

GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2023

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HOUSE BILL 199

Short Title: DMV Proposed Legislative Changes.-AB (Public)

Sponsors: Representatives B. Jones, Shepard, McNeely, and Tyson (Primary Sponsors).
For a complete list of sponsors, refer to the North Carolina General Assembly web site.

Referred to: Transportation, if favorable, Finance, if favorable, Rules, Calendar, and
Operations of the House

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.

6 The General Assembly of North Carolina enacts:

7
8 **DEFINE AND STUDY MOBILE DRIVERS LICENSES**

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

10 "**§ 20-4.01. Definitions.**

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

13 ...

14 (21b) Mobile Drivers License. – A supplemental digital version of a valid drivers
15 license that (i) is approved by the Commissioner, (ii) is issued by the Division
16 of Motor Vehicles, (iii) is comprised of the same data elements as are found
17 on a valid drivers license, and (iv) is capable of, and limited to, being linked
18 to, and displayed by a mobile device owned by the person to whom the valid
19 drivers license is issued.

20 (21c) Motor Carrier. – A for-hire motor carrier or a private motor carrier.

21"

22 **SECTION 1.(b)** The Division of Motor Vehicles of the North Carolina Department
23 of Transportation shall study and provide a plan for implementing mobile drivers licenses and
24 mobile special identification cards. The study and plan shall address (i) anticipated drivers license
25 and special identification cards issuance and renewal process changes, (ii) anticipated changes to
26 staffing needs for the Division for implementation of mobile drivers licenses and mobile special
27 identification cards, (iii) estimated one-time and annual costs to the Division or any other State
28 agency resulting from implementation, (iv) evaluation of whether implementation of mobile
29 drivers licenses or mobile special identification cards will be undertaken by the Division or
30 contracted to a third-party vendor and relevant contractual issues associated with either option,
31 (v) changes in revenue for the Division or any other State agency, (vi) security and confidentiality
32 of drivers license information, (vii) concerns of State and local law enforcement agencies within
33 North Carolina, including examining means by which to prevent unintended violations of an
34 individual's constitutional rights, (viii) an estimated time line for implementation, including steps



1 required to facilitate mobile drivers licenses and mobile identification cards, and (ix) any other
2 issue the Division deems relevant to the study. The Division shall report its findings of this study,
3 including any legislative recommendations, to the North Carolina General Assembly, the chairs
4 of the Joint Legislative Transportation Oversight Committee, and the Fiscal Research Division
5 no later than January 1, 2024.

6 **SECTION 1.(c)** Subsection (a) of this section becomes effective July 1, 2025.
7

8 **AUTHORIZE DISCLOSURE OF SOCIAL SECURITY NUMBERS TO THE STATE**
9 **BOARD OF ELECTIONS, EXTEND DURATION OF LICENSES, AND IMPLEMENT**
10 **MOBILE LICENSES**

11 **SECTION 2.(a)** G.S. 20-7 reads as rewritten:

12 **"§ 20-7. Issuance and renewal of drivers licenses.**

13 ...

14 (b2) Disclosure of Social Security Number. – The social security number of an applicant
15 is not a public record. The Division may not disclose an applicant's social security number except
16 as allowed under federal law. A violation of the disclosure restrictions is punishable as provided
17 in 42 U.S.C. § 408, and amendments to that law.

18 In accordance with 42 U.S.C. 405 and 42 U.S.C. 666, and amendments thereto, the Division
19 may disclose a social security number obtained under subsection (b1) of this section only as
20 follows:

21 ...

22 (9) To the State Board of Elections for verifying voter registration data
23 implementing G.S. 163-82.14.

24 ...

25 (f) Duration and Renewal of Licenses. – Drivers licenses shall be issued and renewed
26 pursuant to the provisions of this subsection:

27 ...

28 (2) Duration of original license for persons at least 18 years of age or older. – A
29 drivers license issued to a person at least 18 years old but less than 66 years
30 old expires on the birthday of the licensee in the ~~eight~~sixteenth year after
31 issuance. A drivers license issued to a person at least 66 years old expires on
32 the birthday of the licensee in the fifth year after issuance. A commercial
33 drivers license expires on the birthday of the licensee in the fifth year after
34 issuance. A commercial drivers license that has a vehicles carrying passengers
35 (P) and school bus (S) endorsement issued pursuant to G.S. 20-37.16 expires
36 on the birthday of the licensee in the third year after issuance, if the licensee
37 is certified to drive a school bus in North Carolina.

