

**GENERAL ASSEMBLY OF NORTH CAROLINA  
SESSION 2023**

**HOUSE BILL 199  
RATIFIED BILL**

AN ACT TO MAKE VARIOUS CHANGES TO THE MOTOR VEHICLE, LIEN HEARING NOTIFICATION, AND SERVICE OF PROCESS LAWS OF THE STATE, AS RECOMMENDED BY THE DIVISION OF MOTOR VEHICLES OF THE DEPARTMENT OF TRANSPORTATION, AND TO MAKE OTHER CHANGES TO LAWS RELATED TO TRANSPORTATION.

The General Assembly of North Carolina enacts:

**AUTHORIZE AND STUDY MOBILE DRIVERS LICENSES**

**SECTION 1.(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:

...

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

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

...."

**SECTION 1.(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 is the legal equivalent of a valid license."

**SECTION 1.(c)** The Division of Motor Vehicles of the North Carolina Department of Transportation shall study and provide a plan for implementing mobile drivers licenses and mobile special identification cards. The study and plan shall address (i) anticipated drivers license and special identification card issuance and renewal process changes, (ii) anticipated changes to staffing needs for the Division for implementation of mobile drivers licenses and mobile special identification cards, (iii) estimated one-time and annual costs to the Division or any other State agency resulting from implementation, (iv) evaluation of whether implementation of mobile drivers licenses or mobile special identification cards will be undertaken by the Division or contracted to a third-party vendor and relevant contractual issues associated with either option, (v) changes in revenue for the Division or any other State agency, (vi) security and confidentiality of drivers license information, (vii) concerns of State and local law enforcement agencies within North Carolina, including examining means by which to prevent unintended violations of an individual's constitutional rights, (viii) an estimated time line for implementation, including steps required to facilitate mobile drivers licenses and mobile special identification cards, and (ix) any other issue the Division deems relevant to the study. 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, 2025.

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

#### **CLARIFY SCOPE OF INTERLOCK REQUIREMENT**

**SECTION 2.(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 if the person was engaged in the offense of impaired driving under G.S. 20-138.1 and had an alcohol concentration of 0.08 or more at the time of the offense, or the person was engaged in the offense of impaired driving under G.S. 20-138.2 and had an alcohol concentration of 0.04 or more at the time of the offense.

...."

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

#### **INCREASE FEE FOR ACKNOWLEDGMENT OF SIGNATURES**

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

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

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

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

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

...."

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

#### **CLARIFY AUTHORIZED USAGE OF TRANSPORTER PLATES**

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

**"§ 20-79.2. Transporter plates.**

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

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

- (2) To a financial institution that has a recorded lien on a motor vehicle located in North Carolina to repossess the motor vehicle.
- (3) To a dealer or repair facility to pick up and deliver a motor vehicle that is to be repaired, is to undergo a safety or emissions inspection, or is to otherwise be prepared for sale by a dealer, to road-test the vehicle, if it is repaired or inspected within a 20-mile radius of the place where it is repaired or inspected, and to deliver the vehicle to the dealer. A repair facility may not receive more than two transporter plates for this purpose. A plate issued pursuant to this subdivision shall not be used on a vehicle that is towing or transporting a vehicle authorized to be operated with a transporter plate under this subdivision.
- ...
- (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 shall not be used on a vehicle that is towing or transporting a vehicle authorized to be operated with a transporter plate under this subdivision.
- ...
- (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 5.** The Division of Motor Vehicles of the North Carolina Department of Transportation, in consultation with the North Carolina Department of Adult Correction, 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, 2025.

**STUDY DEALER LICENSE PLATE MODERNIZATION**

**SECTION 6.** The Division of Motor Vehicles of the North Carolina Department of Transportation shall study ways to modernize and improve dealer license plates issued by the Division, including the process for issuance and format and design of the plates. The Division shall report its findings, 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 December 31, 2024.

