a)** G.S. 20-4.01 reads as rewritten:

11 **"§ 20-4.01. Definitions.**

12 Unless the context requires otherwise, the following definitions apply throughout this  
13 Chapter to the defined words and phrases and their cognates:

14 ...

15 (21b) Mobile Drivers License. – A supplemental digital version of a valid drivers  
16 license that (i) is approved by the Commissioner, (ii) is issued by the Division  
17 of Motor Vehicles, (iii) is comprised of the same data elements as are found  
18 on a valid drivers license, and (iv) is capable of, and limited to, being linked  
19 to and displayed by a mobile device owned by the person to whom the valid  
20 drivers license is issued.

21 (21c) Motor Carrier. – A for-hire motor carrier or a private motor carrier.

22 ...."

23 **SECTION 1.(b)** G.S. 20-7 is amended by adding a new subsection to read:

24 "(m1) Mobile Drivers License. – Upon request of an applicant for whom a valid license  
25 exists or is issued, the Commissioner may issue a mobile drivers license as a supplement to the  
26 valid license. A mobile drivers license is the legal equivalent of a valid license."

27 **SECTION 1.(c)** The Division of Motor Vehicles of the North Carolina Department  
28 of Transportation shall study and provide a plan for implementing mobile drivers licenses and  
29 mobile special identification cards. The study and plan shall address (i) anticipated drivers license  
30 and special identification card issuance and renewal process changes, (ii) anticipated changes to  
31 staffing needs for the Division for implementation of mobile drivers licenses and mobile special  
32 identification cards, (iii) estimated one-time and annual costs to the Division or any other State  
33 agency resulting from implementation, (iv) evaluation of whether implementation of mobile



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1 drivers licenses or mobile special identification cards will be undertaken by the Division or  
 2 contracted to a third-party vendor and relevant contractual issues associated with either option,  
 3 (v) changes in revenue for the Division or any other State agency, (vi) security and confidentiality  
 4 of drivers license information, (vii) concerns of State and local law enforcement agencies within  
 5 North Carolina, including examining means by which to prevent unintended violations of an  
 6 individual's constitutional rights, (viii) an estimated time line for implementation, including steps  
 7 required to facilitate mobile drivers licenses and mobile special identification cards, and (ix) any  
 8 other issue the Division deems relevant to the study. The Division shall report its findings of this  
 9 study, including any legislative recommendations, to the North Carolina General Assembly, the  
 10 chairs of the Joint Legislative Transportation Oversight Committee, and the Fiscal Research  
 11 Division no later than January 1, 2025.

12 **SECTION 1.(d)** Subsections (a) and (b) of this section become effective July 1,  
 13 2025.

14  
 15 **CLARIFY SCOPE OF INTERLOCK REQUIREMENT**

16 **SECTION 2.(a)** G.S. 20-17.8 reads as rewritten:

17 **"§ 20-17.8. Restoration of a license after certain driving while impaired convictions;  
 18 ignition interlock.**

19 ...

20 (a1) Additional Scope. – This section applies to a person whose license was revoked as a  
 21 result of a conviction of habitual impaired driving, G.S. 20-138.5. Except for a conviction under  
 22 G.S. 20-141.4(a2), this section also applies to a person whose license was revoked as a result of  
 23 a conviction under G.S. 20-141.4 if the person was engaged in the offense of impaired driving  
 24 under G.S. 20-138.1 and had an alcohol concentration of 0.08 or more at the time of the offense,  
 25 or the person was engaged in the offense of impaired driving under G.S. 20-138.2 and had an  
 26 alcohol concentration of 0.04 or more at the time of the offense.

27 ...."

28 **SECTION 2.(b)** This section becomes effective December 1, 2024, and applies to  
 29 offenses committed on or after that date.

30  
 31 **INCREASE FEE FOR ACKNOWLEDGMENT OF SIGNATURES**

32 **SECTION 3.(a)** G.S. 20-42 reads as rewritten:

33 **"§ 20-42. Authority to administer oaths and certify copies of records.**

34 (a) Officers and employees of the Division designated by the Commissioner are, for the  
 35 purpose of administering the motor vehicle laws, authorized to administer oaths and acknowledge  
 36 signatures, and shall charge for the acknowledgment of signatures a fee according to the  
 37 following schedule:

- |                                 |                                 |
|---------------------------------|---------------------------------|
| 38 (1) One signature            | <del>\$2.00</del> <u>\$6.00</u> |
| 39 (2) Two signatures           | <del>3.00</del> <u>7.00</u>     |
| 40 (3) Three or more signatures | <del>4.00</del> <u>8.00</u>     |

41 Funds received under the provisions of this subsection shall be used to defray a part of the  
 42 costs of distribution of license plates, registration certificates and certificates of title issued by  
 43 the Division.

44 ...."

45 **SECTION 3.(b)** This section becomes effective July 1, 2024.

46  
 47 **CLARIFY AUTHORIZED USAGE OF TRANSPORTER PLATES**

48 **SECTION 4.** G.S. 20-79.2 reads as rewritten:

49 **"§ 20-79.2. Transporter plates.**

50 (a) Who Can Get a Plate. – The Division may issue a transporter plate authorizing the  
 51 limited operation of a motor vehicle in the circumstances listed in this subsection. A person who

1 receives a transporter plate must have proof of financial responsibility that meets the  
 2 requirements of Article 9A of this Chapter. The person to whom a transporter plate may be issued  
 3 and the circumstances in which the vehicle bearing the plate may be operated are as follows:

- 4 (1) To a business or a dealer to facilitate the manufacture, construction,  
 5 rebuilding, or delivery of new or used truck cabs or bodies between  
 6 manufacturer, dealer, seller, or purchaser. A plate issued pursuant to this  
 7 subdivision shall not be used to deliver truck cabs or bodies manufactured,  
 8 constructed, or rebuilt in another state.
- 9 (2) To a financial institution that has a recorded lien on a motor vehicle located  
 10 in North Carolina to repossess the motor vehicle.
- 11 (3) To a dealer or repair facility to pick up and deliver a motor vehicle that is to  
 12 be repaired, is to undergo a safety or emissions inspection, or is to otherwise  
 13 be prepared for sale by a dealer, to road-test the vehicle, if it is repaired or  
 14 inspected within a 20-mile radius of the place where it is repaired or inspected,  
 15 and to deliver the vehicle to the dealer. A repair facility may not receive more  
 16 than two transporter plates for this purpose. A plate issued pursuant to this  
 17 subdivision shall not be used on a vehicle that is towing or transporting a  
 18 vehicle authorized to be operated with a transporter plate under this  
 19 subdivision.
- 20 ...
- 21 (5) To a dealer or a business that contracts with a dealer and has a business  
 22 privilege license to take a motor vehicle either to or from a motor vehicle  
 23 auction where the vehicle will be or was offered for sale. The title to the  
 24 vehicle, a bill of sale, or written authorization from the dealer or auction must  
 25 be inside the vehicle when the vehicle is operated with a transporter plate. A  
 26 plate issued pursuant to this subdivision shall not be used on a vehicle that is  
 27 towing or transporting a vehicle authorized to be operated with a transporter  
 28 plate under this subdivision.
- 29 ...
- 30 (8) To a business to drive a motor vehicle that is registered or titled in this State  
 31 and is at least 35 years old to and from a parade or another public event and  
 32 to drive the motor vehicle in that event. A person who owns one of these motor  
 33 vehicles is considered to be in the business of collecting those vehicles. The  
 34 total number of plates issued to a person pursuant to this subdivision shall not  
 35 exceed two.

36 ...."

37  
 38 **STUDY ALTERNATIVE MATERIALS FOR LICENSE PLATES**

39 **SECTION 5.** The Division of Motor Vehicles of the North Carolina Department of  
 40 Transportation, in consultation with the North Carolina Department of Adult Correction, shall  
 41 study the use of alternative materials for manufacturing the registration plates issued by the  
 42 Division. The Division shall report its findings of this study, including any legislative  
 43 recommendations, to the North Carolina General Assembly, the chairs of the Joint Legislative  
 44 Transportation Oversight Committee, and the Fiscal Research Division no later than January 1,  
 45 2025.

46  
 47 **STUDY DEALER LICENSE PLATE MODERNIZATION**

48 **SECTION 6.** The Division of Motor Vehicles of the North Carolina Department of  
 49 Transportation shall study ways to modernize and improve dealer license plates issued by the  
 50 Division, including the process for issuance and format and design of the plates. The Division  
 51 shall report its findings, including any legislative recommendations, to the North Carolina

1 General Assembly, the chairs of the Joint Legislative Transportation Oversight Committee, and  
2 the Fiscal Research Division no later than December 31, 2024.

#### 4 **CONFORM ODOMETER DISCLOSURE REQUIREMENT WITH FEDERAL LAW**

5 **SECTION 7.** G.S. 20-347(d) reads as rewritten:

6 "(d) The provisions of this disclosure statement section shall not apply to the following  
7 transfers:

- 8 (1) A vehicle having a gross vehicle weight rating of more than 16,000 pounds.
- 9 (2) A vehicle that is not self-propelled.
- 10 (2a) A vehicle sold directly by the manufacturer to any agency of the United States  
11 in conformity with contractual specifications.
- 12 (3) A vehicle that is ~~10 years old or older~~ model year 2010 or older.
- 13 (3a) A vehicle that is model year 2011 or newer that is transferred at least 20 years  
14 after January 1 of the calendar year corresponding to its designated model  
15 year.
- 16 (4) A new vehicle prior to its first transfer for purposes other than resale.
- 17 (5) A vehicle that is transferred by a State agency that assists the United States  
18 Department of Defense with purchasing, transferring, or titling a vehicle to  
19 another State agency, a unit of local government, a volunteer fire department,  
20 or a volunteer rescue squad."

#### 21 **PRINT-ON-DEMAND TEMPORARY REGISTRATION PLATES**

22 **SECTION 8.(a)** Article 3 of Chapter 20 of the General Statutes is amended by adding  
23 a new section to read:

##### 24 **"§ 20-79.1B. Print-on-demand temporary registration plates.**

25 (a) Implementation. – No later than January 1, 2025, the Division shall implement a  
26 statewide print-on-demand temporary registration plate system for on-demand printing of  
27 temporary registration plates with vehicle owner information electronically associated and  
28 transferred to the Division as required by this Chapter. Plates issued through the print-on-demand  
29 temporary registration plate system implemented under this section are in lieu of temporary plates  
30 issued by dealers under G.S. 20-79.1 and temporary registration plates issued by commission  
31 contractors under G.S. 20-50(b) but are otherwise subject to all conditions and limitations  
32 applicable to temporary registration plates set forth in this Article. The Division shall contract  
33 with a qualified vendor or vendors after consultation with the North Carolina Automobile Dealers  
34 Association and the Carolinas Independent Automobile Dealers Association to develop and  
35 implement this statewide print-on-demand temporary registration plate system.

36 (b) Minimum Standards for System. – When contracting with a qualified vendor or  
37 vendors to implement the system required in subsection (a) of this section, the Division shall set  
38 the following minimum standards:

- 39 (1) The Division shall issue a competitive request for proposal to assess the  
40 qualifications of any vendor or vendors responsible for the establishment and  
41 ongoing support of the statewide print-on-demand temporary registration  
42 plate system. The Division may also reserve the right to receive input  
43 regarding specifications for the print-on-demand temporary registration plate  
44 system from parties that do not respond to a request for proposal to establish  
45 and operate a print-on-demand temporary registration plate system. The  
46 Division shall select at least two vendors.
- 47 (2) Any contract entered into with a vendor or vendors shall include no costs or  
48 charges payable by the Division to the vendor or vendors. The vendor or  
49 vendors shall reimburse the Division for documented reasonable  
50

1 implementation costs directly associated with the establishment of the  
2 statewide print-on-demand temporary registration plate system.

