

GENERAL ASSEMBLY OF NORTH CAROLINA  
SESSION 1999

HOUSE BILL 280  
RATIFIED BILL

AN ACT TO MAKE TECHNICAL, CLARIFYING, AND OTHER CHANGES TO  
THE MOTOR VEHICLE LAWS.

The General Assembly of North Carolina enacts:

Section 1. G.S. 20-4.01 is amended by adding a new subdivision to read:

"(4b) Crash. – Any event that results in injury or property damage attributable directly to the motion of a motor vehicle or its load. The terms collision, accident, and crash and their cognates are synonymous."

Section 2. G.S. 20-4.01(12a) reads as rewritten:

"(12a) Gross Vehicle Weight Rating (GVWR). – The value specified by the manufacturer as the maximum loaded weight of a vehicle. The GVWR of a combination vehicle is the GVWR of the power unit plus the GVWR of the towed unit or units. When a vehicle is determined by an enforcement officer to be structurally altered from the manufacturer's original design, the license weight or the total weight of the vehicle or combination of vehicles may be deemed as the GVWR for the purpose of enforcing this Chapter."

Section 3. G.S. 20-4.01(27)e. reads as rewritten:

"e. U-drive-it passenger vehicles. – ~~Vehicles rented or leased to be operated by the lessee. This shall not include vehicles of nine-passenger capacity or less which are leased for a term of one year or more to the same person or vehicles leased or rented to public school authorities for driver training instruction.~~ Passenger vehicles included in the definition of U-drive-it vehicles set forth in this section."

Section 4. G.S. 20-4.01(33b) reads as rewritten:

"(33b) ~~Reportable Accident.~~ Crash. – ~~An accident or collision.~~ A crash involving a motor vehicle that results in ~~either one or more of the following:~~  
a. Death or injury of a human being.  
b. Total property damage of one thousand dollars (\$1,000) or more, or property damage of any amount to a vehicle seized pursuant to G.S. 20-28.3."

Section 5. G.S. 20-4.01 is amended by adding a new subdivision to read:

"(48.1) U-drive-it vehicles. – The following vehicles that are rented to a person, to be operated by that person:

- a. A private passenger vehicle other than the following:
  1. A private passenger vehicle of nine-passenger capacity or less that is rented for a term of one year or more.
  2. A private passenger vehicle that is rented to public school authorities for driver-training instruction.

- b. A property-hauling vehicle under 7,000 pounds that does not haul products for hire and that is rented for a term of less than one year.  
 c. Motorcycles."

Section 6. G.S. 20-4.18 reads as rewritten:

**"§ 20-4.18. Definitions.**

Unless the context otherwise requires, the following words and phrases, for the purpose of this Article, shall have the following meanings:

- (1) Citation. – Any citation, summons, ticket, or other document issued by a law-enforcement officer for the violation of a traffic law, ordinance, rule or regulation.
- (2) Collateral or Bond. – Any cash or other security deposited to secure an appearance following a citation by a law-enforcement officer.
- (3) Repealed by Session Laws 1979, c. 667, s. 2, effective January 1, 1981.
- (4) Nonresident. – A person who holds a license issued by a reciprocating state.
- (5) Personal Recognizance. —~~A signed~~ An agreement by a nonresident that he will to comply with the terms of the citation issued to him. ~~the non-resident.~~
- (6) Reciprocating State. – Any state or other jurisdiction which extends by its laws to residents of North Carolina substantially the rights and privileges provided by this Article.
- (7) State. – The State of North Carolina."

Section 7. G.S. 20-4.19(b) reads as rewritten:

"(b) ~~No~~ A nonresident shall be entitled to be released on his personal recognizance may be required to post collateral or bond to secure appearance for trial if the offense is one which would result in the suspension or revocation of a person's license under the laws of this State."