**CONFORM ODOMETER DISCLOSURE REQUIREMENT WITH FEDERAL LAW**

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

- "(d) The provisions of this disclosure statement section shall not apply to the following transfers:
  - (1) A vehicle having a gross vehicle weight rating of more than 16,000 pounds.

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

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

**SECTION 8.(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) Implementation. – No later than January 1, 2025, the Division shall implement a statewide print-on-demand temporary registration plate system for on-demand printing of temporary registration plates with vehicle owner information electronically associated and transferred to the Division as required by this Chapter. Plates issued through the print-on-demand temporary registration plate system implemented under this section are in lieu of temporary plates issued by dealers under G.S. 20-79.1 and temporary registration plates issued by commission contractors under G.S. 20-50(b) but are otherwise subject to all conditions and limitations applicable to temporary registration plates set forth in this Article. The Division shall contract with a qualified vendor or vendors after consultation with the North Carolina Automobile Dealers Association and the Carolinas Independent Automobile Dealers Association to develop and implement this statewide print-on-demand temporary registration plate system.

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

- (1) The Division shall issue a competitive request for proposal to assess the qualifications of any vendor or vendors responsible for the establishment and ongoing support of the statewide print-on-demand temporary registration plate system. The Division may also reserve the right to receive input regarding specifications for the print-on-demand temporary registration plate system from parties that do not respond to a request for proposal to establish and operate a print-on-demand temporary registration plate system. The Division shall select at least two vendors.
- (2) Any contract entered into with a vendor or vendors shall include no costs or charges payable by the Division to the vendor or vendors. The vendor or vendors shall reimburse the Division for documented reasonable implementation costs directly associated with the establishment of the statewide print-on-demand temporary registration plate system.
- (3) Upon implementation of the print-on-demand temporary registration plate system, the qualified vendor or vendors may charge participating motor vehicle dealers or their agents a fee for each temporary registration plate printed and registered with the Division. The print-on-demand temporary registration plate fee shall be consistent with market pricing in an amount not to exceed fifteen dollars (\$15.00) for costs associated with the development and ongoing administration of the print-on-demand temporary registration

plate system. The qualified vendor or vendors shall not charge motor vehicle dealers or their agents any additional fee for the printing and registration of a print-on-demand temporary registration plate. To recover their costs, participating motor vehicle dealers or their agents may charge the purchaser of a motor vehicle or lessee of an automotive lease an amount equal to the print-on-demand temporary registration plate fee plus a fee in an amount not to exceed fifteen dollars (\$15.00) for each print-on-demand temporary registration plate printed and registered with the Division.

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

- a. A design and layout for the print-on-demand temporary registration plate established by the Division and of a quality as to resist deterioration or fading from exposure to the elements during the period for which display is required.
- b. The ability of motor vehicle dealers to directly connect to the system in order to issue print-on-demand temporary registration plates to the owner or lessee of a motor vehicle that will be registered in this State or another state, including a web-based option for motor vehicle dealers who do not utilize an online vehicle registration vendor to complete and file Division required documents related to motor vehicle titling and registration.
- c. The ability of commission contractors to directly connect to the system in order to issue print-on-demand temporary registration plates to the owner or lessee of a motor vehicle.
- d. Each print-on-demand temporary registration plate must contain identifying information for the motor vehicle, as determined by the Division, to include the date of issue, the date of expiration, the name of the issuing entity, and unique identifying information for the plate that will be assigned by the Division.
- e. The ability for identifying information on a print-on-demand temporary registration plate and vehicle owner information to be transmitted to the Division upon issuance of the plate.
- f. The ability to implement and maintain a distribution procedure for print-on-demand temporary registration plates in accordance with subsections (c) and (d) of this section.

