

**2017-2018**

**HOUSE  
TRANSPORTATION**

**MINUTES**





# ATTENDANCE

## HOUSE STANDING COMMITTEE ON TRANSPORTATION

(2017 – 2018 Session)

DATES		2/7/2017	2/21/17	2/28/2017	3/7/2017	3/14/2017	3/21/2017	3/28/2017	4/4/2017	4/11/2017	4/24/2015	4/25/2017	5/16/2017	6/20/2017	Cxxxxxxxx
HASTINGS, Kelly	CHAIR	*	*	*	*	*	*	*		*	*		*	*	
ILER, Frank	CHAIR	*	*	*	*	*	*	*	*	*	*	*	*	*	
SHEPARD, Phil	CHAIR		*	*		*	*	*	*	*	*		*	*	
TORBETT, John	CHAIR	*	*	*	*	*	*	*	*	*	*	*	*	*	
CARNEY, Becky	VICE-CHAIR		*	*	*	*	*	*	*	*	*	*		*	
CLEVELAND, George	VICE-CHAIR	*	*	*	*	*	*	*	*		*	*		*	
SPECIALE, Michael	VICE-CHAIR		*	*	*	*	*	*	*	*	*	*	*	*	
ADAMS, Jay			*	*	*	*	*	*	*	*	*	*	*	*	
ALEXANDER, Kelly				*	*			*		*		*		*	
ARP, Dean			*	*	*	*						*			
BEASLEY, Chaz		*	*	*	*	*	*	*		*	*	*	*	*	
BELK, Mary		*		*	*	*	*	*	*	*	*	*		*	
BLACKWELL, Hugh			*	*	*	*	*		*	*	*	*	*	*	
BOLES, James				*	*		*	*		*	*	*			
BRAWLEY, Bill		*	*	*	*		*	*	*	*	*	*	*		
BUMGARDNER, Dana		*	*	*	*	*	*	*		*	*	*	*	*	
CORBIN, Kevin		*	*	*	*		*	*		*	*	*	*	*	
DOLLAR, Nelson						*									
FAIRCLOTH, John		*	*		*	*	*	*		*	*	*	*		
FORD, Carl		*	*	*	*	*	*	*	*	*	*	*	*	*	
FRALEY, John		*	*	*	*	*	*	*	*	*	*	*	*	*	
GOODMAN, Ken		*	*			*	*	*	*	*	*	*	*	*	
GRAHAM, Charles			*	*		*		*	*	*		*	*	*	
GRANGE, Holly		*	*		*	*	*	*	*		*	*	*	*	
HALL, Duane		*							*			*		*	
HUNTER, Howard		*	*	*	*	*	*	*	*	*	*	*	*	*	
JONES, Brendan		*	*	*	*	*	*	*	*	*	*				
MCGRADY, Chuck		*	*		*	*	*		*	*	*	*		*	



[illegible]



# **NORTH CAROLINA GENERAL ASSEMBLY**

## **HOUSE TRANSPORTATION 2017-2018 SESSION**



**Rep. Kelly Hastings**  
Co- Chair



**Rep. Frank Iler**  
Co-Chair



**Rep. Phil Shepard**  
Co-Chair



**Rep. John Torbett**  
Co-Chair



**Rep. Becky Carney**  
Vice chair



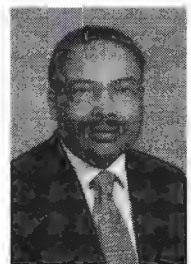
**Rep. George Cleveland**  
Vice chair



**Rep. Michael Speciale**  
Vice chair



**Rep. Jay Adams**



**Rep. Kelly Alexander**



**Rep. Dean Arp**



**Rep. Chaz Beasley**



**Rep. Mary Belk**



**Rep. Jamie Boles**



**Rep. Bill Brawley**



**Rep. Dana Bumgardner**



**Rep. Kevin Corbin**



**Rep. Nelson Dollar**



**Rep. John Faircloth**



**Rep. Carl Ford**



**Rep. John Fraley**



**Rep. Ken Goodman**



**Rep. Charles Graham**





**NORTH CAROLINA GENERAL ASSEMBLY**

**HOUSE TRANSPORTATION  
2017-2018 SESSION**



**Rep. Holly Grange**



**Rep. Duane Hall**



**Rep. Howard Hunter, III**



**Rep. Brendan Jones**



**Rep. Chuck McGrady**



**Rep. Allen McNeill**



**Rep. Rodney Moore**



**Rep. Michele Presnell**



**Rep. Bobbie Richardson**



**Rep. William Richardson**



**Rep. Bob Steinburg**



**Rep. Scott Stone**



**Rep. Larry Strickland**



**Rep. Rena Turner**



**Rep. Shelly Willingham**





**HOUSE COMMITTEE ON TRANSPORTATION**

<b>CHAIR</b>	<b>ASSISTANT</b>	<b>PHONE</b>	<b>OFFICE</b>	<b>SEAT</b>
Kelly Hastings	James Jenkins	715-2002	1206	17
Frank Iler	Carla Farmer	301-1450	639	14
Phil Shepard	Pamela Pate	715-9644	530	53
John Torbett	Viddia Torbett	733-5868	538	41

<b>VICE CHAIR</b>	<b>ASSISTANT</b>	<b>PHONE</b>	<b>OFFICE</b>	<b>SEAT</b>
Becky Carney	Beth LeGrande	733-5827	1221	12
George Cleveland	Pamela Ahlin	715-6707	417A	8
Michael Speciale	Hazel Speciale	733-5853	1008	50

<b>MEMBERS</b>	<b>ASSISTANT</b>	<b>PHONE</b>	<b>OFFICE</b>	<b>SEAT</b>
Jay Adams	Susan Phillips	733-5988	2223	73
Kelly Alexander	Marjorie Conner	733-5778	404	35
Dean Arp	Wendy Miller	715-3007	529	66
Chaz Beasley	Michael Wilson	733-5654	403	108
Mary Belk	Ralph Belk	733-5607	1424	116
Jamie Boles	Kerry Guice	733-5903	528	25
Bill Brawley	Lynn Taylor	733-5800	534	19
Dana Bumgardner	Margie Penven	733-5809	2119	40
Kevin Corbin	Cindy Hobbs	733-5859	2215	98
Nelson Dollar	Candace Slate	715-0795	307B	4
John Faircloth	Becky Bauerband	733-5877	613	28
Carl Ford	Olivia Clapp	715-5881	608	64
John Fraley	Carol Wakely	733-5741	637	68
Ken Goodman	Judy Veorse	733-5823	542	47
Charles Graham	Linda Laton	715-0875	1309	84
Holly Grange	Laura Holt Kabel	733-5830	604	89
Duane Hall	Brad Kennedy	733-5755	1004	58
Howard Hunter	Brenda Bennett	733-5780	1307	46
Brendan Jones	Andrew Bailey	733-5821	2217	88
Chuck McGrady	Britt Eller	733-5956	304	15
Allen McNeill	Laura Sullivan	715-4946	418B	55
Rodney Moore	Charmey Morgan	733-5606	402	36
Michele Presnell	John Wall	733-5732	418A	51
Bobbie Richardson	Anna Meadows	715-3032	1217	81
William (Billy) Richardson	Leigh Lawrence	933-5601	1021	71
Bob Steinburg	Andrew Bowers	733-0010	301B	43
Scott Stone	Marissa Turner	733-5886	2213	77
Larry Strickland	KJ Stancil	733-5849	602	112
Rena Turner	Barbara Gaiser	733-5661	606	52
Shelly Willingham	Johnna Smith	715-3024	513	96



**House Committee on Transportation  
Tuesday, February 7, 2017 at 11:00 AM  
Room 643 of the Legislative Office Building**

**MINUTES**

The House Committee on Transportation met at 11:00 AM on February 7, 2017 in Room 643 of the Legislative Office Building. Representatives Hastings, Iler, Torbett – Co-Chairs; Representative Cleveland – Vice Chair; and Representatives Beasley, Belk, Brawley, Bumgardner, Corbin, Faircloth, Ford, Fraley, Goodman, Grange, Hall, Hunter, Jones, McGrady, McNeill, Presnell, Richardson, B., Richardson, W., Stone, Strickland, Turner, and Willingham were in attendance.

Representative Hastings, Co-Chair, called the meeting to order and introduced the Pages and Sergeant At Arms who would be assisting with the Committee. A copy of the agenda and visitor registration forms are attached. (Attachment 1, 2)

**HB 15 – AN ACT TO AUTHORIZE THE DIVISION OF MOTOR VEHICLES TO ISSUE PERMANENT REGISTRATION PLATES FOR MOTOR VEHICLES OWNED AND OPERATED BY CERTAIN PUBLIC AUTHORITIES.**

Rep. Hastings stated that HB 15, “Public Authority/Permanent Plates”, was before the Committee for discussion and recognized Rep. Davis to speak to the bill. The Sergeant At Arms distributed a fiscal note for HB 15 submitted by Rep. Davis. (Attachment 3) Rep. Davis introduced Jim Flechtner, executive director of the Cape Fear Public Utility Department and Linda Miles, consulting attorney for the Cape Fear Public Utility Department. Rep. Davis explained that House Bill 15 will allow for permanent registration plates to motor vehicles owned and operated by a Chapter 162A water and sewer authority. Section 20-84 specifies what particular entities may have permanent registration plates, whereas there is currently 19. The revenue impact will be confined to the highway fund.

Following this explanation Rep. Hastings recognized members for questions and comments on the bill. Reps. Torbett and Turner asked questions which were answered by Rep. Davis and Jim Flechtner. Rep. Cleveland commented that he was against a favorable report for HB 15.

There being no more questions, Rep. Iler was recognized and moved that House Bill 15 receive a favorable report, with serial referral to the Finance Committee, and the motion carried.

**HB 30 – AN ACT TO AUTHORIZE THE DIVISION OF MOTOR VEHICLES TO PRODUCE A COLORECTAL CANCER AWARENESS SPECIAL REGISTRATION PLATE.**

Rep. Hastings stated that HB 30 “Colorectal Cancer Awareness License Plate”, was before the Committee for consideration and recognized Rep. Brawley to explain the bill. House Bill 30 is for a special license plate for colorectal cancer awareness. The bill is in honor of the late Dr. Charles “Doc” Mahaffey who lost his battle with colorectal cancer. The bill promotes and



encourages screening, however unpleasant it may be. House Bill 30 does not change the requirement for 300 applications before plates will be introduced and issued, and will not incur any additional cost to the state.

Following this explanation Rep. Hastings recognized members for questions and comments on the bill. Rep. Iler was recognized for a question which was answered by Rep. Brawley.

There being no more questions, Rep. Hastings proposed that with unanimous consent, House Bill 30 receive a favorable report. Hearing no objections, House Bill 30 received a favorable report, with serial referral to the Finance Committee.


There being no further business before the Committee, Representative Hastings adjourned the meeting at 11:21 AM.

Respectfully Submitted:



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Chairman Kelly Hastings,  
Presiding



---

James Jenkins, Committee Clerk

Attachments:

1. Agenda
2. Visitor Registration
3. HB 15 and Summary
4. Fiscal Note for HB 15
5. HB 30 and Summary
6. Committee Report



Corrected #1: Removed HB 11, HB 28

**NORTH CAROLINA HOUSE OF REPRESENTATIVES  
COMMITTEE MEETING NOTICE  
AND  
BILL SPONSOR NOTIFICATION  
2017-2018 SESSION**

You are hereby notified that the **House Committee on Transportation** will meet as follows:

**DAY & DATE:** Tuesday, February 7, 2017

**TIME:** 11:00 AM

**LOCATION:** 643 LOB

The following bills will be considered:

<b>BILL NO.</b>	<b>SHORT TITLE</b>	<b>SPONSOR</b>
<u>HB 15</u>	Public Authority/Permanent Plates.	Representative Davis Representative Iler Representative Shepard Representative Torbett
<u>HB 30</u>	Colorectal Cancer Awareness License Plate.	Representative Brawley Representative Dulin Representative Torbett Representative Grange

Respectfully,

Representative Kelly E. Hastings, Co-Chair  
Representative Frank Iler, Co-Chair  
Representative Phil Shepard, Co-Chair  
Representative John A. Torbett, Co-Chair

I hereby certify this notice was filed by the committee assistant at the following offices at 12:24 PM on Monday, June 26, 2017.

\_\_\_\_ Principal Clerk  
\_\_\_\_ Reading Clerk – House Chamber

James Jenkins (Committee Assistant)





**House Committee on Transportation  
Tuesday, February 7, 2017, 11:00 AM  
643 Legislative Office Building**

**AGENDA**

**Welcome and Opening Remarks**

Representative Kelly Hastings, Presiding Chair  
Transportation Committee

**Bills**

<b>BILL NO.</b>	<b>SHORT TITLE</b>	<b>SPONSOR</b>
HB 15	Public Authority/Permanent Plates.	Representative Davis Representative Iler Representative Shepard Representative Torbett
HB 30	Colorectal Cancer Awareness License Plate.	Representative Brawley Representative Dulin Representative Torbett Representative Grange

**Adjournment**



**NORTH CAROLINA GENERAL ASSEMBLY  
HOUSE OF REPRESENTATIVES**

**TRANSPORTATION COMMITTEE REPORT**

**Representative Kelly E. Hastings, Co-Chair**

**Representative Frank Iler, Co-Chair**

**Representative Phil Shepard, Co-Chair**

**Representative John A. Torbett, Co-Chair**

**FAVORABLE AND RE-REFERRED**

HB 15

Public Authority/Permanent Plates.

Draft Number: None

**Serial Referral: FINANCE**

Recommended Referral: None

Long Title Amended: No

Floor Manager: Davis

HB 30

Colorectal Cancer Awareness License Plate.

Draft Number: None

**Serial Referral: FINANCE**

Recommended Referral: None

Long Title Amended: No

Floor Manager: Brawley

TOTAL REPORTED: 2



\* C M R 3 - V - 1 \*



GENERAL ASSEMBLY OF NORTH CAROLINA  
SESSION 2017

H

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HOUSE BILL 15

Short Title: Public Authority/Permanent Plates. (Public)

Sponsors: Representatives Davis, Iler, Shepard, and Torbett (Primary Sponsors).

Referred to: Transportation

January 26, 2017

1 A BILL TO BE ENTITLED  
2 AN ACT TO AUTHORIZE THE DIVISION OF MOTOR VEHICLES TO ISSUE PERMANENT  
3 REGISTRATION PLATES FOR MOTOR VEHICLES OWNED AND OPERATED BY  
4 CERTAIN PUBLIC AUTHORITIES.

5 The General Assembly of North Carolina enacts:

6 **SECTION 1.** G.S. 20-84(b) is amended by adding a new subdivision to read:

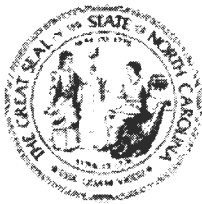
7 "(21) A motor vehicle that is owned and operated by an authority created pursuant to  
8 Article 1 of Chapter 162A of the General Statutes."

9 **SECTION 2.** This act becomes effective July 1, 2017.



\* H 1 5 -- V - 1 \*





## HOUSE BILL 15: Public Authority/Permanent Plates.

2017-2018 General Assembly

**Committee:** House Transportation  
**Introduced by:** Reps. Davis, Iler, Shepard, Torbett  
**Analysis of:** First Edition

**Date:** February 3, 2017  
**Prepared by:** Howard Marsilio  
Committee Counsel

**OVERVIEW:** *House Bill 15 would authorize the Division of Motor Vehicles to issue permanent registration plates to motor vehicles owned and operated by a Chapter 162A water and sewer authority.*

**CURRENT LAW:** DMV is currently authorized to issue permanent plates for vehicles owned and operated by the entities listed in G.S. 20-84(b), for a one-time registration fee of \$6.00. DMV is currently authorized, by G.S. 20-84(b), to issue permanent plates to the following motor vehicle categories:

- A motor vehicle owned by the State or one of its agencies.
- A motor vehicle owned by a county, city or town.
- A motor vehicle owned by a board of education.
- A motor vehicle that is owned and exclusively operated by a nonprofit corporation authorized under G.S. 115C-218.5 to operate a charter school and identified by a permanent decal or painted marking disclosing the name of the nonprofit corporation. The motor vehicle shall only be used for student transportation and official charter school related activities.
- A motor vehicle owned by the civil air patrol.
- A motor vehicle owned by an incorporated emergency rescue squad.
- A motor vehicle owned by a rural fire department, agency, or association.
- A motor vehicle owned by a local chapter of the American National Red Cross and used for emergency or disaster work.
- A motor vehicle owned by a community college. A community college vehicle purchased with State equipment funds shall be issued a permanent registration plate with the same distinctive color and design as a permanent registration plate issued under subdivision (1) of this subsection.
- A motor vehicle that is owned and operated by a sanitary district created under Part 2 of Article 2 of Chapter 130A of the General Statutes.
- Any motor vehicle owned by a federally recognized tribe.
- A motor vehicle owned by a public transportation service provider that is a designated recipient or direct recipient of Federal Transit Administration formula grant funds pursuant to 49 U.S.C. § 5311 or 49 U.S.C. § 5307.

DMV is not currently authorized to issue permanent registration plates for vehicles owned and operated by Chapter 162A water and sewer authorities – they are subject to the annual registration fees specified in G.S. 20-87 (\$36.00) or G.S. 20-88 (by weight).

Karen Cochrane-Brown  
Director



Legislative Analysis  
Division  
919-733-2578

# House Bill 15

*Page 2*

**BILL ANALYSIS:** House Bill 15 would authorize the DMV to issue a permanent registration plate to a motor vehicle owned and operated by a Chapter 162A water and sewer authority, for a one-time registration fee of \$6.00.