38 (2a) Duration of renewed licenses. – A renewed drivers license that was issued by
39 the Division to a person at least 18 years old but less than 66 years old expires
40 ~~eight~~16 years after the expiration date of the license that is renewed. A
41 renewed drivers license that was issued by the Division to a person at least 66
42 years old expires five years after the expiration date of the license that is
43 renewed. A renewed commercial drivers license expires five years after the
44 expiration date of the license that is renewed.

45 ...

46 (6) Remote renewal or conversion. – Subject to the following requirements and
47 limitations, the Division may offer remote renewal of a drivers license or
48 remote conversion of a full provisional license issued by the Division:
49

...

- c. Duration of remote renewal or conversion. – A drivers license issued to a person by remote renewal or conversion under this subdivision expires according to the following schedule:
 - 1. For a person at least 18 years old but less than 66 years old, on the birthday of the licensee in the ~~eight~~sixteenth year after issuance.
 - 2. For a person at least 66 years old, on the birthday of the licensee in the fifth year after issuance.

...."

SECTION 2.(b) G.S. 20-7 is amended by adding a new subsection to read:

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

SECTION 2.(c) Subsection (a) of this section becomes effective October 1, 2023, and applies to licenses issued or renewed on or after that date. Subsection (b) of this section becomes effective July 1, 2025.

CLARIFY SCOPE OF INTERLOCK REQUIREMENT

SECTION 3.(a) G.S. 20-17.8 reads as rewritten:

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

...

(a1) Additional Scope. – This section applies to a person whose license was revoked as a result of a conviction of habitual impaired driving, G.S. 20-138.5. Except for a conviction under G.S. 20-141.4(a2), this section also applies to a person whose license was revoked as a result of a conviction under G.S. 20-141.4.

...."

SECTION 3.(b) This section becomes effective December 1, 2023, and applies to offenses committed on or after that date.

RESTRICT DISCLOSURE OF PERSONAL INFORMATION FOR JUDGES AND ADJUST FEE FOR RECORDS REQUEST

SECTION 4. G.S. 20-43.1 reads as rewritten:

"§ 20-43.1. Disclosure of personal information in motor vehicle records.

...

(c1) To the extent permissible under 18 U.S.C. § 2721, the Division may adopt rules restricting the disclosure of personal information about any person who currently serves or has served as a state or federal judicial officer.

...

(e1) As authorized in 18 U.S.C. § 2721 and for verification purposes, the Division may provide information on motor vehicle registration or liability insurance upon written request and payment of a fee of ~~one dollar (\$1.00)~~ five dollars (\$5.00) per individual record.

...."

ELIMINATE MANDATORY REPLACEMENT OF NONDEALER REGISTRATION PLATES

SECTION 5. G.S. 20-63.1 reads as rewritten:

"§ 20-63.1. Division shall cause plates to be reflectorized.

(a) Registration Plate Standards. – The Division of Motor Vehicles is hereby authorized to cause vehicle license plates for 1968 and future years to be completely treated with reflectorized materials designed to increase visibility and legibility of license plates at night. ~~The~~

1 ~~Division of Motor Vehicles shall develop standards for reflectivity that use the most current~~
 2 ~~technology available while maintaining a competitive bid process.~~

3 (b) ~~Registration Plate Mandatory Replacement. All registration plates shall be replaced~~
 4 ~~every seven years."~~

5
 6 **REVISE REGISTRATION TITLE ISSUANCE STATUTES**

7 **SECTION 6.(a)** G.S. 20-63 reads as rewritten:

8 "**§ 20-63. Registration plates furnished by Division; requirements; replacement of regular**
 9 **plates with First in Flight plates, First in Freedom plates, or National/State**
 10 **Mottos plates; surrender and reissuance; displaying; preservation and cleaning;**
 11 **alteration or concealment of numbers; commission contracts for issuance.**

12 ...

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

29 ...