3 (3) Upon implementation of the print-on-demand temporary registration plate  
4 system, the qualified vendor or vendors may charge participating motor  
5 vehicle dealers or their agents a fee for each temporary registration plate  
6 printed and registered with the Division. The print-on-demand temporary  
7 registration plate fee shall be consistent with market pricing in an amount not  
8 to exceed fifteen dollars (\$15.00) for costs associated with the development  
9 and ongoing administration of the print-on-demand temporary registration  
10 plate system. The qualified vendor or vendors shall not charge motor vehicle  
11 dealers or their agents any additional fee for the printing and registration of a  
12 print-on-demand temporary registration plate. To recover their costs,  
13 participating motor vehicle dealers or their agents may charge the purchaser  
14 of a motor vehicle or lessee of an automotive lease an amount equal to the  
15 print-on-demand temporary registration plate fee plus a fee in an amount not  
16 to exceed fifteen dollars (\$15.00) for each print-on-demand temporary  
17 registration plate printed and registered with the Division.

18 (4) The print-on-demand temporary registration plate system must include the  
19 following elements:

20 a. A design and layout for the print-on-demand temporary registration  
21 plate established by the Division and of a quality as to resist  
22 deterioration or fading from exposure to the elements during the period  
23 for which display is required.

24 b. The ability of motor vehicle dealers to directly connect to the system  
25 in order to issue print-on-demand temporary registration plates to the  
26 owner or lessee of a motor vehicle that will be registered in this State  
27 or another state, including a web-based option for motor vehicle  
28 dealers who do not utilize an online vehicle registration vendor to  
29 complete and file Division required documents related to motor  
30 vehicle titling and registration.

31 c. The ability of commission contractors to directly connect to the system  
32 in order to issue print-on-demand temporary registration plates to the  
33 owner or lessee of a motor vehicle.

34 d. Each print-on-demand temporary registration plate must contain  
35 identifying information for the motor vehicle, as determined by the  
36 Division, to include the date of issue, the date of expiration, the name  
37 of the issuing entity, and unique identifying information for the plate  
38 that will be assigned by the Division.

39 e. The ability for identifying information on a print-on-demand  
40 temporary registration plate and vehicle owner information to be  
41 transmitted to the Division upon issuance of the plate.

42 f. The ability to implement and maintain a distribution procedure for  
43 print-on-demand temporary registration plates in accordance with  
44 subsections (c) and (d) of this section.

45 (c) Distribution of Print-on-Demand Temporary Registration Plate Materials. – In order  
46 to assist the Division with the administration and security of the print-on-demand temporary  
47 registration system, the system shall include a procedure for a motor vehicle dealer to obtain  
48 print-on-demand temporary registration plate materials from a registered distributor. A  
49 commission contractor may obtain print-on-demand temporary registration plate materials from  
50 a registered distributor or the Division. A registered distributor may charge a fee for distribution

1 of print-on-demand temporary registration plate materials not to exceed ten dollars (\$10.00) per  
2 print-on-demand temporary registration plate.

3 (d) Print-on-Demand Temporary Registration Plate Materials Distributors. – The  
4 Division shall register two print-on-demand temporary registration plate materials distributors in  
5 the State. One registered distributor shall be a trade association composed of a minimum of 400  
6 new motor vehicle dealers located in this State. One registered distributor shall be a trade  
7 association comprised of a minimum of 400 used motor vehicle dealers located in this State.

8 (e) Experience Required. – Qualified vendors shall have experience in directly providing  
9 electronic solutions to State motor vehicle departments or agencies.

10 (f) Mandatory Participation. – Beginning on October 1, 2025, all motor vehicle dealers  
11 and other entities that issue at least five temporary registration plates annually shall utilize  
12 exclusively the print-on-demand temporary registration plate system for the issuance of all  
13 temporary registration plates to vehicle owners or lessees.

14 (g) Definition. – For purposes of this section, print-on-demand temporary registration  
15 plate system means a computerized system that allows the on-demand and on-site printing of  
16 required vehicle registration and other information on a temporary registration plate by the issuer  
17 of the plate and allows required information about the vehicle owner or lessee to whom the  
18 temporary plate has been issued to be transferred to the Division in electronic format."

19 **SECTION 8.(b)** This section is effective when it becomes law. The Division of  
20 Motor Vehicles may adopt rules to implement the provisions of this section.

## 21 **MODIFY HEADLAMPS AND AUXILIARY DRIVING LAMPS REQUIREMENTS**

22 **SECTION 9.** G.S. 20-131 reads as rewritten:

23 "**§ 20-131. Requirements as to headlamps and auxiliary driving lamps.**

24 ...

25 (d1) Any headlamp modified or installed on a vehicle after initial manufacture of the  
26 vehicle shall comply with Federal Motor Vehicle Safety Standard (FMVSS) 108.

27 ...."

## 28 **UPDATE SERVICE OF PROCESS BY THE DIVISION**

29 **SECTION 10.(a)** G.S. 1-105 reads as rewritten:

30 "**§ 1-105. Service upon nonresident drivers of motor vehicles and upon the personal**  
31 **representatives of deceased nonresident drivers of motor vehicles.**

32 (a) The acceptance by a nonresident of the rights and privileges conferred by the laws  
33 now or hereafter in force in this State permitting the operation of motor vehicles, as evidenced  
34 by the operation of a motor vehicle by ~~such~~the nonresident on the public highways of this State,  
35 or at any other place in this State, or the operation by ~~such~~the nonresident of a motor vehicle on  
36 the public highways of this State or at any other place in this State, other than as so permitted or  
37 regulated, shall be deemed equivalent to the appointment by ~~such~~the nonresident of the  
38 Commissioner of Motor Vehicles, or ~~his~~the Commissioner's successor in office, to be ~~his~~the  
39 nonresident's true and lawful attorney and the attorney of ~~his~~the nonresident's executor or  
40 Administrator, upon whom may be served all summonses or other lawful process in any action  
41 or proceeding against ~~him~~the nonresident or ~~his~~the nonresident's executor or administrator,  
42 growing out of any accident or collision in which ~~said~~the nonresident may be involved by reason  
43 of the operation by ~~him~~, the nonresident, for ~~him~~, the nonresident, or under ~~his~~the nonresident's  
44 control or direction, express or implied, of a motor vehicle on ~~such~~the public highways of this  
45 State, or at any other place in this State, and said acceptance or operation shall be a signification  
46 of ~~his~~the nonresident's agreement that any such process against ~~him~~the nonresident or ~~his~~the  
47 nonresident's executor or administrator shall be of the same legal force and validity as if served  
48 on ~~him~~the nonresident personally, or on ~~his~~the nonresident's executor or administrator.

49 Service of such process shall be made in the following manner:  
50  
51

- 1 (1) By leaving a copy thereof, with a fee of ~~ten dollars (\$10.00)~~, twenty dollars  
 2 (\$20.00) in the hands of the Commissioner of Motor Vehicles, or in ~~his~~ the  
 3 Commissioner's office. Such service, upon compliance with the other  
 4 provisions of this section, shall be sufficient service upon the said nonresident.
- 5 (2) Notice of such service of process and copy thereof must be forthwith sent by  
 6 certified or registered mail by plaintiff or the Commissioner of Motor Vehicles  
 7 to the defendant, and the entries on the defendant's return receipt shall be  
 8 sufficient evidence of the date on which notice of service upon the  
 9 Commissioner of Motor Vehicles and copy of process were delivered to the  
 10 defendant, on which date service on said defendant shall be deemed  
 11 completed. If the defendant refuses to accept the certified or registered letter,  
 12 service on the defendant shall be deemed completed on the date of such refusal  
 13 to accept as determined by notations by the postal authorities on the original  
 14 envelope, and if such date cannot be so determined, then service shall be  
 15 deemed completed on the date that the certified or registered letter is returned  
 16 to the plaintiff or Commissioner of Motor Vehicles, as determined by postal  
 17 marks on the original envelope. If the certified or registered letter is not  
 18 delivered to the defendant because it is unclaimed, or because ~~he~~ the defendant  
 19 has removed himself or herself from his ~~the~~ defendant's last known address  
 20 and has left no forwarding address or is unknown at ~~his~~ the defendant's last  
 21 known address, service on the defendant shall be deemed completed on the  
 22 date that the certified or registered letter is returned to the plaintiff or  
 23 Commissioner of Motor Vehicles.
- 24 (3) The defendant's return receipt, or the original envelope bearing a notation by  
 25 the postal authorities that receipt was refused, and an affidavit by the plaintiff  
 26 that notice of mailing the registered letter and refusal to accept was forthwith  
 27 sent to the defendant by ordinary mail, together with the plaintiff's affidavit of  
 28 compliance with the provisions of this section, must be appended to the  
 29 summons or other process and filed with said summons, complaint and other  
 30 papers in the cause.

31 Provided, that where the nonresident motorist has died prior to the commencement of an  
 32 action brought pursuant to this section, service of process shall be made on the executor or  
 33 administrator of ~~such~~ the nonresident motorist in the same manner and on the same notice as is  
 34 provided in the case of a nonresident motorist.

35 The court in which the action is pending shall order such continuance as may be necessary to  
 36 afford the defendant reasonable opportunity to defend the action.

37 (b) For service of process upon a defendant in a place not within the United States, the  
 38 Commissioner of Motor Vehicles shall require a fee of one hundred dollars (\$100.00) and  
 39 delivery by private carrier with proof of actual delivery to the defendant is allowed for personal  
 40 service."

41 **SECTION 10.(b)** This section is effective July 1, 2024, and applies to service upon  
 42 nonresident drivers on and after that date.

#### 44 **CLARIFY NOTIFICATION PROCESS FOR ENFORCEMENT OF LIEN BY SALE**

45 **SECTION 11.** G.S. 44A-4(b) reads as rewritten:

46 "(b) Notice and Hearings. –

- 47 (1) If the property upon which the lien is claimed is a motor vehicle that is  
 48 required to be registered, the lienor following the expiration of the relevant  
 49 time period provided by subsection (a) shall give notice to the Division of  
 50 Motor Vehicles that a lien is asserted and sale is proposed and shall remit to  
 51 the Division a fee of fourteen dollars (\$14.00). The Division of Motor

1 Vehicles shall issue notice by certified mail, return receipt requested, or  
2 certified mail with electronic tracking to the person having legal title to the  
3 property, if reasonably ascertainable, to the person with whom the lienor dealt  
4 if different, and to each secured party and other person claiming an interest in  
5 the property who is actually known to the Division or who can be reasonably  
6 ascertained. The notice shall state that a lien has been asserted against specific  
7 property and shall identify the lienor, the date that the lien arose, the general  
8 nature of the services performed and materials used or sold for which the lien  
9 is asserted, the amount of the lien, and that the lienor intends to sell the  
10 property in satisfaction of the lien. The notice shall inform the recipient that  
11 the recipient has the right to a judicial hearing at which time a determination  
12 will be made as to the validity of the lien prior to a sale taking place. The  
13 notice shall further state that the recipient has a period of 10 days from the  
14 date of receipt in which to notify the Division by certified mail, return receipt  
15 requested, or certified mail with electronic tracking that a hearing is desired  
16 and that if the recipient wishes to contest the sale of his property pursuant to  
17 such lien, the recipient should notify the Division that a hearing is desired.  
18 The notice shall state the required information in simplified terms and shall  
19 contain a form whereby the recipient may notify the Division that a hearing is  
20 desired by the return of such form to the Division. The Division shall notify  
21 the lienor whether such notice is timely received by the Division. In lieu of  
22 the notice and payment of the fee by the lienor to the Division and the notices  
23 issued by the Division described above, the lienor may issue notice on a form  
24 approved by the Division pursuant to the notice requirements ~~above.~~ above by  
25 certified mail, return receipt requested, or certified mail with electronic  
26 tracking to the person having legal title to the property, which is deemed to  
27 have the same effect as if the notice was sent by the Division. If notice is  
28 issued by the lienor, the recipient shall return the form requesting a hearing to  
29 the lienor, and not the Division, within 10 days from the date the recipient  
30 receives the notice if a judicial hearing is requested. If the certified mail notice  
31 has been returned as undeliverable and the notice of a right to a judicial  
32 hearing has been given to the owner of the motor vehicle in accordance with  
33 G.S. 20-28.4, no further notice is required. Failure of the recipient to notify  
34 the Division or lienor, as specified in the notice, within 10 days of the receipt  
35 of such notice that a hearing is desired shall be deemed a waiver of the right  
36 to a hearing prior to the sale of the property against which the lien is asserted,  
37 and the lienor may proceed to enforce the lien by public or private sale as  
38 provided in this section and the Division shall transfer title to the property  
39 pursuant to such sale. If the Division or lienor, as specified in the notice, is  
40 notified within the 10-day period provided above that a hearing is desired prior  
41 to sale, the lien may be enforced by sale as provided in this section and the  
42 Division will transfer title only pursuant to the order of a court of competent  
43 jurisdiction.