**EFFECTIVE DATE:** House Bill 15 would become effective July 1, 2017.



GENERAL ASSEMBLY OF NORTH CAROLINA  
SESSION 2017

H

1

HOUSE BILL 30

Short Title: Colorectal Cancer Awareness License Plate. (Public)

Sponsors: Representatives Brawley, Dulin, Torbett, and Grange (Primary Sponsors).

Referred to: Transportation, if favorable, Finance

February 1, 2017

A BILL TO BE ENTITLED  
AN ACT TO AUTHORIZE THE DIVISION OF MOTOR VEHICLES TO PRODUCE A  
COLORECTAL CANCER AWARENESS SPECIAL REGISTRATION PLATE.

The General Assembly of North Carolina enacts:

**SECTION 1.** G.S. 20-63(b1) reads as rewritten:

"(b1) The following special registration plates do not have to be a "First in Flight" plate or "First in Freedom" plate as provided in subsection (b) of this section. The design of the plates that are not "First in Flight" plates or "First in Freedom" plates must be developed in accordance with G.S. 20-79.4(a3). For special plates authorized in G.S. 20-79.7 on or after July 1, 2013, the Division may not issue the plate on a background under this subsection unless it receives at least 200 applications for the plate in addition to the applications required under G.S. 20-79.4 or G.S. 20-81.12.

...  
(54) Colorectal Cancer Awareness."

**SECTION 2.** G.S. 20-79.4(b) reads as rewritten:

"(b) Types. – The Division shall issue the following types of special registration plates:

...  
Q Colorectal Cancer Awareness. – Issuable to the registered owner of a motor vehicle in accordance with G.S. 20-81.12. The plate shall bear (i) the phrase "It Takes a Warrior to Battle Cancer!" across the top of the plate, (ii) a symbol on the left side of the plate of a blue ribbon with two wings that are colored blue, grey, and black, (iii) the phrase "Blue Ribbon Warrior" above the symbol, (iv) the phrase "Colorectal Cancer Awareness" below the symbol, and (v) the letters "CC" on the right side of the plate. The plate authorized under this subdivision is not subject to G.S. 20-79.3A(c) or the deadline set forth in G.S. 20-79.3A(b).

...."

**SECTION 3.** 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:

<u>Special Plate</u>	<u>Additional Fee Amount</u>
...	
Coastal Land Trust	\$30.00
<u>Colorectal Cancer Awareness</u>	<u>\$30.00</u>
Crystal Coast	Expired July 1, 2016



1 ...  
 2 (b) Distribution of Fees. – The Special Registration Plate Account and the Collegiate and  
 3 Cultural Attraction Plate Account are established within the Highway Fund. The Division must  
 4 credit the additional fee imposed for the special registration plates listed in subsection (a) of this  
 5 section among the Special Registration Plate Account (SRPA), the Collegiate and Cultural  
 6 Attraction Plate Account (CCAPA), the Clean Water Management Trust Fund (CWMTF), which  
 7 is established under G.S. 113A-253, and the Parks and Recreation Trust Fund, which is  
 8 established under G.S. 113-44.15, as follows:

9 <u>Special Plate</u>	<u>SRPA</u>	<u>CCAPA</u>	<u>CWMTF</u>	<u>PRTF</u>
10 ...				
11 Coastal Land Trust	\$10	\$20	0	0
12 <u>Colorectal Cancer Awareness</u>	<u>\$10</u>	<u>\$20</u>	<u>0</u>	<u>0</u>
13 Concerned Bikers Association/ 14 ABATE of North Carolina – 15 Expired July 1, 2016 16 ...."				

17 **SECTION 4.** G.S. 20-81.12 reads as rewritten:  
 18 "§ 20-81.12. Collegiate insignia plates and certain other special plates.

19 ...  
 20 (b155) Colorectal Cancer Awareness. – The Division must receive 300 or more applications  
 21 for a Colorectal Cancer Awareness plate before the plate may be developed. The Division shall  
 22 transfer quarterly the money in the Collegiate and Cultural Attraction Plate Account derived from  
 23 the sale of Colorectal Cancer Awareness plates to the Colon Cancer Coalition to be used to  
 24 promote prevention and early detection of colorectal cancer and to provide support to persons  
 25 affected.

26 ...."  
 27 **SECTION 5.** The Revisor of Statutes is authorized to alphabetize, number, and  
 28 renumber the special registration plates listed in G.S. 20-79.4(b) to ensure that all the special  
 29 registration plates are listed in alphabetical order and numbered accordingly.

30 **SECTION 6.** This act becomes effective July 1, 2017.



## HOUSE BILL 30: Colorectal Cancer Awareness License Plate.

2017-2018 General Assembly

<b>Committee:</b>	House Transportation. If favorable, re-refer to Finance	<b>Date:</b>	February 3, 2017
<b>Introduced by:</b>	Reps. Brawley, Dulin, Torbett, Grange	<b>Prepared by:</b>	Giles Perry
<b>Analysis of:</b>	First Edition		Staff Attorney

**OVERVIEW:** *House Bill 30 authorizes the Division of Motor Vehicles to issue a new Colorectal Cancer Awareness special license plate.*

**CURRENT LAW:** North Carolina offers a number of special registration plates. Upon application and payment of the required registration fees, a person may obtain from the Division of Motor Vehicles a special registration plate for a motor vehicle registered in that person's name, if the person qualifies for the plate.

**BILL ANALYSIS:** House Bill 30:

- authorizes a new full color "Colorectal Cancer Awareness" special license plate.
- establishes a \$30 extra fee for the plate, with \$20 of that fee to be used to promote prevention and early detection of colorectal cancer and to provide support to persons affected.
- provides that the plate will not be subject to the new development process enacted in 2014 for special registration plates, which requires an organization proposing a new plate to first submit the required number of paid applications to DMV before legislation is introduced to authorize the plate.

**EFFECTIVE DATE:** This act becomes effective July 1, 2017.

**BACKGROUND:** The issuance of most special plates is contingent upon the receipt by DMV of at least 300 applications for the particular plate if it is on a standard "First in Flight" background or at least 500 applications if it is on a full-color background.

As a general rule, the fee for a special registration plate is the regular vehicle registration fee, which is \$36, plus a special registration plate fee of at least \$10. \$10 of the special registration plate fee is credited to the Special Registration Plate Account. After deducting the cost of the plates from this account, \$1.3 million is appropriated to provide operating assistance for Visitor Centers. The remaining revenue in the account is transferred quarterly to the Department of Commerce for advertising (33%), the Department of Transportation for highway beautification (50%), and the Department of Human Resources to promote travel accessibility for disabled persons (17%).

The cost of some special plates includes a fee in addition to the \$10 special registration plate fee. In those instances, the first \$10 goes to the special registration plate fund and the remainder is transferred quarterly to designated beneficiaries of the additional fee amount.

In 2014, the General Assembly enacted legislation creating a new development process for special registration plates, which requires the organization desiring the plate to submit, by February 15, the

Karen Cochrane-Brown  
Director



Legislative Analysis  
Division  
919-733-2578

# House Bill 30

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required number of paid applications to the Division of Motor Vehicles before legislation is introduced to authorize the plate. The Division is required to submit a report to the General Assembly each year by March 15 identifying applicants who have met the plate development requirements and are eligible for legislative consideration.

*Wendy Graf-Ray and Cindy Avrette of the Legislative Analysis Division substantially contributed to this summary.*



# GENERAL ASSEMBLY OF NORTH CAROLINA

Session 2017

## FISCAL ANALYSIS MEMORANDUM

[This confidential fiscal memorandum is a fiscal analysis of a draft bill, amendment, committee substitute, or conference committee report that has not been formally introduced or adopted on the chamber floor or in committee. This is not an official fiscal note. If upon introduction of the bill you determine that a formal fiscal note is needed, please make a fiscal note request to the Fiscal Research Division, and one will be provided under the rules of the House and the Senate.]

**DATE:** 02/02/2017

**TO:** Representative Davis

**FROM:** Susan Tyler  
Fiscal Research Division

**RE:** Public Authority/Permanent Plates

FISCAL IMPACT (\$ in millions)					
	<input type="checkbox"/> Yes	<input type="checkbox"/> No	<input checked="" type="checkbox"/> No Estimate Available		
	FY 2016-17	FY 2017-18	FY 2018-19	FY 2019-20	FY 2020-21
<b>State Impact</b>					
General Fund Revenues:					
General Fund Expenditures:					
State Positions:					
<b>NET STATE IMPACT</b>	No estimate available. Please see Assumptions & Methodology section for additional details.				
<b>PRINCIPAL DEPARTMENT(S) &amp; PROGRAM(S) AFFECTED:</b> Department of Motor Vehicles					
<b>EFFECTIVE DATE:</b> July 1, 2017					
<b>TECHNICAL CONSIDERATIONS:</b> None					

## BILL SUMMARY:

Section 1 provides that public Water and Sewer Authorities are eligible recipients of permanent registration plates.

Section 2 makes this change effective July 1, 2017.

## ASSUMPTIONS AND METHODOLOGY:

G.S. 162A-3 and G.S. 162A-3.1 require Water and Sewer Authorities to register with the Secretary of State (SOS). A query to the SOS revealed 34 Water and Sewer Authorities registered in North Carolina.



A query of the Division of Motor Vehicles State Titling and Registration System (STARS) yielded 687 eligible vehicles for permanent plates. However, the information provided by STARS is limited since the system does not account for variations in spellings or abbreviations. For example a query in STARS for "South Granville Water & Sewer Authority" returned 4 registered vehicles. In contrast, a query in STARS for "South Granville Water and Sewer Authority" returned 19 registered vehicles.

Given the limitation of STARS, potential for new vehicles to be added to existing fleets, and potential formation of new Water and Sewer Authorities, Fiscal Research cannot accurately project the total potential revenue impact of Section 1. However, using the data yielded in the STARS query, revenue loss would be \$174,372 in the year of permanent registration and \$178,494 annually thereafter.

<b>Water and Sewer Authorities STARS Query</b>	
Current Revenue from Plate Fees	\$ 178,494
\$6 x 687	\$ (4,122)
<b>Loss in Year of Implementation</b>	<b>\$ 174,372</b>

The one-time fee for a permanent plate registration is \$6. In contrast, the minimum fee for a private passenger vehicle plate registration is \$36. Example fees for private weighted vehicle plate registrations are shown below:

Plate Fee, Private Truck Under 4,000 lbs	\$ 36.00
Plate Fee, Private Truck Under 5,000 lbs	\$ 56.50
Plate Fee, Private Truck Under 6,000 lbs	\$ 67.00

Depending on the type, purpose and weight of the vehicle, the minimum revenue loss per vehicle is \$30 in the year of permanent registration and \$36 annually thereafter. Revenue impacts are confined to the Highway Fund. Any impact to DMV operations, including registration materials and branch agent compensation, is assumed to be nominal.

**SOURCES OF DATA:** Division of Motor Vehicles, Secretary of State

**TECHNICAL CONSIDERATIONS:** None





# VISITOR REGISTRATION SHEET

House Committee on Transportation

2/7/2017

Name of Committee

Date

VISITORS: PLEASE SIGN IN BELOW AND RETURN TO COMMITTEE CLERK

NAME

FIRM OR AGENCY AND ADDRESS

Sarah Wolfe	MWC
Matthew Herr	DRNC
LT McCrimmon	DHHS
Michael W. Is	NCGA
Rian Mewald	WOM
Kathy Kingstun	BP
Phoebe Paulson	MWC
Jim Flechtler	CFPUA
Linda Miller	M. L. Finner
Carson Christman	NCGA
Amanda Donovan	TS



## VISITOR REGISTRATION SHEET

House Committee on Transportation

2/7/2017

Name of Committee

Date

VISITORS: PLEASE SIGN IN BELOW AND RETURN TO COMMITTEE CLERK

NAME

FIRM OR AGENCY AND ADDRESS

Rhaegan Jackson	Focus Carolina
Alex Holbrook	NCDOT
Paula Babcock	PPAB
Pa draing Gibbons	Connect C
B. Hon Allen	NC ICC
Reba Calvert	NCDMV
Sherry Lee	NCDMV
Hope Maynard	NCDMV
Jessie White	NCMS
Sue Ann Forrest	NCMS
GREG DEAN	CAROLINAS CONC. PAVING ASSN.



## VISITOR REGISTRATION SHEET

House Committee on Transportation

2/7/2017

Name of Committee

Date

VISITORS: PLEASE SIGN IN BELOW AND RETURN TO COMMITTEE CLERK

NAME

FIRM OR AGENCY AND ADDRESS

Ed Shugh	BD
Henry Griffin	SOG
Susan Vek	Duke Energy
Josh Grant	Smith Anderson
Paul Hopson	Truone
Jay Stem	NCAA
Fred Bone	Bone & Asso
John Palumbo	NCAAA
Thomas Moore	CGA
Jackie Cashion	NCE
Self Peter	NCAK



# VISITOR REGISTRATION SHEET

House Committee on Transportation

2/7/2017

Name of Committee

Date

VISITORS: PLEASE SIGN IN BELOW AND RETURN TO COMMITTEE CLERK

NAME

FIRM OR AGENCY AND ADDRESS

Butch Gunnells

NC Bar

Mark Beeson

RAND

David Heenan

Misc Trans.

David Heenan

NC Center for Nonprofits

Lynn Cote

SEANC

Sara Cornell Coburn

SEANC

Ardis Watkins

SEANC





### VISITOR REGISTRATION SHEET

House Committee on Transportation

2/7/2017

Name of Committee

Date \_\_\_\_\_

VISITORS: PLEASE SIGN IN BELOW AND RETURN TO COMMITTEE CLERK

NAME \_\_\_\_\_

FIRM OR AGENCY AND ADDRESS

Fred Moreno

NCREC

Saul Smith



TJB, yhee

NP

Mathew A. McEnroe

Carolina Healthcare System



**House Committee on Transportation  
Tuesday, February 21, 2017 at 11:00 AM  
Room 643 of the Legislative Office Building**

**MINUTES**

The House Committee on Transportation met at 11:00 AM on February 21, 2017 in Room 643 of the Legislative Office Building. Representatives Adams, Arp, Beasley, Belk, Blackwell, Boles, Brawley, Bumgardner, Carney, Cleveland, Corbin, Faircloth, Ford, Fraley, Goodman, C. Graham, Grange, Hastings, Hunter, Iler, Brenden Jones, McGrady, McNeill, Presnell, B. Richardson, W. Richardson, Shepard, Speciale, Steinburg, Stone, Strickland, Torbett, R. Turner, and Willingham attended.

Representative Frank Iler, Chair, presided.

The following bills were considered:


**HB 27 Clarify Expiration of Vehicle Registration. (Representatives Clampitt, Grange, Strickland, White)**

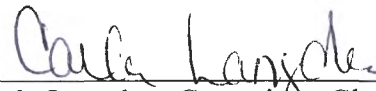
Representative Clampitt was recognized to explain HB 27. A PCS was prepared and Chairman Torbett was recognized for a motion to bring the PCS before the committee. The motion carried. After discussion and debate Representative Speciale was recognized for a motion favorable to the PCS, unfavorable to the original bill. The motion carried.

**HB 28 DOT/Access of Motorcyclists. (Representative Torbett)**

Chairman Torbett was recognized to explain HB 28. A PCS was prepared and Representative Brawley was recognized for a motion to bring the PCS before the committee. The motion carried. After discussion and debate Representative Cleveland was recognized for a motion favorable to the PCS, unfavorable to the original bill with a re-referral to the committee on Regulatory Reform. The motion carried.

The meeting adjourned at 11:10

  
\_\_\_\_\_  
Representative Frank Iler, Chair  
Presiding

  
\_\_\_\_\_  
Carla Langdon, Committee Clerk



**NORTH CAROLINA GENERAL ASSEMBLY  
HOUSE OF REPRESENTATIVES**

**TRANSPORTATION COMMITTEE REPORT**

**Representative Kelly E. Hastings, Co-Chair**

**Representative Frank Iler, Co-Chair**

**Representative Phil Shepard, Co-Chair**

**Representative John A. Torbett, Co-Chair**

**FAVORABLE COM SUB , UNFAVORABLE ORIGINAL BILL**

**HB 27**

Clarify Expiration of Vehicle Registration.

Draft Number: H27-PCS40104-BG-1

Serial Referral: None

Recommended Referral: None

Long Title Amended: No

Floor Manager: Clampitt

**FAVORABLE COM SUB , UNFAVORABLE ORIGINAL BILL AND RE-REFERRED**

**HB 28**

DOT/Access of Motorcyclists.

Draft Number: H28-PCS10072-SU-1

**Serial Referral: REGULATORY REFORM**

Recommended Referral: None

Long Title Amended: No

Floor Manager: Torbett

**TOTAL REPORTED: 2**



\* C M R 1 7 - V - 2 \*



**NORTH CAROLINA GENERAL ASSEMBLY  
HOUSE OF REPRESENTATIVES**

**TRANSPORTATION COMMITTEE REPORT**

**Representative Kelly E. Hastings, Co-Chair**

**Representative Frank Iler, Co-Chair**

**Representative Phil Shepard, Co-Chair**

**Representative John A. Torbett, Co-Chair**

**FAVORABLE COM SUB , UNFAVORABLE ORIGINAL BILL**

**HB 27**

Clarify Expiration of Vehicle Registration.

Draft Number: H27-PCS40104-BG-1

Serial Referral: None

Recommended Referral: None

Long Title Amended: No

Floor Manager: Clampitt

**FAVORABLE COM SUB , UNFAVORABLE ORIGINAL BILL AND RE-REFERRED**

**HB 28**

DOT/Access of Motorcyclists.

