

GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2023

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HOUSE BILL DRH40103-NEf-62C

Short Title: DMV Proposed Legislative Changes.-AB

(Public)

Sponsors: Representative B. Jones.

Referred to:

1 A BILL TO BE ENTITLED
2 AN ACT TO MAKE VARIOUS CHANGES TO THE MOTOR VEHICLE, LIEN HEARING
3 NOTIFICATION, AND SERVICE OF PROCESS LAWS OF THE STATE, AS
4 RECOMMENDED BY THE DIVISION OF MOTOR VEHICLES OF THE
5 DEPARTMENT OF TRANSPORTATION.

6 The General Assembly of North Carolina enacts:

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

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

10 **"§ 20-4.01. Definitions.**

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

13 ...

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

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

21"

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



1 including any legislative recommendations, to the North Carolina General Assembly, the chairs
2 of the Joint Legislative Transportation Oversight Committee, and the Fiscal Research Division
3 no later than January 1, 2024.

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

5
6 **AUTHORIZE DISCLOSURE OF SOCIAL SECURITY NUMBERS TO THE STATE**
7 **BOARD OF ELECTIONS, EXTEND DURATION OF LICENSES, AND IMPLEMENT**
8 **MOBILE LICENSES**

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

10 "§ 20-7. Issuance and renewal of drivers licenses.

11 ...

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

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

19 ...

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

22 ...

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

25 ...

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

36 (2a) Duration of renewed licenses. – A renewed drivers license that was issued by
37 the Division to a person at least 18 years old but less than 66 years old expires
38 ~~eight~~16 years after the expiration date of the license that is renewed. A
39 renewed drivers license that was issued by the Division to a person at least 66
40 years old expires five years after the expiration date of the license that is
41 renewed. A renewed commercial drivers license expires five years after the
42 expiration date of the license that is renewed.

43 ...

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

47 ...

48 c. Duration of remote renewal or conversion. – A drivers license issued
49 to a person by remote renewal or conversion under this subdivision
50 expires according to the following schedule:

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

REVISE REGISTRATION TITLE ISSUANCE STATUTES

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

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

...

(h) Commission Contracts for Issuance of Plates and Certificates. – ~~All registration~~ Registration plates, registration certificates, and certificates of title issued by ~~the Division, any office of the Division within this State,~~ 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 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.

...

(h1) Commission contracts entered into by the Division under this subsection shall also provide for the payment of an additional one dollar (\$1.00) 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) or (a)(9) of G.S. 20-85.

...."

SECTION 6.(b) 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 6.(c) 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) ~~One dollar (\$1.00)~~ 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 6.(d) G.S. 20-85.1 is repealed.

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

"(a1) One dollar (\$1.00) 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 6.(f) Subsections (a) through (d) of this section become effective October 1, 2023, and apply to certificates of title issued or renewed on or after that date. Subsection (e) of this section becomes effective June 30, 2031.

INCREASE FEE FOR AUTHORIZATION TO ADMINISTER OATHS

SECTION 7. 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	\$2.00 <u>\$6.00</u>
(2)	Two signatures	3.00 <u>7.00</u>
(3)	Three or more signatures	4.00 <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.

...."

DIVERSIFY ADVISORY COMMITTEE OF COMMISSION CONTRACTORS

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

"(b) Membership and Terms. – The LPA Advisory Committee consists of (i) persons who are on the staff of the Division of Motor Vehicles and six Vehicles, (ii) four persons appointed by the North Carolina Association of Motor Vehicle Registration Contractors. Contractors that are members of the Association, and (iii) two persons appointed by the Commissioner that are contractors but not members of the Association. The Commissioner determines the number of Division staff persons to appoint to the Committee and designates the chair of the Committee. Members of the Committee appointed by the Commissioner serve ex officio. Members of the Committee appointed by the Association serve two-year terms beginning on July 1 of an odd-numbered year. A member who serves for a specific term continues to serve after the expiration of the member's term until a successor is appointed. A member shall not serve more than two consecutive terms."

1 CLARIFY ISSUANCE OF PERMANENT LICENSE PLATES TO EMS/RESCUE
2 ENTITIES

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

4 "§ 20-84. Permanent registration plates; State Highway Patrol.

5 ...
6 (b) Permanent Registration Plates. – The Division may issue permanent plates for the
7 following motor vehicles:

- 8 ...
- 9 (6) ~~A motor vehicle owned by an incorporated emergency rescue squad.~~
- 10 ...
- 11 (10) ~~A motor vehicle owned by a rural fire department, agency, or association.~~
- 12 ...
- 13 (21) A motor vehicle owned by (i) an incorporated emergency rescue squad or (ii)
14 a rural fire department, agency, or association. An entity seeking a permanent
15 plate pursuant to this subdivision shall also establish that the entity (i) is listed
16 in the Emergency Medical Services (EMS) System Plan in the county the
17 entity provides services, (ii) maintains an active provider number issued by
18 the North Carolina Office of EMS, and (iii) actively provides first responder
19 services to a county, city, or town in the State.