(c) Distribution of Print-on-Demand Temporary Registration Plate Materials. – In order to assist the Division with the administration and security of the print-on-demand temporary registration system, the system shall include a procedure for a motor vehicle dealer to obtain print-on-demand temporary registration plate materials from a registered distributor. A commission contractor may obtain print-on-demand temporary registration plate materials from a registered distributor or the Division. A registered distributor may charge a fee for distribution of print-on-demand temporary registration plate materials not to exceed ten dollars (\$10.00) per print-on-demand temporary registration plate.

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

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

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

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

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

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

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

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

...

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

...."

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

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

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

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

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

- (1) By leaving a copy thereof, with a fee of ~~ten dollars (\$10.00), twenty dollars (\$20.00)~~ in the hands of the Commissioner of Motor Vehicles, or in ~~his the~~ Commissioner's office. Such service, upon compliance with the other provisions of this section, shall be sufficient service upon the said nonresident.
- (2) Notice of such service of process and copy thereof must be forthwith sent by certified or registered mail by plaintiff or the Commissioner of Motor Vehicles to the defendant, and the entries on the defendant's return receipt shall be sufficient evidence of the date on which notice of service upon the Commissioner of Motor Vehicles and copy of process were delivered to the

defendant, on which date service on said defendant shall be deemed completed. If the defendant refuses to accept the certified or registered letter, service on the defendant shall be deemed completed on the date of such refusal to accept as determined by notations by the postal authorities on the original envelope, and if such date cannot be so determined, then service shall be deemed completed on the date that the certified or registered letter is returned to the plaintiff or Commissioner of Motor Vehicles, as determined by postal marks on the original envelope. If the certified or registered letter is not delivered to the defendant because it is unclaimed, or because ~~he~~the defendant has removed himself or herself from ~~his~~the defendant's last known address and has left no forwarding address or is unknown at ~~his~~the defendant's last known address, service on the defendant shall be deemed completed on the date that the certified or registered letter is returned to the plaintiff or Commissioner of Motor Vehicles.

- (3) The defendant's return receipt, or the original envelope bearing a notation by the postal authorities that receipt was refused, and an affidavit by the plaintiff that notice of mailing the registered letter and refusal to accept was forthwith sent to the defendant by ordinary mail, together with the plaintiff's affidavit of compliance with the provisions of this section, must be appended to the summons or other process and filed with said summons, complaint and other papers in the cause.

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

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

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

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

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

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

"(b) Notice and Hearings. –

- (1) If the property upon which the lien is claimed is a motor vehicle that is required to be registered, the lienor following the expiration of the relevant time period provided by subsection (a) shall give notice to the Division of Motor Vehicles that a lien is asserted and sale is proposed and shall remit to the Division a fee of fourteen dollars (\$14.00). The Division of Motor Vehicles shall issue notice by certified mail, return receipt requested, or certified mail with electronic tracking to the person having legal title to the property, if reasonably ascertainable, to the person with whom the lienor dealt if different, and to each secured party and other person claiming an interest in the property who is actually known to the Division or who can be reasonably ascertained. The notice shall state that a lien has been asserted against specific property and shall identify the lienor, the date that the lien arose, the general nature of the services performed and materials used or sold for which the lien is asserted, the amount of the lien, and that the lienor intends to sell the