Draft Number: H28-PCS10072-SU-1

**Serial Referral: REGULATORY REFORM**

Recommended Referral: None

Long Title Amended: No

Floor Manager: Torbett

**TOTAL REPORTED: 2**



\* C M R 1 7 - V - 2 \*





**Carla Langdon (Rep. Frank Iler)**

---

**From:** Carla Langdon (Rep. Frank Iler)  
**Sent:** Monday, February 20, 2017 03:14 PM  
**To:** Rep. Holly Grange; Rep. Mike Clampitt; Rep. Larry Strickland; Rep. Donna White; Rep. John Torbett  
**Cc:** Laura Holt-Kabel (Rep. Holly Grange); Edward Stiles (Rep. Mike Clampitt); Kermit Stancil (Rep. Larry Strickland); Susan Mullins (Rep. Donna White); Viddia Torbett (Rep. John Torbett)  
**Subject:** <NCGA> House Transportation Committee Meeting Notice for Tuesday, February 21, 2017 at 11:00 AM - CORRECTED #1  
**Attachments:** Add Meeting to Calendar\_LINC\_.ics

**Corrected #1: Remove HB 66 Veterans Plates/Vehicle Weight Restriction**

**NORTH CAROLINA HOUSE OF REPRESENTATIVES  
COMMITTEE MEETING NOTICE  
AND  
BILL SPONSOR NOTIFICATION  
2017-2018 SESSION**

You are hereby notified that the **House Committee on Transportation** will meet as follows:

**DAY & DATE:** Tuesday, February 21, 2017  
**TIME:** 11:00 AM  
**LOCATION:** 643 LOB  
**COMMENTS:** Rep. Iler will be chairing.

The following bills will be considered:

<b>BILL NO.</b>	<b>SHORT TITLE</b>	<b>SPONSOR</b>
HB 27	Clarify Expiration of Vehicle Registration.	Representative Clampitt Representative Grange Representative Strickland Representative White
HB 28	DOT/Access of Motorcyclists.	Representative Torbett

⋮

⋮

⋮

Respectfully,

Representative Kelly E. Hastings, Co-Chair  
Representative Frank Iler, Co-Chair  
Representative Phil Shepard, Co-Chair  
Representative John A. Torbett, Co-Chair

I hereby certify this notice was filed by the committee assistant at the following offices at 3:11 PM on Monday, February 20, 2017.

\_\_\_\_ Principal Clerk  
\_\_\_\_ Reading Clerk – House Chamber

Carla Langdon (Committee Assistant)

⋮

⋮

⋮

**NORTH CAROLINA HOUSE OF REPRESENTATIVES  
COMMITTEE MEETING NOTICE  
AND  
BILL SPONSOR NOTIFICATION  
2017-2018 SESSION**

You are hereby notified that the **House Committee on Transportation** will meet as follows:

**DAY & DATE:** Tuesday, February 21, 2017  
**TIME:** 11:00 AM  
**LOCATION:** 643 LOB  
**COMMENTS:** Rep. Iler will be chairing.

The following bills will be considered:

<b>BILL NO.</b>	<b>SHORT TITLE</b>	<b>SPONSOR</b>
HB 27	Clarify Expiration of Vehicle Registration.	Representative Clampitt Representative Grange Representative Strickland Representative White
HB 28	DOT/Access of Motorcyclists.	Representative Torbett
HB 66	Veterans Plates/Vehicle Weight Restriction.	Representative Speciale Representative G. Martin Representative Henson

Respectfully,

Representative Kelly E. Hastings, Co-Chair  
Representative Frank Iler, Co-Chair  
Representative Phil Shepard, Co-Chair  
Representative John A. Torbett, Co-Chair

I hereby certify this notice was filed by the committee assistant at the following offices at 10:32 AM on Thursday, February 16, 2017.

\_\_\_\_ Principal Clerk  
\_\_\_\_ Reading Clerk – House Chamber

Carla Langdon (Committee Assistant)



**House Committee on Transportation  
Tuesday, February 21, 2017, 11:00 AM  
643 Legislative Office Building**

**AGENDA**

**Welcome and Opening Remarks**

**Introduction of Pages**

**Bills**

**BILL NO. SHORT TITLE**

HB 27 Clarify Expiration of Vehicle  
Registration.

**SPONSOR**

Representative Clampitt  
Representative Grange  
Representative Strickland  
Representative White

HB 28 DOT/Access of Motorcyclists.

Representative Torbett

**Adjournment**





GENERAL ASSEMBLY OF NORTH CAROLINA  
SESSION 2017

H

1

HOUSE BILL 27

Short Title: Clarify Expiration of Vehicle Registration. (Public)

Sponsors: Representatives Clampitt, Grange, Strickland, and White (Primary Sponsors).

Referred to: Transportation

February 1, 2017

1 A BILL TO BE ENTITLED  
2 AN ACT TO CLARIFY WHEN THE REGISTRATION OF A VEHICLE RENEWED BY  
3 MEANS OF A NEW REGISTRATION PLATE EXPIRES.  
4 The General Assembly of North Carolina enacts:  
5 **SECTION 1.** G.S. 20-66(g1) reads as rewritten:  
6 "(g1) Expiration of Registration by Other Means. – The registration of a vehicle renewed by  
7 means of a new registration plate ~~expires~~ is valid through midnight ~~on~~ February 15 of each  
8 year."  
9 **SECTION 2.** This act is effective when it becomes law.





GENERAL ASSEMBLY OF NORTH CAROLINA  
SESSION 2017

H

D

HOUSE BILL 27  
PROPOSED COMMITTEE SUBSTITUTE H27-CSBG-1 [v.3]

02/20/2017 03:06:22 PM

Short Title: Clarify Expiration of Vehicle Registration.

(Public)

Sponsors:

Referred to:

February 1, 2017

1 A BILL TO BE ENTITLED  
2 AN ACT TO CLARIFY WHEN THE REGISTRATION OF A VEHICLE RENEWED BY  
3 MEANS OF A NEW REGISTRATION PLATE EXPIRES.  
4 The General Assembly of North Carolina enacts:  
5 **SECTION 1.** G.S. 20-66(g1) reads as rewritten:  
6 "(g1) Expiration of Registration by Other Means. – The registration of a vehicle renewed by  
7 means of a new registration plate expires at midnight on the last day of the year in which the  
8 registration plate was issued. It is lawful, however, to operate the vehicle on a highway through  
9 midnight February 15 of ~~each~~ the following year."  
10 **SECTION 2.** This act is effective when it becomes law.



★ H 27 - C S B G - 1 ★





## HOUSE BILL 27: Clarify Expiration of Vehicle Registration.

2017-2018 General Assembly

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<b>Committee:</b>	House Transportation	<b>Date:</b>	February 20, 2017
<b>Introduced by:</b>	Reps. Clampitt, Grange, Strickland, White	<b>Prepared by:</b>	Giles Perry
<b>Analysis of:</b>	PCS to First Edition H27-CSBG-1		Wendy Graf Ray Howard Marsilio Committee Counsel

---

**OVERVIEW:** *House Bill 27 (Proposed Committee Substitute) would amend G.S. 20-66(g1) to clarify the language in the vehicle registration laws specifically related to vehicle registration plates renewed by means other than a registration sticker.*

**CURRENT LAW:** G.S. 20-66(g1) currently states that a vehicle registration renewed by registration plate "expires at midnight on February 15 of each year".

**BILL ANALYSIS:** House Bill 27 (PCS) would amend the language in G.S. 20-66(g1) from "expires at midnight on February 15 of each year" to clarify that applicable registration plates would expire at year-end, but would allow a grace period for issuance and receipt of a new registration plate through February 15 of the following year. This amendment would reconcile the language related to registration plates under G.S. 20-66(g1), what DMV currently utilizes in its registration documents associated with those registration plates, and vehicles registered via registration renewal stickers under G.S. 20-66.

**EFFECTIVE DATE:** House Bill 27 would become effective when it becomes law.

Karen Cochrane-Brown  
Director



Legislative Analysis  
Division  
919-733-2578



GENERAL ASSEMBLY OF NORTH CAROLINA  
SESSION 2017

H

1

HOUSE BILL 28

Short Title: DOT/Access of Motorcyclists. (Public)  
Sponsors: Representative Torbett.  
Referred to: Transportation, if favorable, Regulatory Reform

February 1, 2017

A BILL TO BE ENTITLED  
AN ACT TO PROHIBIT THE DEPARTMENT OF TRANSPORTATION FROM TAKING  
CERTAIN ACTIONS WITH THE PURPOSE OF RESTRICTING THE ACCESS OF  
MOTORCYCLISTS TO HIGHWAYS, BRIDGES, TUNNELS, AND OTHER  
TRANSPORTATION FACILITIES.

The General Assembly of North Carolina enacts:

**SECTION 1.** Article 2 of Chapter 136 of the General Statutes is amended by adding a  
new section to read:

**"§ 136-18.06. Restricting access of motorcyclists prohibited.**

(a) Definitions. – The following definitions apply in this section:

(1) Action. – Formulating transportation policy, adopting rules, allocating funds,  
and planning, designing, constructing, equipping, operating, and maintaining  
transportation facilities.

(2) Motorcyclist. – A person operating or riding a motorcycle.

(b) Restricting Access Prohibited. – The Department of Transportation is prohibited from  
taking any action that prohibits or imposes a requirement that applies only to a motorcyclist, and  
the principal purpose of the action is to restrict or inhibit the access of a motorcyclist to any  
highway, bridge, tunnel, or other transportation facility.

(c) Parking. – The Department, and any other owner or operator of a transportation facility  
funded in whole or in part by State or local funds, shall make reasonable accommodations for  
motorcycle parking at transportation facilities. The term "reasonable accommodations" includes  
sectioning portions of an existing parking space where the size configuration of the parking space  
does not meet building code requirements for full-size motor vehicles. Nothing in this subsection  
shall be construed as requiring the structural or technological modification of parking structures  
constructed or substantially completed on or before July 1, 2016.

(d) Construction. – Nothing in this section shall be construed as altering or superseding  
any State or federal law that prohibits or imposes a requirement that applies only to a  
motorcyclist."

**SECTION 2.** This act becomes effective July 1, 2017.







GENERAL ASSEMBLY OF NORTH CAROLINA  
SESSION 2017

H

D

HOUSE BILL 28  
PROPOSED COMMITTEE SUBSTITUTE H28-CSSU-1 [v.1]  
02/03/2017 12:34:37 PM

Short Title: DOT/Access of Motorcyclists.

(Public)

Sponsors: Representative Torbett.

Referred to:

February 1, 2017

1 A BILL TO BE ENTITLED  
2 AN ACT TO PROHIBIT THE DEPARTMENT OF TRANSPORTATION FROM TAKING  
3 CERTAIN ACTIONS WITH THE PURPOSE OF RESTRICTING THE ACCESS OF  
4 MOTORCYCLISTS TO HIGHWAYS, BRIDGES, TUNNELS, AND OTHER  
5 TRANSPORTATION FACILITIES.

6 The General Assembly of North Carolina enacts:

7 SECTION 1. Article 2 of Chapter 136 of the General Statutes is amended by adding a  
8 new section to read:

9 "**§ 136-18.06. Restricting access of motorcyclists prohibited.**

10 (a) Definitions. – The following definitions apply in this section:

11 (1) Action. – Formulating transportation policy, adopting rules, allocating funds,  
12 and planning, designing, constructing, equipping, operating, and maintaining  
13 transportation facilities.

14 (2) Motorcyclist. – A person operating or riding a motorcycle.

15 (b) Restricting Access Prohibited. – The Department of Transportation is prohibited from  
16 taking any action that prohibits or imposes a requirement that applies only to a motorcyclist, and  
17 the principal purpose of the action is to restrict or inhibit the access of a motorcyclist to any  
18 highway, bridge, tunnel, or other transportation facility.

19 (c) Parking. – The Department, and any other owner or operator of a transportation facility  
20 funded in whole or in part by State or local funds, shall make reasonable accommodations for  
21 motorcycle parking at transportation facilities. The term "reasonable accommodations" includes  
22 sectioning portions of an existing parking space where the size configuration of the parking space  
23 does not meet building code requirements for full-size motor vehicles. Nothing in this subsection  
24 shall be construed as requiring the structural or technological modification of parking structures  
25 constructed or substantially completed on or before July 1, 2017.

26 (d) Construction. – Nothing in this section shall be construed as altering or superseding  
27 any State or federal law that prohibits or imposes a requirement that applies only to a  
28 motorcyclist."

29 SECTION 2. This act becomes effective July 1, 2017.







## HOUSE BILL 28: DOT/Access of Motorcyclists.

2017-2018 General Assembly

<b>Committee:</b>	House Transportation. If favorable, re-refer to Regulatory Reform	<b>Date:</b>	February 21, 2017
<b>Introduced by:</b>	Rep. Torbett	<b>Prepared by:</b>	Wendy Ray
<b>Analysis of:</b>	PCS to First Edition H28-CSSU-1		Staff Attorney

**OVERVIEW:** *The Proposed Committee Substitute for House Bill 28 would prohibit the Department of Transportation from taking actions with the purpose of restricting access of motorcyclists to transportation facilities.*

**CURRENT LAW:** Current law. G.S. 136-18(5), authorizes DOT to "make rules, regulations and ordinances for the use of, and to police traffic on, the State highways".

**BILL ANALYSIS:** The PCS for House Bill 28:

- Prohibits DOT from taking any action that prohibits or imposes a requirement that applies only to a motorcyclist and the purpose of the action is to restrict access of a motorcyclist to any highway, bridge, tunnel, or other transportation facility.
- Requires DOT, and any other owner or operator of a transportation facility funded in whole or in part by State or local funds, to make reasonable accommodations for motorcycle parking at transportation facilities.
- Provides that the bill does not supersede any State or federal law that prohibits or imposes a requirement that applies only to a motorcyclist.

**EFFECTIVE DATE:** This act becomes effective July 1, 2017.

**BACKGROUND:** Similar legislation was enacted in South Carolina in 2014. (House Bill 3231, S.L. 2014-148)

Karen Cochrane-Brown  
Director



Legislative Analysis  
Division  
919-733-2578



# VISITOR REGISTRATION SHEET

House Transportation-  
Name of Committee

2-21-2017  
Date

**VISITORS: PLEASE SIGN IN BELOW AND RETURN TO COMMITTEE CLERK**

NAME

FIRM OR AGENCY AND ADDRESS

Michelle Hollowell	Railway Assoc. of NC
Carl Hollowell	Aberdeen Carolina Western Ry.
Christy Sammor	GoRail
Riley Birmingham	HDR
GARLAND HORTON	Aberdeen & Rockfish RR
<i>Mark [unclear]</i>	RAVE
Adam Boyle	PS Corman Railroad.
Joe Arbora	G & W Railroads
ANNIE RICHARDSON	Anten GROUP
Paul Barnes	Aberdeen & Rockfish RR
Mark Huskins	SMRA
<i>[unclear]</i>	RAVE



# VISITOR REGISTRATION SHEET

House Transportation-  
Name of Committee

2-21-2017  
Date

VISITORS: PLEASE SIGN IN BELOW AND RETURN TO COMMITTEE CLERK

NAME

FIRM OR AGENCY AND ADDRESS

BERRY Jenkins	CAROLINAS AGR
John P. Pless	NCRAA
Sherry La	NC DOT/DMV
Hope Magera	NC DMV
Amanda Donovan	TSS
Henry Jones	John P. Pless
John P. Pless	JSC
Patricia Pless	CC





## VISITOR REGISTRATION SHEET

House Transportation-  
Name of Committee

2-21-2017  
Date

**VISITORS: PLEASE SIGN IN BELOW AND RETURN TO COMMITTEE CLERK**

NAME

FIRM OR AGENCY AND ADDRESS

Ruan Menald	WM
Phoebe Landon	MWC
Josh Amy	NCRCA
Kim Stouckes	NCKCA
James Smith	ACEC/NC
Flint Benson	SEANC
David Collins	SEANC



# VISITOR REGISTRATION SHEET

House Transportation-  
Name of Committee

2-21-2017  
Date

VISITORS: PLEASE SIGN IN BELOW AND RETURN TO COMMITTEE CLERK

NAME

FIRM OR AGENCY AND ADDRESS

Joe McClees	McClees Consulting
Elizabeth Curtis	Southeast Energy News
John Marshall	MFS
John Howard	MFS
Will Morgan	MFS
Caroline Miller	AMGA
CHARLES BOONE	CBA/ABATE OF NC
<del>John Clark</del>	<del>WHS</del>
DAVID HOWARD	DOT
Alden Dayles	DOT
Don Grano	S/A



## VISITOR REGISTRATION SHEET

**House Transportation-**  
**Name of Committee**

2-21-2017  
Date

**VISITORS: PLEASE SIGN IN BELOW AND RETURN TO COMMITTEE CLERK**

NAME \_\_\_\_\_

**FIRM OR AGENCY AND ADDRESS**

Kevin Lacy

NCDO7



**House Committee on Transportation  
Tuesday, February 28, 2017 at 11:00 AM  
Room 643 of the Legislative Office Building**

**MINUTES**

The House Committee on Transportation met at 11:00 AM on February 28, 2017 in Room 643 of the Legislative Office Building. Representatives Adams, Alexander, Arp, Beasley, Belk, Blackwell, Boles, Brawley, Bumgardner, Carney, Cleveland, Corbin, Ford, Fraley, C. Graham, Hastings, Hunter, Iler, Brenden Jones, McNeill, Presnell, W. Richardson, Shepard, Speciale, Steinburg, Stone, Strickland, Torbett, R. Turner, Willingham, and Wray attended.

Representative Phil Shepard, Chair, presided.

Representative Shepard welcomed the Sargent at Arms and the Pages.

The following bills were considered:

**HB 81 STI/Regional & Division Weighting (Representative Torbett)**

Chairman Torbett was recognized to explain the bill. After discussion and debate Representative Blackwell motioned for a favorable report. The motion carried.