44 If the certified mail notice has been returned as undeliverable, or if the  
45 name of the person having legal title to the vehicle cannot reasonably be  
46 ascertained and the fair market value of the vehicle is less than eight hundred  
47 dollars (\$800.00), the lienor may institute a special proceeding in the county  
48 where the vehicle is being held, for authorization to sell that vehicle. Market  
49 value shall be determined by the schedule of values adopted by the  
50 Commissioner under G.S. 105-187.3.



1 In such a proceeding a lienor may not include more than ten vehicles, but  
 2 the proceeds of the sale of each shall be subject only to valid claims against  
 3 that vehicle, and any excess proceeds of the sale shall be paid immediately to  
 4 the Treasurer for disposition pursuant to Chapter 116B of the General Statutes.

5 The application to the clerk in such a special proceeding shall contain the  
 6 notice of sale information set out in subsection (f) hereof. If the application is  
 7 in proper form the clerk shall enter an order authorizing the sale on a date not  
 8 less than 14 days therefrom, and the lienor shall cause the application and  
 9 order to be sent immediately by first-class mail pursuant to G.S. 1A-1, Rule  
 10 5, to each person to whom notice was mailed pursuant to this subsection.  
 11 Following the authorized sale the lienor shall file with the clerk a report in the  
 12 form of an affidavit, stating that the lienor has complied with the public or  
 13 private sale provisions of G.S. 44A-4, the name, address, and bid of the high  
 14 bidder or person buying at a private sale, and a statement of the disposition of  
 15 the sale proceeds. The clerk then shall enter an order directing the Division to  
 16 transfer title accordingly.

17 If prior to the sale the owner or legal possessor contests the sale or lien in  
 18 a writing filed with the clerk, the proceeding shall be handled in accordance  
 19 with G.S. 1-301.2.

20 (2) If the property upon which the lien is claimed is other than a motor vehicle  
 21 required to be registered, the lienor following the expiration of the 30-day  
 22 period provided by subsection (a) shall issue notice to the person having legal  
 23 title to the property, if reasonably ascertainable, and to the person with whom  
 24 the lienor dealt if different by certified mail, return receipt ~~requested.~~  
 25 requested, or certified mail with electronic tracking. Such notice shall state  
 26 that a lien has been asserted against specific property and shall identify the  
 27 lienor, the date that the lien arose, the general nature of the services performed  
 28 and materials used or sold for which the lien is asserted, the amount of the  
 29 lien, and that the lienor intends to sell the property in satisfaction of the lien.  
 30 The notice shall inform the recipient that the recipient has the right to a judicial  
 31 hearing at which time a determination will be made as to the validity of the  
 32 lien prior to a sale taking place. The notice shall further state that the recipient  
 33 has a period of 10 days from the date of receipt in which to notify the lienor  
 34 by certified mail, return receipt requested, or certified mail with electronic  
 35 tracking that a hearing is desired and that if the recipient wishes to contest the  
 36 sale of his property pursuant to such lien, the recipient should notify the lienor  
 37 that a hearing is desired. The notice shall state the required information in  
 38 simplified terms and shall contain a form whereby the recipient may notify  
 39 the lienor that a hearing is desired by the return of such form to the lienor.  
 40 Failure of the recipient to notify the lienor within 10 days of the receipt of  
 41 such notice that a hearing is desired shall be deemed a waiver of the right to a  
 42 hearing prior to sale of the property against which the lien is asserted and the  
 43 lienor may proceed to enforce the lien by public or private sale as provided in  
 44 this section. If the lienor is notified within the 10-day period provided above  
 45 that a hearing is desired prior to sale, the lien may be enforced by sale as  
 46 provided in this section only pursuant to the order of a court of competent  
 47 jurisdiction."  
 48

49 **RENTAL CAR COMPANY RECOVERY OF VEHICLE LICENSE AND**  
 50 **REGISTRATION FEES**

51 **SECTION 12.(a)** G.S. 66-201(8) reads as rewritten:

"(8) "Vehicle license and registration fees" means charges that may be imposed upon any rental transaction originating in this State to recoup the costs incurred by a rental car company to license, title, inspect, and register rental vehicles. ~~Rental car companies shall make a good faith effort to ensure that any vehicle license and registration fees collected do not exceed the actual costs incurred by the rental car company to license, title, inspect, and register rental vehicles. Any amounts collected by the rental car company in excess of the actual amount of its costs incurred shall be retained by the rental car company and applied to the costs incurred in the next calendar year for licensing, titling, inspecting, and registering rental vehicles. In that event, the good faith estimate of any vehicle license and registration fees to be charged by the company in the next calendar year shall be reduced to take into account the excess amount collected from the prior year.~~"

**SECTION 12.(b)** Article 28 of Chapter 66 of the General Statutes is amended by adding a new section to read:

**"§ 66-201.1. Recovery of vehicle license and registration fees.**

Rental car companies shall make a good-faith effort to ensure that any vehicle license and registration fees collected do not exceed the actual costs incurred by the rental car company to license, title, inspect, and register rental vehicles. Any amounts collected by the rental car company in excess of the actual amount of its costs incurred shall be retained by the rental car company and applied to the costs incurred in the next calendar year for licensing, titling, inspecting, and registering rental vehicles. In that event, the good-faith estimate of any vehicle license and registration fees to be charged by the company in the next calendar year shall be reduced to take into account the excess amount collected from the prior year. For purposes of this section, "rental vehicles" also includes motor vehicles of the cargo type, including a cargo van, pickup truck, or truck with a gross vehicle weight rating of 26,000 pounds or less used predominantly in the transportation of property for other than commercial freight and that does not require the operator to possess a commercial drivers license."

**SECTION 12.(c)** This section becomes effective October 1, 2024.

**AUTHORIZE REMOTE ELECTRONIC NOTARIZATION AND ELECTRONIC SIGNATURES FOR MOTOR VEHICLE TRANSACTIONS**

**SECTION 13.(a)** G.S. 20-4.01 reads as rewritten:

**"§ 20-4.01. Definitions.**

Unless the context requires otherwise, the following definitions apply throughout this Chapter to the defined words and phrases and their cognates:

...

~~(24)~~(23c) Nonresident. – Any person whose legal residence is in some state, territory, or jurisdiction other than North Carolina or in a foreign country.

(24) Notarization. – Includes a remote electronic notarization that conforms to Article 2 of Chapter 10B of the General Statutes, and any notarization recognized pursuant to G.S. 10B-20(f) and G.S. 10B-40(e).

...

(41b) Signature. – Includes electronic signature technology that conforms to Article 40 of Chapter 66 of the General Statutes.

...."

**SECTION 13.(b)** G.S. 20-72 reads as rewritten:

**"§ 20-72. Transfer by owner.**

...

(b) In order to assign or transfer title or interest in any motor vehicle registered under the provisions of this Article, the owner ~~shall~~shall, either in the presence of a person authorized to

1 administer oaths or in a manner that conforms to Article 40 of Chapter 66 of the General Statutes,  
2 execute in the presence of a person authorized to administer oaths an assignment and warranty  
3 of title on the reverse of the certificate of title in form approved by the Division, including in  
4 such assignment the name and address of the transferee; and no title to any motor vehicle shall  
5 pass or vest until such assignment is executed and the motor vehicle delivered to the transferee.  
6 The provisions of this section shall not apply to any foreclosure or repossession under a chattel  
7 mortgage or conditional sales contract or any judicial sale. The provisions of this subsection shall  
8 not apply to (i) any transfer to an insurer pursuant to G.S. 20-109.1(b)(2) or (ii) any transfer to a  
9 used motor vehicle dealer pursuant to G.S. 20-109.1(e1). The provisions of this subsection  
10 requiring that an assignment and warranty of title be executed in the presence of a person  
11 authorized to administer oaths shall not apply to any transfer of title to or from an insurer pursuant  
12 to G.S. 20-109.1.

13 ...."

14 **SECTION 13.(c)** Article 12 of Chapter 20 of the General Statutes is amended by  
15 adding a new section to read:

16 "**§ 20-292.2. Electronic transactions.**

17 Any signature requirement contained in this Chapter may be satisfied using electronic  
18 signature technology that conforms to Article 40 of Chapter 66 of the General Statutes, and the  
19 Division shall accept electronic submission of documents by motor vehicle dealers that meet  
20 those requirements. Any notarization requirement contained in this Chapter may be satisfied  
21 using a remote electronic notarization that conforms to Article 2 of Chapter 10B of the General  
22 Statutes or any notarization recognized pursuant to G.S. 10B-20(f) and G.S. 10B-40(e), and the  
23 Division shall accept electronic submission of documents by motor vehicle dealers that meet  
24 those requirements."

25 **SECTION 13.(d)** This section becomes effective July 1, 2024.

26  
27 **EXTEND DURATION OF TEMPORARY REGISTRATION PLATES**

28 **SECTION 14.(a)** G.S. 20-79.1 reads as rewritten:

29 "**§ 20-79.1. Use of temporary registration plates or markers by purchasers of motor**  
30 **vehicles in lieu of dealers' plates.**

31 ...

32 (d) A dealer shall:

33 ...

34 (3) Within ~~20~~60 days of the issuance of a temporary registration plate or marker,  
35 mail or deliver the application and fees to the Division or deliver the  
36 application and fees to a local license agency for processing. Delivery need  
37 not be made if the contract for sale has been rescinded by all parties to the  
38 contract.

39 ...

40 (g) Every person to whom temporary registration plates or markers have been issued shall  
41 permanently destroy such temporary registration plates or markers immediately upon receiving  
42 the limited registration plates or the annual registration plates from the Division: Provided, that  
43 if the limited registration plates or the annual registration plates are not received within ~~30~~60  
44 days of the issuance of the temporary registration plates or markers, the owner shall,  
45 notwithstanding, immediately upon the expiration of such ~~30-day~~60-day period, permanently  
46 destroy the temporary registration plates or markers.