30 (h1) Commission contracts entered into by the Division under this subsection shall also
 31 provide for the payment of an additional one dollar (\$1.00) of compensation to commission
 32 contract agents for any transaction assessed a fee under subdivision (a)(1), (a)(2), (a)(3), (a)(7),
 33 ~~(a)(8), or (a)(9)-(a)(8) or (a)(9)~~ of G.S. 20-85.

34"

35 **SECTION 6.(b)** G.S. 20-66 reads as rewritten:

36 "**§ 20-66. Renewal of vehicle registration.**

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

45"

46 **SECTION 6.(c)** G.S. 20-85 reads as rewritten:

47 "**§ 20-85. Schedule of fees.**

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

51 ...

- 1 (11) Each set of replacement Stock Car Racing Theme plates
- 2 issued under G.S. 20-79.4.....~~25.00~~25.00
- 3 (12) Each application for a certificate of title prepared and delivered using
- 4 a one-day title service.....105.75.

5

6 (a1) ~~One dollar (\$1.00)~~ Two dollars (\$2.00) of the fee imposed for any transaction assessed

7 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

8 this section shall be credited to the North Carolina Highway Fund. The Division shall use the

9 fees derived from transactions with commission contract agents for the payment of compensation

10 to commission contract agents. An additional twenty cents (20¢) of the fee imposed for any

11 transaction assessed a fee under subdivision (a)(1) or (a)(12) of this section shall be credited to

12 the Mercury Pollution Prevention Fund in the Department of Environmental Quality.

13"

14 **SECTION 6.(d)** G.S. 20-85.1 is repealed.

15 **SECTION 6.(e)** G.S. 20-85(a1) reads as rewritten:

16 "(a1) One dollar (\$1.00) of the fee imposed for any transaction assessed a fee under

17 subdivision (a)(1), (a)(2), (a)(3), (a)(7), (a)(8), (a)(9), or (a)(12) of this section shall be credited

18 to the North Carolina Highway Fund. The Division shall use the fees derived from transactions

19 with commission contract agents for the payment of compensation to commission contract

20 agents. ~~or (a)(12)"~~

21 **SECTION 6.(f)** Subsections (a) through (d) of this section become effective October

22 1, 2023, and apply to certificates of title issued or renewed on or after that date. Subsection (e)

23 of this section becomes effective June 30, 2031.

24

25 **INCREASE FEE FOR AUTHORIZATION TO ADMINISTER OATHS**

26 **SECTION 7.** G.S. 20-42 reads as rewritten:

27 **"§ 20-42. Authority to administer oaths and certify copies of records.**

28 (a) Officers and employees of the Division designated by the Commissioner are, for the

29 purpose of administering the motor vehicle laws, authorized to administer oaths and acknowledge

30 signatures, and shall charge for the acknowledgment of signatures a fee according to the

31 following schedule:

32 (1) One signature	\$2.00 <u>\$6.00</u>
33 (2) Two signatures	3.00 <u>7.00</u>
34 (3) Three or more signatures	4.00 <u>8.00</u>

35 Funds received under the provisions of this subsection shall be used to defray a part of the

36 costs of distribution of license plates, registration certificates and certificates of title issued by

37 the Division.

38"

39

40 **DIVERSIFY ADVISORY COMMITTEE OF COMMISSION CONTRACTORS**

41 **SECTION 8.** G.S. 20-63.02(b) reads as rewritten:

42 "(b) Membership and Terms. – The LPA Advisory Committee consists of (i) persons who

43 are on the staff of the Division of Motor Vehicles and six Vehicles, (ii) four persons appointed

44 by the North Carolina Association of Motor Vehicle Registration Contractors. Contractors that

45 are members of the Association, and (iii) two persons appointed by the Commissioner that are

46 contractors but not members of the Association. The Commissioner determines the number of

47 Division staff persons to appoint to the Committee and designates the chair of the Committee.

48 Members of the Committee appointed by the Commissioner serve ex officio. Members of the

49 Committee appointed by the Association serve two-year terms beginning on July 1 of an

50 odd-numbered year. A member who serves for a specific term continues to serve after the

1 expiration of the member's term until a successor is appointed. A member shall not serve more
2 than two consecutive terms."