**HB 92 Blue Ribbon Committee/Transportation Funding (Representatives Torbett, Stone)**

Chairman Torbett was recognized to explain the bill. A PCS was prepared and Representative Iler was recognized for a motion to bring the PCS before the committee. The motion carried. After discussion and debate Representative Carney was recognized for a motion favorable to PCS, unfavorable to the original bill. The motion carried.

**HB 95 Truck Deliveries to Port/Night Travel. (Representatives Torbett, Presnell)**

Chairman Torbett was recognized to explain the bill. A PCS was prepared and Representative Iler was recognized for a motion to bring the PCS before the Committee. The motion carried. After discussion and debate, Representative Hastings was recognized for a motion favorable to the PCS, unfavorable to the original bill with a serial referral to Judiciary III.

The meeting adjourned at 11:52.

  
Representative Phil Shepard, Chair

  
Pamela Pate, Committee Clerk





**NORTH CAROLINA HOUSE OF REPRESENTATIVES  
COMMITTEE MEETING NOTICE  
AND  
BILL SPONSOR NOTIFICATION  
2017-2018 SESSION**

You are hereby notified that the **House Committee on Transportation** will meet as follows:

**DAY & DATE:** Tuesday, February 28, 2017  
**TIME:** 11:00 AM  
**LOCATION:** 643 LOB  
**COMMENTS:** Representative Shepard, Chairing

The following bills will be considered:

<b>BILL NO.</b>	<b>SHORT TITLE</b>	<b>SPONSOR</b>
HB 81	STI/Regional & Division Weighting.	Representative Torbett
HB 92	Blue Ribbon Committee/Transportation Funding.	Representative Torbett Representative Stone
HB 95	GTP Truck Deliveries to Port/Night Travel.	Representative Torbett Representative Presnell
HB 128	Prohibit Drone Use Over Prison/Jail.	Representative McNeill Representative Torbett Representative Faircloth

Respectfully,

Representative Kelly E. Hastings, Co-Chair  
Representative Frank Iler, Co-Chair  
Representative Phil Shepard, Co-Chair  
Representative John A. Torbett, Co-Chair

I hereby certify this notice was filed by the committee assistant at the following offices at 1:19 PM on Thursday, February 23, 2017.

\_\_\_\_ Principal Clerk  
\_\_\_\_ Reading Clerk – House Chamber

Pamela Pate (Committee Assistant)



**House Committee on Transportation  
Tuesday, February 28, 2017, 11:00 AM  
643 Legislative Office Building**

**AGENDA**

**Welcome and Opening Remarks**

**Introduction of Pages**

**Bills**

<b>BILL NO.</b>	<b>SHORT TITLE</b>	<b>SPONSOR</b>
HB 81	STI/Regional & Division Weighting.	Representative Torbett
HB 92	Blue Ribbon Committee/Transportation Funding.	Representative Torbett Representative Stone
HB 95	GTP Truck Deliveries to Port/Night Travel.	Representative Torbett Representative Presnell
HB 128	Prohibit Drone Use Over Prison/Jail.	Representative McNeill Representative Torbett Representative Faircloth



**NORTH CAROLINA GENERAL ASSEMBLY  
HOUSE OF REPRESENTATIVES**

**TRANSPORTATION COMMITTEE REPORT**

**Representative Kelly E. Hastings, Co-Chair**

**Representative Frank Iler, Co-Chair**

**Representative Phil Shepard, Co-Chair**

**Representative John A. Torbett, Co-Chair**

**FAVORABLE**

**HB 81**

**STI/Regional & Division Weighting.**

Draft Number: None

Serial Referral: None

Recommended Referral: None

Long Title Amended: No

Floor Manager: Torbett

**FAVORABLE COM SUB , UNFAVORABLE ORIGINAL BILL**

**HB 92**

**Blue Ribbon Committee/Transportation Funding.**

Draft Number: H92-PCS10088-SU-5

Serial Referral: None

Recommended Referral: None

Long Title Amended: No

Floor Manager: Torbett

**FAVORABLE COM SUB , UNFAVORABLE ORIGINAL BILL AND RE-REFERRED**

**HB 95**

**GTP Truck Deliveries to Port/Night Travel.**

Draft Number: H95-PCS30096-SU-4

**Serial Referral: JUDICIARY III**

Recommended Referral: None

Long Title Amended: Yes

Floor Manager: Torbett

**TOTAL REPORTED: 3**



★ C M R 2 6 - V - 2 ★





## HOUSE BILL 92: Blue Ribbon Committee/Transportation Funding.

2017-2018 General Assembly

**Committee:** House Transportation  
**Introduced by:** Reps. Torbett, Stone  
**Analysis of:** PCS to First Edition  
H92-CSSU-5

**Date:** February 28, 2017  
**Prepared by:** Wendy Ray  
Staff Attorney

**OVERVIEW:** *The Proposed Committee Substitute for House Bill 92 would establish the Blue Ribbon Committee on Transportation Infrastructure Funding to study all options available to increase funding to meet the transportation infrastructure needs of the State.*

**BILL ANALYSIS:** The PCS for House Bill 92 would establish the Blue Ribbon Committee on Transportation Infrastructure Funding to study options for increasing funding to meet the State's transportation infrastructure needs, including:

- Debt instruments
- Revenue changes
- Local government participation
- Tolling

The Committee would be made up of 20 members. Ten members would be appointed by the Speaker of the House, including six House members, two members representing the public, one member representing small business, and one member representing large business. Ten members would be appointed by the President Pro Tem of the Senate, including six Senate members, two members representing the public, one member representing small business, and one member representing large business.

The Committee would be able to make an interim report to the 2018 Session of the 2017 General Assembly and would be required to make a final report of its findings and recommendations to the 2019 General Assembly. The Committee would terminate upon the convening of the 2019 General Assembly or upon filing its final report, whichever occurs first.

**EFFECTIVE DATE:** The act would be effective when it becomes law.

**BACKGROUND:** House Bill 92 is a recommendation of the House Select Committee on Strategic Transportation Planning and Long Term Funding Solutions, which met during the interims before the 2016 and 2017 Sessions. The Committee found that North Carolina has significant transportation infrastructure needs and insufficient revenue to meet those needs.

Karen Cochrane-Brown  
Director



Legislative Analysis  
Division  
919-733-2578





GENERAL ASSEMBLY OF NORTH CAROLINA  
SESSION 2017

H

D

HOUSE BILL 92  
PROPOSED COMMITTEE SUBSTITUTE H92-CSSU-5 [v.1]

02/27/2017 05:23:17 PM

Short Title: Blue Ribbon Committee/Transportation Funding.

(Public)

Sponsors: Representatives Torbett and Stone (Primary Sponsors).

Referred to:

February 15, 2017

A BILL TO BE ENTITLED

AN ACT TO ESTABLISH THE BLUE RIBBON COMMITTEE ON TRANSPORTATION  
INFRASTRUCTURE FUNDING, AS RECOMMENDED BY THE HOUSE SELECT  
COMMITTEE ON STRATEGIC TRANSPORTATION PLANNING AND LONG TERM  
FUNDING SOLUTIONS.

The General Assembly of North Carolina enacts:

**SECTION 1.** Establishment. – There is established a Blue Ribbon Committee on  
Transportation Infrastructure Funding.

**SECTION 2.** Membership. – The Committee shall be composed of 20 members, as  
follows:

- (1) Ten members appointed by the Speaker of the House of Representatives, as  
follows:
  - a. Six members of the House of Representatives.
  - b. Two members representing the public.
  - c. One member representing small business in the State.
  - d. One member representing large business in the State.
- (2) Ten members appointed by the President Pro Tempore of the Senate, as  
follows:
  - a. Six members of the Senate.
  - b. Two members representing the public.
  - c. One member representing small business in the State.
  - d. One member representing large business in the State.

**SECTION 3.** Finding and Purpose. – The General Assembly finds that the State has  
significant transportation infrastructure needs and insufficient revenue to meet those needs.  
Therefore, the Committee shall study all options available, including debt instruments, revenue  
changes, local government participation, and tolling, to increase funding for the transportation  
infrastructure needs of the State, and any other matters the Committee deems relevant to  
accomplishing the purpose set forth in this section.

**SECTION 4.** Officers; Vacancies. – The Speaker of the House of Representatives  
shall designate one Representative as cochair, and the President Pro Tempore of the Senate shall  
designate one Senator as cochair. Any vacancy on the Committee shall be filled by the appointing  
authority.

**SECTION 5.** Compensation; Powers; Meeting. – Members of the Committee shall  
receive per diem, subsistence, and travel allowances in accordance with G.S. 120-3.1, 138-5, or  
138-6, as appropriate. The Committee, while in the discharge of its official duties, may exercise all  
powers provided for under G.S. 120-19 and G.S. 120-19.4. The Committee shall meet upon the



\* H 9 2 - C S S U - 5 \*

1 call of the cochairs. A quorum of the Committee shall be 10 members. The Committee may meet  
2 in the Legislative Building or the Legislative Office Building. With approval of the Legislative  
3 Services Commission, the Legislative Services Officer shall assign professional staff to assist the  
4 Committee in its work. The House of Representatives' and the Senate's Directors of Legislative  
5 Assistants shall assign clerical staff to the Committee, and the expenses relating to the clerical  
6 employees shall be borne by the Committee.

7 **SECTION 6.** Report; Termination. – The Committee may make an interim report of  
8 its findings and recommendations to the 2018 Regular Session of the 2017 General Assembly and  
9 shall make a final report of its findings and recommendations to the 2019 General Assembly prior  
10 to its convening. The Committee shall terminate on the convening of the 2019 General Assembly,  
11 or upon the filing of its final report, whichever occurs first.

12 **SECTION 7.** Effective Date. – This act is effective when it becomes law.

GENERAL ASSEMBLY OF NORTH CAROLINA  
SESSION 2017

H

1

HOUSE BILL 92

Short Title: Blue Ribbon Committee/Transportation Funding. (Public)

Sponsors: Representatives Torbett and Stone (Primary Sponsors).

*For a complete list of sponsors, refer to the North Carolina General Assembly web site.*

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

February 15, 2017

A BILL TO BE ENTITLED

AN ACT TO ESTABLISH THE BLUE RIBBON COMMITTEE ON TRANSPORTATION  
INFRASTRUCTURE FUNDING, AS RECOMMENDED BY THE HOUSE SELECT  
COMMITTEE ON STRATEGIC TRANSPORTATION PLANNING AND LONG TERM  
FUNDING SOLUTIONS.

The General Assembly of North Carolina enacts:

**SECTION 1.** Establishment. – There is established a Blue Ribbon Committee on  
Transportation Infrastructure Funding.

**SECTION 2.** Membership. – The Committee shall be composed of 20 members, as  
follows:

- (1) Ten members appointed by the Speaker of the House of Representatives, as  
follows:
  - a. Six members of the House of Representatives.
  - b. Two members representing the public.
  - c. One member representing small business in the State.
  - d. One member representing large business in the State.
- (2) Ten members appointed by the President Pro Tempore of the Senate, as  
follows:
  - a. Six members of the Senate.
  - b. Two members representing the public.
  - c. One member representing small business in the State.
  - d. One member representing large business in the State.

**SECTION 3.** Finding and Purpose. – The General Assembly finds that the State has  
significant transportation infrastructure needs and insufficient revenue to meet those needs.  
Therefore, the Committee shall study all options available, including debt instruments, revenue  
changes, local government participation, and tolling, to increase funding for the transportation  
infrastructure needs of the State, and any other matters the Committee deems relevant to  
accomplishing the purpose set forth in this section.

**SECTION 4.** Officers; Vacancies. – The Speaker of the House of Representatives  
shall designate one Representative as cochair, and the President Pro Tempore of the Senate shall  
designate one Senator as cochair. Any vacancy on the Committee shall be filled by the appointing  
authority.

**SECTION 5.** Compensation; Powers; Meeting. – Members of the Committee shall  
receive per diem, subsistence, and travel allowances in accordance with G.S. 120-3.1, 138-5, or  
138-6, as appropriate. The Committee, while in the discharge of its official duties, may exercise all



1 powers provided for under G.S. 120-19 and G.S. 120-19.4. The Committee shall meet upon the  
2 call of the cochaIRS. A quorum of the Committee shall be 10 members. The Committee may meet  
3 in the Legislative Building or the Legislative Office Building. With approval of the Legislative  
4 Services Commission, the Legislative Services Officer shall assign professional staff to assist the  
5 Committee in its work. The House of Representatives' and the Senate's Directors of Legislative  
6 Assistants shall assign clerical staff to the Committee, and the expenses relating to the clerical  
7 employees shall be borne by the Committee.

8 **SECTION 6.** Report; Termination. – The Committee may make an interim report of  
9 its findings and recommendations to the 2018 Regular Session of the 2017 General Assembly and  
10 shall make a final report of its findings and recommendations to the 2019 General Assembly prior  
11 to its convening. The Commission shall terminate on the convening of the 2019 General  
12 Assembly, or upon the filing of its final report, whichever occurs first.

13 **SECTION 7.** Effective Date. – This act is effective when it becomes law.



GENERAL ASSEMBLY OF NORTH CAROLINA  
SESSION 2017

H

D

**HOUSE BILL 92**  
**PROPOSED COMMITTEE SUBSTITUTE H92-PCS10088-SU-5**

Short Title: Blue Ribbon Committee/Transportation Funding. (Public)

Sponsors:

Referred to:

February 15, 2017

- 1 A BILL TO BE ENTITLED  
2 AN ACT TO ESTABLISH THE BLUE RIBBON COMMITTEE ON TRANSPORTATION  
3 INFRASTRUCTURE FUNDING, AS RECOMMENDED BY THE HOUSE SELECT  
4 COMMITTEE ON STRATEGIC TRANSPORTATION PLANNING AND LONG TERM  
5 FUNDING SOLUTIONS.  
6 The General Assembly of North Carolina enacts:  
7 **SECTION 1.** Establishment. – There is established a Blue Ribbon Committee on  
8 Transportation Infrastructure Funding.  
9 **SECTION 2.** Membership. – The Committee shall be composed of 20 members, as  
10 follows:  
11 (1) Ten members appointed by the Speaker of the House of Representatives, as  
12 follows:  
13 a. Six members of the House of Representatives.  
14 b. Two members representing the public.  
15 c. One member representing small business in the State.  
16 d. One member representing large business in the State.  
17 (2) Ten members appointed by the President Pro Tempore of the Senate, as  
18 follows:  
19 a. Six members of the Senate.  
20 b. Two members representing the public.  
21 c. One member representing small business in the State.  
22 d. One member representing large business in the State.  
23 **SECTION 3.** Finding and Purpose. – The General Assembly finds that the State has  
24 significant transportation infrastructure needs and insufficient revenue to meet those needs.  
25 Therefore, the Committee shall study all options available, including debt instruments, revenue  
26 changes, local government participation, and tolling, to increase funding for the transportation  
27 infrastructure needs of the State, and any other matters the Committee deems relevant to  
28 accomplishing the purpose set forth in this section.  
29 **SECTION 4.** Officers; Vacancies. – The Speaker of the House of Representatives  
30 shall designate one Representative as cochair, and the President Pro Tempore of the Senate shall  
31 designate one Senator as cochair. Any vacancy on the Committee shall be filled by the appointing  
32 authority.  
33 **SECTION 5.** Compensation; Powers; Meeting. – Members of the Committee shall  
34 receive per diem, subsistence, and travel allowances in accordance with G.S. 120-3.1, 138-5, or  
35 138-6, as appropriate. The Committee, while in the discharge of its official duties, may exercise all  
36 powers provided for under G.S. 120-19 and G.S. 120-19.4. The Committee shall meet upon the



1 call of the cochair. A quorum of the Committee shall be 10 members. The Committee may meet  
2 in the Legislative Building or the Legislative Office Building. With approval of the Legislative  
3 Services Commission, the Legislative Services Officer shall assign professional staff to assist the  
4 Committee in its work. The House of Representatives' and the Senate's Directors of Legislative  
5 Assistants shall assign clerical staff to the Committee, and the expenses relating to the clerical  
6 employees shall be borne by the Committee.

7       **SECTION 6.** Report; Termination. – The Committee may make an interim report of  
8 its findings and recommendations to the 2018 Regular Session of the 2017 General Assembly and  
9 shall make a final report of its findings and recommendations to the 2019 General Assembly prior  
10 to its convening. The Committee shall terminate on the convening of the 2019 General Assembly,  
11 or upon the filing of its final report, whichever occurs first.

12       **SECTION 7.** Effective Date. – This act is effective when it becomes law.



## HOUSE BILL 95: Truck Deliveries to Port/Night Travel.

2017-2018 General Assembly

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<b>Committee:</b>	House Transportation. If favorable, re-refer to Judiciary III	<b>Date:</b>	February 28, 2017
<b>Introduced by:</b>	Reps. Torbett, Presnell	<b>Prepared by:</b>	Wendy Ray
<b>Analysis of:</b>	PCS to First Edition H95-CSSU-4		Staff Attorney

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**OVERVIEW:** *The Proposed Committee Substitute for House Bill 95 would authorize the issuance of oversized and overweight permits that allow travel after sunset for vehicles transporting shipments to or from international ports.*

**CURRENT LAW:** Under current law, the Department of Transportation is authorized to issue permits for oversized and overweight vehicles, subject to the rules established by the Department for issuance of the permits. *G.S. 20-119.*

By rule, oversized and overweight permits issued by the Department require that movements be made between sunrise and sunset. Additional time restrictions may be set by the issuing office in the interest of safety or to expedite flow of traffic. *19A NCAC 2D.0607*

**BILL ANALYSIS:** The PCS for House Bill 95 would authorize the Department of Transportation to issue oversized and overweight permits for shipments of cargo, containers, or other equipment that allow travel after sunset. The Department would be prohibited from including conditions that prohibit travel after sunset when issuing permits for shipments going to or from international ports. However, the Department would retain the authority to restrict movements it determines to be unsafe.

