

GENERAL ASSEMBLY OF NORTH CAROLINA  
SESSION 2015

FILED SENATE  
Mar 26, 2015  
S.B. 674  
PRINCIPAL CLERK

S

D

SENATE DRS35167-ML-114 (03/05)

Short Title: Truck Dealer Cost Reimbursement.

(Public)

Sponsors: Senator Apodaca (Primary Sponsor).

Referred to:

1 A BILL TO BE ENTITLED  
2 AN ACT TO INCREASE THE AMOUNT OF COMPENSATION PAYABLE BY A  
3 MANUFACTURER, MANUFACTURER BRANCH, DISTRIBUTOR, OR  
4 DISTRIBUTOR BRANCH OF CERTAIN NEW MOTOR VEHICLES TO MOTOR  
5 VEHICLE DEALERS TO COVER CERTAIN COSTS.

6 The General Assembly of North Carolina enacts:

7 **SECTION 1.** G.S. 20-305.1(g) reads as rewritten:

8 "(g) Truck Dealer Cost Reimbursement. – Every manufacturer, manufacturer branch,  
9 distributor, or distributor branch of new motor vehicles, or any affiliate or subsidiary thereof,  
10 ~~which that~~ manufactures or distributes new motor vehicles with a gross vehicle weight rating of  
11 16,000 pounds or more shall compensate its new motor vehicle dealers located in this State for  
12 the cost of special tools, equipment, and training for which its dealers are liable when the  
13 applicable manufacturer, manufacturer branch, distributor, or distributor branch sells a portion  
14 of its vehicle inventory to converters and other nondealer retailers. The purpose of this  
15 reimbursement is to compensate truck dealers for special additional costs these dealers are  
16 required to pay for servicing these vehicles when the dealers are excluded from compensation  
17 for these expenses at the point of sale. The compensation ~~which that~~ shall be paid pursuant to  
18 this subsection shall be applicable only with respect to new motor vehicles with a gross vehicle  
19 weight rating of 16,000 pounds or more ~~which that~~ are registered to end users within this State  
20 and that are sold by a manufacturer, manufacturer branch, distributor, or distributor branch to  
21 ~~either~~: either of the following:

- 22 (1) Persons or entities other than new motor vehicle dealers with whom the  
23 manufacturer, manufacturer branch, distributor, or distributor branch has  
24 entered into ~~franchises; or~~ franchises.  
25 (2) Persons or entities that install custom bodies on truck chassis, including, but  
26 not limited to, mounted equipment or specialized bodies for concrete  
27 distribution, firefighting equipment, waste disposal, recycling, garbage  
28 disposal, buses, utility service, street sweepers, wreckers, and rollback  
29 bodies for vehicle recovery; provided, however, that no compensation shall  
30 be required to be paid pursuant to this subdivision with respect to vehicles  
31 sold for purposes of manufacturing or assembling school buses.

32 The amount of compensation ~~which that~~ shall be payable by the applicable manufacturer,  
33 manufacturer branch, distributor, or distributor branch shall be ~~six~~ nine hundred dollars  
34 ~~(\$600.00)~~ (\$900.00) per new motor vehicle registered in this State whose chassis has a gross  
35 vehicle weight rating of 16,000 pounds or more. The compensation required pursuant to this  
36 subsection shall be paid by the applicable manufacturer, manufacturer branch, distributor, or



1 distributor branch to its franchised new motor vehicle dealer in closest proximity to the  
2 registered address of the end user to whom the motor vehicle has been registered within 30  
3 days after ~~such~~the registration. Upon receiving a request in writing from one of its franchised  
4 dealers located in this State, a manufacturer, manufacturer branch, distributor, or distributor  
5 branch shall promptly make available to ~~such~~the dealer its records relating to the registered  
6 addresses of its new motor vehicles registered in this State for the previous 12 months and its  
7 payment of compensation to dealers as provided in this subsection."

8           **SECTION 2.** This act is effective when it becomes law and applies to all current  
9 and future franchises and other agreements in existence between any new motor vehicle dealer  
10 located in this State and a manufacturer or distributor as of the effective date of this act.