3
4 **CLARIFY ISSUANCE OF PERMANENT LICENSE PLATES TO EMS/RESCUE**
5 **ENTITIES**

6 **SECTION 9.** G.S. 20-84 reads as rewritten:

7 **"§ 20-84. Permanent registration plates; State Highway Patrol.**

8 ...

9 (b) Permanent Registration Plates. – The Division may issue permanent plates for the
10 following motor vehicles:

11 ...

12 (6) ~~A motor vehicle owned by an incorporated emergency rescue squad.~~

13 ...

14 (10) ~~A motor vehicle owned by a rural fire department, agency, or association.~~

15 ...

16 (21) A motor vehicle owned by (i) an incorporated emergency rescue squad or (ii)
17 a rural fire department, agency, or association. An entity seeking a permanent
18 plate pursuant to this subdivision shall also establish that the entity (i) is listed
19 in the Emergency Medical Services (EMS) System Plan in the county the
20 entity provides services, (ii) maintains an active provider number issued by
21 the North Carolina Office of EMS, and (iii) actively provides first responder
22 services to a county, city, or town in the State.

23 (b1) Proof of Eligibility. – The Commissioner of Motor Vehicles may require proof of this
24 section's eligibility requirements and shall revoke any permanent plates issued to an entity that
25 does not meet those eligibility requirements.

26"

27
28 **CLARIFY AUTHORIZED USAGE OF TRANSPORTER PLATES**

29 **SECTION 10.** G.S. 20-79.2 reads as rewritten:

30 **"§ 20-79.2. Transporter plates.**

31 (a) Who Can Get a Plate. – The Division may issue a transporter plate authorizing the
32 limited operation of a motor vehicle in the circumstances listed in this subsection. A person who
33 receives a transporter plate must have proof of financial responsibility that meets the
34 requirements of Article 9A of this Chapter. The person to whom a transporter plate may be issued
35 and the circumstances in which the vehicle bearing the plate may be operated are as follows:

36 (1) To a business or a dealer to facilitate the manufacture, construction,
37 rebuilding, or delivery of new or used truck cabs or bodies between
38 manufacturer, dealer, seller, or purchaser. A plate issued pursuant to this
39 subdivision shall not be used to deliver truck cabs or bodies manufactured,
40 constructed, or rebuilt in another state.

41 (2) To a financial institution that has a recorded lien on a motor vehicle located
42 in North Carolina to repossess the motor vehicle.

43 (3) To a dealer or repair facility to pick up and deliver a motor vehicle that is to
44 be repaired, is to undergo a safety or emissions inspection, or is to otherwise
45 be prepared for sale by a dealer, to road-test the vehicle, if it is repaired or
46 inspected within a 20-mile radius of the place where it is repaired or inspected,
47 and to deliver the vehicle to the dealer. A repair facility may not receive more
48 than two transporter plates for this purpose. A plate issued pursuant to this
49 subdivision only authorizes the operation of the vehicle that is to be repaired.

50 ...

(5) To a dealer or a business that contracts with a dealer and has a business privilege license to take a motor vehicle either to or from a motor vehicle auction where the vehicle will be or was offered for sale. The title to the vehicle, a bill of sale, or written authorization from the dealer or auction must be inside the vehicle when the vehicle is operated with a transporter plate. A plate issued pursuant to this subdivision only authorizes the operation of the vehicle that will be or was offered for sale.

...

(8) To a business to drive a motor vehicle that is registered or titled in this State and is at least 35 years old to and from a parade or another public event and to drive the motor vehicle in that event. A person who owns one of these motor vehicles is considered to be in the business of collecting those vehicles. The total number of plates issued to a person pursuant to this subdivision shall not exceed two.

...."

STUDY ALTERNATIVE MATERIALS FOR LICENSE PLATES

SECTION 11. The Division of Motor Vehicles of the North Carolina Department of Transportation, in consultation with the North Carolina Department of Public Safety, shall study the use of alternative materials for manufacturing the registration plates issued by the Division. The Division shall report its findings of this study, including any legislative recommendations, to the North Carolina General Assembly, the chairs of the Joint Legislative Transportation Oversight Committee, and the Fiscal Research Division no later than January 1, 2024.

UPDATE ODOMETER DISCLOSURE REQUIREMENT

SECTION 12. G.S. 20-347(d)(3) reads as rewritten:

"(3) A vehicle that is ~~40~~20 years old or older."