Section 8. G.S. 20-9(g)(1) reads as rewritten:

- "(1) The Division may issue a license to any person who is afflicted with or suffering from a physical or mental disability set out in subsection (e) of this section who is otherwise qualified to obtain a license, provided such person submits to the Division a certificate in the form prescribed in subdivision (2). ~~Until a license issued under this subdivision expires or is revoked, the license continues in force as long as the licensee presents to the Division one year from the date of issuance of such license and at yearly intervals thereafter a certificate in the form prescribed in subdivision (2), provided the Commissioner may require the submission of such certificate at six month intervals where in his opinion public safety demands.~~ a certificate in the form prescribed in subdivision (2) of this subsection at the intervals determined by the Division to be in the best interests of public safety."

Section 9. G.S. 20-11(k) reads as rewritten:

"(k) Supervising Driver. – A supervising driver ~~must~~ shall be a parent or guardian of the permit holder or license holder or a responsible person approved by the parent or guardian or the Division. A supervising driver ~~must~~ shall be a licensed driver who has been licensed for at least five years. ~~At least one supervising driver must~~ shall sign the application for a permit or license. ~~Each permit or license issued pursuant to this section shall be limited to a maximum of two supervising drivers."~~

Section 10. G.S. 20-16(d) reads as rewritten:

"(d) Upon suspending the license of any person as authorized in this section, the Division shall immediately notify the licensee in writing and upon his request shall afford him an opportunity for a hearing, not to exceed 60 days after receipt of the request, unless a preliminary hearing was held before his license was ~~suspended,~~ as

~~early as practical within not to exceed 30 days after receipt of such request. The hearing shall be conducted in the district court district as defined in G.S. 7A-133 wherein the licensee resides. Hearings shall be rotated among all the counties within that district if the district contains more than one county unless the Division and the licensee agree that such hearing may be held in some other district, and such notice shall contain the provisions of this section printed thereon.~~ suspended. Upon such hearing the duly authorized agents of the Division may administer oaths and may issue subpoenas for the attendance of witnesses and the production of relevant books and papers and may require a reexamination of the licensee. Upon such hearing the Division shall either rescind its order of suspension, or good cause appearing therefor, may extend the suspension of such license. Provided further upon such hearing, preliminary or otherwise, involving subsections (a)(1) through (a)(10a) of this section, the Division may for good cause appearing in its discretion substitute a period of probation not to exceed one year for the suspension or for any unexpired period of suspension. Probation shall mean any written agreement between the suspended driver and a duly authorized representative of the Division and such period of probation shall not exceed one year, and any violation of the probation agreement during the probation period shall result in a suspension for the unexpired remainder of the suspension period. The authorized agents of the Division shall have the same powers in connection with a preliminary hearing prior to suspension as this subsection provided in connection with hearings held after suspension. These agents shall also have the authority to take possession of a surrendered license on behalf of the Division if the suspension is upheld and the licensee requests that the suspension begin immediately."

Section 11. G.S. 20-19(d) reads as rewritten:

"(d) When a person's license is revoked under ~~subdivision (2) of G.S. 20-17~~ G.S. 20-17(a)(2) and the person has another offense involving impaired driving for which he has been convicted, which offense occurred within three years immediately preceding the date of the offense for which his license is being revoked, the period of revocation is four years, and this period may be reduced only as provided in this section. The Division may conditionally restore the person's license after it has been revoked for at least two years under this subsection if he provides the Division with satisfactory proof that:

- (1) He has not in the period of revocation been convicted in North Carolina or any other state or federal jurisdiction of a motor vehicle offense, an alcoholic beverage control law offense, a drug law offense, or any other criminal offense involving the possession or consumption of alcohol or drugs; and
- (2) He is not currently an excessive user of alcohol or drugs.

If the Division restores the person's license, it may place reasonable conditions or restrictions on the person for the duration of the original revocation period."

Section 12. G.S. 20-19(e) reads as rewritten:

"(e) When a person's license is revoked under ~~subdivision (2) of G.S. 20-17~~ G.S. 20-17(a)(2) and the person has two or more previous offenses involving impaired driving for which he has been convicted, and the most recent offense occurred within the five years immediately preceding the date of the offense for which his license is being revoked, the revocation is permanent. The Division may, however, conditionally restore the person's license after it has been revoked for at least three years under this subsection if he provides the Division with satisfactory proof that:

- (1) In the three years immediately preceding the person's application for a restored license, he has not been convicted in North Carolina or in any other state or federal court of a motor vehicle offense, an alcohol beverage control law offense, a drug law offense, or any criminal offense involving the consumption of alcohol or drugs; and
- (2) He is not currently an excessive user of alcohol or drugs.