**EFFECTIVE DATE:** The act would be effective when it becomes law.

Karen Cochrane-Brown  
Director



Legislative Analysis  
Division  
919-733-2578





GENERAL ASSEMBLY OF NORTH CAROLINA  
SESSION 2017

H

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HOUSE BILL 95  
PROPOSED COMMITTEE SUBSTITUTE H95-CSSU-4 [v.1]

02/24/2017 04:42:56 PM

Short Title: Truck Deliveries to Port/Night Travel.

(Public)

Sponsors: Representatives Torbett and Presnell (Primary Sponsors).

Referred to:

February 15, 2017

A BILL TO BE ENTITLED  
AN ACT TO AUTHORIZE PERMITTED OVERSIZED OR OVERWEIGHT VEHICLES TO  
TRAVEL AFTER SUNSET WHEN TRANSPORTING AND DELIVERING CARGO,  
CONTAINERS, OR OTHER EQUIPMENT TO OR FROM INTERNATIONAL PORTS.

The General Assembly of North Carolina enacts:

**SECTION 1.** G.S. 20-119 is amended by adding a new subsection to read:

"(b3) For a special permit issued under this section for the transport and delivery of cargo, containers, or other equipment, the Department may allow travel after sunset if the Department determines it will be safe and expedite traffic flow. The Department shall not include a term or condition prohibiting travel after sunset for any permitted shipments going to or from international ports. Nothing in this subsection precludes the Department from restricting movements it determines to be unsafe."

**SECTION 2.** This act is effective when it becomes law.



GENERAL ASSEMBLY OF NORTH CAROLINA  
SESSION 2017

H

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HOUSE BILL 95

Short Title: GTP Truck Deliveries to Port/Night Travel. (Public)

Sponsors: Representatives Torbett and Presnell (Primary Sponsors).  
*For a complete list of sponsors, refer to the North Carolina General Assembly web site.*

Referred to: Transportation, if favorable, Judiciary III

February 15, 2017

1 A BILL TO BE ENTITLED  
2 AN ACT TO AUTHORIZE PERMITTED OVERSIZED OR OVERWEIGHT VEHICLES TO  
3 TRAVEL AFTER SUNSET WHEN TRANSPORTING AND DELIVERING CARGO,  
4 CONTAINERS, OR OTHER EQUIPMENT FROM THE NORTH CAROLINA GLOBAL  
5 TRANSPARK TO THE PORT OF MOREHEAD CITY OR THE PORT OF WILMINGTON.  
6 The General Assembly of North Carolina enacts:  
7 **SECTION 1.** G.S. 20-119 is amended by adding a new subsection to read:  
8 "(b3) For a special permit issued under this section for the transport and delivery of cargo,  
9 containers, or other equipment from the North Carolina Global TransPark to the Port of Morehead  
10 City or the Port of Wilmington, the Department shall not include a term or condition prohibiting  
11 travel after sunset."  
12 **SECTION 2.** This act is effective when it becomes law.



GENERAL ASSEMBLY OF NORTH CAROLINA  
SESSION 2017

H

D

HOUSE BILL 95  
PROPOSED COMMITTEE SUBSTITUTE H95-PCS30096-SU-4

Short Title: Truck Deliveries to Port/Night Travel.

(Public)

Sponsors:

Referred to:

February 15, 2017

1 A BILL TO BE ENTITLED  
2 AN ACT TO AUTHORIZE PERMITTED OVERSIZED OR OVERWEIGHT VEHICLES TO  
3 TRAVEL AFTER SUNSET WHEN TRANSPORTING AND DELIVERING CARGO,  
4 CONTAINERS, OR OTHER EQUIPMENT TO OR FROM INTERNATIONAL PORTS.  
5 The General Assembly of North Carolina enacts:  
6 SECTION 1. G.S. 20-119 is amended by adding a new subsection to read:  
7 "(b3) For a special permit issued under this section for the transport and delivery of cargo,  
8 containers, or other equipment, the Department may allow travel after sunset if the Department  
9 determines it will be safe and expedite traffic flow. The Department shall not include a term or  
10 condition prohibiting travel after sunset for any permitted shipments going to or from international  
11 ports. Nothing in this subsection precludes the Department from restricting movements it  
12 determines to be unsafe."  
13 SECTION 2. This act is effective when it becomes law.







## HOUSE BILL 81: STI/Regional & Division Weighting.

2017-2018 General Assembly

**Committee:** House Transportation  
**Introduced by:** Rep. Torbett  
**Analysis of:** First Edition

**Date:** February 26, 2017  
**Prepared by:** Giles Perry  
Staff Attorney

**OVERVIEW:** *House Bill 81 amends the weighting of scores of transportation projects under the Strategic Transportation Investments Act (STI) Transportation Investment Strategy Formula to specify the scoring share of Division Engineers and MPOs/RPOs for Regional and Divisional category projects.*

**CURRENT LAW:** In 2013, the General Assembly enacted the Strategic Transportation Investments Act, known as STI, which created a Transportation Investment Strategy Formula for funding State transportation projects. The Act funds projects in three categories: Statewide, Regional, and Divisional.

- Statewide category projects are ranked based 100% on data from multiple criteria.
- Regional category projects are ranked based 70% on data from multiple criteria, and 30% on local input (Division Engineer, MPO and RPO input).
- Divisional category projects are ranked based 50% on data, and 50% on local input (Division Engineer, MPO and RPO input).

**BILL ANALYSIS:** House Bill 81 amends the STI Transportation Investment Strategy Formula as follows:

- In Section 1 of the bill, for Regional category project scoring, by adjusting the weighting of scores by replacing the 30% local input score with 10% Division Engineer scoring, and 20% MPO/RPO scoring.
- In Section 2 of the bill, for Divisional category scoring, by adjusting the weighting of scores by replacing the 50% local inputs score with 15% Division Engineer scoring, and 35% MPO/RPO scoring.
- In addition, Section 3 of the bill makes a technical correction.

**EFFECTIVE DATE:** This act is effective when it becomes law.

**BACKGROUND:** This bill was recommended by the House Select Committee on Strategic Transportation Planning and Long Term Funding Solutions.

Karen Cochrane-Brown  
Director

H81-SMRW-6 (e1) -v-1

Legislative Analysis  
Division  
919-733-2578





GENERAL ASSEMBLY OF NORTH CAROLINA  
SESSION 2017

H

1

HOUSE BILL 81

Short Title: STI/Regional & Division Weighting.

(Public)

Sponsors: Representative Torbett.

*For a complete list of sponsors, refer to the North Carolina General Assembly web site.*

Referred to: Transportation

February 13, 2017

A BILL TO BE ENTITLED

AN ACT TO ADJUST THE WEIGHTING ATTRIBUTED UNDER THE TRANSPORTATION INVESTMENT STRATEGY FORMULA TO THE DEPARTMENT OF TRANSPORTATION'S DIVISION ENGINEERS, THE METROPOLITAN PLANNING ORGANIZATIONS, AND THE RURAL TRANSPORTATION PLANNING ORGANIZATIONS, WHEN SELECTING REGIONAL IMPACT AND DIVISION NEED PROJECTS, AS RECOMMENDED BY THE HOUSE SELECT COMMITTEE ON STRATEGIC TRANSPORTATION PLANNING AND LONG TERM FUNDING SOLUTIONS.

The General Assembly of North Carolina enacts:

**SECTION 1.** G.S. 136-189.11(d)(2)a. reads as rewritten:

"(2) Regional Impact Projects. – Thirty percent (30%) of the funds subject to this section shall be used for Regional Impact Projects and allocated by population of Distribution Regions based on the most recent estimates certified by the Office of State Budget and Management:

- a. Criteria. – A combination of transportation-related quantitative criteria, qualitative criteria, and local input shall be used to rank Regional Impact Projects involving highways that address cost-effective needs from a region-wide perspective and promote economic growth. Local input is defined as the rankings identified by the Department's ~~Transportation~~—Division Engineers, Metropolitan Planning Organizations, and Rural Transportation Planning Organizations. ~~Transportation~~—Division Engineer local input scoring shall take into account public comments. The Department shall ensure that the public has a full opportunity to submit public comments, by widely available notice to the public, an adequate time period for input, and public hearings. Board of Transportation input shall be in accordance with G.S. 136-189.11(g)(1) and G.S. 143B-350(g). The criteria utilized for selection of Regional Impact Projects shall be based ~~thirty percent (30%) on local input~~ ten percent (10%) on the rankings identified by the Division Engineers, twenty percent (20%) on the rankings identified by the Metropolitan Planning Organizations and the Rural Transportation Planning Organizations, and seventy percent (70%) on consideration of a numeric scale of 100 points based on the following quantitative criteria:



...."

**SECTION 2.** G.S. 136-189.11(d)(3)a. reads as rewritten:

"(3) Division Need Projects. – Thirty percent (30%) of the funds subject to this section shall be allocated in equal share to each of the Department divisions, as defined in G.S. 136-14.1, and used for Division Need Projects.

- a. Criteria. – A combination of transportation-related quantitative criteria, qualitative criteria, and local input shall be used to rank Division Need Projects involving highways that address cost-effective needs from a Division-wide perspective, provide access, and address safety-related needs of local communities. Local input is defined as the rankings identified by the Department's ~~Transportation~~–Division Engineers, Metropolitan Planning Organizations, and Rural Transportation Planning Organizations. ~~Transportation~~–Division Engineer local input scoring shall take into account public comments. The Department shall ensure that the public has a full opportunity to submit public comments, by widely available notice to the public, an adequate time period for input, and public hearings. Board of Transportation input shall be in accordance with G.S. 136-189.11(g)(1) and G.S. 143B-350(g). The criteria utilized for selection of Division Need Projects shall be based fifty percent (50%) on local input fifteen percent (15%) on the rankings identified by the Department's Division Engineers, thirty-five percent (35%) on the rankings identified by the Metropolitan Planning Organizations and the Rural Transportation Planning Organizations, and fifty percent (50%) on consideration of a numeric scale of 100 points based on the following quantitative criteria, except as provided in sub-subdivision b. of this subdivision:

...."

**SECTION 3.** G.S. 136-189.11(d)(4)b. reads as rewritten:

"(4) Criteria for nonhighway projects. – Nonhighway projects subject to this subsection shall be evaluated through a separate prioritization process established by the Department that complies with all of the following:

- ...  
b. Local input shall include rankings of projects identified by the Department's ~~Transportation~~–Division Engineers, Metropolitan Planning Organizations, and Rural Transportation Planning Organizations. ~~Transportation~~–Division Engineer local input scoring shall take into account public comments. The Department shall ensure that the public has a full opportunity to submit public comments, by widely available notice to the public, an adequate time period for input, and public hearings. Board of Transportation input shall be in accordance with G.S. 136-189.11(g)(1) and G.S. 143B-350(g)."

**SECTION 4.** This act is effective when it becomes law.





## HOUSE BILL 128: Prohibit Drone Use Over Prison/Jail.

2017-2018 General Assembly

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<b>Committee:</b>	House Transportation. If favorable, re-refer to Judiciary II	<b>Date:</b>	February 28, 2017
<b>Introduced by:</b>	Reps. McNeill, Torbett, Faircloth	<b>Prepared by:</b>	Giles Perry
<b>Analysis of:</b>	First Edition		Howard Marsilio Committee Counsel

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**OVERVIEW:** *House Bill 128 would create multiple criminal offenses that make it unlawful for a person to use an unmanned aircraft system (UAS) near local confinement facilities and State or federal correctional facilities. House Bill 128 also contains confiscation, documentation, forfeiture, and return provisions that would apply to a UAS used in committing an offense under this act.*

**CURRENT LAW:** The following UAS related offenses make it unlawful to:

- Interfere with manned aircraft, G.S. 14-280.3 Interference with manned aircraft by unmanned aircraft systems. This offense is a Class H felony.
- Possess or use a UAS that has a weapon attached, G.S. 14-401.24(a) Unlawful possession and use of unmanned aircraft systems. This offense is a Class E felony.
- Fish or hunt using a UAS unless an exception for possession or use that is authorized by federal law or regulation applies, G.S. 14-401.24(b) Unlawful possession and use of unmanned aircraft systems. This offense is a Class 1 misdemeanor.
- Publish or disseminate thermal or infrared images revealing individuals, materials, or activities inside of a structure taken by a UAS, G.S. 14-401.25 Unlawful distribution of images. This offense is a Class A1 misdemeanor.
- Intentionally interfere with the lawful taking of wildlife resources with a UAS, G.S. 113-295 Unlawful harassment of persons taking wildlife resources. This offense is a Class 1 misdemeanor.
- Operate a UAS in this State for commercial purposes without a permit, G.S. 63-96 Permit required for commercial operation of unmanned aircraft systems. This offense is a Class 1 misdemeanor.

**BILL ANALYSIS:** House Bill 128 would make unauthorized use of a UAS within a horizontal distance of 500 feet or a vertical distance of 250 feet of local confinement facilities and State or federal correctional facilities unlawful. This offense would not apply to an authorized law enforcement use, or use authorized with written consent from the official in responsible charge of the facility and that is not otherwise prohibited by State or federal law. This bill would create the following new criminal offenses:

- House Bill 128 would create a Class H felony for a violation with the purpose of delivering a weapon to a local confinement facility or State or federal correctional facility, and would include a fine of one thousand five hundred dollars (\$1,500).

Karen Cochrane-Brown  
Director



Legislative Analysis  
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# House Bill 128

Page 2

- House Bill 128 would create a Class I felony for a violation with the purpose of delivering contraband to a local confinement facility or State or federal correctional facility, and would include a fine of one thousand dollars (\$1,000). For purposes of this subdivision, the term "contraband" includes controlled substances, cigarettes, alcohol, and communication devices, but does not include weapons.
- House Bill 128 would create a Class 1 misdemeanor for a violation for any other purpose, and would include a fine of five hundred dollars (\$500.00).

This bill would also authorize the investigating law enforcement agency to confiscate, and document, a UAS used in commission of a violation. It would also authorize that the agency keep the UAS until the result of any legal proceeding is finally determined. If resulting in a conviction, the UAS would be forfeited and shall be sent to the Division of Aviation of the Department of Transportation, otherwise it shall be returned to the owner of the UAS or to the innocent owner (if applicable). House Bill 128 would also establish a procedure by which an innocent owner may request and retrieve the confiscated UAS from the investigating law enforcement agency. If not retrieved, the UAS would be forfeited, become property of the State, and would be sent to the Division of Aviation of the Department of Transportation.

**EFFECTIVE DATE:** This act would become effective December 1, 2017, and would apply to offenses committed on or after that date.

GENERAL ASSEMBLY OF NORTH CAROLINA  
SESSION 2017

H

1

HOUSE BILL 128

Short Title: Prohibit Drone Use Over Prison/Jail.

(Public)

Sponsors: Representatives McNeill, Torbett, and Faircloth (Primary Sponsors).

*For a complete list of sponsors, refer to the North Carolina General Assembly web site.*

Referred to: Transportation, if favorable, Judiciary II

February 20, 2017

A BILL TO BE ENTITLED  
AN ACT TO PROHIBIT THE USE OF AN UNMANNED AIRCRAFT SYSTEM NEAR A  
LOCAL CONFINEMENT FACILITY OR STATE OR FEDERAL CORRECTIONAL  
FACILITY.

The General Assembly of North Carolina enacts:

SECTION 1. Article 16B of Chapter 15A of the General Statutes is amended by  
adding a new section to read:

**"§ 15A-300.3. Use of an unmanned aircraft system near a confinement or correctional  
facility prohibited.**

(a) Prohibition. – Except for a law enforcement officer using an unmanned aircraft system  
in accordance with G.S. 15A-300.1(c), no person, entity, or State agency shall use an unmanned  
aircraft system within a horizontal distance of 500 feet or a vertical distance of 250 feet from any  
local confinement facility or State or federal correctional facility unless (i) written consent is  
obtained from the official in responsible charge of the facility and (ii) use of the unmanned aircraft  
system is not otherwise prohibited under State or federal law.

(b) Penalty. – The following penalties apply for violations of subsection (a) of this section:

(1) A person who uses an unmanned aircraft system in violation of subsection (a)  
of this section for the purpose of delivering a weapon to a local confinement  
facility or State or federal correctional facility is guilty of a Class H felony,  
which shall include a fine of one thousand five hundred dollars (\$1,500). For  
purposes of this subdivision, the term "weapon" is as defined in G.S. 14-401.24.

(2) A person who uses an unmanned aircraft system in violation of subsection (a)  
of this section for the purpose of delivering contraband to a local confinement  
facility or State or federal correctional facility is guilty of a Class I felony,  
which shall include a fine of one thousand dollars (\$1,000). For purposes of this  
subdivision, the term "contraband" includes controlled substances, as defined in  
G.S. 90-87, cigarettes, alcohol, and communication devices, but does not  
include weapons.

(3) A person who uses an unmanned aircraft system in violation of subsection (a)  
of this section for any other purpose is guilty of a Class 1 misdemeanor, which  
shall include a fine of five hundred dollars (\$500.00).