property in satisfaction of the lien. The notice shall inform the recipient that the recipient has the right to a judicial hearing at which time a determination will be made as to the validity of the lien prior to a sale taking place. The notice shall further state that the recipient has a period of 10 days from the date of receipt in which to notify the Division by certified mail, return receipt requested, or certified mail with electronic tracking that a hearing is desired and that if the recipient wishes to contest the sale of his property pursuant to such lien, the recipient should notify the Division that a hearing is desired. The notice shall state the required information in simplified terms and shall contain a form whereby the recipient may notify the Division that a hearing is desired by the return of such form to the Division. The Division shall notify the lienor whether such notice is timely received by the Division. In lieu of the notice and payment of the fee by the lienor to the Division and the notices issued by the Division described above, the lienor may issue notice on a form approved by the Division pursuant to the notice requirements ~~above~~ above by certified mail, return receipt requested, or certified mail with electronic tracking to the person having legal title to the property, which is deemed to have the same effect as if the notice was sent by the Division. If notice is issued by the lienor, the recipient shall return the form requesting a hearing to the lienor, and not the Division, within 10 days from the date the recipient receives the notice if a judicial hearing is requested. If the certified mail notice has been returned as undeliverable and the notice of a right to a judicial hearing has been given to the owner of the motor vehicle in accordance with G.S. 20-28.4, no further notice is required. Failure of the recipient to notify the Division or lienor, as specified in the notice, within 10 days of the receipt of such notice that a hearing is desired shall be deemed a waiver of the right to a hearing prior to the sale of the property against which the lien is asserted, and the lienor may proceed to enforce the lien by public or private sale as provided in this section and the Division shall transfer title to the property pursuant to such sale. If the Division or lienor, as specified in the notice, is notified within the 10-day period provided above that a hearing is desired prior to sale, the lien may be enforced by sale as provided in this section and the Division will transfer title only pursuant to the order of a court of competent jurisdiction.

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

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

The application to the clerk in such a special proceeding shall contain the notice of sale information set out in subsection (f) hereof. If the application is in proper form the clerk shall enter an order authorizing the sale on a date not less than 14 days therefrom, and the lienor shall cause the application and order to be sent immediately by first-class mail pursuant to G.S. 1A-1, Rule 5, to each person to whom notice was mailed pursuant to this subsection.

Following the authorized sale the lienor shall file with the clerk a report in the form of an affidavit, stating that the lienor has complied with the public or private sale provisions of G.S. 44A-4, the name, address, and bid of the high bidder or person buying at a private sale, and a statement of the disposition of the sale proceeds. The clerk then shall enter an order directing the Division to transfer title accordingly.

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

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

## **RENTAL CAR COMPANY RECOVERY OF VEHICLE LICENSE AND REGISTRATION FEES**

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

authorized to administer oaths shall not apply to any transfer of title to or from an insurer pursuant to G.S. 20-109.1.

...."

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

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

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

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

**EXTEND DURATION OF TEMPORARY REGISTRATION PLATES**

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

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

...

(d) A dealer shall:

...

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

...

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

(h) Temporary registration plates or markers shall expire and become void upon the receipt of the limited registration plates or the annual registration plates from the Division, or upon the rescission of a contract to purchase a motor vehicle, or upon the expiration of ~~30-60~~ days from the date of issuance, depending upon whichever event shall first occur. No refund or credit or fees paid by dealers to the Division for temporary registration plates or markers shall be allowed, except in the event that the Division discontinues the issuance of temporary registration plates or markers or unless the dealer discontinues business. In this event the unissued registration plates or markers with the unissued registration certificates shall be returned to the Division and the dealer may petition for a refund. Upon the expiration of the ~~30-60~~ days from the date of issuance, a second ~~30-day-60-day~~ temporary registration plate or marker may be issued by the dealer upon showing the vehicle has been sold or leased, and that the dealer, having used reasonable diligence, is unable to obtain the vehicle's statement of origin or certificate of title so that the lien may be perfected. For purposes of this subsection, a dealer shall be considered unable to obtain the vehicle's statement of origin or certificate of title if the statement of origin or certificate of title either (i) has not been delivered to the dealer or (ii) was lost or misplaced.

...."

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

## **COMMERCIAL DRIVERS LICENSE COMPLIANCE WITH FEDERAL REQUIREMENTS**

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

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

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

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

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

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

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

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

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

...."