If the Division restores the person's license, it may place reasonable conditions or restrictions on the person for any period up to three years from the date of restoration."

Section 13. G.S. 20-63(g) reads as rewritten:

"(g) Alteration, Disguise, or Concealment of Numbers. – Any operator of a motor vehicle who shall willfully mutilate, bend, twist, cover or cause to be covered or partially covered by any bumper, light, spare tire, tire rack, strap, or other device, or who shall paint, enamel, emboss, stamp, print, perforate, or alter or add to or cut off any part or portion of a registration plate or the figures or letters thereon, or who shall place or deposit or cause to be placed or deposited any oil, grease, or other substance upon such registration plates for the purpose of making dust adhere thereto, or who shall deface, disfigure, change, or attempt to change any letter or figure thereon, or who shall display a number plate in other than a horizontal upright position, shall be guilty of a Class 2 misdemeanor. Any operator of a motor vehicle who shall otherwise intentionally cover any number or registration renewal sticker on a registration plate with any material that makes the number or registration renewal sticker illegible commits an infraction and shall be fined under G.S. 14-3.1."

Section 14. G.S. 20-63 is amended by adding a new subsection that reads:

"(i) Electronic Applications and Collections. – The Division is authorized to accept electronic applications for the issuance of registration plates, registration certificates, and certificates of title, and to electronically collect fees and penalties."

Section 15. G.S. 20-78(b) reads as rewritten:

"(b) The Division shall maintain a record of certificates of title ~~issued, maintaining at all times the records of the last two owners.~~ issued by the Division for a period of 20 years. After 20 years, the Division shall maintain a record of the last two owners.

The Commissioner is hereby authorized and empowered to provide for the photographic or photostatic recording of certificate of title records in such manner as he may deem expedient. The photographic or photostatic copies herein authorized shall be sufficient as evidence in tracing of titles of the motor vehicles designated therein, and shall also be admitted in evidence in all actions and proceedings to the same extent that the originals would have been admitted."

Section 16. G.S. 20-79.4(b)(27) reads as rewritten:

"(27) Military Retiree. – Issuable to an individual who has retired from the armed forces of the United States. The plate shall bear the word "Retired" and the name and insignia of the branch of service from which the individual retired. ~~The Division may not issue the plate authorized by this subdivision unless it receives at least 300 applications for the plate."~~

Section 17. G.S. 20-87(2) reads as rewritten:

"(2) ~~U-Drive-It Passenger Vehicles.~~ – U-drive-it ~~passenger~~ vehicles shall pay the following tax:

Motorcycles:	1-passenger capacity	\$18.00
	2-passenger capacity	22.00
	3-passenger capacity	26.00

~~Automobiles: Forty one dollars (\$41.00) per year for each vehicle of fifteen passenger capacity or less, and vehicles of over fifteen passenger capacity shall be classified as buses and shall pay one dollar and forty cents (\$1.40) per hundred pounds empty weight of each vehicle.~~

<u>Automobiles:</u>	<u>15 or fewer</u> <u>passengers</u> <u>\$41.</u>
<u>Buses:</u>	<u>00</u> <u>16 or more</u> <u>passengers</u> <u>\$</u>

	1.40 per hundred pounds of empty weight
<u>Trucks under 7,000 pounds that do not haul products for hire:</u>	4,000 pounds \$41.
	50
<u>5,000 pounds</u>	<u>\$51.00</u>
<u>6,000 pounds</u>	<u>\$61.00."</u>

Section 18. G.S. 20-96 reads as rewritten:

**"§ 20-96. ~~Collection of delinquent penalties and taxes. Detaining property-hauling vehicles until penalties and taxes are collected.~~**

~~A law enforcement officer who discovers that a vehicle used for the transportation of property is being operated on the highways and that the owner of the vehicle is more than 30 days overdue in paying any of the following may detain the vehicle:~~