(c) Confiscation. – In addition to the penalty set forth in subsection (b) of this section, an  
unmanned aircraft system used in violation of subsection (a) of this section may be confiscated by  
the law enforcement agency investigating the violation. An unmanned aircraft system confiscated  
pursuant to this subsection shall not be disposed of until the result of any legal proceeding alleging





1 its use in violation of subsection (a) of this section is finally determined. A law enforcement  
2 agency shall keep records of any unmanned aircraft systems it confiscates pursuant to this  
3 subsection, and, unless otherwise required by court order, it shall retain those records in  
4 accordance with its records retention policy. Upon conviction of a violation of subsection (a) of  
5 this section, and except as otherwise provided in subsection (d) of this section, any unmanned  
6 aircraft system used in committing the violation that has been confiscated pursuant to this  
7 subsection shall be sent to the Division of Aviation of the Department of Transportation and shall  
8 become property of the State. If a legal proceeding alleging violation of subsection (a) of this  
9 section does not result in conviction, any unmanned aircraft system used in the alleged violation  
10 that has been confiscated pursuant to this subsection shall be released to the owner of the  
11 unmanned aircraft system.

12 (d) Innocent Owner. – An unmanned aircraft system confiscated pursuant to subsection (c)  
13 of this section shall be released to an innocent owner. A law enforcement agency shall not release  
14 a confiscated unmanned aircraft system to an innocent owner until the results of any legal  
15 proceeding alleging its use in violation of subsection (a) of this section is finally determined. To  
16 have a confiscated unmanned aircraft system released in accordance with this subsection, an  
17 innocent owner shall provide the confiscating law enforcement agency with proof of ownership  
18 and written certification that the innocent owner will not release the unmanned aircraft system to  
19 the person who was charged with the violation of subsection (a) of this section that resulted in  
20 confiscation under subsection (c) of this section. A confiscating law enforcement agency shall  
21 provide written notice to an innocent owner when an unmanned aircraft system is available for  
22 release. If an innocent owner fails to recover the unmanned aircraft system within 30 days of the  
23 date listed on the notice of release, the confiscating law enforcement agency shall send the  
24 unmanned aircraft system to the Division of Aviation of the Department of Transportation and the  
25 unmanned aircraft system shall become property of the State."

26 **SECTION 2.** This act becomes effective December 1, 2017, and applies to offenses  
27 committed on or after that date.

GENERAL ASSEMBLY OF NORTH CAROLINA

Session 2017

Legislative Incarceration Fiscal Note

**BILL NUMBER:** House Bill 128 (First Edition)

**SHORT TITLE:** Prohibit Drone Use Over Prison/Jail.

**SPONSOR(S):** Representatives McNeill, Torbett, and Faircloth

**FISCAL IMPACT**

(\$ in millions)

☐ Yes

☐ No

☒ No Estimate Available

	FY 2017-18	FY 2018-19	FY 2019-20	FY 2020-21	FY 2021-22
<b>State Impact</b>					
General Fund Revenues:					
General Fund Expenditures					
State Positions:					
<b>NET STATE IMPACT</b>	Likely budget cost. See Assumptions & Methodology section for additional details.				

**PRINCIPAL DEPARTMENT(S) & PROGRAM(S) AFFECTED:**

Administrative Office of the Courts; Indigent Defense Services; Department of Public Safety

**EFFECTIVE DATE:** December 1, 2017

**TECHNICAL CONSIDERATIONS:**

None

**FISCAL IMPACT SUMMARY:**

The proposed bill may have a fiscal impact to address new chargeable offenses being enforced, adjudicated, and having penalties applied to those convicted of the new offenses. However, given that there is no historical data on these new offenses or similar offenses to use as a proxy for predicting the total number of new offenses, the Fiscal Research Division cannot reasonably estimate the total additional costs that may be incurred. The following costs may be incurred for every one person charged and convicted of these crimes:

- Administrative Office of the Courts: \$206 to \$625 per disposition
- Indigent Defense Services: \$196 to \$361 per disposition
- Department of Public Safety (DPS) - Prisons: \$3,199 to \$5,027 per active felony sentence
- DPS - Community Corrections: Minimum of \$1,332 per conviction

Please see the Assumptions and Methodology section for additional information.

**BILL SUMMARY:**

This bill creates a new section in Article 16B of Chapter 15A in G.S. 15A-300.3, Use of an unmanned aircraft system near a confinement or correctional facility prohibited. Subsections (a) and (b) prohibit the

use of a drone within a specified distance from any local confinement facility or State or federal correctional facility unless certain criteria are met. This new section creates three new criminal penalties:

- A Class H felony for using the drone to deliver a weapon;
- A Class I felony for using the drone to deliver contraband such as controlled substances, cigarettes, and alcohol; and,
- A Class 1 misdemeanor for using the drone for any other purpose.

Subsections (c) and (d) lay out the procedure for confiscation and release of drones used in committing violations of this section.

## **ASSUMPTIONS AND METHODOLOGY:**

### **General**

The Sentencing and Policy Advisory Commission prepares prison population projections for each bill containing a criminal penalty. The Commission assumes for such bills that expanding existing or creating new criminal offenses produces no deterrent or incapacitative effect on crime. Therefore, the Fiscal Research Division does not assume deterrent effects for any criminal penalty bill.

S.L. 2011-192 (H.B. 642), the Justice Reinvestment Act (JRA), made changes to North Carolina's court system, corrections system (both to prisons and probation), and to post-release supervision. All active sentences for felony offenses now result in a minimum of twelve months of post-release supervision (PRS) for B1-E level offenses and a minimum of nine months of PRS for F-I level offenses.

JRA also created the Statewide Misdemeanant Confinement Program (SMCP) for housing misdemeanants with sentences between 90 and 180 days in county jails (misdemeanants with shorter sentences were already the responsibility of the counties). County participation in the program is voluntary. The SMCP pays participating counties for misdemeanants' housing, transportation, and medical costs. In 2014, the program was expanded to include all misdemeanants with sentences longer than 90 days. The Sentencing and Policy Advisory Commission does not track county jail capacity, so it is not possible to estimate the impact of new or increased misdemeanor penalties on county jails.

### **Judicial Branch**

The Administrative Office of the Courts provides Fiscal Research with a fiscal impact analysis for most criminal penalty bills. For such bills, fiscal impact is typically based on the assumption that court time will increase due to anticipated increases in trials and corresponding increases in workload for judges, clerks, and prosecutors. This increased court time is also expected to result in greater expenditures for jury fees and indigent defense.

The bill creates three new criminal penalties. Because these are new offenses, AOC does not have historical data upon which to estimate the number of charges that might occur. AOC provides estimates of the average cost to the court for a charge by offense class. For every additional person charged, the following costs may be incurred:

<b>Offense Level</b>	<b>AOC Cost</b>
Class H felony	\$625
Class I felony	\$455
Class 1 misdemeanor	\$206



The Office of Indigent Defense Services (IDS) has provided Fiscal Research with the frequency and cost of indigent defense services for each level of crime, including the cost differentials for district and superior court with and without a trial and the percentage of cases handled in each category. Fiscal Research used this data to calculate a weighted average of IDS costs. The following table shows the percentage of cases handled by IDS and the weighted average cost for each new criminal penalty in this bill.

Offense Level	Percent Handled by IDS	Weighted Average Cost
Class H felony	78%	\$361
Class I felony	68%	\$322
Class 1 misdemeanor	39%	\$196

These estimates assume the appointment of a PAC attorney. In districts that have Public Defender offices, cases may be handled by those offices. In those instances, these costs may not be incurred.

#### **Department of Public Safety – Prisons**

The chart below depicts the projected inmate population relative to available prison bed capacity system-wide. Capacity projections assume operation at Expanded Operating Capacity,<sup>1</sup> and represent the total number of beds in operation, or authorized for construction or operation as of December 2015.

Based on the most recent population projections and estimated bed capacity, there are surplus prison beds available for the five-year fiscal note horizon and beyond. Therefore, no additional beds will be required unless the projected number of additional inmates resulting from a bill (row four) exceeds the projected number of beds under the inmate population (row three).

<b>Population Projections and Bed Capacity Five Year Impact</b>					
	<b>June 30 2018</b>	<b>June 30 2019</b>	<b>June 30 2020</b>	<b>June 30 2021</b>	<b>June 30 2022</b>
1. Inmates <sup>2</sup>	37,304	37,601	37,367	37,385	37,642
2. Prison Beds (Expanded Capacity)	38,373	38,373	38,373	38,373	38,373
3. Beds Over/(Under) Inmate Population	1,069	772	1,006	988	731
<b>4. Additional Inmates Due to this Bill<sup>3</sup></b>	<b>No estimate available</b>				
<b>5. Additional Beds Required</b>					

Since the bill creates a new offense, the Sentencing Commission does not have any historical data from which to estimate the impact of this bill on the prison population. A threshold analysis is provided when it is not known how many offenders might be convicted and sentenced as a result of the proposed change.

<sup>1</sup> Expanded Operating Capacity (EOC) is: 1) the number of single cells housing one inmate, 2) the number of single cells housing two inmates, and 3) the number of beds in dormitories, allowing between 35 (130% of Standard Operating Capacity) and 50 (SOC) square feet per inmate.

<sup>2</sup> The Sentencing and Policy Advisory Commission prepares inmate population projections annually. These projections are derived from: historical information on incarceration and release rates under Structured Sentencing; crime rate forecasts by a technical advisory group; probation and offender revocation rates; and the decline (parole and max-outs) of the stock prison population sentenced under prior sentencing acts. Projections were updated in February 2016.

<sup>3</sup> Criminal penalty bills effective December 1, 2016 should not affect prison population and bed needs until FY 2017-18 due to the lag time between offense charge and sentencing - six months on average. No delayed effect is presumed for the Court System.

For each offense class, the threshold estimate is the number of convictions that result in the need for one prison bed in the first year.

In FY 2015-16, 35% of Class H felony convictions resulted in active sentences, with an average estimated time served of 11 months. Nine months of post-release supervision is required upon release from prison following an active sentence or revocation of probation. The following table shows the estimated annual bed impact if there were four convictions (the threshold) or 20 convictions for this proposed offense per year. The five year estimate takes into account the combination of active sentences and probation and post-release supervision violations resulting in confinement, as well as growth rates adopted by the Sentencing Commission's Forecasting Technical Advisory Group.

<b>Estimated Prison Bed Impact Using Threshold Convictions and 20 Convictions Class H Felony</b>					
<b>Convictions</b>	<b>Year 1</b>	<b>Year 2</b>	<b>Year 3</b>	<b>Year 4</b>	<b>Year 5</b>
4 (Threshold)	1	2	2	2	2
20	7	10	10	10	10

In FY 2015-16, 15% of Class I felony convictions resulted in active sentences, with an average estimated time served of seven months. Nine months of post-release supervision is required upon release from prison following an active sentence or revocation of probation. The following table shows the estimated annual bed impact if there were nine convictions (the threshold) or 20 convictions for this proposed offense per year. The five year estimate takes into account the combination of active sentences and probation and post-release supervision violations resulting in confinement, as well as growth rates adopted by the Sentencing Commission's Forecasting Technical Advisory Group.

<b>Estimated Prison Bed Impact Using Threshold Convictions and 20 Convictions Class I Felony</b>					
<b>Convictions</b>	<b>Year 1</b>	<b>Year 2</b>	<b>Year 3</b>	<b>Year 4</b>	<b>Year 5</b>
9 (Threshold)	1	2	2	2	2
20	2	4	4	4	4

In addition to the capital costs that may be associated with additional bed needs, there are also per diem costs for housing inmates. The cost to add one additional inmate to the prison system is \$15.02 per day, or \$457 per month, which includes the cost of food, clothing, and health care. In FY 2015-16, 35% of Class H felony offenders received active sentences averaging 11 months. For every one Class H felony offender receiving an active sentence, the cost to the prison section will be \$5,027 (\$457 monthly cost times 11 months). In FY 2015-16, 15% of Class I felony offenders received active sentences averaging seven months. For every one Class I felony offender receiving an active sentence, the cost to the prison section will be \$3,199 (\$457 monthly cost times seven months).

This bill also creates a new Class 1 misdemeanor offense. The North Carolina Sentencing and Policy Advisory Commission expects no impact on the prison population from this offense because all misdemeanor offenders who receive active sentences will serve them in the local jail.

#### **Department of Public Safety – Community Corrections**

All active sentences for felony offenses now result in a minimum of twelve months of post-release supervision (PRS) for B1-E level offenses and a minimum of nine months of PRS for F-I level offenses.



Additionally, for felony offense classes F through I offenders may be given non-active (intermediate or community) sentences exclusively, or in conjunction with imprisonment (split-sentence). Sanctions include electronic house arrest, community service, substance abuse treatment, participation in educational or vocational skills development, payment of court costs, fines, and restitution, and short-term jail sentences not exceeding six days per month.

JRA essentially eliminated the distinction between “community” and “intermediate” supervision. Under structured sentencing, the two types of supervision were each defined by a set of specific sanctions. Under JRA, both community and intermediate probation may now include electronic monitoring, short-term periods of confinement, substance abuse assessment, monitoring, and treatment, participation in educational programs or vocational skills development. Whether a probationer is subject to more stringent conditions is determined by the results of a risk-needs assessment administered by the Department of Public Safety.

All types of post-release supervision are supervised by the Community Corrections Section (CCS); CCS also oversees community service. Supervision by a probation officer costs \$148 per offender, per month; no cost is assumed for those receiving unsupervised probation, or who are only ordered to pay fines, fees, or restitution. Total costs are based on average supervision length and the percentage of offenders (per offense class) sentenced to active sentences requiring post-release supervision and supervised probations.

In FY 2015-16, 35% of Class H offenders received active sentences. All active sentences for Class F through I felonies result in nine months of post-release supervision (PRS). The average length of probation imposed for this offense class was 27 months. Therefore, at a minimum, one Class H felony conviction resulting from this bill will require at least nine months of supervision. The cost of nine months of supervision is \$1,332 per offender (\$148 per month times nine months).<sup>4</sup> For every offender sentenced to probation, the average cost would be \$3,996 (\$148 per month times 27 months).

In FY 2015-16, 15% of Class I offenders received active sentences. All active sentences for Class F through I felonies result in nine months of post-release supervision (PRS). The average length of probation imposed for this offense class was 23 months. Therefore, at a minimum, one Class I felony conviction resulting from this bill will require at least nine months of supervision. The cost of nine months of supervision is \$1,332 per offender (\$148 per month times nine months).<sup>4</sup> For every offender sentenced to probation, the average cost would be \$3,404 (\$148 per month times 23 months).

This bill also creates a new Class 1 misdemeanor offense. All misdemeanor offenders may be given non-active (intermediate or community) sentences exclusively, or in conjunction with imprisonment (split-sentence). In FY 2015-16, 31% of Class 1 misdemeanor offenders received active sentences; 69% received probation. Active misdemeanor sentences are served in local jails and do not require any post-release supervision. The average length of probation imposed for this offense class was 15 months. Therefore, at a minimum, one Class 1 misdemeanor conviction resulting in a non-active sentence will require at least 15 months of supervision. The cost of 15 months of supervision is \$2,200 per offender (\$148 per month times 15 months).<sup>4</sup>

**SOURCES OF DATA:** Department of Public Safety; Administrative Office of the Courts; North Carolina Sentencing and Policy Advisory Commission; Office of Indigent Defense Services.

**TECHNICAL CONSIDERATIONS:** None

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<sup>4</sup> Due to the effective date of December 1, 2017 and the typical lag time between charge and conviction (6 months), little impact is assumed for CCS in FY 2017-18. Though some offenders may come under CCS supervision during this time, this note assumes an even entry over the course of FY 2018-19.

**FISCAL RESEARCH DIVISION:** (919) 733-4910

**PREPARED BY:** Kristine Leggett

**APPROVED BY:**

Mark Trogdon, Director  
Fiscal Research Division

**DATE:** February 27, 2017



**Signed Copy Located in the NCGA Principal Clerk's Offices**

Committee Sergeants at Arms

NAME OF COMMITTEE House Committee on Transportation

DATE: 02/28/2017 Room: 643

House Sgt-At Arms:

1. Name: Warren Hawkins

2. Name: Doug Harris

3. Name: Malachi McCullough, Jr

4. Name: \_\_\_\_\_

5. Name: \_\_\_\_\_

Senate Sgt-At Arms:

1. Name: \_\_\_\_\_

2. Name: \_\_\_\_\_

3. Name: \_\_\_\_\_

4. Name: \_\_\_\_\_

5. Name: \_\_\_\_\_



**House Pages  
Assignments  
Tuesday, February 28, 2017  
Session: 3:30 PM**

<b>Committee</b>	<b>Room</b>	<b>Time</b>	<b>Staff</b>	<b>Comments</b>	<b>Member</b>
Transportation	643	11:00 AM	Mariah-Sydney Steele		Rep. Speaker Tim Moore
			Michaela-Sivan Steele		Rep. Speaker Tim Moore



# VISITOR REGISTRATION SHEET

House Committee on Transportation

02/28/2017

Name of Committee

Date

VISITORS: PLEASE SIGN IN BELOW AND RETURN TO COMMITTEE CLERK

NAME

FIRM OR AGENCY AND ADDRESS

Erin Wyman

NCLM

for

Talk





# VISITOR REGISTRATION SHEET

House Committee on Transportation

02/28/2017

Name of Committee

Date

VISITORS: PLEASE SIGN IN BELOW AND RETURN TO COMMITTEE CLERK

NAME

FIRM OR AGENCY AND ADDRESS

Crystal Collins

NC Trucking Assn

Chris Gibson

NCDOT, Division of Aviation



# VISITOR REGISTRATION SHEET

House Committee on Transportation

02/28/2017

Name of Committee

Date

VISITORS: PLEASE SIGN IN BELOW AND RETURN TO COMMITTEE CLERK

NAME

FIRM OR AGENCY AND ADDRESS

David Collins	SEAW
Vexi Artman	NURMA
John Pollock	NCRMA
Jaz Tunnell	Duke Energy
Doug Miskew	Psh
Jay Stem	
Becky Jenkins	CAROLINAS ASC
Betsy Bailey	CAGC
James Smith	ACEC/NC
Tim Minton	NCRMA
Sorana Weiss	



## VISITOR REGISTRATION SHEET

House Committee on Transportation

02/28/2017

Name of Committee

Date

VISITORS: PLEASE SIGN IN BELOW AND RETURN TO COMMITTEE CLERK

NAME

FIRM OR AGENCY AND ADDRESS

KEVIN LACY	NCDOT
Scerch Collins	NCLM
Ridge Mazing	Office of Rep. Alexander
Lion Mawad	Wm
Shueh Xun	MNE
Joe McCh	McClees Consulting, Inc
Amanda Donovan	TSS
BASIL YAP	NCDOT DIV. OF AVIATION
Jason Green	N.C. Rural Center
Dick Carlton	Law Off of KMC LLC
Will Morgan	MFS



## VISITOR REGISTRATION SHEET

House Committee on Transportation

02/28/2017

Name of Committee

Date

VISITORS: PLEASE SIGN IN BELOW AND RETURN TO COMMITTEE CLERK

NAME

FIRM OR AGENCY AND ADDRESS

Ed Turley	BP
Kenn Burtko	NEEC
Don GRANT	Smith Auburn
Myrle Asher	SECC
Brooks Rains Pano	SECC
Mark Simon	RAND
Jim	RAND
Andy Brandon	NC DPS
Heet Kabeel	House
Ryan Kilgore	NCSC
John Howard	MFS





## VISITOR REGISTRATION SHEET

House Committee on Transportation

02/28/2017

Name of Committee

Date

VISITORS: PLEASE SIGN IN BELOW AND RETURN TO COMMITTEE CLERK

NAME

FIRM OR AGENCY AND ADDRESS

Padraig Cabbens	CC
Patrick Norman	NCDOT
VAN ARGABRIGHT	NCDOT
David Wasserman	NCDOT
CHARLES EDWARDS	NCDOT
Joy Wilkes	NCDOT
Penny Huff	SOG
Fred Moreno	NCREC
Fred Bone	Bone Asso.