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

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

## **DIVISION ACTION ON COMMISSION CONTRACTOR APPLICATIONS**

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

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

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

## **COMMISSION CONTRACTOR APPLICATIONS AND CONTRACTS**

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

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

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

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

The amount of compensation payable to a commission contractor is determined on a per transaction basis. The collection of the highway use tax and the removal of an inspection stop are each considered a separate transaction for which one dollar and sixty-eight cents (\$1.68) compensation shall be paid. The issuance of a limited registration "T" sticker and the collection of property tax are each considered a separate transaction for which compensation at the rate of one dollar and forty cents (\$1.40) and one dollar and sixteen cents (\$1.16) respectively, shall be paid by counties and municipalities as a cost of the combined motor vehicle registration renewal and property tax collection system. The performance at the same time of one or more of the transactions below is considered a single transaction for which one dollar and eighty-nine cents (\$1.89) compensation shall be paid:

- (1) Issuance of a registration plate, a registration card, a registration sticker, or a certificate of title.
- (2) Issuance of a handicapped placard or handicapped identification card.
- (3) Acceptance of an application for a personalized registration plate.
- (4) Acceptance of a surrendered registration plate, registration card, or registration renewal sticker, or acceptance of an affidavit stating why a person

cannot surrender a registration plate, registration card, or registration renewal sticker.

- (5) Cancellation of a title because the vehicle has been junked.
- (6) Acceptance of an application for, or issuance of, a refund for a fee or a tax, other than the highway use tax.
- (7) Receipt of the civil penalty imposed by G.S. 20-311 for a lapse in financial responsibility or receipt of the restoration fee imposed by that statute.
- (8) Acceptance of a notice of failure to maintain financial responsibility for a motor vehicle.
- (8a) Collection of civil penalties imposed for violations of G.S. 20-183.8A.
- (8b), (9) Repealed by Session Laws 2013-372, s. 2(a), effective July 1, 2013.
- (10) Acceptance of a temporary lien filing.
- (11) Conversion of an existing paper title to an electronic lien upon request of a primary lienholder."

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

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

## **BOND REQUIREMENTS FOR COMMISSION CONTRACTORS**

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

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

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

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

- (b) (1) When application is made for a contract or contract renewal, the applicant shall file a ~~guaranty-surety~~ bond with the clerk of the superior court and/or the register of deeds of the county in which the commission contractor will be located. The bond shall be in favor of the Division. The bond shall be executed by the applicant as principal and by a bonding company authorized to do 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  
 Issued \_\_\_\_\_ under  
 G.S. 20-79.4.....25.00-25.00
- (12) Each application for a certificate of title prepared and delivered using  
a \_\_\_\_\_ one-day \_\_\_\_\_ title  
service.....105.75.

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

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

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

...

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

...

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

...."

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

- (1) 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.
- (2) With respect to the training course developed or identified pursuant to this subsection, develop a plan to do all of the following:
  - a. Make the training course developed or identified pursuant to this subsection available to the public both in-person and on the Division's website.
  - b. Establish a method for a person to demonstrate completion of the training course.
  - c. Integrate the training course into the driver education program established pursuant to G.S. 115C-215.
- (3) No later than March 31, 2025, submit a report to the House of Representatives Appropriations Committee on Transportation, the Senate Appropriations Committee on the Department of Transportation, and the Fiscal Research Division. The report shall contain an update on the Division's progress in complying with the requirements of this subsection.

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

## **ONLINE VEHICLE REGISTRATION VENDOR CLARIFICATION**

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

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

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

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

"(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)."

## **FEES 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:

"(j) 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

...."

**SECTION 25.(d)** G.S. 20-81.12 is amended by adding two new subsections to read:

"( ) Home of the Venus Flytrap. – The Division shall transfer quarterly the money in the Collegiate and Cultural Attraction Plate Account derived from the sale of "Home of the Venus Flytrap" plates to the North Carolina Botanical Garden Foundation, Inc., to be used to support plant conservation and plant research.