- ~~(1) A penalty previously assessed under this Chapter against the owner for a violation attributable to the failure of a vehicle to comply with this Chapter.~~
- ~~(2) A tax or penalty previously assessed against the owner under Article 36B of Chapter 105 of the General Statutes.~~

~~The officer may detain the vehicle until the delinquent penalties and taxes are paid.~~

~~(a) Authority to Detain Vehicles. – A law enforcement officer may seize and detain the following property-hauling vehicles operating on the highways of the State:~~

- ~~(1) A property-hauling vehicle with an overload in violation of G.S. 20-88(k) and G.S. 20-118.~~
- ~~(2) A property-hauling vehicle that does not have a proper registration plate as required under G.S. 20-118.3.~~
- ~~(3) A property-hauling vehicle that is owned by a person liable for any overload penalties or assessments due and unpaid for more than 30 days.~~
- ~~(4) A property-hauling vehicle that is owned by a person liable for any taxes or penalties under Article 36B of Chapter 105 of the General Statutes.~~

~~The officer may detain the vehicle until the delinquent penalties and taxes are paid and, in the case of a vehicle that does not have the proper registration plate, until the proper registration plate is secured.~~

~~(b) Storage; Liability. – When necessary, an officer who detains a vehicle under this section may have the vehicle stored. The owner of a vehicle that is detained or stored under this section is responsible for the care of any property being hauled by the vehicle and for any storage charges. The State ~~is~~ shall not be liable for damage to the vehicle or loss of the property being hauled."~~

Section 19. G.S. 20-166.1(h) reads as rewritten:

~~"(h) Forms. – The Division ~~must~~ shall provide forms or procedures for submitting crash data to persons required to make reports under this section and the reports ~~must~~ shall be made on the forms provided in a format approved by the Commissioner. The forms ~~must~~ ask for the ~~The~~ following information shall be included about a reportable accident: ~~crash:~~~~

- ~~(1) The cause of the ~~accident~~ crash.~~
- ~~(2) The conditions existing at the time of the ~~accident~~ crash.~~

- (3) The persons and vehicles involved.
- (4) Whether the vehicle has been seized and is subject to forfeiture under G.S. 20-28.2."

Section 20. G.S. 20-309(e) reads as rewritten:

"(e) Upon termination by cancellation or otherwise of an insurance policy provided in subsection (b) of this section, the insurer shall notify the Division of ~~such termination; the termination within 20 business days;~~ provided, no cancellation notice is required if the same insurer issues a ~~new~~ replacement insurance policy complying with this Article at the same time the insurer cancels or otherwise terminates the old policy, no lapse in coverage results, and the insurer sends the certificate of insurance form for the new policy to the Division. The insurer shall notify the Division of any new policy for insurance within 20 working days of its issuance unless the new coverage is a replacement insurance policy for a policy terminated by the same insurer. Any insurance company with twenty-five million dollars (\$25,000,000) or more in annual vehicle insurance premium volume must submit the notices required under this section by electronic means. All other insurance companies may submit the notices required under this section by either paper or electronic means. The names of insureds and the beginning date and termination date of insurance coverage provided to the Division by the insurer pursuant to this paragraph shall constitute a designated trade secret under G.S. 132-1.2.

The Division, upon receiving notice of ~~cancellation or termination of an owner's financial responsibility as required by this Article, a lapse in insurance coverage,~~ shall notify ~~such the~~ owner of ~~such cancellation or termination, the lapse in coverage,~~ and ~~such the~~ owner shall, to retain the registration plate for the vehicle registered or required to be registered, within 10 days from date of notice given by the Division either:

- (1) Certify to the Division that he had financial responsibility effective on or prior to the date of such termination; or
- (2) In the case of a lapse in financial responsibility, pay a fifty dollar (\$50.00) civil penalty; and certify to the Division that he now has financial responsibility effective on the date of certification, that he did not operate the vehicle in question during the period of no financial responsibility with the knowledge that there was no financial responsibility, and that the vehicle in question was not involved in a motor vehicle ~~accident~~ crash during the period of no financial responsibility.