**House Committee on Transportation  
Tuesday, March 7, 2017 at 11:00 AM  
Room 643 of the Legislative Office Building**

**MINUTES**

The House Committee on Transportation met at 11:00 AM on March 7, 2017 in Room 643 of the Legislative Office Building. Representatives Adams, Alexander, Arp, Beasley, Belk, Blackwell, Boles, Brawley, Bumgardner, Carney, Cleveland, Corbin, Faircloth, Ford, Fraley, Grange, Hastings, Hunter, Iler, Brenden Jones, McGrady, McNeill, R. Moore, Presnell, B. Richardson, W. Richardson, Speciale, Stone, Strickland, Torbett, R. Turner, Willingham, and Wray attended.

Representative John A. Torbett, Chair, presided.

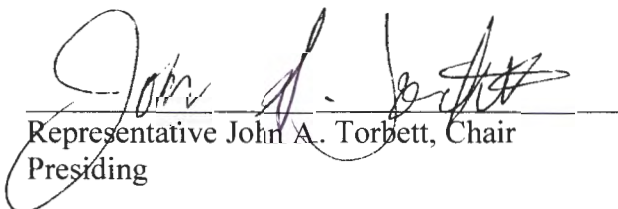
The following bills were considered:

**HB 128 Prohibit Drone Use Over Prison/Jail. (Representatives McNeill, Torbett, Faircloth) Representative Iler motioned the PCS be brought before committee, Representative McNeill explained the bill, there was discussion on the bill, Representative Cleveland motioned for unfavorable to original bill, favorable to the PCS, with a referral to Judiciary II. The bill passed.**

**HB 11 Handicap Parking Privilege Certification. (Representatives Adcock, Dobson, Hardister, Cunningham) Representative Adcock explained the bill, there was discussion on the bill, Representative Carney motioned for a favorable report. The bill passed.**

**HB 169 Kappa Alpha Psi/Special Plate Fee. (Representatives Hanes, Reives, Willingham) Representative Iler motioned the PCS be brought before committee, Representative Hanes explained the bill, there was discussion on the bill, Representative R. Moore motioned for a favorable report, with a referral to Finance. The bill passed.**

The meeting adjourned at 11:40a.m.

  
Representative John A. Torbett, Chair  
Presiding

  
Viddia Torbett, Committee Clerk



**NORTH CAROLINA HOUSE OF REPRESENTATIVES  
COMMITTEE MEETING NOTICE  
AND  
BILL SPONSOR NOTIFICATION  
2017-2018 SESSION**

You are hereby notified that the **House Committee on Transportation** will meet as follows:

**DAY & DATE:** Tuesday, March 7, 2017  
**TIME:** 11:00 AM  
**LOCATION:** 643 LOB

The following bills will be considered:

<b>BILL NO.</b>	<b>SHORT TITLE</b>	<b>SPONSOR</b>
HB 128	Prohibit Drone Use Over Prison/Jail.	Representative McNeill Representative Torbett Representative Faircloth
HB 11	Handicap Parking Privilege Certification.	Representative Adcock Representative Dobson Representative Hardister Representative Cunningham
HB 66	Veterans Plates/Vehicle Weight Restriction.	Representative Speciale Representative G. Martin Representative Henson
HB 169	Kappa Alpha Psi/Special Plate Fee.	Representative Hanes Representative Reives Representative Willingham

Respectfully,

Representative Kelly E. Hastings, Co-Chair  
Representative Frank Iler, Co-Chair  
Representative Phil Shepard, Co-Chair  
Representative John A. Torbett, Co-Chair

I hereby certify this notice was filed by the committee assistant at the following offices at 9:51 AM on Thursday, March 02, 2017.

\_\_\_\_ Principal Clerk  
\_\_\_\_ Reading Clerk – House Chamber

Viddia Torbett (Committee Assistant)



**House Committee on Transportation  
Tuesday, March 7, 2017, 11:00 AM  
643 Legislative Office Building**

**AGENDA**

**Welcome and Opening Remarks**

**Introduction of Pages**

**Bills**

<b>BILL NO.</b>	<b>SHORT TITLE</b>	<b>SPONSOR</b>
HB 128	Prohibit Drone Use Over Prison/Jail.	Representative McNeill Representative Torbett Representative Faircloth
HB 11	Handicap Parking Privilege Certification.	Representative Adcock Representative Dobson Representative Hardister Representative Cunningham
HB 66	Veterans Plates/Vehicle Weight Restriction.	Representative Speciale Representative G. Martin Representative Henson
HB 169	Kappa Alpha Psi/Special Plate Fee.	Representative Hanes Representative Reives Representative Willingham





**NORTH CAROLINA GENERAL ASSEMBLY  
HOUSE OF REPRESENTATIVES**

**TRANSPORTATION COMMITTEE REPORT**

**Representative Kelly E. Hastings, Co-Chair  
Representative Frank Iler, Co-Chair  
Representative Phil Shepard, Co-Chair  
Representative John A. Torbett, Co-Chair**

**FAVORABLE**

**HB 11**                      Handicap Parking Privilege Certification.  
Draft Number:              None  
Serial Referral:            None  
Recommended Referral:   None  
Long Title Amended:      No  
Floor Manager:            Adcock

**FAVORABLE AND RE-REFERRED**

**HB 169**                      Kappa Alpha Psi/Special Plate Fee.  
Draft Number:              None  
**Serial Referral:**            **FINANCE**  
Recommended Referral:   None  
Long Title Amended:      No  
Floor Manager:            Hanes

**FAVORABLE COM SUB , UNFAVORABLE ORIGINAL BILL AND RE-REFERRED**

**HB 128**                      Prohibit Drone Use Over Prison/Jail.  
Draft Number:              H128-PCS30115-BG-2  
**Serial Referral:**            **JUDICIARY II**  
Recommended Referral:   None  
Long Title Amended:      No  
Floor Manager:            McNeill

**TOTAL REPORTED: 3**







## HOUSE BILL 128: Prohibit Drone Use Over Prison/Jail.

2017-2018 General Assembly

<b>Committee:</b>	House Transportation. If favorable, re-refer to Judiciary II	<b>Date:</b>	March 7, 2017
<b>Introduced by:</b>	Reps. McNeill, Torbett, Faircloth	<b>Prepared by:</b>	Giles Perry
<b>Analysis of:</b>	PCS to First Edition H128-CSBG-2		Howard Marsilio Committee Counsel

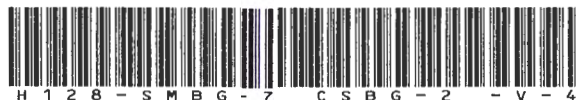
**OVERVIEW:** *The Proposed Committee Substitute (PCS) to House Bill 128 would create multiple criminal offenses that make it unlawful for a person to use an unmanned aircraft system (UAS) near local confinement facilities and State or federal correctional facilities. The PCS applies existing state forfeiture procedures to unmanned aircraft systems and property seized under this act.*

**CURRENT LAW:** The following UAS related offenses make it unlawful to:

- Interfere with manned aircraft, G.S. 14-280.3 Interference with manned aircraft by unmanned aircraft systems. This offense is a Class H felony.
- Possess or use a UAS that has a weapon attached, G.S. 14-401.24(a) Unlawful possession and use of unmanned aircraft systems. This offense is a Class E felony.
- Fish or hunt using a UAS unless an exception for possession or use that is authorized by federal law or regulation applies, G.S. 14-401.24(b) Unlawful possession and use of unmanned aircraft systems. This offense is a Class 1 misdemeanor.
- Publish or disseminate thermal or infrared images revealing individuals, materials, or activities inside of a structure taken by a UAS, G.S. 14-401.25 Unlawful distribution of images. This offense is a Class A1 misdemeanor.
- Intentionally interfere with the lawful taking of wildlife resources with a UAS, G.S. 113-295 Unlawful harassment of persons taking wildlife resources. This offense is a Class 1 misdemeanor.
- Operate a UAS in this State for commercial purposes without a permit, G.S. 63-96 Permit required for commercial operation of unmanned aircraft systems. This offense is a Class 1 misdemeanor.

**BILL ANALYSIS:** House Bill 128 (PCS) would make unauthorized use of a UAS within a horizontal distance of 500 feet or a vertical distance of 250 feet of local confinement facilities and State or federal correctional facilities unlawful. This offense would not apply to an authorized law enforcement use, or use authorized with written consent from the official in responsible charge of the facility and that is not otherwise prohibited by State or federal law. This PCS would create the following new criminal offenses:

Karen Cochrane-Brown  
Director



Legislative Analysis  
Division  
919-733-2578

# House PCS 128

Page 2

- House Bill 128 (PCS) would create a Class H felony for a violation with the purpose of delivering a weapon to a local confinement facility or State or federal correctional facility, and would include a fine of one thousand five hundred dollars (\$1,500).
- House Bill 128 (PCS) would create a Class I felony for a violation with the purpose of delivering contraband to a local confinement facility or State or federal correctional facility, and would include a fine of one thousand dollars (\$1,000). For purposes of this subdivision, the term "contraband" includes controlled substances, cigarettes, alcohol, and communication devices, but does not include weapons.
- House Bill 128 (PCS) would create a Class 1 misdemeanor for a violation for any other purpose, and would include a fine of five hundred dollars (\$500.00).

This PCS would also authorize unmanned aircraft systems and property seized in connection with a violation to go through forfeiture proceedings depending on type:

- Unmanned aircraft systems would undergo forfeiture and disposition as prescribed by G.S. 18B-504 (forfeiture of conveyances used to conceal, convey, or transport intoxicating beverages).
- Other property, weapons, or contraband would undergo forfeiture and disposition as prescribed by G.S. 18B-504 (forfeiture of conveyances used to conceal, convey, or transport intoxicating beverages), G.S. 14-269.1 (confiscation and disposition of deadly weapons), G.S. 90-112 (forfeiture related to controlled substances), or any combination thereof by order of the court.

The proceeds of seized property disposed of by sale for a violation of this act would be paid to the school fund in accordance with Article IX, Section 7 of the Constitution of North Carolina.

**EFFECTIVE DATE:** This act would become effective December 1, 2017, and would apply to offenses committed on or after that date.

GENERAL ASSEMBLY OF NORTH CAROLINA

SESSION 2017

H

D

HOUSE BILL 128

PROPOSED COMMITTEE SUBSTITUTE H128-PCS30115-BG-2

Short Title: Prohibit Drone Use Over Prison/Jail.

(Public)

Sponsors:

Referred to:

February 20, 2017

A BILL TO BE ENTITLED

AN ACT TO PROHIBIT THE USE OF AN UNMANNED AIRCRAFT SYSTEM NEAR A LOCAL CONFINEMENT FACILITY OR STATE OR FEDERAL CORRECTIONAL FACILITY.

The General Assembly of North Carolina enacts:

**SECTION 1.** Article 16B of Chapter 15A of the General Statutes is amended by adding a new section to read:

**"§ 15A-300.3. Use of an unmanned aircraft system near a confinement or correctional facility prohibited.**

(a) Prohibition. – Except for a law enforcement officer using an unmanned aircraft system in accordance with G.S. 15A-300.1(c), no person, entity, or State agency shall use an unmanned aircraft system within a horizontal distance of 500 feet or a vertical distance of 250 feet from any local confinement facility or State or federal correctional facility unless (i) written consent is obtained from the official in responsible charge of the facility and (ii) use of the unmanned aircraft system is not otherwise prohibited under State or federal law.

(b) Penalty. – The following penalties apply for violations of subsection (a) of this section:

(1) A person who uses an unmanned aircraft system in violation of subsection (a) of this section for the purpose of delivering a weapon to a local confinement facility or State or federal correctional facility is guilty of a Class H felony, which shall include a fine of one thousand five hundred dollars (\$1,500). For purposes of this subdivision, the term "weapon" is as defined in G.S. 14-401.24.

(2) A person who uses an unmanned aircraft system in violation of subsection (a) of this section for the purpose of delivering contraband to a local confinement facility or State or federal correctional facility is guilty of a Class I felony, which shall include a fine of one thousand dollars (\$1,000). For purposes of this subdivision, the term "contraband" includes controlled substances, as defined in G.S. 90-87, cigarettes, alcohol, and communication devices, but does not include weapons.

(3) A person who uses an unmanned aircraft system in violation of subsection (a) of this section for any other purpose is guilty of a Class 1 misdemeanor, which shall include a fine of five hundred dollars (\$500.00).

(c) Forfeiture and Disposition of Seized Property. – An unmanned aircraft system used in violation of this section and seized by a law enforcement agency is subject to forfeiture and disposition as prescribed by G.S. 18B-504. An innocent owner or holder of a security interest applying to the court for release of the unmanned aircraft system, in accordance with G.S. 18B-504(h), shall also provide proof of ownership or security interest and written



\* H 1 2 8 - P C S 3 0 1 1 5 - B G - 2 \*



1 certification that the unmanned aircraft system will not be returned to the person who was charged  
2 with the violation of subsection (a) of this section. Any property, weapons, or contraband seized  
3 by a law enforcement agency in connection with a violation of this section is subject to forfeiture  
4 and disposition as prescribed by either G.S. 18B-504, 14-269.1, 90-112, or any combination  
5 thereof by order of the court."

6 **SECTION 2.** This act becomes effective December 1, 2017, and applies to offenses  
7 committed on or after that date.

GENERAL ASSEMBLY OF NORTH CAROLINA  
SESSION 2017

H

1

HOUSE BILL 128

Short Title: Prohibit Drone Use Over Prison/Jail. (Public)

Sponsors: Representatives McNeill, Torbett, and Faircloth (Primary Sponsors).  
*For a complete list of sponsors, refer to the North Carolina General Assembly web site.*

Referred to: Transportation, if favorable, Judiciary II

February 20, 2017

A BILL TO BE ENTITLED

AN ACT TO PROHIBIT THE USE OF AN UNMANNED AIRCRAFT SYSTEM NEAR A  
LOCAL CONFINEMENT FACILITY OR STATE OR FEDERAL CORRECTIONAL  
FACILITY.

The General Assembly of North Carolina enacts:

**SECTION 1.** Article 16B of Chapter 15A of the General Statutes is amended by  
adding a new section to read:

**"§ 15A-300.3. Use of an unmanned aircraft system near a confinement or correctional  
facility prohibited.**

(a) Prohibition. – Except for a law enforcement officer using an unmanned aircraft system  
in accordance with G.S. 15A-300.1(c), no person, entity, or State agency shall use an unmanned  
aircraft system within a horizontal distance of 500 feet or a vertical distance of 250 feet from any  
local confinement facility or State or federal correctional facility unless (i) written consent is  
obtained from the official in responsible charge of the facility and (ii) use of the unmanned aircraft  
system is not otherwise prohibited under State or federal law.

(b) Penalty. – The following penalties apply for violations of subsection (a) of this section:

(1) A person who uses an unmanned aircraft system in violation of subsection (a)  
of this section for the purpose of delivering a weapon to a local confinement  
facility or State or federal correctional facility is guilty of a Class H felony,  
which shall include a fine of one thousand five hundred dollars (\$1,500). For  
purposes of this subdivision, the term "weapon" is as defined in G.S. 14-401.24.

(2) A person who uses an unmanned aircraft system in violation of subsection (a)  
of this section for the purpose of delivering contraband to a local confinement  
facility or State or federal correctional facility is guilty of a Class I felony,  
which shall include a fine of one thousand dollars (\$1,000). For purposes of this  
subdivision, the term "contraband" includes controlled substances, as defined in  
G.S. 90-87, cigarettes, alcohol, and communication devices, but does not  
include weapons.

(3) A person who uses an unmanned aircraft system in violation of subsection (a)  
of this section for any other purpose is guilty of a Class 1 misdemeanor, which  
shall include a fine of five hundred dollars (\$500.00).