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

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

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

## **AMEND DEFINITION OF ESTABLISHED SALESROOM**

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

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

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

## **DEALER LICENSE CHANGES**

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

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

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

- (1) The required fee.
- (2) Proof that the applicant, within the last 12 months, has completed a 12-hour licensing course approved by the Division if the applicant is seeking an initial license and a one six-hour course approved by the Division for each year of the licensing period immediately preceding the renewal if the applicant is seeking a renewal license. The requirements of this subdivision do not apply to a used motor vehicle dealer the primary business of which is the sale of salvage vehicles on behalf of insurers or to a manufactured home dealer licensed under G.S. 143-143.11 who complies with the continuing education requirements of G.S. 143-143.11B. The requirement of this subdivision does not apply to persons age 62 or older as of July 1, 2002, who are seeking a renewal license. This subdivision also does not apply to an applicant who holds a license as a new motor vehicle dealer as defined in G.S. 20-286(13)

and operates from an established showroom located in an area within a radius of 30 miles around the location of the established showroom for which the applicant seeks a used motor vehicle dealer license. An applicant who also holds a license as a new motor vehicle dealer may designate a representative to complete the licensing course required by this subdivision.

- (3) If the applicant is an individual, proof that the applicant is at least 18 years of age and proof that all salespersons employed by the dealer are at least 18 years of age.
- (4) The application for a dealer license plate.
- (5) A certification as to whether the applicant or any entity having any common ownership or affiliation with the applicant is a motor vehicle manufacturer, factory branch, factory representative, distributor, distributor branch, or distributor representative. In the event the applicant indicates on the application that the applicant or any parent, subsidiary, affiliate, or any other entity related to the applicant is a manufacturer, factory branch, factory representative, distributor, distributor branch, or distributor representative, the applicant shall be required to state whether the applicant contends it qualifies for a motor vehicle dealer's license in accordance with any of the exceptions to the prohibition on the issuance of a motor vehicle dealer's license to any manufacturer, factory branch, factory representative, distributor, distributor branch, or distributor representative, as provided in G.S. 20-305.2(a).

...

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

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

...

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

- (1) Nonpayment of premium in accordance with the terms for issuance of the surety bond; or
- (2) An act or omission by the license holder or his representative that constitutes substantial and material misrepresentation or nondisclosure of a material fact in obtaining the surety bond or renewing the bond.

Any cancellation permitted by this subsection is not effective unless written notice of cancellation has been delivered or mailed to the license holder and to the Commissioner not less than 30 days before the proposed effective date of cancellation. The notice must be ~~given or mailed~~ delivered by certified mail or electronic means to the license holder at its last known address. The notice must state the reason for cancellation. Cancellation for nonpayment of premium is not effective if the amount due is paid before the effective date set forth in the notice of cancellation. Cancellation of the surety shall not affect any liability incurred or accrued prior to the termination of the 30-day notice period.

(g) A corporate surety may refuse to renew a surety bond furnished pursuant to this section by giving or mailing written notice of nonrenewal to the license holder and to the

Commissioner not less than 30 days prior to the premium anniversary date of the surety bond. The notice must be ~~given or mailed~~ delivered by certified mail or electronic means to the license holder at its last known address. Nonrenewal of the surety bond shall not affect any liability incurred or accrued prior to the premium anniversary date of the surety bond."

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

## **INCREASE LITTERING PENALTIES**

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

### **"§ 14-399. Littering.**

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

- (1) When the property is designated by the State or political subdivision thereof for the disposal of garbage and refuse, and the person is authorized to use the property for this purpose; or
- (2) Into a litter receptacle in a manner that the litter will be prevented from being carried away or deposited by the elements upon any part of the private or public property or waters.

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

- (1) When the property is designated by the State or political subdivision thereof for the disposal of garbage and refuse, and the person is authorized to use the property for this purpose; or
- (2) Into a litter receptacle in a manner that the litter will be prevented from being carried away or deposited by the elements upon any part of the private or public property or waters.