Failure of the owner to certify that he has financial responsibility as herein required shall be prima facie evidence that no financial responsibility exists with regard to the vehicle concerned and unless the owner's registration plate has on or prior to the date of termination of insurance been surrendered to the Division by surrender to an agent or representative of the Division designated by the Commissioner, or depositing the same in the United States mail, addressed to the Division of Motor Vehicles, Raleigh, North Carolina, the Division shall revoke the vehicle's registration for 30 days.

In no case shall any vehicle, the registration of which has been revoked for failure to have financial responsibility, be reregistered in the name of the registered owner, spouse, or any child of the spouse, or any child of such owner within less than 30 days after the date of receipt of the registration plate by the Division of Motor Vehicles, except that a spouse living separate and apart from the registered owner may register such vehicle immediately in such spouse's name. Additionally, as a condition precedent to the reregistration of the vehicle by the registered owner, spouse, or any child of the spouse, or any child of such owner, except a spouse living separate and apart from the registered owner, the payment of a restoration fee of fifty dollars (\$50.00) and the appropriate fee for a new registration plate is required. Any person, firm or corporation failing to give notice of termination shall be subject to a civil penalty of two hundred dollars (\$200.00) to be assessed by the Commissioner of Insurance upon a finding by

the Commissioner of Insurance that good cause is not shown for such failure to give notice of termination to the Division."

Section 21. G.S. 20-376 reads as rewritten:

**"§ 20-376. Definitions.**

The following definitions apply in this Article:

- (1) Federal safety and hazardous materials regulations. – The federal motor carrier safety regulations contained in 49 C.F.R. Parts ~~170 through 190~~, 171 through 180, 382, and 390 through 398.
- (2) Foreign commerce. – Commerce between any of the following:
  - a. A place in the United States and a place in a foreign country.
  - b. Places in the United States through any foreign country.
- (3) Interstate commerce. – ~~As defined in 49 C.F.R. Part 390.5. Commerce between any of the following:~~
  - a. ~~A place in a state and a place in another state.~~
  - b. ~~Places in the same state through another state.~~
- (4) Intrastate commerce. – ~~As defined in 49 C.F.R. Part 390.5. Commerce that is between points and over a route wholly within this State and is not part of a prior or subsequent movement to or from points outside of this State in interstate or foreign commerce."~~

Section 22. 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. ~~Citations to the Code of Federal Regulations (CFR) in this subsection refer to the 1 October 1997 Edition of the CFR.~~ 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 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)."

Section 23. G.S. 20-118(c)(5) reads as rewritten:

- "(5) The light-traffic road limitations provided for pursuant to subdivision (b)(4) of this section do not apply to a vehicle while that vehicle is transporting only the following from its point of origin on a light-traffic road to the nearest highway that is not a light-traffic road:
- a. Processed or unprocessed seafood transported from boats or any other point of origin to a processing plant or a point of further distribution.
  - b. Meats or agricultural crop products transported from a farm to first market.
  - c. Forest products originating and transported from a farm or from woodlands to first market without interruption or delay for further packaging or processing after initiating transport.
  - d. Livestock or poultry transported from their point of origin to first market.
  - e. Livestock by-products or poultry by-products transported from their point of origin to a rendering plant.
  - f. Recyclable material transported from its point of origin to a scrap-processing facility for processing. As used in this subpart, the terms "~~recyclable~~" "recyclable material" and "processing" have the same meaning as in G.S. 130A-290(a).
  - g. Garbage collected by the vehicle from residences or garbage dumpsters if the vehicle is fully enclosed and is designed specifically for collecting, compacting, and hauling garbage from residences or from garbage dumpsters. As used in this

subpart, the term "garbage" does not include hazardous waste as defined in G.S. 130A-290(a), spent nuclear fuel regulated under G.S. 20-167.1, low-level radioactive waste as defined in G.S. 104E-5, or radioactive material as defined in G.S. 104E-5.