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

23"

24
25 CLARIFY AUTHORIZED USAGE OF TRANSPORTER PLATES

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

27 "§ 20-79.2. Transporter plates.

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

- 33 (1) To a business or a dealer to facilitate the manufacture, construction,
34 rebuilding, or delivery of new or used truck cabs or bodies between
35 manufacturer, dealer, seller, or purchaser. A plate issued pursuant to this
36 subdivision shall not be used to deliver truck cabs or bodies manufactured,
37 constructed, or rebuilt in another state.
- 38 (2) To a financial institution that has a recorded lien on a motor vehicle located
39 in North Carolina to repossess the motor vehicle.
- 40 (3) To a dealer or repair facility to pick up and deliver a motor vehicle that is to
41 be repaired, is to undergo a safety or emissions inspection, or is to otherwise
42 be prepared for sale by a dealer, to road-test the vehicle, if it is repaired or
43 inspected within a 20-mile radius of the place where it is repaired or inspected,
44 and to deliver the vehicle to the dealer. A repair facility may not receive more
45 than two transporter plates for this purpose. A plate issued pursuant to this
46 subdivision only authorizes the operation of the vehicle that is to be repaired.
- 47 ...
- 48 (5) To a dealer or a business that contracts with a dealer and has a business
49 privilege license to take a motor vehicle either to or from a motor vehicle
50 auction where the vehicle will be or was offered for sale. The title to the
51 vehicle, a bill of sale, or written authorization from the dealer or auction must

1 be inside the vehicle when the vehicle is operated with a transporter plate. A
2 plate issued pursuant to this subdivision only authorizes the operation of the
3 vehicle that will be or was offered for sale.

4 ...

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

11"

12
13 **STUDY ALTERNATIVE MATERIALS FOR LICENSE PLATES**

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

20
21 **UPDATE ODOMETER DISCLOSURE REQUIREMENT**

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

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

24
25 **CLARIFY PROCESS FOR AFFIXING SPECIAL REGISTRATION PLATES TO**
26 **VEHICLES ASSIGNED BY THE DEPARTMENT OF ADMINISTRATION**

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

28 "**§ 20-79.5. Special registration plates for elected and appointed State government officials.**

29 ...

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

35
36 **EXPAND AUTHORITY OF DIVISION OFFICERS**

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

38 "**§ 20-49.1. Supplemental police authority of Division officers.**

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

42 (1) When they have probable cause to believe that a person has committed a
43 criminal act in their presence ~~and at the time of the violation they are engaged~~
44 ~~in the enforcement of laws otherwise within their jurisdiction or that a~~
45 criminal act had immediately occurred, or is in the process of occurring, on
46 physical property owned, operated, or maintained by either the North Carolina
47 Department of Transportation or the Division, or property operated as a
48 license plate agency for and overseen and regulated by the Division.

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

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

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

...."

MODIFY VARIOUS STATUTES RELATING TO DEALERS

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

"§ 20-79. Dealer license plates.

...

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

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

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

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

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

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

4 This subsection does not apply to manufacturers licensed under Article 12 of this Chapter.
5"

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

7 "§ 20-87. Passenger vehicle registration fees.

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

10 ...
11 (5) Private Passenger Vehicles. – There shall be paid to the Division annually, as
12 of the first day of January, for the registration and licensing of private
13 passenger vehicles, fees according to the following classifications and
14 schedules:

15 Private passenger vehicles of not more than fifteen	
16 passengers.....	\$36.00\$38.75
17 Private passenger vehicles over fifteen	
18 passengers.....	40.0043.25

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

24 ...
25 (7) Dealer License Plates. – The fee for a dealer license plate is double the regular
26 fee for each of the first five plates issued to the same dealer and is ~~one-half~~
27 the regular fee for each additional dealer license plate issued to the same
28 dealer. The "regular fee" is the fee set in subdivision (5) of this section for a
29 private passenger motor vehicle of not more than 15 passengers.

30"
31 SECTION 15.(c) G.S. 20-288 reads as rewritten:

32 "§ 20-288. Application for license; license requirements; expiration of license; bond.

33 ...
34 (a1) A used motor vehicle dealer may obtain a license by filing an application, as
35 prescribed in subsection (a) of this section, and providing the following:

36 ...
37 (2) Proof that the applicant, within the last ~~12-24~~ months, has completed ~~a-two~~
38 12-hour licensing ~~course~~ courses approved by the Division if the applicant is
39 seeking an initial license and ~~a-two~~ six-hour ~~course~~ courses approved by the
40 Division if the applicant is seeking a renewal license. The requirements of this
41 subdivision do not apply to a used motor vehicle dealer the primary business
42 of which is the sale of salvage vehicles on behalf of insurers or to a
43 manufactured home dealer licensed under G.S. 143-143.11 who complies
44 with the continuing education requirements of G.S. 143-143.11B. The
45 requirement of this subdivision does not apply to persons age 62 or older as
46 of July 1, 2002, who are seeking a renewal license. This subdivision also does
47 not apply to an applicant who holds a license as a new motor vehicle dealer as
48 defined in G.S. 20-286(13) and operates from an established showroom
49 located in an area within a radius of 30 miles around the location of the
50 established showroom for which the applicant seeks a used motor vehicle
51 dealer license. An applicant who also holds a license as a new motor vehicle

1 dealer may designate a representative to complete the licensing course
2 required by this subdivision.