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

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

(c) Any person who violates subsection (a) of this section in an amount not exceeding ~~15~~ 10 pounds and not for commercial purposes is guilty of a Class 3 misdemeanor punishable by a

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

(c1) Any person who violates subsection (a1) of this section in an amount not exceeding ~~15–10~~ pounds is guilty of an infraction punishable by a fine of not more than ~~one two hundred~~ dollars ~~(\$100.00)–(\$200.00)~~. In addition, the court may require the violator to perform community service of not less than four hours nor more than 12 hours. The community service required shall be to pick up litter if feasible, and if not feasible, to perform other labor commensurate with the offense committed. Any second or subsequent violation of subsection (a1) of this section in an amount not exceeding ~~15–10~~ pounds within three years after the date of a prior violation is an infraction punishable by a fine of not more than ~~two five hundred~~ dollars ~~(\$200.00)–(\$500.00)~~. In addition, the court may require the violator to perform community service of not less than eight hours nor more than 24 hours. The community service required shall be to pick up litter if feasible, and if not feasible, to perform other labor commensurate with the offense committed. For purposes of this subsection, the term "litter" shall not include nontoxic and biodegradable agricultural or garden products or supplies, including mulch, tree bark, and wood chips.

(d) Any person who violates subsection (a) of this section in an amount exceeding ~~15–10~~ pounds but not exceeding 500 pounds and not for commercial purposes is guilty of a Class 3 misdemeanor punishable by a fine of not less than ~~five hundred one thousand~~ dollars ~~(\$500.00)–(\$1,000)~~ nor more than ~~two three thousand~~ dollars ~~(\$2,000)–(\$3,000)~~. In addition, the court shall require the violator to perform community service of not less than ~~24–50~~ hours nor more than 100 hours. The community service required shall be to pick up litter if feasible, and if not feasible, to perform other community service commensurate with the offense committed.

(d1) Any person who violates subsection (a1) of this section in an amount exceeding ~~15–10~~ pounds but not exceeding 500 pounds is guilty of an infraction punishable by a fine of not more than ~~two five hundred~~ dollars ~~(\$200.00)–(\$500.00)~~. In addition, the court may require the violator to perform community service of not less than ~~eight 24~~ hours nor more than ~~24–50~~ hours. The community service required shall be to pick up litter if feasible, and if not feasible, to perform other labor commensurate with the offense committed.

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

(e1) Any person who violates subsection (a1) of this section in an amount exceeding 500 pounds is guilty of an infraction punishable by a fine of not more than ~~three hundred two thousand five hundred~~ dollars ~~(\$300.00)–(\$2,500)~~. In addition, the court ~~may~~ shall require the violator to perform community service of not less than ~~16 hours nor more than~~ 50 hours. The community

service required shall be to pick up litter if feasible, and if not feasible, to perform other labor commensurate with the offense committed.

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

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

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

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

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

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

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

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

- (1) "Aircraft" means a motor vehicle or other vehicle that is used or designed to fly, but does not include a parachute or any other device used primarily as safety equipment.
- (2) Repealed by Session Laws 1999-454, s. 1.
- (2a) "Commercial purposes" means litter discarded by a business, corporation, association, partnership, sole proprietorship, or any other entity conducting business for economic gain, or by an employee or agent of the entity.
- (3) "Law enforcement officer" means any law enforcement officer sworn and certified pursuant to Article 1 of Chapter 17C or 17E of the General Statutes, except company police officers as defined in G.S. 74E-6(b)(3). In addition, and solely for the purposes of this section, "law enforcement officer" means any employee of a county or municipality designated by the county or municipality as a litter enforcement officer.
- (4) "Litter" means any garbage, rubbish, trash, refuse, can, bottle, box, container, wrapper, paper, paper product, tire, appliance, mechanical equipment or part, building or construction material, tool, machinery, wood, motor vehicle or motor vehicle part, vessel, aircraft, farm machinery or equipment, sludge from a waste treatment facility, water supply treatment plant, or air pollution control facility, dead animal, or discarded material in any form resulting from domestic, industrial, commercial, mining, agricultural, or governmental operations. While being used for or distributed in accordance with their

intended uses, "litter" does not include political pamphlets, handbills, religious tracts, newspapers, and other similar printed materials the unsolicited distribution of which is protected by the Constitution of the United States or the Constitution of North Carolina.