- h. Treated sludge collected from a wastewater treatment facility.
- i. Apples when transported from the orchard to the first processing or packing point.
- j. Trees grown as Christmas trees from the field, farm, stand, or grove to first processing point."

Section 24. The Division of Motor Vehicles shall develop a plan to improve the system of collecting and maintaining proof of financial responsibility for newly licensed drivers classified as inexperienced operators. The Division shall submit its report to the Joint Legislative Transportation Oversight Committee by December 1, 1999.

Section 25. G.S. 20-183.8(b) reads as rewritten:

"(b) Defenses to Infractions. – Any of the following is a defense to a violation under subsection (a) of this section:

- (1) The vehicle was continuously out of State for at least the 30 days preceding the date the inspection sticker expired and a current inspection sticker was obtained within 10 days after the vehicle came back to the State.
- (2) The vehicle displays a dealer license plate or a transporter plate, the dealer repossessed the vehicle or otherwise acquired the vehicle within the last 10 days, and the vehicle is being driven from its place of acquisition to the dealer's place of business or to an inspection station.
- (3) Repealed by Session Laws 1997-29, s. 5.
- (4) The charged infraction is described in subdivision (a)(1) of this section, the vehicle is subject to a ~~safety only inspection~~, safety inspection or an emissions inspection and the vehicle owner establishes in court that the vehicle was inspected after the citation was issued and within 30 days of the expiration date of the inspection sticker that was on the vehicle when the citation was issued."

Section 26. G.S. 105-550(7) reads as rewritten:

"(7) U-drive-it ~~passenger~~ vehicle. – Defined in G.S. 20-4.01."

Section 27. G.S. 105-551(a) reads as rewritten:

"(a) Tax. – The board of trustees of an Authority may levy a privilege tax on a retailer who is engaged in the business of leasing or renting U-drive-it ~~passenger~~ vehicles or motorcycles based on the gross receipts derived by the retailer from the short-term lease or rental of these vehicles. The tax rate must be a percentage and may not exceed five percent (5%). A tax levied under this section applies to short-term leases or rentals made by a retailer whose place of business or inventory is located within the territorial jurisdiction of the Authority. This tax is in addition to all other taxes."

Section 28. G.S. 105-552(b) reads as rewritten:

"(b) Collection. – A tax levied by an Authority under this Article shall be collected by the Authority but shall otherwise be administered in the same manner as the optional gross receipts tax levied by G.S. 105-187.5. Like the optional gross receipts tax, a tax levied under this Article is to be added to the lease or rental price of a U-drive-it ~~passenger~~ vehicle or motorcycle and thereby be paid by the person to whom it is leased or rented.

A tax levied under this Article applies regardless of whether the retailer who leases or rents the U-drive-it ~~passenger~~ vehicle or motorcycle has elected to pay the optional gross receipts tax on the lease or rental receipts from the vehicle. A tax levied under this Article must be paid to the Authority that levied the tax by the date an optional gross receipts tax would be payable to the Secretary of Revenue under G.S. 105-187.5 if the



retailer who leases or rents the U-drive-it ~~passenger~~ vehicle or motorcycle had elected to pay the optional gross receipts tax."

Section 28.1. G.S. 105-259(b)(7) reads as rewritten:

"(b) Disclosure Prohibited. – An officer, an employee, or an agent of the State who has access to tax information in the course of service to or employment by the State may not disclose the information to any other person unless the disclosure is made for one of the following purposes:

(7) To exchange information with the Division of Motor Vehicles of the Department of Transportation or the International Fuel Tax Association, Inc., when the information is needed to fulfill a duty imposed on the Department of Revenue or the Division of Motor Vehicles."

Section 29. Sections 6, 7, 9, and 29 of this act are effective when they become law. Section 20 of this act becomes effective October 1, 2000. The remainder of this act becomes effective October 1, 1999.

In the General Assembly read three times and ratified this the 20th day of July, 1999.

---

Dennis A. Wicker  
President of the Senate

---

James B. Black  
Speaker of the House of Representatives

---

James B. Hunt, Jr.  
Governor

Approved \_\_\_\_\_ .m. this \_\_\_\_\_ day of \_\_\_\_\_ , 19