47 (h) Temporary registration plates or markers shall expire and become void upon the  
48 receipt of the limited registration plates or the annual registration plates from the Division, or  
49 upon the rescission of a contract to purchase a motor vehicle, or upon the expiration of ~~30~~60  
50 days from the date of issuance, depending upon whichever event shall first occur. No refund or  
51 credit or fees paid by dealers to the Division for temporary registration plates or markers shall be

1 allowed, except in the event that the Division discontinues the issuance of temporary registration  
 2 plates or markers or unless the dealer discontinues business. In this event the unissued registration  
 3 plates or markers with the unissued registration certificates shall be returned to the Division and  
 4 the dealer may petition for a refund. Upon the expiration of the ~~30~~60 days from the date of  
 5 issuance, a second ~~30-day~~60-day temporary registration plate or marker may be issued by the  
 6 dealer upon showing the vehicle has been sold or leased, and that the dealer, having used  
 7 reasonable diligence, is unable to obtain the vehicle's statement of origin or certificate of title so  
 8 that the lien may be perfected. For purposes of this subsection, a dealer shall be considered unable  
 9 to obtain the vehicle's statement of origin or certificate of title if the statement of origin or  
 10 certificate of title either (i) has not been delivered to the dealer or (ii) was lost or misplaced.

11 ...."

12 **SECTION 14.(b)** This section becomes effective July 1, 2024.

13  
 14 **COMMERCIAL DRIVERS LICENSE COMPLIANCE WITH FEDERAL**  
 15 **REQUIREMENTS**

16 **SECTION 15.(a)** G.S. 20-17.4(a) is amended by adding a new subdivision to read:

17 "(10) A conviction of fraud in connection with issuance of a commercial drivers  
 18 license or commercial learner's permit."

19 **SECTION 15.(b)** G.S. 20-17.4(l) reads as rewritten:

20 "(l) Disqualification for ~~Testing Positive in a Drug or Alcohol Test.~~ Violations. – Upon  
 21 receipt of notice of a positive drug or alcohol test, or of refusal to participate in a drug or alcohol  
 22 test, pursuant to G.S. 20-37.19(e), prohibited status in the Federal Motor Carrier Safety  
 23 Administration's Commercial Driver's License Drug and Alcohol Clearinghouse, established  
 24 pursuant to 49 U.S.C. § 31306, the Division must disqualify a CDL holder from operating a  
 25 commercial motor vehicle for a minimum of 30 days and until receipt of proof of successful  
 26 completion of assessment and treatment by a substance abuse professional in accordance with 49  
 27 C.F.R. § 382.503."

28 **SECTION 15.(c)** G.S. 20-37.13(h) reads as rewritten:

29 "(h) The Division shall promptly notify any driver who fails to meet the medical  
 30 certification requirements in accordance with 49 C.F.R. § 383.71. The Division shall give the  
 31 driver 60 days to ~~provide the required documentation. If the driver fails to provide the required~~  
 32 comply with the commercial drivers license medical certification ~~documentation~~ requirements.  
 33 If the driver fails to comply within the period allowed, the Division shall automatically  
 34 downgrade a commercial drivers license to a class C regular drivers license."

35 **SECTION 15.(d)** G.S. 20-37.20 reads as rewritten:

36 "**§ 20-37.20. Notification of traffic convictions.**

37 (a) Out-of-state Resident. – Within 10 days after receiving a report of the conviction of  
 38 (i) any nonresident holder of a commercial driver license or commercial learner's permit for any  
 39 violation of State law or local ordinance relating to motor vehicle traffic control, other than  
 40 parking violations, committed in a motor vehicle or (ii) any nonresident holder of a drivers license  
 41 for any violation of State law or local ordinance relating to motor vehicle traffic control, other  
 42 than parking violations, committed in a commercial motor vehicle, the Division shall  
 43 electronically notify the driver licensing authority in the licensing state or foreign jurisdiction of  
 44 the conviction.

45 ...."

46 **SECTION 15.(e)** Subsection (d) of this section becomes effective August 1, 2024.

47 The remainder of this section becomes effective October 1, 2024.

48  
 49 **DIVISION ACTION ON COMMISSION CONTRACTOR APPLICATIONS**

50 **SECTION 16.(a)** G.S. 20-63 is amended by adding the following new subsection to  
 51 read:

1       "(h3) Commission Contractor Applications. – The Division shall review an application and  
2 issue a decision to award or not award a commission contract within 60 days of the date the  
3 application is submitted. If the Division requests additional information from the applicant within  
4 the 60-day period following submission of the application, the Division shall make a decision  
5 within 30 days of the date of submission of the requested information, or within 60 days of the  
6 date of submission of the original application, whichever is later."

7               **SECTION 16.(b)** This section becomes effective October 1, 2024, and applies to  
8 commission contract applications submitted on or after that date.

## 10 **COMMISSION CONTRACTOR APPLICATIONS AND CONTRACTS**

11               **SECTION 17.(a)** G.S. 20-63(h) reads as rewritten:

12       "(h) Commission Contracts for Issuance of Plates and Certificates. – All registration  
13 plates, registration certificates, and certificates of title issued by the Division, outside of those  
14 issued from the office of the Division located in Wake, Cumberland, or Mecklenburg Counties  
15 and those issued and handled through the United States mail, shall be issued insofar as practicable  
16 and possible through commission contracts entered into by the Division for the issuance of the  
17 plates and certificates in localities throughout North Carolina, including military installations  
18 within this State, with persons, firms, corporations or governmental subdivisions of the State of  
19 North Carolina. The Division shall accept applications for new commission contracts or renewal  
20 of existing contracts and enter into contracts with commission contractors in the commission  
21 contractor's business entity name, unless the commission contractor chooses to enter into a  
22 contract as an individual. The Division shall make a reasonable effort in every locality, except as  
23 noted above, to enter into a commission contract for the issuance of the plates and certificates  
24 and a record of these efforts shall be maintained in the Division. In the event the Division is  
25 unsuccessful in making commission contracts, it shall issue the plates and certificates through  
26 the regular employees of the Division. Whenever registration plates, registration certificates, and  
27 certificates of title are issued by the Division through commission contract arrangements, the  
28 Division shall provide proper supervision of the distribution. Nothing contained in this subsection  
29 allows or permits the operation of fewer outlets in any county in this State than are now being  
30 operated.

31       The terms of a commission contract entered under this subsection shall specify the duration  
32 of the contract and either include or incorporate by reference standards by which the Division  
33 may supervise and evaluate the performance of the commission contractor. The duration of an  
34 initial commission contract may not exceed eight years and the duration of a renewal commission  
35 contract may not exceed two years. The Division may award monetary performance bonuses, not  
36 to exceed an aggregate total of ninety thousand dollars (\$90,000) annually, to commission  
37 contractors based on their performance.

38       The terms of a commission contract entered under this subsection shall allow the commission  
39 contractor to sell the contractor's business, as applicable, and assign contractual rights to another  
40 qualified contractor prior to expiration of the contract. A qualified contractor is a person, firm,  
41 corporation, or governmental subdivision of the State of North Carolina, with demonstrated  
42 experience as a commission contractor in North Carolina or equivalent experience in another  
43 state, as determined by the Division. All Division equipment and software shall be transferred to  
44 the new commission contractor upon sale, in accordance with guidelines established by the  
45 Division.

46       The amount of compensation payable to a commission contractor is determined on a per  
47 transaction basis. The collection of the highway use tax and the removal of an inspection stop are  
48 each considered a separate transaction for which one dollar and sixty-eight cents (\$1.68)  
49 compensation shall be paid. The issuance of a limited registration "T" sticker and the collection  
50 of property tax are each considered a separate transaction for which compensation at the rate of  
51 one dollar and forty cents (\$1.40) and one dollar and sixteen cents (\$1.16) respectively, shall be

1 paid by counties and municipalities as a cost of the combined motor vehicle registration renewal  
 2 and property tax collection system. The performance at the same time of one or more of the  
 3 transactions below is considered a single transaction for which one dollar and eighty-nine cents  
 4 (\$1.89) compensation shall be paid:

- 5 (1) Issuance of a registration plate, a registration card, a registration sticker, or a  
 6 certificate of title.
- 7 (2) Issuance of a handicapped placard or handicapped identification card.
- 8 (3) Acceptance of an application for a personalized registration plate.
- 9 (4) Acceptance of a surrendered registration plate, registration card, or  
 10 registration renewal sticker, or acceptance of an affidavit stating why a person  
 11 cannot surrender a registration plate, registration card, or registration renewal  
 12 sticker.
- 13 (5) Cancellation of a title because the vehicle has been junked.
- 14 (6) Acceptance of an application for, or issuance of, a refund for a fee or a tax,  
 15 other than the highway use tax.
- 16 (7) Receipt of the civil penalty imposed by G.S. 20-311 for a lapse in financial  
 17 responsibility or receipt of the restoration fee imposed by that statute.
- 18 (8) Acceptance of a notice of failure to maintain financial responsibility for a  
 19 motor vehicle.
- 20 (8a) Collection of civil penalties imposed for violations of G.S. 20-183.8A.
- 21 (8b), (9) Repealed by Session Laws 2013-372, s. 2(a), effective July 1, 2013.
- 22 (10) Acceptance of a temporary lien filing.
- 23 (11) Conversion of an existing paper title to an electronic lien upon request of a  
 24 primary lienholder."

25 **SECTION 17.(b)** For any commission contractor who has contracted with the  
 26 Division prior to the effective date of this section in the commission contractor's business entity  
 27 name and has been required by the Division to renew a commission contract in the commission  
 28 contractor's individual name, the Division must notify the contractor within 30 days of the  
 29 effective date of this section and provide an opportunity for that contractor to amend and reenter  
 30 the commission contract in the contractor's business entity name. In order to amend and reenter  
 31 a commission contract under this subsection, the commission contractor shall notify the Division  
 32 of the contractor's intent within 30 days of the notification, and the Division shall allow the  
 33 contractor a reasonable amount of time to make arrangements necessary to effectuate the  
 34 transition.

35 **SECTION 17.(c)** This section becomes effective October 1, 2024.

## 36 **BOND REQUIREMENTS FOR COMMISSION CONTRACTORS**

37 **SECTION 18.** G.S. 20-63.01 reads as rewritten:

38 **"§ 20-63.01. Bonds required for commission contractors.**

39 (a) A ~~guaranty-surety~~ bond is required for each commission contractor that is not a  
 40 governmental subdivision of this State that is granted a contract to issue license plates or conduct  
 41 business pursuant to G.S. 20-63. Provided, however, a commission contractor that is unable to  
 42 secure a bond may, with the consent of the Division, provide an alternative to a ~~guaranty-surety~~  
 43 bond, as provided in subsection (c) of this section.

44 The Division may revoke, with cause, a contract with a commission contractor that fails to  
 45 maintain a bond or an alternative to a bond, pursuant to this section.

- 46 (b) (1) When application is made for a contract or contract renewal, the applicant  
 47 shall file a ~~guaranty-surety~~ bond with the clerk of the superior court and/or the  
 48 register of deeds of the county in which the commission contractor will be  
 49 located. The bond shall be in favor of the Division. The bond shall be executed  
 50 by the applicant as principal and by a bonding company authorized to do  
 51

business in this State. The bond shall be conditioned to provide indemnification to the Division for a loss of revenue for any reason, including bankruptcy, employee embezzlement or theft, foreclosure, or ceasing to operate.

(2) The bond shall be in an amount determined by the Division to be adequate to provide indemnification to the Division under the terms of the bond. The bond amount shall be at least one hundred thousand dollars (\$100,000).

(3) The bond shall remain in force and effect until cancelled by the ~~guarantor-surety~~. The ~~guarantor-surety~~ may cancel the bond upon 30 days' notice to the Division. Cancellation of the bond shall not affect any liability incurred or accrued prior to the termination of the notice period.