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

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

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

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

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

### **CLARIFY CIVILIAN TRAFFIC INVESTIGATORS ARE NOT PRIVATE INVESTIGATORS**

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

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

### **INCREASE MAXIMUM VEHICLE REGISTRATION TAX RATE FOR TRANSPORTATION AUTHORITIES**

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

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

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

...

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

A special district created pursuant to this subsection is a body corporate and politic and has the power to carry out the purposes of this subsection. The board of trustees of the regional transportation authority created under Article 27 of Chapter 160A of the General Statutes or a regional public transportation authority created under Article 26 of Chapter 160A of the General Statutes shall serve, ex officio, as the governing body of a special district it creates pursuant to this subsection. The proceeds of a tax levied under this subsection may be used only for the benefit of the special district and only for the purposes provided in G.S. 105-564. Except as provided in this subsection, a tax levied under this subsection is governed by the provisions of this Article."

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

## REQUIRE PRIVATE ENTITY TO ADMINISTER LOGO SIGN PROGRAM

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

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

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

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

(b) The location of fuel, gas, food, lodging, camping, and attraction facilities may be indicated to the users of the controlled-access facilities by appropriate logos placed on signs owned, controlled, and erected within the right-of-way of fully and partially controlled-access highways ~~by by, or pursuant to contract with,~~ the Department of Transportation. The Department shall contract with a private entity to administer the erection of signs and placement of logos, as authorized by this subsection. The responsibilities of the private entity shall include the following: acquisition and erection of signs; design, manufacture, and placement of logos on signs; maintenance of signs and logos; receipt and response to information requests concerning the program; and management of the financial transactions related to the program. The owners, operators or lessees of fuel, gas, food, lodging, camping, and attraction facilities who wish to place a logo identifying their business or service on a sign shall furnish a logo meeting the size, style and specifications determined by the Department of Transportation and shall pay ~~the Department of Transportation~~ a fee set by the vendor and approved by the Board of Transportation. ~~The Board shall set the~~ The fee set by the vendor shall be determined based on market rates for the number of vehicles that pass by the sign, reflecting the value of the visibility and access provided to the participating businesses and to cover the initial costs of signs, sign installation, and maintenance, and the costs of administering the logo sign program. ~~The Transportation Mobility and Safety Division of the Department of Transportation shall administer the logo sign program, including receiving requests for information concerning the logo sign program.~~ Nothing in this subsection shall be construed to authorize any Department contractor to conduct any commercial activity upon signs erected and maintained within the right-of-way of fully and partially controlled-access highways pursuant to this subsection."

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

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

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

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

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

- ...
- (2) To study, plan, develop, and undertake preliminary design work on Turnpike Projects. At the conclusion of these activities, the Turnpike Authority is authorized to design, establish, purchase, construct, operate, and maintain no more than eleven projects, which shall include the following:
- a. Triangle Expressway, including segments also known as N.C. 540, Triangle Parkway, Phases 1 and 2 of Complete 540, and the Western Wake Freeway in Wake and Durham Counties. The described segments constitute one project.

...

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

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

...."

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

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

### **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.

In the General Assembly read three times and ratified this the 28<sup>th</sup> day of June, 2024.

s/ Phil Berger  
President Pro Tempore of the Senate

s/ Tim Moore  
Speaker of the House of Representatives

\_\_\_\_\_  
Roy Cooper  
Governor

Approved \_\_\_\_\_m. this \_\_\_\_\_ day of \_\_\_\_\_, 2024