CLARIFY PROCESS FOR AFFIXING SPECIAL REGISTRATION PLATES TO VEHICLES ASSIGNED BY THE DEPARTMENT OF ADMINISTRATION

SECTION 13. G.S. 20-79.5 reads as rewritten:

"§ 20-79.5. Special registration plates for elected and appointed State government officials.

...

(c) Multiple Plates. – A person eligible for a special registration plate pursuant to this section may obtain a plate with the same numerical designation for each vehicle registered in the person's name. The Division shall differentiate special registration plates bearing the same numerical designation by adding a hyphen and a letter of the alphabet beginning with the letter "A".

EXPAND AUTHORITY OF DIVISION OFFICERS

SECTION 14. G.S. 20-49.1 reads as rewritten:

"§ 20-49.1. Supplemental police authority of Division officers.

(a) In addition to the law enforcement authority granted in G.S. 20-49 or elsewhere, the Commissioner and the officers and inspectors of the Division whom the Commissioner designates have the authority to enforce criminal laws under any of the following circumstances:

(1) When they have probable cause to believe that a person has committed a criminal act in their presence ~~and at the time of the violation they are engaged in the enforcement of laws otherwise within their jurisdiction or that a criminal act had immediately occurred, or is in the process of occurring, on physical property owned, operated, or maintained by either the North Carolina~~

Department of Transportation or the Division, or property operated as a license plate agency for and overseen and regulated by the Division.

(2) When they are asked to provide temporary assistance by the head of a State or local law enforcement agency or his designee and the request is within the scope of the agency's subject matter jurisdiction.

(3) When an emergency exists and response by Division personnel could protect life and property.

While acting pursuant to this subsection, the Division officers shall have the same powers vested in law enforcement officers by statute or common law. When acting pursuant to subdivision (2) of this subsection, the Division officers shall ~~not be considered an officer, employee, or agent~~ officer of the State or but will have the same law enforcement authority of the local law enforcement agency or designee asking for temporary assistance. Nothing in this section shall be construed to expand the Division officers' authority to initiate or conduct an independent investigation into violations of criminal laws outside the scope of their subject matter or territorial jurisdiction.

...."

MODIFY VARIOUS STATUTES RELATING TO DEALERS

SECTION 15.(a) G.S. 20-79 reads as rewritten:

"§ 20-79. Dealer license plates.

...

(b) Number of Plates. – A dealer who was licensed under Article 12 of this Chapter for the previous ~~12-month~~ 24-month period ending December 31 may obtain the number of dealer license plates allowed by the following table; the number allowed is based on the number of motor vehicles the dealer sold during the relevant ~~12-month~~ 24-month period and the average number of qualifying sales representatives the dealer employed during that same ~~12-month~~ 24-month period:

<u>Vehicles Sold In Relevant</u> <u>12-Month 24-Month Period</u>	<u>Maximum Number of Plates</u>
Fewer than 12 <u>24</u>	3
At least 12 <u>24</u> but less than 25 <u>50</u>	6
At least 25 <u>50</u> but less than 37 <u>74</u>	7
At least 37 <u>74</u> but less than 49 <u>98</u>	8
49 <u>98</u> or more	At least 8, but no more than 5 times the average number of qualifying sales representatives employed by the dealer during the relevant 12-month <u>24-month</u> period.

A dealer who was not licensed under Article 12 of this Chapter for part or all of the previous ~~12-month~~ 24-month period ending December 31 may obtain the number of dealer license plates that equals four times the number of qualifying sales representatives employed by the dealer on the date the dealer files the application. A "qualifying sales representative" is a sales representative who works for the dealer at least 25 hours a week on a regular basis and is compensated by the dealer for this work.

A dealer who sold fewer than ~~49~~ 98 motor vehicles the previous ~~12-month~~ 24-month period ending December 31 but has sold at least that number since January 1 may apply for additional dealer license plates at any time. The maximum number of dealer license plates the dealer may obtain is the number the dealer could have obtained if the dealer had sold at least ~~49~~ 98 motor vehicles in the previous ~~12-month~~ 24-month period ending December 31.