~~(4) The Division may be able to negotiate bonds for contractors who qualify for bonds as a group under favorable rates or circumstances. If so, the Division may require those contractors who can qualify for the group bond to obtain their bond as part of a group of contractors. The Division may deduct the premiums for any bonds it may be able to negotiate at group rates from the commissioned contractors' compensation.~~

(c) An applicant that is unable to secure a bond may seek a waiver of the ~~guaranty-surety~~ bond from the Division and approval of one of the ~~guaranty-surety~~ bond alternatives set forth in this subsection. With the approval of the Division, an applicant may file with the clerk of the superior court and/or the register of deeds of the county in which the commission contractor will be located, in lieu of a bond:

(1) An assignment of a savings account in an amount equal to the bond required (i) that is in a form acceptable to the Division; (ii) that is executed by the applicant; (iii) that is executed by a federally insured depository institution or a trust institution authorized to do business in this State; and (iv) for which access to the account in favor of the State of North Carolina is subject to the same conditions as for a bond in subsection (b) of this section.

(2) A certificate of deposit (i) that is executed by a federally insured depository institution or a trust institution authorized to do business in this State; (ii) that is either payable to the State of North Carolina, unrestrictively endorsed to the Division of Motor Vehicles; in the case of a negotiable certificate of deposit, is unrestrictively endorsed to the Division of Motor Vehicles; or in the case of a nonnegotiable certificate of deposit, is assigned to the Division of Motor Vehicles in a form satisfactory to the Division; and (iii) for which access to the certificate of deposit in favor of the State of North Carolina is subject to the same conditions as for a bond in subsection (b) of this section."

**CLARIFY LPA ADVISORY COMMITTEE SUBJECT TO OPEN MEETINGS LAW**

**SECTION 19.** G.S. 20-63.02 is amended by adding a new subsection to read:

"(d) Open Meetings. – All meetings of the LPA Advisory Committee shall comply with the provisions of Article 33C of Chapter 143 of the General Statutes."

**LPA ISSUANCE OF ONE-DAY TITLES**

**SECTION 20.(a)** G.S. 20-85 reads as rewritten:

**"§ 20-85. Schedule of fees.**

(a) The following fees are imposed concerning a certificate of title, a registration card, or a registration plate for a motor vehicle. These fees are payable to the Division and are in addition to the tax imposed by Article 5A of Chapter 105 of the General Statutes:

...

(11) Each set of replacement Stock Car Racing Theme plates

1	Issued	under
2	G.S. 20-79.4.....	<del>25.00</del> <u>25.00</u>
3	(12) <u>Each application for a certificate of title prepared and delivered using</u>	
4	a _____ one-day _____ title	
5	<u>service.....</u>	<u>105.75.</u>

(a1) Two dollars (\$2.00) of the fee imposed for any transaction assessed a fee under subdivision (a)(1), (a)(2), (a)(3), (a)(7), ~~(a)(8), or (a)(9)~~ (a)(8), (a)(9), or (a)(12) of this section shall be credited to the North Carolina Highway Fund. The Division shall use the fees derived from transactions with commission contract agents for the payment of compensation to commission contract agents. An additional twenty cents (20¢) of the fee imposed for any transaction assessed a fee under subdivision (a)(1) or (a)(12) of this section shall be credited to the Mercury Pollution Prevention Fund in the Department of Environmental Quality.

...."

**SECTION 20.(b)** G.S. 20-85.1 is repealed.

**SECTION 20.(c)** G.S. 20-85(a1) reads as rewritten:

"(a1) Two dollars (\$2.00) of the fee imposed for any transaction assessed a fee under subdivision (a)(1), (a)(2), (a)(3), (a)(7), (a)(8), (a)(9), or (a)(12) of this section shall be credited to the North Carolina Highway Fund. The Division shall use the fees derived from transactions with commission contract agents for the payment of compensation to commission contract agents. ~~or (a)(12)~~"

**SECTION 20.(d)** G.S. 20-63(h1) reads as rewritten:

"(h1) Commission contracts entered into by the Division under this subsection shall also provide for the payment of an additional two dollars (\$2.00) of compensation to commission contract agents for any transaction assessed a fee under subdivision (a)(1), (a)(2), (a)(3), (a)(7), ~~(a)(8), or (a)(9)~~ (a)(8), (a)(9), or (a)(12) of G.S. 20-85."

**SECTION 20.(e)** G.S. 20-66 reads as rewritten:

**"§ 20-66. Renewal of vehicle registration.**

(a) Annual Renewal. – The registration of a vehicle must be renewed annually. In accordance with G.S. 105-330.5(b), upon receiving written consent from the owner of the vehicle, the Division may send any required notice of renewal electronically to an e-mail address provided by the owner of the vehicle. To renew the registration of a vehicle, the owner of the vehicle must file an application with the Division and pay the required registration fee. The owner of a vehicle registered in North Carolina may renew that vehicle registration by mail. The Division may receive and grant an application for renewal of registration at any time before the registration expires.

...."

**SECTION 20.(f)** G.S. 20-4.02(a)(10) reads as rewritten:

"(10) ~~G.S. 20-85.1~~G.S. 20-85(a)(12)."

**SECTION 20.(g)** Subsection (c) of this section becomes effective June 30, 2031.

The remainder of this section becomes effective July 1, 2024.

**REQUIRE DMV TO DEVELOP WORK ZONE SAFETY TRAINING COURSE**

**SECTION 20.5.(a)** G.S. 20-88.1 reads as rewritten:

**"§ 20-88.1. Driver education.**

...

(e) The Division shall develop a training course, or identify an existing training course, to educate individuals on the safe operation of a motor vehicle within a "highway work zone," as defined in G.S. 20-141. With respect to the training course developed or identified pursuant to this subsection, the Division shall do both of the following:

- (1) Ensure the training course is accessible to the public both in-person and on its website.



1           (2)    Develop a method for a person to demonstrate successful completion of the  
2           training course."

3           **SECTION 20.5.(b)** G.S. 115C-215 reads as rewritten:

4   "**§ 115C-215. Administration of driver education program by the Department of Public**  
5   **Instruction.**

6           ...

7           (b)    The driver education curriculum shall include the following:

8           ...

9           (6)    The highway work zone training course developed by the Division of Motor  
10          Vehicles pursuant to G.S. 20-88.1.

11          ...."

12          **SECTION 20.5.(c)** The Division of Motor Vehicles of the Department of  
13   Transportation (Division), in consultation with the Department of Public Instruction, shall do all  
14   of the following:

15          (1)    Develop a training course, or identify an existing training course, to educate  
16          individuals on the safe operation of a motor vehicle within a "highway work  
17          zone," as defined in G.S. 20-141.

18          (2)    With respect to the training course developed or identified pursuant to this  
19          subsection, develop a plan to do all of the following:

20               a.    Make the training course developed or identified pursuant to this  
21               subsection available to the public both in-person and on the Division's  
22               website.

23               b.    Establish a method for a person to demonstrate completion of the  
24               training course.

25               c.    Integrate the training course into the driver education program  
26               established pursuant to G.S. 115C-215.

27          (3)    No later than March 31, 2025, submit a report to the House of Representatives  
28          Appropriations Committee on Transportation, the Senate Appropriations  
29          Committee on the Department of Transportation, and the Fiscal Research  
30          Division. The report shall contain an update on the Division's progress in  
31          complying with the requirements of this subsection.

32          **SECTION 20.5.(d)** Subsections (a) and (b) of this section become effective  
33   December 1, 2025. The remainder of this section is effective when it becomes law.

## 34   **ONLINE VEHICLE REGISTRATION VENDOR CLARIFICATION**

35          **SECTION 21.** G.S. 20-63(j) reads as rewritten:

36          "(j)    The Division shall contract with at least two online motor vehicle registration vendors  
37          which may enter into contracts with motor vehicle dealers and other participants, including, but  
38          not limited to, out-of-state entities, such as dealers, fleet, leasing, and rental car companies,  
39          to complete and file Division required documents for the issuance of a certificate of title,  
40          registration plate, or registration card or a duplicate certificate of title, registration plate, or  
41          registration card for a motor vehicle, upon purchase or sale of a vehicle. Vendors under contract  
42          with the Division pursuant to this subsection may also enter into contracts with used motor  
43          vehicle dealers whose primary business is the sale of salvage vehicles on behalf of insurers to  
44          complete and file documents required by the Division for the issuance of a salvage certificate of  
45          title. The Division shall not unreasonably deny a contract or access to any entity."

## 46   **REMOVE STATUTORY MILEAGE LIMITATION ON CERTAIN COVERED FARM** 47   **VEHICLE EXEMPTIONS**

48          **SECTION 22.(a)** G.S. 20-37.16(e) reads a rewritten:  
49  
50

"(e) The requirements for a commercial drivers license do not apply to vehicles used for personal use such as recreational vehicles. A commercial drivers license is also waived for the following classes of vehicles as permitted by regulation of the United States Department of Transportation:

- ...
- (3) A farm vehicle that meets all of the following criteria:
- a. Is controlled and operated by the farmer or the farmer's employee and used exclusively for farm use.
  - b. Is used to transport either agricultural products, farm machinery, or farm supplies, both to or from a farm.
  - c. Is not used in the operations of a for-hire motor carrier.
  - d. Is used ~~within 150 miles of the farmer's farm~~ intrastate within the official State border of North Carolina.

A farm vehicle includes a forestry vehicle that meets the listed criteria when applied to the forestry operation."

**SECTION 22.(b)** G.S. 20-118(c)(12)a. reads as rewritten:

- "a. Is transporting any of the following items within ~~150 miles of the point of origination~~ the official State border of North Carolina:
1. Agriculture, dairy, and crop products transported from a farm or holding facility to a processing plant, feed mill, or market.
  2. Water, fertilizer, pesticides, seeds, fuel, or animal waste transported to or from a farm.
  3. Meats, livestock, or live poultry transported from the farm where they were raised to a processing plant or market.
  - 3a. Feed or feed ingredients that are used in the feeding of poultry or livestock and transported from a storage facility, holding facility, or mill to a farm.
  4. Forest products originating and transported from a farm or woodlands to market with delay interruption or delay for further packaging or processing after initiating transport.
  5. Wood residuals, including wood chips, sawdust, mulch, or tree bark from any site.
  6. Raw logs to market.
  7. Trees grown as Christmas trees from field, farm, stand, or grove to a processing point."

**SECTION 22.(c)** G.S. 20-381(b) reads as rewritten:

"(b) The definitions set out in 49 Code of Federal Regulations § 171.8 apply to this subsection. The transportation of an agricultural product, other than a Class 2 material, over local roads between fields of the same farm by a farmer operating as an intrastate private motor carrier is exempt from the requirements of Parts 171 through 180 of 49 CFR as provided in 49 CFR § 173.5(a). The transportation of an agricultural product to or from a farm within ~~150 miles of the farm~~ the official State border of North Carolina by a farmer operating as an intrastate private motor carrier is exempt from the requirements of Subparts G and H of Part 172 of 49 CFR as provided in 49 CFR § 173.5(b)."

## **FEEES FOR ANNUAL OVERSIZE/OVERWEIGHT PERMITS FOR MOVEMENT OF COMMODITIES**

**SECTION 23.(a)** G.S. 20-119 reads as rewritten:

"§ 20-119. Special permits for vehicles of excessive size or weight; fees.

...

(b) Upon the issuance of a special permit for an oversize or overweight vehicle by the Department of Transportation in accordance with this section, the applicant shall pay to the Department for a single trip permit a fee of twelve dollars (\$12.00) for each dimension over lawful dimensions, including height, length, width, and weight up to 132,000 pounds. For overweight vehicles, the applicant shall pay to the Department for a single trip permit in addition to the fee imposed by the previous sentence a fee of three dollars (\$3.00) per 1,000 pounds over 132,000 pounds.

