

GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2015

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SENATE BILL 370
PROPOSED COMMITTEE SUBSTITUTE S370-PCS25241-RW-15

Short Title: E-Signatures/Vehicle Title and Registration.

(Public)

Sponsors:

Referred to:

March 24, 2015

1 A BILL TO BE ENTITLED
2 AN ACT TO ALLOW THE USE OF ELECTRONIC MEANS TO SIGN AND NOTATE
3 CERTAIN DOCUMENTS REQUIRED BY THE DIVISION OF MOTOR VEHICLES
4 AND TO PROVIDE THAT A SECURED PARTY SHALL PROVIDE ELECTRONIC
5 NOTICE OF THE SATISFACTION OR OTHER DISCHARGE OF A SECURITY
6 INTEREST IN A MOTOR VEHICLE FOR WHICH THE CERTIFICATE OF TITLE IS
7 NOTATED BY A LIEN THROUGH ELECTRONIC MEANS.

8 The General Assembly of North Carolina enacts:

9 **SECTION 1.** G.S. 20-52 is amended by adding a new subsection to read:

10 "(c) Unless otherwise prohibited by federal law, an application for a certificate of title, a
11 registration plate, a registration card, and any other document required by the Division to be
12 submitted with the application and requiring a signature may be submitted to the Division with
13 an electronic signature in accordance with Article 40 of Chapter 66 of the General Statutes. The
14 required notarization of any electronic signature on any application or document submitted to
15 the Division pursuant to this subsection may be performed electronically in accordance with
16 Article 2 of Chapter 10B of the General Statutes."

17 **SECTION 2.** G.S. 20-58.4 is amended by adding a new subsection to read:

18 "(a1) Upon the satisfaction or other discharge of a security interest in a vehicle for which
19 the certificate of title data is notated by a lien through electronic means pursuant to
20 G.S. 20-58.4A, the secured party shall, within seven business days from the date of satisfaction,
21 send electronic notice of the release of the security interest to the Division through the
22 electronic lien release system established pursuant to G.S. 20-58.4A. The electronic notice of
23 the release of the security interest sent to the Division by the secured party shall direct that a
24 physical certificate of title be mailed or delivered to the address noted by the secured party
25 providing notice of the satisfaction or other discharge of the security interest. Upon receipt by
26 the Division of an electronic notice of the release of the security interest, the Division shall
27 mail or deliver a certificate of title to the address noted by the secured party within three
28 business days."

29 **SECTION 3.** Section 1 of this act becomes effective August 1, 2016. The
30 remainder of the act becomes effective December 1, 2015.



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