3 ...

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

8 ...

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

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

17 **"§ 20-289. License fees.**

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

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

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

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

35 **INCREASE PENALTY FOR VIOLATION OF REGISTRATION PROVISION**

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

37 **"§ 20-79.1. Use of temporary registration plates or markers by purchasers of motor**
38 **vehicles in lieu of dealers' plates.**

39 ...

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

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

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

48 **SECTION 17.(a)** Article 3 of Chapter 20 of the General Statutes is amended by
49 adding a new section to read:
50
51

1 **"§ 20-79.1B. Print-on-demand temporary registration plates.**

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

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

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

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

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

16
17 **AUTHORIZE DIVISION TO OWN MOTOR VEHICLES**

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

19 **"§ 143-341. Powers and duties of Department.**

20 The Department of Administration has the following powers and duties:

21 ...
22 (8) General Services:

23 ...
24 i. To establish and operate a central motor fleet and such subsidiary
25 related facilities as the Secretary may deem necessary, and to that end:

26 ...
27 3. To require on a schedule determined by the Department all
28 State agencies to transfer ownership, custody or control of any
29 or all passenger motor vehicles within the ownership, custody
30 or control of that agency to the Department, except those motor
31 vehicles under the ownership, custody or control of the
32 Highway Patrol, the State Bureau of Investigation, the State
33 Capitol Police, the Alcohol Law Enforcement Division of the
34 Department of Public Safety, the Samarcan Training
35 Academy, or the constituent institutions of The University of
36 North Carolina which are used primarily for law-enforcement
37 purposes. The Division of Motor Vehicles may own and
38 maintain custody and control over a fleet of vehicles used in
39 specialized investigative operations. These vehicles may be
40 received, titled, transferred, or sold as deemed appropriate by
41 the Commissioner of Motor Vehicles."

42
43 **MODIFY HEADLAMPS AND AUXILIARY DRIVING LAMPS REQUIREMENTS**

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

45 **"§ 20-131. Requirements as to headlamps and auxiliary driving lamps.**

46 ...
47 (d1) Any headlamp installed on a vehicle after initial manufacture of the vehicle shall
48 comply with Federal Motor Vehicle Safety Standard (FMVSS) 108.

49"

50
51 **UPDATE SERVICE OF PROCESS BY THE DIVISION**

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

2 "**§ 1-105. Service upon nonresident drivers of motor vehicles and upon the personal**
3 **representatives of deceased nonresident drivers of motor vehicles.**

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

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

- 22 (1) By leaving a copy thereof, with a fee of ~~ten dollars (\$10.00),~~ twenty dollars
23 (\$20.00) in the hands of the Commissioner of Motor Vehicles, or in ~~his the~~
24 Commissioner's office. Such service, upon compliance with the other
25 provisions of this section, shall be sufficient service upon the said nonresident.
- 26 (2) Notice of such service of process and copy thereof must be forthwith sent by
27 certified or registered mail by plaintiff or the Commissioner of Motor Vehicles
28 to the defendant, and the entries on the defendant's return receipt shall be
29 sufficient evidence of the date on which notice of service upon the
30 Commissioner of Motor Vehicles and copy of process were delivered to the
31 defendant, on which date service on said defendant shall be deemed
32 completed. If the defendant refuses to accept the certified or registered letter,
33 service on the defendant shall be deemed completed on the date of such refusal
34 to accept as determined by notations by the postal authorities on the original
35 envelope, and if such date cannot be so determined, then service shall be
36 deemed completed on the date that the certified or registered letter is returned
37 to the plaintiff or Commissioner of Motor Vehicles, as determined by postal
38 marks on the original envelope. If the certified or registered letter is not
39 delivered to the defendant because it is unclaimed, or because ~~he the~~ defendant
40 has removed himself or herself from ~~his the~~ defendant's last known address
41 and has left no forwarding address or is unknown at ~~his the~~ defendant's last
42 known address, service on the defendant shall be deemed completed on the
43 date that the certified or registered letter is returned to the plaintiff or
44 Commissioner of Motor Vehicles.
- 45 (3) The defendant's return receipt, or the original envelope bearing a notation by
46 the postal authorities that receipt was refused, and an affidavit by the plaintiff
47 that notice of mailing the registered letter and refusal to accept was forthwith
48 sent to the defendant by ordinary mail, together with the plaintiff's affidavit of
49 compliance with the provisions of this section, must be appended to the
50 summons or other process and filed with said summons, complaint and other
51 papers in the cause.

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

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

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

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

13
14 **EFFECTIVE DATE**

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