Upon the issuance of an annual permit for a single vehicle, the applicant shall pay a fee in accordance with the following schedule:

Commodity:	Annual Fee:
Annual Permit to Move House Trailers or Trailer Frames	\$200.00
Annual Permit to Move Other Commodities	<del>\$100.00</del> \$185.00

In addition to the fees set out in this subsection, applications for permits that require an engineering study for pavement or structures or other special conditions or considerations shall be accompanied by a nonrefundable application fee of one hundred dollars (\$100.00).

This subsection does not apply to farm equipment or machinery being used at the time for agricultural purposes, nor to the moving of a house as provided for by the license and permit requirements of Article 16 of this Chapter. Fees will not be assessed for permits for oversize and overweight vehicles issued to any agency of the United States Government or the State of North Carolina, its agencies, institutions, subdivisions, or municipalities if the vehicle is registered in the name of the agency.

...  
 (j) Electric vehicle batteries, transported on the same vehicle with a weight up to 132,000 pounds, shall be considered a nondivisible load for purposes of permit issuance pursuant to this section. In addition to the fee set out in subsection (b) of this section, upon issuance of an annual permit to transport electric vehicle batteries, the applicant shall pay to the Department a fee of four hundred ninety-eight dollars (\$498.00)."

**SECTION 23.(b)** This section becomes effective July 1, 2024, and applies to applications for permits on or after that date.

**USE OF LOANER/DEALER PLATES ON SERVICE LOANER VEHICLES**

**SECTION 24.(a)** G.S. 20-79.02(g) reads as rewritten:

"(g) Applicability. – ~~Prior to January 1, 2025, a~~ A new motor vehicle dealer may, but is not required to, display an LD license plate on a service loaner vehicle. ~~Beginning on or after January 1, 2025, a new motor vehicle dealer shall display an LD license plate on any new motor vehicle placed into service as a loaner vehicle if either of the following circumstances exists:~~

- ~~(1) The new motor vehicle dealer is receiving incentive or warranty compensation from a manufacturer, factory branch, distributor, or distributor branch for the use of the vehicle as a service loaner.~~
- ~~(2) The new motor vehicle dealer is receiving a fee or other compensation from the dealer's customers for the use of the vehicle as a service loaner."~~

**SECTION 24.(b)** Section 1.1(b) of S.L. 2015-232, as amended by Section 4.5(b) of S.L. 2018-27 and Section 1(b) of S.L. 2020-51, reads as rewritten:

~~"SECTION 1.1.(b) This section is effective when this act becomes law and expires December 31, 2024.law."~~

**SECTION 24.(c)** Section 1.4(b) of S.L. 2015-232, as amended by Section 4.5(c) of S.L. 2018-27 and Section 1(c) of S.L. 2020-51, reads as rewritten:

~~"SECTION 1.4.(b) This section is effective when this act becomes law and expires December 31, 2024.law."~~

**AUTHORIZE SPECIAL REGISTRATION PLATES**

**SECTION 25.(a)** G.S. 20-63(b1) is amended by adding a new subdivision to read:  
 "( ) Home of the Venus Flytrap."

**SECTION 25.(b)** G.S. 20-79.4(b) is amended by adding two new subdivisions to read:

"(b) Types. – The Division shall issue the following types of special registration plates:  
 ...

( ) Home of the Venus Flytrap. – Issuable to a registered owner of a motor vehicle in accordance with G.S. 20-81.12. The plate shall bear a picture of a Venus Flytrap and the phrase "Home of the Venus Flytrap."

( ) North Carolina School of Science and Mathematics. – Issuable to a registered owner of a motor vehicle in accordance with G.S. 20-81.12. The plate shall feature the school logo and the acronym "NCSSM," and the letters "SM" to the right of the segment of the plate designated for the special plate design.

...."

**SECTION 25.(c)** G.S. 20-79.7 reads as rewritten:

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

...

(a1) Fees. – All other special registration 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:

Special Plate	Additional Fee Amount
...	
Home of American Golf	Expired July 1, 2016
<u>Home of the Venus Flytrap</u>	<u>\$30.00</u>
HOMES4NC	\$30.00
...	
North Carolina Paddle Festival	Expired July 1, 2016
<u>North Carolina School of Science and Mathematics</u>	<u>\$30.00</u>
North Carolina Sheriffs' Association	\$30.00

(b) Distribution of Fees. – The Special Registration Plate Account and the Collegiate and Cultural Attraction Plate Account are established within the Highway Fund. The Division must credit the additional fee imposed for the special registration plates listed in subsection (a1) of this section among the Special Registration Plate Account (SRPA), the Collegiate and Cultural Attraction Plate Account (CCAPA), the North Carolina Land and Water Fund (NCLWF) which is established under G.S. 143B-135.234, and the Parks and Recreation Trust Fund, which is established under G.S. 143B-135.56, as follows:

<u>Special Plate</u>	SRPA	CCAPA	NCLWF	PRTF
...				
Home of American Golf – Ex- pired July 1, 2016				
<u>Home of the Venus Flytrap</u>	<u>\$10</u>	<u>\$20</u>	<u>0</u>	<u>0</u>
HOMES4NC	\$10	\$20	0	0
...				
North Carolina Paddle Festival – Expired July 1, 2016				
<u>North Carolina School of Science and Mathematics</u>	<u>\$10</u>	<u>\$20</u>	<u>0</u>	<u>0</u>
North Carolina Sheriffs' Association	\$10	\$20	0	0

...."

1           **SECTION 25.(d)** G.S. 20-81.12 is amended by adding two new subsections to read:  
 2           "Q Home of the Venus Flytrap. – The Division shall transfer quarterly the money in the  
 3 Collegiate and Cultural Attraction Plate Account derived from the sale of "Home of the Venus  
 4 Flytrap" plates to the North Carolina Botanical Garden Foundation, Inc., to be used to support  
 5 plant conservation and plant research.

6           "Q North Carolina School of Science and Mathematics. – The Division shall transfer  
 7 quarterly the money in the Collegiate and Cultural Attraction Plate Account derived from the  
 8 sale of "North Carolina School of Science and Mathematics" plates to the NCSSM Foundation."

9           **SECTION 25.(e)** The Revisor of Statutes is authorized to alphabetize, number, and  
 10 renumber the special registration plates listed in G.S. 20-63(b1), 20-79.4(b), 20-79.7(a1) and (b),  
 11 and 20-81.12 to ensure that all special registration plates are listed in alphabetical order and  
 12 numbered accordingly.

13           **SECTION 25.(f)** This section becomes effective July 1, 2024.

## 14 15 **AMEND DEFINITION OF ESTABLISHED SALESROOM**

16           **SECTION 26.** G.S. 20-286(6) reads as rewritten:

- 17           "(6) Established salesroom. – A salesroom that meets the following requirements:  
 18           a.       Contains at least 96 square feet of floor space in a permanent enclosed  
 19           building. This requirement does not preclude a dealer from utilizing  
 20 the same permanent enclosed building for other business uses,  
 21 including uses conducted by a separate business entity, as long as all  
 22 requirements for an established salesroom are met.  
 23           b.       Displays, or is located immediately adjacent to, a sign having block  
 24           letters not less than three inches in height on contrasting background,  
 25           clearly and distinctly designating the trade name of the business.  
 26           c.       Is a place at which a permanent business of bartering, trading, and  
 27           selling motor vehicles will be carried on in good faith on an ongoing  
 28           basis whereby the dealer can be contacted by the public at reasonable  
 29           times.  
 30           d.       Is a place where the books, records, and files required by the Division  
 31           under this Article are kept.

32           The term includes the area contiguous to or located within 500 feet of the  
 33           premises on which the salesroom is located. The term does not include a tent,  
 34           a temporary stand, or other temporary quarters. The minimum area  
 35           requirement does not apply to any place of business lawfully in existence and  
 36           duly licensed on or before January 1, 1978."  
 37

## 38 **DEALER LICENSE CHANGES**

39           **SECTION 27.(a)** G.S. 20-288 reads as rewritten:

40           "**§ 20-288. Application for license; license requirements; expiration of license; bond.**

41           ...

42           (a1) A used motor vehicle dealer may obtain a license by filing an application, as  
 43           prescribed in subsection (a) of this section, and providing the following:

- 44           (1) The required fee.  
 45           (2) Proof that the applicant, within the last 12 months, has completed a 12-hour  
 46           licensing course approved by the Division if the applicant is seeking an initial  
 47           license and a one six-hour course approved by the Division for each year of  
 48 the licensing period immediately preceding the renewal if the applicant is  
 49           seeking a renewal license. The requirements of this subdivision do not apply  
 50           to a used motor vehicle dealer the primary business of which is the sale of  
 51           salvage vehicles on behalf of insurers or to a manufactured home dealer

1 licensed under G.S. 143-143.11 who complies with the continuing education  
2 requirements of G.S. 143-143.11B. The requirement of this subdivision does  
3 not apply to persons age 62 or older as of July 1, 2002, who are seeking a  
4 renewal license. This subdivision also does not apply to an applicant who  
5 holds a license as a new motor vehicle dealer as defined in G.S. 20-286(13)  
6 and operates from an established showroom located in an area within a radius  
7 of 30 miles around the location of the established showroom for which the  
8 applicant seeks a used motor vehicle dealer license. An applicant who also  
9 holds a license as a new motor vehicle dealer may designate a representative  
10 to complete the licensing course required by this subdivision.

11 (3) If the applicant is an individual, proof that the applicant is at least 18 years of  
12 age and proof that all salespersons employed by the dealer are at least 18 years  
13 of age.

14 (4) The application for a dealer license plate.

15 (5) A certification as to whether the applicant or any entity having any common  
16 ownership or affiliation with the applicant is a motor vehicle manufacturer,  
17 factory branch, factory representative, distributor, distributor branch, or  
18 distributor representative. In the event the applicant indicates on the  
19 application that the applicant or any parent, subsidiary, affiliate, or any other  
20 entity related to the applicant is a manufacturer, factory branch, factory  
21 representative, distributor, distributor branch, or distributor representative, the  
22 applicant shall be required to state whether the applicant contends it qualifies  
23 for a motor vehicle dealer's license in accordance with any of the exceptions  
24 to the prohibition on the issuance of a motor vehicle dealer's license to any  
25 manufacturer, factory branch, factory representative, distributor, distributor  
26 branch, or distributor representative, as provided in G.S. 20-305.2(a).

27 ...

28 (b2) For a licensed dealer, manufacturer, factory branch, distributor, distributor branch, or  
29 wholesaler applying for renewal, the death of a co-owner in the licensed business entity shall not  
30 be considered a change of ownership for purposes of licensure, as long as the business entity has  
31 no new co-owners or changes in structure of the business entity. The applicant shall be considered  
32 by the Division to be a continuing business for purposes of renewal and shall not be required to  
33 apply for a license as a new business.

34 (c) All licenses that are granted shall be for a period of ~~one year~~ two years unless sooner  
35 revoked or suspended. The Division shall vary the expiration dates of all licenses that are granted  
36 so that an equal number of licenses expire at the end of each month, quarter, or other period  
37 consisting of one or more months to coincide with G.S. 20-79(c).

38 ...

39 (f) A corporate surety bond furnished pursuant to this section or renewal thereof may  
40 also be canceled by the surety prior to the next premium anniversary date without the prior written  
41 consent of the license holder for the following reasons:

42 (1) Nonpayment of premium in accordance with the terms for issuance of the  
43 surety bond; or

44 (2) An act or omission by the license holder or his representative that constitutes  
45 substantial and material misrepresentation or nondisclosure of a material fact  
46 in obtaining the surety bond or renewing the bond.