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

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

8 This subsection does not apply to manufacturers licensed under Article 12 of this Chapter.
9"

10 **SECTION 15.(b)** G.S. 20-87 reads as rewritten:

11 **"§ 20-87. Passenger vehicle registration fees.**

12 These fees shall be paid to the Division annually for the registration and licensing of
13 passenger vehicles, according to the following classifications and schedules:

- 14 ...
- 15 (5) Private Passenger Vehicles. – There shall be paid to the Division annually, as
16 of the first day of January, for the registration and licensing of private
17 passenger vehicles, fees according to the following classifications and
18 schedules:
19 Private passenger vehicles of not more than fifteen
20 passengers..... ~~\$36.00~~\$38.75
21 Private passenger vehicles over fifteen
22 passengers..... ~~40.00~~43.25

23 Provided, that a fee of only one dollar and thirty cents (\$1.30) shall be charged
24 for any vehicle given by the federal government to any veteran on account of
25 any disability suffered during war so long as such vehicle is owned by the
26 original donee or other veteran entitled to receive such gift under Title 38,
27 section 252, United States Code Annotated.

- 28 ...
- 29 (7) Dealer License Plates. – The fee for a dealer license plate is double the regular
30 fee for each of the first five plates issued to the same dealer and is ~~one-half~~
31 the regular fee for each additional dealer license plate issued to the same
32 dealer. The "regular fee" is the fee set in subdivision (5) of this section for a
33 private passenger motor vehicle of not more than 15 passengers.

34"

35 **SECTION 15.(c)** G.S. 20-288 reads as rewritten:

36 **"§ 20-288. Application for license; license requirements; expiration of license; bond.**

37 ...
38 (a1) A used motor vehicle dealer may obtain a license by filing an application, as
39 prescribed in subsection (a) of this section, and providing the following:

- 40 ...
- 41 (2) Proof that the applicant, within the last ~~12-24~~ months, has completed ~~a two~~
42 12-hour licensing ~~course~~courses approved by the Division if the applicant is
43 seeking an initial license and ~~a two~~ six-hour ~~course~~courses approved by the
44 Division if the applicant is seeking a renewal license. The requirements of this
45 subdivision do not apply to a used motor vehicle dealer the primary business
46 of which is the sale of salvage vehicles on behalf of insurers or to a
47 manufactured home dealer licensed under G.S. 143-143.11 who complies
48 with the continuing education requirements of G.S. 143-143.11B. The
49 requirement of this subdivision does not apply to persons age 62 or older as
50 of July 1, 2002, who are seeking a renewal license. This subdivision also does
51 not apply to an applicant who holds a license as a new motor vehicle dealer as

1 defined in G.S. 20-286(13) and operates from an established showroom
 2 located in an area within a radius of 30 miles around the location of the
 3 established showroom for which the applicant seeks a used motor vehicle
 4 dealer license. An applicant who also holds a license as a new motor vehicle
 5 dealer may designate a representative to complete the licensing course
 6 required by this subdivision.

7 ...

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

12 ...

13 (g) A corporate surety may refuse to renew a surety bond furnished pursuant to this
 14 section by giving or mailing written notice of nonrenewal to the license holder and to the
 15 Commissioner not less than 30 days prior to the premium anniversary date of the surety bond.
 16 The notice must be ~~given or mailed~~ delivered by certified ~~mail~~ mail, or electronically if the
 17 license holder has consented to electronic delivery of notice pursuant to G.S. 20-48, to the license
 18 holder at its last known address. Nonrenewal of the surety bond shall not affect any liability
 19 incurred or accrued prior to the premium anniversary date of the surety bond."

20 **SECTION 15.(d)** G.S. 20-289 reads as rewritten:

21 "**§ 20-289. License fees.**

22 (a) The license fee for each fiscal year, or part thereof, shall be as follows:

- 23 (1) For motor vehicle dealers, distributors, distributor branches, and wholesalers,
 24 ~~ninety-seven dollars (\$97.00)~~ one hundred fifteen dollars (\$115.00) for each
 25 place of business.
- 26 (2) For manufacturers, ~~two hundred ten dollars and twenty-five cents (\$210.25)~~
 27 four hundred twenty dollars and fifty cents (\$420.50) and for each factory
 28 branch in this State, ~~one hundred thirty dollars (\$130.00)~~ two hundred sixty
 29 dollars (\$260.00).
- 30 (3) For motor vehicle sales representatives, ~~twenty-one dollars and fifty cents~~
 31 ~~(\$21.50)~~ twenty-five dollars (\$25.00).
- 32 (4) For factory representatives, or distributor representatives, ~~twenty-one dollars~~
 33 ~~and fifty cents (\$21.50)~~ forty-three dollars (\$43.00).
- 34 (5) Repealed by Session Laws 1991, c. 662, s. 4.

