

GENERAL ASSEMBLY OF NORTH CAROLINA

SESSION 1995

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HOUSE BILL 568
Second Edition Engrossed 5/10/95

Short Title: Vehicle Damage Disclosure.

(Public)

Sponsors: Representatives Cocklereece; Beall, Buchanan, Capps, Clary, Easterling, Eddins, Ives, Kiser, Lemmond, McMahan, K. Miller, Owens, Pulley, Rayfield, Reynolds, Sexton, Sharpe, and Snowden.

Referred to: Judiciary I.

March 28, 1995

1 A BILL TO BE ENTITLED
2 AN ACT TO CLARIFY AND IMPROVE SANCTIONS FOR WILLFUL FAILURE TO
3 DISCLOSE PRIOR DAMAGE TO A MOTOR VEHICLE.

4 The General Assembly of North Carolina enacts:

5 Section 1. G.S. 20-71.4 reads as rewritten:

6 "**§ 20-71.4. Failure to disclose damage to a vehicle shall be a misdemeanor.**
7 **misdemeanor and subject violators to civil and administrative sanctions.**

8 (a) It shall be unlawful ~~and constitute a Class 2 misdemeanor~~ for any transferor who
9 knows or reasonably should know that a motor vehicle has been involved in a collision or
10 other occurrence to the extent that the ~~cost of~~ fair market value of the labor and materials
11 for repairing that vehicle exceeds twenty-five percent (25%) of its ~~the vehicle's fair~~
12 market retail value, at the time of the collision or other occurrence, or that the motor
13 vehicle is, or was, a flood vehicle, a reconstructed vehicle, or a salvage motor vehicle, to
14 fail to disclose that fact in writing to the transferee prior to transfer of any vehicle up to
15 five model years old. ~~Failure to disclose any of the above information will also result in civil~~
16 liability under G.S. 20-348. For purposes of determining model year under this section, the
17 current model year at the time of the transfer shall be deemed as the first model year.

1 Every motor vehicle dealer, wholesaler, reconstructor, and other person or other entity in
2 this State which is in the business of repairing or reconstructing motor vehicles is
3 required to keep contemporaneous, detailed records of the amount and fair market value
4 of the labor and materials required to repair or reconstruct each vehicle that is repaired or
5 reconstructed. Violation of this section shall constitute a Class 2 misdemeanor.
6 Violation of this section shall also result in civil liability under G.S. 20-348. The
7 Commissioner may prepare forms to carry out the provisions of this section.

8 (b) It shall be unlawful for any person to remove the title or supporting documents
9 to any motor vehicle from the State of North Carolina with the intent to conceal damage
10 (or damage which has been repaired) occurring as a result of a collision or other
11 occurrence. Violation of this ~~statute~~-subsection shall constitute a Class 2 misdemeanor."

12 Sec. 2. This act becomes effective October 1, 1995.