47 Any cancellation permitted by this subsection is not effective unless written notice of cancellation  
48 has been delivered or mailed to the license holder and to the Commissioner not less than 30 days  
49 before the proposed effective date of cancellation. The notice must be ~~given or mailed delivered~~  
50 by certified mail or electronic means to the license holder at its last known address. The notice  
51 must state the reason for cancellation. Cancellation for nonpayment of premium is not effective

1 if the amount due is paid before the effective date set forth in the notice of cancellation.  
2 Cancellation of the surety shall not affect any liability incurred or accrued prior to the termination  
3 of the 30-day notice period.

4 (g) A corporate surety may refuse to renew a surety bond furnished pursuant to this  
5 section by giving or mailing written notice of nonrenewal to the license holder and to the  
6 Commissioner not less than 30 days prior to the premium anniversary date of the surety bond.  
7 The notice must be ~~given or mailed~~ delivered by certified mail or electronic means to the license  
8 holder at its last known address. Nonrenewal of the surety bond shall not affect any liability  
9 incurred or accrued prior to the premium anniversary date of the surety bond."

10 **SECTION 27.(b)** This section becomes effective October 1, 2024, and applies to  
11 licenses issued on or after that date. For licensed used motor vehicle dealers applying for renewal  
12 on or after that date, the Division shall stagger the expiration dates of licenses issued to those  
13 dealers such that, if a license was initially issued to the dealer in an even-numbered year, the first  
14 license issued on or after October 1, 2024, shall expire in the next even-numbered year, and, if a  
15 license was initially issued to the dealer in an odd-numbered year, the first license issued on or  
16 after October 1, 2024, shall expire in the next odd-numbered year.

## 17 **INCREASE LITTERING PENALTIES**

18 **SECTION 28.(a)** G.S. 14-399 reads as rewritten:

### 19 **"§ 14-399. Littering.**

20 (a) No person, including any firm, organization, private corporation, or governing body,  
21 agents or employees of any municipal corporation shall intentionally or recklessly throw, scatter,  
22 spill or place or intentionally or recklessly cause to be blown, scattered, spilled, thrown or placed  
23 or otherwise dispose of any litter upon any public property or private property not owned by the  
24 person within this State or in the waters of this State including any public highway, public park,  
25 lake, river, ocean, beach, campground, forestland, recreational area, trailer park, highway, road,  
26 street or alley except:

27 (1) When the property is designated by the State or political subdivision thereof  
28 for the disposal of garbage and refuse, and the person is authorized to use the  
29 property for this purpose; or

30 (2) Into a litter receptacle in a manner that the litter will be prevented from being  
31 carried away or deposited by the elements upon any part of the private or  
32 public property or waters.

33 (a1) No person, including any firm, organization, private corporation, or governing body,  
34 agents, or employees of any municipal corporation shall scatter, spill, or place or cause to be  
35 blown, scattered, spilled, or placed or otherwise dispose of any litter upon any public property or  
36 private property not owned by the person within this State or in the waters of this State including  
37 any public highway, public park, lake, river, ocean, beach, campground, forestland, recreational  
38 area, trailer park, highway, road, street, or alley except:

39 (1) When the property is designated by the State or political subdivision thereof  
40 for the disposal of garbage and refuse, and the person is authorized to use the  
41 property for this purpose; or

42 (2) Into a litter receptacle in a manner that the litter will be prevented from being  
43 carried away or deposited by the elements upon any part of the private or  
44 public property or waters.

45 (a2) Subsection (a1) of this section does not apply to the accidental blowing, scattering, or  
46 spilling of an insignificant amount of municipal solid waste, as defined in G.S. 130A-290(18a),  
47 during the automated loading of a vehicle designed and constructed to transport municipal solid  
48 waste if the vehicle is operated in a reasonable manner and according to manufacturer  
49 specifications.  
50

1 (b) When litter is blown, scattered, spilled, thrown or placed from a vehicle or watercraft,  
2 the operator thereof shall be presumed to have committed the offense. This presumption,  
3 however, does not apply to a vehicle transporting nontoxic and biodegradable agricultural or  
4 garden products or supplies, including mulch, tree bark, wood chips, and raw logs.

5 (c) Any person who violates subsection (a) of this section in an amount not exceeding ~~45~~  
6 10 pounds and not for commercial purposes is guilty of a Class 3 misdemeanor punishable by a  
7 fine of not less than ~~two five hundred fifty~~ two hundred fifty dollars (~~\$250.00~~) (~~\$500.00~~) nor more than one  
8 thousand dollars (\$1,000) for the first offense. In addition, the court may require the violator to  
9 perform community service of not less than eight hours nor more than 24 hours. The community  
10 service required shall be to pick up litter if feasible, and if not feasible, to perform other labor  
11 commensurate with the offense committed. Any second or subsequent violation of subsection (a)  
12 of this section in an amount not exceeding ~~45-10~~ pounds and not for commercial purposes within  
13 three years after the date of a prior violation is a Class 3 misdemeanor punishable by a fine of  
14 not less than ~~five hundred one thousand~~ five hundred dollars (~~\$500.00~~) (~~\$1,000~~) nor more than ~~two three~~  
15 three thousand dollars (~~\$2,000~~) (~~\$3,000~~). In addition, the court may require the violator to perform  
16 community service of not less than 16 hours nor more than 50 hours. The community service  
17 required shall be to pick up litter if feasible, and if not feasible, to perform other labor  
18 commensurate with the offense committed.

19 (c1) Any person who violates subsection (a1) of this section in an amount not exceeding  
20 ~~45-10~~ pounds is guilty of an infraction punishable by a fine of not more than ~~one two~~ one hundred  
21 dollars (~~\$100.00~~) (~~\$200.00~~). In addition, the court may require the violator to perform  
22 community service of not less than four hours nor more than 12 hours. The community service  
23 required shall be to pick up litter if feasible, and if not feasible, to perform other labor  
24 commensurate with the offense committed. Any second or subsequent violation of subsection  
25 (a1) of this section in an amount not exceeding ~~45-10~~ pounds within three years after the date of  
26 a prior violation is an infraction punishable by a fine of not more than ~~two five~~ one hundred  
27 dollars (~~\$200.00~~) (~~\$500.00~~). In addition, the court may require the violator to perform community  
28 service of not less than eight hours nor more than 24 hours. The community service required shall  
29 be to pick up litter if feasible, and if not feasible, to perform other labor commensurate with the  
30 offense committed. For purposes of this subsection, the term "litter" shall not include nontoxic  
31 and biodegradable agricultural or garden products or supplies, including mulch, tree bark, and  
32 wood chips.

33 (d) Any person who violates subsection (a) of this section in an amount exceeding ~~45-10~~  
34 pounds but not exceeding 500 pounds and not for commercial purposes is guilty of a Class 3  
35 misdemeanor punishable by a fine of not less than ~~five hundred one thousand~~ five hundred  
36 (\$1,000) nor more than ~~two three~~ three thousand dollars (~~\$2,000~~) (~~\$3,000~~). In addition, the court shall  
37 require the violator to perform community service of not less than ~~24-50~~ 24 hours nor more than 100  
38 hours. The community service required shall be to pick up litter if feasible, and if not feasible, to  
39 perform other community service commensurate with the offense committed.

40 (d1) Any person who violates subsection (a1) of this section in an amount exceeding ~~45~~  
41 10 pounds but not exceeding 500 pounds is guilty of an infraction punishable by a fine of not  
42 more than ~~two five~~ one hundred dollars (~~\$200.00~~) (~~\$500.00~~). In addition, the court may require the  
43 violator to perform community service of not less than ~~eight 24~~ eight hours nor more than ~~24-50~~  
44 24 hours. The community service required shall be to pick up litter if feasible, and if not feasible, to perform  
45 other labor commensurate with the offense committed.

46 (e) Any person who violates subsection (a) of this section in an amount exceeding 500  
47 pounds or in any quantity for commercial purposes, or who discards litter that is a hazardous  
48 waste as defined in G.S. 130A-290 is guilty of a Class I ~~felony~~ felony punishable by a fine of  
49 five thousand dollars (\$5,000). In addition, the court shall require the violator to perform  
50 community service of not less than 100 hours. The community service required shall be to pick



1 up litter if feasible, and if not feasible, to perform other community service commensurate with  
2 the offense committed.

3 (e1) Any person who violates subsection (a1) of this section in an amount exceeding 500  
4 pounds is guilty of an infraction punishable by a fine of not more than ~~three hundred two thousand~~  
5 five hundred dollars ~~(\$300.00).~~ (\$2,500). In addition, the court ~~may~~ shall require the violator to  
6 perform community service of not less than ~~16 hours nor more than~~ 50 hours. The community  
7 service required shall be to pick up litter if feasible, and if not feasible, to perform other labor  
8 commensurate with the offense committed.

9 (e2) If any person violates subsection (a) or (a1) of this section in an amount exceeding ~~45~~  
10 10 pounds or in any quantity for commercial purposes, or discards litter that is a hazardous waste  
11 as defined in G.S. 130A-290, the court shall order the violator to:

- 12 (1) Remove, or render harmless, the litter that he discarded in violation of this  
13 section;
- 14 (2) Repair or restore property damaged by, or pay damages for any damage  
15 arising out of, his discarding litter in violation of this section; or
- 16 (3) Perform community public service relating to the removal of litter discarded  
17 in violation of this section or to the restoration of an area polluted by litter  
18 discarded in violation of this section.

19 (e3) Any violation of this section involving the disposal of any litter into the waters of this  
20 State shall be punished as a violation of subsection (a) of this section.

21 (f) A court may enjoin a violation of this section.

22 (f1) If a violation of subsection (a) of this section involves the operation of a motor  
23 vehicle, upon a finding of guilt, the court shall forward a record of the finding to the Department  
24 of Transportation, Division of Motor Vehicles, which shall record a penalty of one point on the  
25 violator's drivers license pursuant to the point system established by G.S. 20-16. There shall be  
26 no insurance premium surcharge or assessment of points under the classification plan adopted  
27 under G.S. 58-36-65 for a finding of guilt under this section.

28 (g) A motor vehicle, vessel, aircraft, container, crane, winch, or machine involved in the  
29 disposal of more than 500 pounds of litter in violation of subsection (a) of this section is declared  
30 contraband and is subject to seizure and summary forfeiture to the State.

31 (h) If a person sustains damages arising out of a violation of subsection (a) of this section  
32 that is punishable as a felony, a court, in a civil action for the damages, shall order the person to  
33 pay the injured party threefold the actual damages or two hundred dollars (\$200.00), whichever  
34 amount is greater. In addition, the court shall order the person to pay the injured party's court  
35 costs and attorney's fees.

36 (i) For the purpose of the section, unless the context requires otherwise:

- 37 (1) "Aircraft" means a motor vehicle or other vehicle that is used or designed to  
38 fly, but does not include a parachute or any other device used primarily as  
39 safety equipment.
- 40 (2) Repealed by Session Laws 1999-454, s. 1.
- 41 (2a) "Commercial purposes" means litter discarded by a business, corporation,  
42 association, partnership, sole proprietorship, or any other entity conducting  
43 business for economic gain, or by an employee or agent of the entity.
- 44 (3) "Law enforcement officer" means any law enforcement officer sworn and  
45 certified pursuant to Article 1 of Chapter 17C or 17E of the General Statutes,  
46 except company police officers as defined in G.S. 74E-6(b)(3). In addition,  
47 and solely for the purposes of this section, "law enforcement officer" means  
48 any employee of a county or municipality designated by the county or  
49 municipality as a litter enforcement officer.
- 50 (4) "Litter" means any garbage, rubbish, trash, refuse, can, bottle, box, container,  
51 wrapper, paper, paper product, tire, appliance, mechanical equipment or part,

1 building or construction material, tool, machinery, wood, motor vehicle or  
 2 motor vehicle part, vessel, aircraft, farm machinery or equipment, sludge from  
 3 a waste treatment facility, water supply treatment plant, or air pollution control  
 4 facility, dead animal, or discarded material in any form resulting from  
 5 domestic, industrial, commercial, mining, agricultural, or governmental  
 6 operations. While being used for or distributed in accordance with their  
 7 intended uses, "litter" does not include political pamphlets, handbills,  
 8 religious tracts, newspapers, and other similar printed materials the  
 9 unsolicited distribution of which is protected by the Constitution of the United  
 10 States or the Constitution of North Carolina.