35 (b) The fees collected under this section shall be credited to the Highway Fund. These
 36 fees are in addition to all other taxes and fees."

37 **SECTION 15.(e)** This section becomes effective October 1, 2023, and applies to
 38 plates issued, fees paid, or applications submitted on or after that date.

40 INCREASE PENALTY FOR VIOLATION OF REGISTRATION PROVISION

41 **SECTION 16.(a)** G.S. 20-79.1(k) reads as rewritten:

42 "**§ 20-79.1. Use of temporary registration plates or markers by purchasers of motor**
 43 **vehicles in lieu of dealers' plates.**

44 ...

45 (k) The provisions of G.S. 20-63, 20-71, 20-110 and 20-111 shall apply in like manner
 46 to temporary registration plates or markers as is applicable to nontemporary plates.
 47 Notwithstanding any provision of G.S. 20-111 to the contrary, a violation of subdivision (2) or
 48 (6) of G.S. 20-111 involving a temporary registration plate or marker shall be punished as a Class
 49 I felony."

50 **SECTION 16.(b)** This section becomes effective December 1, 2023, and applies to
 51 offenses committed on or after that date.

PRINT-ON-DEMAND TEMPORARY REGISTRATION PLATES

SECTION 17.(a) Article 3 of Chapter 20 of the General Statutes is amended by adding a new section to read:

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

(a) Notwithstanding the provisions of G.S. 20-50 and G.S. 20-79.1, the Division may develop and implement procedures necessary for issuance of temporary license plates by dealers to vehicle owners, using print-on-demand technology.

(b) If the Division implements a print-on-demand temporary license plate program pursuant to this section, all dealers licensed on or after the effective date of the program shall be required to purchase and issue only print-on-demand temporary license plates.

(c) The Division shall not impose a requirement relating to the minimum number of sets of temporary plates that must be purchased by a dealer pursuant to a print-on-demand temporary license plate program implemented under this section.

(d) Except as otherwise provided in this section, temporary license plates issued pursuant to this section shall be subject to all conditions and limitations set forth in this Article."

SECTION 17.(b) This section becomes effective January 1, 2024. The Division of Motor Vehicles of the Department of Transportation may adopt rules governing the issuance of print-on-demand temporary license plates prior to that date.

AUTHORIZE DIVISION TO OWN MOTOR VEHICLES

SECTION 18. G.S. 143-341(8)i.3. reads as rewritten:

"§ 143-341. Powers and duties of Department.

The Department of Administration has the following powers and duties:

...
(8) General Services:

...
i. To establish and operate a central motor fleet and such subsidiary related facilities as the Secretary may deem necessary, and to that end:

...
3. To require on a schedule determined by the Department all State agencies to transfer ownership, custody or control of any or all passenger motor vehicles within the ownership, custody or control of that agency to the Department, except those motor vehicles under the ownership, custody or control of the Highway Patrol, the State Bureau of Investigation, the State Capitol Police, the Alcohol Law Enforcement Division of the Department of Public Safety, the Samarcand Training Academy, or the constituent institutions of The University of North Carolina which are used primarily for law-enforcement purposes. The Division of Motor Vehicles may own and maintain custody and control over a fleet of vehicles used in specialized investigative operations. These vehicles may be received, titled, transferred, or sold as deemed appropriate by the Commissioner of Motor Vehicles."

MODIFY HEADLAMPS AND AUXILIARY DRIVING LAMPS REQUIREMENTS

SECTION 19. G.S. 20-131 reads as rewritten:

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

...

