



This Bill Analysis reflects the contents of the bill as it was presented in committee.

SENATE BILL 201: Various Motor Vehicle/Dealer Changes.

2021-2022 General Assembly

Committee:	House Transportation. If favorable, re-refer to Rules, Calendar, and Operations of the House	Date:	May 25, 2022
Introduced by:	Sens. Sawyer, Johnson	Prepared by:	Kellette Wade
Analysis of:	PCS to Second Edition S201-CSBW-28		Committee Counsel

OVERVIEW: *The Proposed Committee Substitute (PCS) for Senate Bill 201 would make the following motor vehicle related changes:*

- *Criminalize as a Class I felony the unlawful possession of a catalytic converter.*
- *Extend the revocation effective date for permits or licenses that were revoked due to Driving Eligibility Certificate ineligibility from 10 to 30 days after mailing of the revocation notice.*
- *Require the Division of Motor Vehicles (Division) to issue a United States Army Special Forces special registration plate.*
- *Require the Division to provide a dealer license plate registration card to motor vehicle dealers that lists all valid dealer license plates issued to the dealer.*
- *Clarify that a dealer license plate may be displayed on a motor vehicle if it matches a copy of the dealer plate registration card carried by the person operating the motor vehicle or a registration card that is on file at the dealer's address and can be produced upon request within 24 hours.*
- *Clarify the applicability of the Move Over Law.*
- *Amend the requirements for temporary dealer licenses issued during a pending license renewal application.*

CURRENT LAW AND BILL ANALYSIS:

Section 1

In 2021, the General Assembly amended the larceny of motor vehicle parts statute to make it a Class I felony if the part is a catalytic converter. The legislation also added a presumption that a person has committed larceny of a motor vehicle part if they are in possession of a catalytic converter that has been removed from a motor vehicle unless they are any of the following: (1) a person working for a company, or an individual, acting in their official duties for a motor vehicle dealer, motor vehicle repair shop, secondary metals recycler, or salvage yard that is licensed, permitted, or registered pursuant to State law; or (2) an individual who possesses vehicle registration documentation indicating that the catalytic converter in the individual's possession is the result of a replacement of a catalytic converter from a vehicle registered in that individual's name.

Section 1.(a) would repeal G.S. 14-72.8(b), which established the presumption that a person has committed larceny of a motor vehicle part if they are in possession of a catalytic converter that has been removed from a motor vehicle unless they are a covered person.

Section 1.(b) would create a new criminal offense separate from larceny of a motor vehicle part and make the possession of a catalytic converter that has been removed from a motor vehicle a Class I felony unless the

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person is either (1) an employee or agent of a company, or an individual, acting in their official duties for a motor vehicle dealer, motor vehicle repair shop, secondary metals recycler, or salvage yard that is licensed, permitted, or registered pursuant to State law, or (2) an individual who possesses vehicle registration documentation indicating that the catalytic converter in the individual's possession is the result of a replacement of a catalytic converter from a vehicle registered in that individual's name.

Section 1.(c) would make conforming changes to account for the changes in Section 1.(a) and Section 1.(b). This section would become effective December 1, 2022, and apply to offenses committed on or after that date.

Section 2

G.S. 20-11(n) provides that, in order to receive a provisional drivers license or limited learner's permit, a person who is less than 18 years old must have either a high school diploma or its equivalent or a driving eligibility certificate. Certain conditions must be met to receive a driving eligibility certificate, and when a student does not meet requirements, schools notify the Division. Once the Division has received a notice that a person is no longer eligible for a driving eligibility certificate, G.S. 20-13.2(c1) requires the Division to notify the person that their permit or license revocation will be effective on the tenth day after mailing the revocation notice.

Section 2.(a) would extend this revocation effective date from the 10th day to the 30th day after the Division has mailed the notification. This section would become effective October 1, 2022, and apply to revocation notices mailed on or after that date.

Section 3

North Carolina offers several special registration plates. Upon application and payment of the required registration fees, a person may obtain from the Division a special registration plate for a motor vehicle registered in that person's name, if the person qualifies for the plate. In 2014, the General Assembly enacted legislation creating a new development process for special registration plates (G.S. 20-79.3A), which requires the organization desiring the plate to submit the required number of paid applications to the Division before legislation is introduced to authorize the plate.

Section 3.(a) would require the Division to issue a US Army Special Forces special registration plate, and Section 3.(b) would exempt this special registration plate from the typical application process and authorization expiration. The fee for the plate would be the regular registration fee plus a \$10 special registration plate fee. This section would become effective October 1, 2022.

Section 4

G.S. 20-79 provides for registration plates issuable to licensed motor vehicle dealers with specific requirements for issuance and use.

Section 4.(a) would require the Division to issue a registration card to motor vehicle dealers that lists all valid dealer license plates issued to that dealer. This section would become effective December 1, 2022, and apply to dealer plates issued on or after that date.

Section 5

G.S. 20-79(d) provides for when dealer license plates may be displayed on a motor vehicle.

Section 5.(a) would require that the dealer license plate match either (1) a copy of the registration card for the dealer's plate carried by the person operating the vehicle, or (2) a registration card for the dealer's plate that is on file at the dealer's address listed on the registration card and available to be produced within 24 hours upon the request of any NC law enforcement officer. This section would become effective December 1, 2022, and apply to offenses committed on or after that date.

Section 6

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G.S. 20-157(a) requires drivers to stop their vehicles on the furthest right edge or curb of a roadway upon the approach of certain emergency or public service vehicles that are traveling in response to a fire or other emergency and giving warning signals, sirens, whistles, etc. G.S. 20-157(f) requires drivers on roads with two or more lanes to slow their vehicles and move to the furthest lane from parked or standing emergency or public service vehicles, or on one lane roads, drivers must slow their vehicles until safely passed the emergency or public service vehicle.

Section 6.(a) would clarify that G.S. 20-157(f) is only applicable to the emergency or public service vehicles that are named in G.S. 20-157(a) (law enforcement, fire department, and rescue squad emergency service vehicles; public or private ambulances; and vehicles operated by the Division of Marine Fisheries of the Department of Environmental Quality, Division of Parks and Recreation of the Department of Natural and Cultural Resources, and North Carolina Forest Service of the Department of Agriculture and Consumer Services) when those vehicles are parked or standing within 12 feet of a roadway and giving a proper warning signal. This section would become effective July 1, 2022, and apply to offenses committed on or after that date.

Section 7

G.S. 20-295 requires the Division to approve or deny a motor vehicle dealer's application for a license or license renewal within 30 days after it is received. License renewals that have been submitted timely and before their expiration will remain valid for up to 30 days after their expiration and until the Division grants or denies the application. During application review, the Division is required to send to the dealer a temporary license.

Section 7.(a) would require that temporary dealer licenses sent during the license renewal grace period contain the following notation: "This temporary license is issued pursuant to G.S. 20-295 during a license renewal application review by the North Carolina Division of Motor Vehicles and is valid to engage in business in this State with all rights and privileges of a license." This section would become effective October 1, 2022, and apply to applications for license renewals submitted to the Division of Motor Vehicles on or after that date.

EFFECTIVE DATES: Effective dates are listed above in the Current Law and Bill Analysis section. The remainder of the act would be effective when it becomes law.