11 (5) "Vehicle" has the same meaning as in G.S. 20-4.01(49).

12 (6) "Watercraft" means any boat or vessel used for transportation across the water.

13 (j) It shall be the duty of all law enforcement officers to enforce the provisions of this  
 14 section.

15 (k) This section does not limit the authority of any State or local agency to enforce other  
 16 laws, rules or ordinances relating to litter or solid waste management."

17 **SECTION 28.(b)** This section becomes effective December 1, 2024, and applies to  
 18 offenses committed on or after that date.

19  
 20 **CLARIFY CIVILIAN TRAFFIC INVESTIGATORS ARE NOT PRIVATE**  
 21 **INVESTIGATORS**

22 **SECTION 29.** G.S. 74C-3(b) is amended by adding a new subdivision to read:

23 "(19) A person performing duties as a Civilian Traffic Investigator pursuant to  
 24 G.S. 160A-499.6."

25  
 26 **INCREASE MAXIMUM VEHICLE REGISTRATION TAX RATE FOR**  
 27 **TRANSPORTATION AUTHORITIES**

28 **SECTION 30.(a)** G.S. 105-561 reads as rewritten:

29 **"§ 105-561. Authority registration tax authorized.**

30 (a) Tax Authorized. – The board of trustees of an Authority may, by resolution, levy an  
 31 annual license tax in accordance with this Article upon any motor vehicle with a tax situs within  
 32 its territorial jurisdiction. The purpose of the tax levied under this Article is to raise revenue for  
 33 capital and operating expenses of an Authority in providing public transportation systems. The  
 34 rate of tax levied under this Article must be a full dollar amount, but may not exceed ~~eight dollars~~  
 35 ~~(\$8.00)~~ ten dollars (\$10.00) a year.

36 ...

37 (d) Special Tax District. – If a regional transportation authority created under Article 27  
 38 of Chapter 160A of the General Statutes or a regional public transportation authority created  
 39 under Article 26 of Chapter 160A of the General Statutes has not levied the tax under this section  
 40 or has levied the tax at a rate of less than ~~eight dollars (\$8.00)~~, ten dollars (\$10.00), it may create  
 41 a special district that consists of the entire area of one or more counties within its territorial  
 42 jurisdiction and may levy on behalf of the special district the tax authorized in this section. The  
 43 rate of tax levied within the special district may not, when combined with the rate levied within  
 44 the entire territorial jurisdiction of the authority; exceed ~~eight dollars (\$8.00)~~ ten dollars  
 45 (\$10.00). The regional transportation authority may not levy or increase a tax within the special  
 46 district unless the board of commissioners of each county in the special district has adopted a  
 47 resolution approving the levy or increase.

48 A special district created pursuant to this subsection is a body corporate and politic and has  
 49 the power to carry out the purposes of this subsection. The board of trustees of the regional  
 50 transportation authority created under Article 27 of Chapter 160A of the General Statutes or a  
 51 regional public transportation authority created under Article 26 of Chapter 160A of the General

1 Statutes shall serve, ex officio, as the governing body of a special district it creates pursuant to  
2 this subsection. The proceeds of a tax levied under this subsection may be used only for the  
3 benefit of the special district and only for the purposes provided in G.S. 105-564. Except as  
4 provided in this subsection, a tax levied under this subsection is governed by the provisions of  
5 this Article."

6 **SECTION 30.(b)** This section becomes effective July 1, 2024.  
7

## 8 **REQUIRE PRIVATE ENTITY TO ADMINISTER LOGO SIGN PROGRAM**

9 **SECTION 31.(a)** G.S. 136-89.56 reads as rewritten:

### 10 **"§ 136-89.56. Commercial enterprises.**

11 (a) No commercial enterprises or activities shall be authorized or conducted by the  
12 Department of Transportation, or the governing body of any city or town, within or on the  
13 property acquired for or designated as a controlled-access facility, as defined in this Article,  
14 except for:

- 15 (1) Materials displayed at welcome centers which shall be directly related to  
16 travel, accommodations, tourist-related activities, tourist-related services, and  
17 attractions. The Department of Transportation shall issue rules regulating the  
18 display of these materials. These materials may contain advertisements for  
19 real estate; and
- 20 (2) Vending machines permitted by the Department of Transportation and placed  
21 by the Division of Services for the Blind, Department of Health and Human  
22 Services, as the State licensing agency designated pursuant to Section 2(a)(5)  
23 of the Randolph-Sheppard Act (20 USC 107a(a)(5)). The Department of  
24 Transportation shall regulate the placing of the vending machines in highway  
25 rest areas and shall regulate the articles to be dispensed. In order to permit the  
26 establishment of adequate fuel and other service facilities by private owners  
27 or their lessees for the users of a controlled-access facility, the Department of  
28 Transportation shall permit access to service or frontage roads within the  
29 publicly owned right-of-way of any controlled-access facility established or  
30 designated as provided in this Article, at points which, in the opinion of the  
31 Department of Transportation, will best serve the public interest. The location  
32 of such fuel and other service facilities may be indicated to the users of the  
33 controlled-access facilities by appropriate signs, the size, style, and  
34 specifications of which shall be determined by the Department of  
35 Transportation.

36 (b) The location of fuel, gas, food, lodging, camping, and attraction facilities may be  
37 indicated to the users of the controlled-access facilities by appropriate logos placed on signs  
38 owned, controlled, and erected within the right-of-way of fully and partially controlled-access  
39 highways ~~by by, or pursuant to contract with,~~ the Department of Transportation. The Department  
40 shall contract with a private entity to administer the erection of signs and placement of logos, as  
41 authorized by this subsection. The responsibilities of the private entity shall include the  
42 following: acquisition and erection of signs; design, manufacture, and placement of logos on  
43 signs; maintenance of signs and logos; receipt and response to information requests concerning  
44 the program; and management of the financial transactions related to the program. The owners,  
45 operators or lessees of fuel, gas, food, lodging, camping, and attraction facilities who wish to  
46 place a logo identifying their business or service on a sign shall furnish a logo meeting the size,  
47 style and specifications determined by the Department of Transportation and shall pay ~~the~~  
48 ~~Department of Transportation~~ a fee set by the vendor and approved by the Board of  
49 Transportation. ~~The Board shall set the~~ The fee set by the vendor shall be determined based on  
50 market rates for the number of vehicles that pass by the sign, reflecting the value of the visibility  
51 and access provided to the participating businesses and to cover the initial costs of signs, sign

1 installation, and maintenance, and the costs of administering the logo sign program. The  
 2 ~~Transportation Mobility and Safety Division of the Department of Transportation shall~~  
 3 ~~administer the logo sign program, including receiving requests for information concerning the~~  
 4 ~~logo sign program.~~ Nothing in this subsection shall be construed to authorize any Department  
 5 contractor to conduct any commercial activity upon signs erected and maintained within the  
 6 right-of-way of fully and partially controlled-access highways pursuant to this subsection."

7 **SECTION 31.(b)** The Department of Transportation may adopt temporary rules and  
 8 shall adopt permanent rules consistent with subsection (a) of this section.

9 **SECTION 31.(c)** No later than 120 days after the effective date of this section, the  
 10 Department shall issue a request for proposal (RFP) and select a vendor in accordance with this  
 11 section.

### 12 **CLARIFY TURNPIKE AUTHORITY STATUTES FOR COMPLETE 540 AND** 13 **MID-CURRITUCK BRIDGE PROJECTS**

14 **SECTION 32.(a)** G.S. 136-89.183(a) reads as rewritten:

15 "(a) The Authority shall have all of the powers necessary to execute the provisions of this  
 16 Article, including the following:

17 ...

18 (2) To study, plan, develop, and undertake preliminary design work on Turnpike  
 19 Projects. At the conclusion of these activities, the Turnpike Authority is  
 20 authorized to design, establish, purchase, construct, operate, and maintain no  
 21 more than eleven projects, which shall include the following:

22 a. Triangle Expressway, including segments also known as N.C. 540,  
 23 Triangle Parkway, Phases 1 and 2 of Complete 540, and the Western  
 24 Wake Freeway in Wake and Durham Counties. The described  
 25 segments constitute one project.

26 ...

27 Any other project proposed by the Authority in addition to the projects listed  
 28 in this subdivision requires prior consultation with the Joint Legislative  
 29 Commission on Governmental Operations pursuant to G.S. 120-76.1 no less  
 30 than 180 days prior to initiating the process required by Article 7 of Chapter  
 31 159 of the General Statutes.

32 With the exception of the two projects set forth in sub subdivisions a. and c.  
 33 of this subdivision, the Turnpike projects selected for construction by the  
 34 Turnpike Authority, prior to the letting of a contract for the project, shall meet  
 35 the following conditions: (i) two of the projects must be ranked in the top 35  
 36 based on total score on the Department produced list entitled "Mobility Fund  
 37 Project Scores" dated June 6, 2012, and, in addition, may be subject to  
 38 G.S. 136-18(39a); (ii) of the projects not ranked as provided in (i), one may  
 39 be subject to G.S. 136-18(39a); (iii) the projects shall be included in any  
 40 applicable locally adopted comprehensive transportation plans; (iv) the  
 41 projects shall be shown in the current State Transportation Improvement  
 42 Program; and (v) toll projects must be approved by all affected Metropolitan  
 43 Planning Organizations and Rural Transportation Planning Organizations for  
 44 tolling.

45 ...."

46 **SECTION 32.(b)** G.S. 136-89.183A(b) reads as rewritten:

47 "(b) Contract to Construct Accelerated Pilot Toll Bridge Project. – The Authority shall  
 48 contract with ~~a single one or more private firm-firms~~ to design, obtain all necessary permits for,  
 49 and construct the toll bridge ~~described in G.S. 136-89.183(a)(2)~~, known as the Mid-Currituck  
 50 Bridge, in order to provide accelerated, efficient, and cost-effective completion of the project."  
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## **BUDGET ALIGNMENT AND TRANSPARENCY**

**SECTION 33.(a)** The Chief Financial Officer of the Department of Transportation (CFO), in consultation with the Office of State Budget and Management, the Office of the State Controller, and the Fiscal Research Division, shall align the internal ledger and business practices of the Department of Transportation with the Department's certified budget in accordance with the standards established by the Governmental Accounting Standards Board (GASB). For this purpose, the CFO shall use the State Accounting System to guide the development and adoption of procedures to ensure that budget compliance, including the movement of appropriations across fiscal years, is clearly documented. The requirements of this section shall be completed by July 1, 2025.

**SECTION 33.(b)** Beginning October 1, 2024, and every quarter thereafter until the completion date set forth in subsection (a) of this section, the CFO shall submit progress reports on the implementation of this section, including any legislative recommendations, to the Joint Legislative Transportation Oversight Committee (JLTOC) and the Fiscal Research Division.

## **BRIDGE NAMING**

**SECTION 34.** Notwithstanding any provision of law to the contrary, the Department of Transportation shall designate the SR 1740/Old Lake Road overpass being constructed over U.S. 74/76 in Columbus County near the Town of Lake Waccamaw as the "Waccamaw Siouan Tribe Bridge."

## **EFFECTIVE DATE**

**SECTION 35.** Except as otherwise provided, this act is effective when it becomes law.