1 (d1) Any headlamp installed on a vehicle after initial manufacture of the vehicle shall
2 comply with Federal Motor Vehicle Safety Standard (FMVSS) 108.
3 "

5 **UPDATE SERVICE OF PROCESS BY THE DIVISION**

6 **SECTION 20.(a)** G.S. 1-105 reads as rewritten:

7 **"§ 1-105. Service upon nonresident drivers of motor vehicles and upon the personal**
8 **representatives of deceased nonresident drivers of motor vehicles.**

9 (a) The acceptance by a nonresident of the rights and privileges conferred by the laws
10 now or hereafter in force in this State permitting the operation of motor vehicles, as evidenced
11 by the operation of a motor vehicle by ~~such the~~ nonresident on the public highways of this State,
12 or at any other place in this State, or the operation by ~~such the~~ nonresident of a motor vehicle on
13 the public highways of this State or at any other place in this State, other than as so permitted or
14 regulated, shall be deemed equivalent to the appointment by ~~such the~~ nonresident of the
15 Commissioner of Motor Vehicles, or ~~his the~~ Commissioner's successor in office, to be ~~his the~~
16 nonresident's true and lawful attorney and the attorney of ~~his the~~ nonresident's executor or
17 Administrator, upon whom may be served all summonses or other lawful process in any action
18 or proceeding against ~~him the~~ nonresident or ~~his the~~ nonresident's executor or administrator,
19 growing out of any accident or collision in which ~~said the~~ nonresident may be involved by reason
20 of the operation by ~~him, the~~ nonresident, for ~~him, the~~ nonresident, or under ~~his the~~ nonresident's
21 control or direction, express or implied, of a motor vehicle on ~~such the~~ public highways of this
22 State, or at any other place in this State, and said acceptance or operation shall be a signification
23 of ~~his the~~ nonresident's agreement that any such process against ~~him the~~ nonresident or ~~his the~~
24 nonresident's executor or administrator shall be of the same legal force and validity as if served
25 on ~~him the~~ nonresident personally, or on ~~his~~ nonresident's executor or administrator.

26 Service of such process shall be made in the following manner:

- 27 (1) By leaving a copy thereof, with a fee of ~~ten dollars (\$10.00),~~ twenty dollars
28 (\$20.00) in the hands of the Commissioner of Motor Vehicles, or in ~~his the~~
29 Commissioner's office. Such service, upon compliance with the other
30 provisions of this section, shall be sufficient service upon the said nonresident.
- 31 (2) Notice of such service of process and copy thereof must be forthwith sent by
32 certified or registered mail by plaintiff or the Commissioner of Motor Vehicles
33 to the defendant, and the entries on the defendant's return receipt shall be
34 sufficient evidence of the date on which notice of service upon the
35 Commissioner of Motor Vehicles and copy of process were delivered to the
36 defendant, on which date service on said defendant shall be deemed
37 completed. If the defendant refuses to accept the certified or registered letter,
38 service on the defendant shall be deemed completed on the date of such refusal
39 to accept as determined by notations by the postal authorities on the original
40 envelope, and if such date cannot be so determined, then service shall be
41 deemed completed on the date that the certified or registered letter is returned
42 to the plaintiff or Commissioner of Motor Vehicles, as determined by postal
43 marks on the original envelope. If the certified or registered letter is not
44 delivered to the defendant because it is unclaimed, or because ~~he the~~ defendant
45 has removed himself or herself from ~~his the~~ defendant's last known address
46 and has left no forwarding address or is unknown at ~~his the~~ defendant's last
47 known address, service on the defendant shall be deemed completed on the
48 date that the certified or registered letter is returned to the plaintiff or
49 Commissioner of Motor Vehicles.
- 50 (3) The defendant's return receipt, or the original envelope bearing a notation by
51 the postal authorities that receipt was refused, and an affidavit by the plaintiff

1 that notice of mailing the registered letter and refusal to accept was forthwith
2 sent to the defendant by ordinary mail, together with the plaintiff's affidavit of
3 compliance with the provisions of this section, must be appended to the
4 summons or other process and filed with said summons, complaint and other
5 papers in the cause.

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

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

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

16 **SECTION 20.(b)** This section is effective July 1, 2023, and applies to service upon
17 nonresident drivers on and after that date.

18
19 **EFFECTIVE DATE**

20 **SECTION 21.** Except as otherwise provided, this act is effective when it becomes
21 law.