(c) Confiscation. – In addition to the penalty set forth in subsection (b) of this section, an  
unmanned aircraft system used in violation of subsection (a) of this section may be confiscated by  
the law enforcement agency investigating the violation. An unmanned aircraft system confiscated  
pursuant to this subsection shall not be disposed of until the result of any legal proceeding alleging



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1 its use in violation of subsection (a) of this section is finally determined. A law enforcement  
2 agency shall keep records of any unmanned aircraft systems it confiscates pursuant to this  
3 subsection, and, unless otherwise required by court order, it shall retain those records in  
4 accordance with its records retention policy. Upon conviction of a violation of subsection (a) of  
5 this section, and except as otherwise provided in subsection (d) of this section, any unmanned  
6 aircraft system used in committing the violation that has been confiscated pursuant to this  
7 subsection shall be sent to the Division of Aviation of the Department of Transportation and shall  
8 become property of the State. If a legal proceeding alleging violation of subsection (a) of this  
9 section does not result in conviction, any unmanned aircraft system used in the alleged violation  
10 that has been confiscated pursuant to this subsection shall be released to the owner of the  
11 unmanned aircraft system.

12 (d) Innocent Owner. – An unmanned aircraft system confiscated pursuant to subsection (c)  
13 of this section shall be released to an innocent owner. A law enforcement agency shall not release  
14 a confiscated unmanned aircraft system to an innocent owner until the results of any legal  
15 proceeding alleging its use in violation of subsection (a) of this section is finally determined. To  
16 have a confiscated unmanned aircraft system released in accordance with this subsection, an  
17 innocent owner shall provide the confiscating law enforcement agency with proof of ownership  
18 and written certification that the innocent owner will not release the unmanned aircraft system to  
19 the person who was charged with the violation of subsection (a) of this section that resulted in  
20 confiscation under subsection (c) of this section. A confiscating law enforcement agency shall  
21 provide written notice to an innocent owner when an unmanned aircraft system is available for  
22 release. If an innocent owner fails to recover the unmanned aircraft system within 30 days of the  
23 date listed on the notice of release, the confiscating law enforcement agency shall send the  
24 unmanned aircraft system to the Division of Aviation of the Department of Transportation and the  
25 unmanned aircraft system shall become property of the State."

26 **SECTION 2.** This act becomes effective December 1, 2017, and applies to offenses  
27 committed on or after that date.



# GENERAL ASSEMBLY OF NORTH CAROLINA

Session 2017

## Legislative Incarceration Fiscal Note

**BILL NUMBER:** House Bill 128 (First Edition)

**SHORT TITLE:** Prohibit Drone Use Over Prison/Jail.

**SPONSOR(S):** Representatives McNeill, Torbett, and Faircloth

### FISCAL IMPACT

(\$ in millions)

☐ Yes

☐ No

☒ No Estimate Available

	FY 2017-18	FY 2018-19	FY 2019-20	FY 2020-21	FY 2021-22
<b>State Impact</b>					
General Fund Revenues:					
General Fund Expenditures					
State Positions:					
<b>NET STATE IMPACT</b>	Likely budget cost. See Assumptions & Methodology section for additional details.				

#### PRINCIPAL DEPARTMENT(S) & PROGRAM(S) AFFECTED:

Administrative Office of the Courts; Indigent Defense Services; Department of Public Safety

**EFFECTIVE DATE:** December 1, 2017

#### TECHNICAL CONSIDERATIONS:

None

### FISCAL IMPACT SUMMARY:

The proposed bill may have a fiscal impact to address new chargeable offenses being enforced, adjudicated, and having penalties applied to those convicted of the new offenses. However, given that there is no historical data on these new offenses or similar offenses to use as a proxy for predicting the total number of new offenses, the Fiscal Research Division cannot reasonably estimate the total additional costs that may be incurred. The following costs may be incurred for every one person charged and convicted of these crimes:

- Administrative Office of the Courts: \$206 to \$625 per disposition
- Indigent Defense Services: \$196 to \$361 per disposition
- Department of Public Safety (DPS) - Prisons: \$3,199 to \$5,027 per active felony sentence
- DPS - Community Corrections: Minimum of \$1,332 per conviction

Please see the Assumptions and Methodology section for additional information.

### BILL SUMMARY:

This bill creates a new section in Article 16B of Chapter 15A in G.S. 15A-300.3, Use of an unmanned aircraft system near a confinement or correctional facility prohibited. Subsections (a) and (b) prohibit the

use of a drone within a specified distance from any local confinement facility or State or federal correctional facility unless certain criteria are met. This new section creates three new criminal penalties:

- A Class H felony for using the drone to deliver a weapon;
- A Class I felony for using the drone to deliver contraband such as controlled substances, cigarettes, and alcohol; and,
- A Class 1 misdemeanor for using the drone for any other purpose.

Subsections (c) and (d) lay out the procedure for confiscation and release of drones used in committing violations of this section.

## **ASSUMPTIONS AND METHODOLOGY:**

### **General**

The Sentencing and Policy Advisory Commission prepares prison population projections for each bill containing a criminal penalty. The Commission assumes for such bills that expanding existing or creating new criminal offenses produces no deterrent or incapacitative effect on crime. Therefore, the Fiscal Research Division does not assume deterrent effects for any criminal penalty bill.

S.L. 2011-192 (H.B. 642), the Justice Reinvestment Act (JRA), made changes to North Carolina's court system, corrections system (both to prisons and probation), and to post-release supervision. All active sentences for felony offenses now result in a minimum of twelve months of post-release supervision (PRS) for B1-E level offenses and a minimum of nine months of PRS for F-I level offenses.

JRA also created the Statewide Misdemeanant Confinement Program (SMCP) for housing misdemeanants with sentences between 90 and 180 days in county jails (misdemeanants with shorter sentences were already the responsibility of the counties). County participation in the program is voluntary. The SMCP pays participating counties for misdemeanants' housing, transportation, and medical costs. In 2014, the program was expanded to include all misdemeanants with sentences longer than 90 days. The Sentencing and Policy Advisory Commission does not track county jail capacity, so it is not possible to estimate the impact of new or increased misdemeanor penalties on county jails.

### **Judicial Branch**

The Administrative Office of the Courts provides Fiscal Research with a fiscal impact analysis for most criminal penalty bills. For such bills, fiscal impact is typically based on the assumption that court time will increase due to anticipated increases in trials and corresponding increases in workload for judges, clerks, and prosecutors. This increased court time is also expected to result in greater expenditures for jury fees and indigent defense.

The bill creates three new criminal penalties. Because these are new offenses, AOC does not have historical data upon which to estimate the number of charges that might occur. AOC provides estimates of the average cost to the court for a charge by offense class. For every additional person charged, the following costs may be incurred:

<b>Offense Level</b>	<b>AOC Cost</b>
Class H felony	\$625
Class I felony	\$455
Class 1 misdemeanor	\$206

The Office of Indigent Defense Services (IDS) has provided Fiscal Research with the frequency and cost of indigent defense services for each level of crime, including the cost differentials for district and superior court with and without a trial and the percentage of cases handled in each category. Fiscal Research used this data to calculate a weighted average of IDS costs. The following table shows the percentage of cases handled by IDS and the weighted average cost for each new criminal penalty in this bill.

Offense Level	Percent Handled by IDS	Weighted Average Cost
Class H felony	78%	\$361
Class I felony	68%	\$322
Class 1 misdemeanor	39%	\$196

These estimates assume the appointment of a PAC attorney. In districts that have Public Defender offices, cases may be handled by those offices. In those instances, these costs may not be incurred.

#### **Department of Public Safety – Prisons**

The chart below depicts the projected inmate population relative to available prison bed capacity system-wide. Capacity projections assume operation at Expanded Operating Capacity,<sup>1</sup> and represent the total number of beds in operation, or authorized for construction or operation as of December 2015.

Based on the most recent population projections and estimated bed capacity, there are surplus prison beds available for the five-year fiscal note horizon and beyond. Therefore, no additional beds will be required unless the projected number of additional inmates resulting from a bill (row four) exceeds the projected number of beds under the inmate population (row three).

Population Projections and Bed Capacity Five Year Impact					
	June 30 2018	June 30 2019	June 30 2020	June 30 2021	June 30 2022
1. Inmates <sup>2</sup>	37,304	37,601	37,367	37,385	37,642
2. Prison Beds (Expanded Capacity)	38,373	38,373	38,373	38,373	38,373
3. Beds Over/(Under) Inmate Population	1,069	772	1,006	988	731
4. <i>Additional Inmates Due to this Bill</i> <sup>3</sup>	No estimate available				
5. <i>Additional Beds Required</i>					

Since the bill creates a new offense, the Sentencing Commission does not have any historical data from which to estimate the impact of this bill on the prison population. A threshold analysis is provided when it is not known how many offenders might be convicted and sentenced as a result of the proposed change.

<sup>1</sup> Expanded Operating Capacity (EOC) is: 1) the number of single cells housing one inmate, 2) the number of single cells housing two inmates, and 3) the number of beds in dormitories, allowing between 35 (130% of Standard Operating Capacity) and 50 (SOC) square feet per inmate.

<sup>2</sup> The Sentencing and Policy Advisory Commission prepares inmate population projections annually. These projections are derived from: historical information on incarceration and release rates under Structured Sentencing; crime rate forecasts by a technical advisory group; probation and offender revocation rates; and the decline (parole and max-outs) of the stock prison population sentenced under prior sentencing acts. Projections were updated in February 2016.

<sup>3</sup> Criminal penalty bills effective December 1, 2016 should not affect prison population and bed needs until FY 2017-18 due to the lag time between offense charge and sentencing - six months on average. No delayed effect is presumed for the Court System.



For each offense class, the threshold estimate is the number of convictions that result in the need for one prison bed in the first year.

In FY 2015-16, 35% of Class H felony convictions resulted in active sentences, with an average estimated time served of 11 months. Nine months of post-release supervision is required upon release from prison following an active sentence or revocation of probation. The following table shows the estimated annual bed impact if there were four convictions (the threshold) or 20 convictions for this proposed offense per year. The five year estimate takes into account the combination of active sentences and probation and post-release supervision violations resulting in confinement, as well as growth rates adopted by the Sentencing Commission's Forecasting Technical Advisory Group.

<b>Estimated Prison Bed Impact Using Threshold Convictions and 20 Convictions Class H Felony</b>					
<b>Convictions</b>	<b>Year 1</b>	<b>Year 2</b>	<b>Year 3</b>	<b>Year 4</b>	<b>Year 5</b>
4 (Threshold)	1	2	2	2	2
20	7	10	10	10	10

In FY 2015-16, 15% of Class I felony convictions resulted in active sentences, with an average estimated time served of seven months. Nine months of post-release supervision is required upon release from prison following an active sentence or revocation of probation. The following table shows the estimated annual bed impact if there were nine convictions (the threshold) or 20 convictions for this proposed offense per year. The five year estimate takes into account the combination of active sentences and probation and post-release supervision violations resulting in confinement, as well as growth rates adopted by the Sentencing Commission's Forecasting Technical Advisory Group.

<b>Estimated Prison Bed Impact Using Threshold Convictions and 20 Convictions Class I Felony</b>					
<b>Convictions</b>	<b>Year 1</b>	<b>Year 2</b>	<b>Year 3</b>	<b>Year 4</b>	<b>Year 5</b>
9 (Threshold)	1	2	2	2	2
20	2	4	4	4	4

In addition to the capital costs that may be associated with additional bed needs, there are also per diem costs for housing inmates. The cost to add one additional inmate to the prison system is \$15.02 per day, or \$457 per month, which includes the cost of food, clothing, and health care. In FY 2015-16, 35% of Class H felony offenders received active sentences averaging 11 months. For every one Class H felony offender receiving an active sentence, the cost to the prison section will be \$5,027 (\$457 monthly cost times 11 months). In FY 2015-16, 15% of Class I felony offenders received active sentences averaging seven months. For every one Class I felony offender receiving an active sentence, the cost to the prison section will be \$3,199 (\$457 monthly cost times seven months).

This bill also creates a new Class 1 misdemeanor offense. The North Carolina Sentencing and Policy Advisory Commission expects no impact on the prison population from this offense because all misdemeanor offenders who receive active sentences will serve them in the local jail.

#### **Department of Public Safety – Community Corrections**

All active sentences for felony offenses now result in a minimum of twelve months of post-release supervision (PRS) for B1-E level offenses and a minimum of nine months of PRS for F-I level offenses.

Additionally, for felony offense classes F through I offenders may be given non-active (intermediate or community) sentences exclusively, or in conjunction with imprisonment (split-sentence). Sanctions include electronic house arrest, community service, substance abuse treatment, participation in educational or vocational skills development, payment of court costs, fines, and restitution, and short-term jail sentences not exceeding six days per month.

JRA essentially eliminated the distinction between “community” and “intermediate” supervision. Under structured sentencing, the two types of supervision were each defined by a set of specific sanctions. Under JRA, both community and intermediate probation may now include electronic monitoring, short-term periods of confinement, substance abuse assessment, monitoring, and treatment, participation in educational programs or vocational skills development. Whether a probationer is subject to more stringent conditions is determined by the results of a risk-needs assessment administered by the Department of Public Safety.

All types of post-release supervision are supervised by the Community Corrections Section (CCS); CCS also oversees community service. Supervision by a probation officer costs \$148 per offender, per month; no cost is assumed for those receiving unsupervised probation, or who are only ordered to pay fines, fees, or restitution. Total costs are based on average supervision length and the percentage of offenders (per offense class) sentenced to active sentences requiring post-release supervision and supervised probations.

In FY 2015-16, 35% of Class H offenders received active sentences. All active sentences for Class F through I felonies result in nine months of post-release supervision (PRS). The average length of probation imposed for this offense class was 27 months. Therefore, at a minimum, one Class H felony conviction resulting from this bill will require at least nine months of supervision. The cost of nine months of supervision is \$1,332 per offender (\$148 per month times nine months).<sup>4</sup> For every offender sentenced to probation, the average cost would be \$3,996 (\$148 per month times 27 months).

In FY 2015-16, 15% of Class I offenders received active sentences. All active sentences for Class F through I felonies result in nine months of post-release supervision (PRS). The average length of probation imposed for this offense class was 23 months. Therefore, at a minimum, one Class I felony conviction resulting from this bill will require at least nine months of supervision. The cost of nine months of supervision is \$1,332 per offender (\$148 per month times nine months).<sup>4</sup> For every offender sentenced to probation, the average cost would be \$3,404 (\$148 per month times 23 months).

This bill also creates a new Class 1 misdemeanor offense. All misdemeanor offenders may be given non-active (intermediate or community) sentences exclusively, or in conjunction with imprisonment (split-sentence). In FY 2015-16, 31% of Class 1 misdemeanor offenders received active sentences; 69% received probation. Active misdemeanor sentences are served in local jails and do not require any post-release supervision. The average length of probation imposed for this offense class was 15 months. Therefore, at a minimum, one Class 1 misdemeanor conviction resulting in a non-active sentence will require at least 15 months of supervision. The cost of 15 months of supervision is \$2,200 per offender (\$148 per month times 15 months).<sup>4</sup>

**SOURCES OF DATA:** Department of Public Safety; Administrative Office of the Courts; North Carolina Sentencing and Policy Advisory Commission; Office of Indigent Defense Services.

**TECHNICAL CONSIDERATIONS:** None

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<sup>4</sup> Due to the effective date of December 1, 2017 and the typical lag time between charge and conviction (6 months), little impact is assumed for CCS in FY 2017-18. Though some offenders may come under CCS supervision during this time, this note assumes an even entry over the course of FY 2018-19.

**FISCAL RESEARCH DIVISION:** (919) 733-4910

**PREPARED BY:** Kristine Leggett

**APPROVED BY:**

Mark Trogon, Director  
Fiscal Research Division

**DATE:** February 27, 2017



**Signed Copy Located in the NCGA Principal Clerk's Offices**



# HOUSE BILL 11: Handicap Parking Privilege Certification.

2017-2018 General Assembly

<b>Committee:</b>	House Transportation	<b>Date:</b>	March 7, 2017
<b>Introduced by:</b>	Reps. Adcock, Dobson, Hardister, Cunningham	<b>Prepared by:</b>	Giles Perry and Howard Marsilio
<b>Analysis of:</b>	First Edition		Staff Attorneys

**OVERVIEW:** *House Bill 11 authorizes licensed physician assistants, licensed nurse practitioners, and licensed certified nurse midwives to certify applications to DMV for handicapped parking placards or license plates.*

**CURRENT LAW:** Under current law, G.S. 20-37.6(c1), the application to DMV for a handicapped license plate or placard must be certified by one of the following:

- licensed physician
- licensed ophthalmologist
- a licensed optometrist
- Division of Services for the Blind
- United States Department of Veterans Affairs

G.S. 90-18.3 currently states that "*Whenever a statute or State agency rule requires that a physical examination shall be conducted by a **physician**, the examination may be conducted and the form signed by a **nurse practitioner** or a **physician's assistant**, and a physician need not be present.*" DMV's position is that this statute doesn't apply to current G.S. 20-37.6(c1), because G.S. 90-18.3 applies to "examination", and G.S. 20-37.6 refers to "certification".

**BILL ANALYSIS:** House Bill 11 amends the current law on handicapped plates and placards, which requires medical certification, to make clear the certification can be done by **licensed physician assistants** or **licensed nurse practitioners**. The bill also adds **licensed certified nurse midwives** as persons authorized to provide the certification.

**EFFECTIVE DATE:** This act is effective when it becomes law.

**BACKGROUND:** A **physician assistant** is a person licensed to perform medical functions as an assistant to a physician, including those duties authorized in G.S. 90-18.1. A **nurse practitioner** is a registered nurse who has: completed a post-graduate certificate nurse practitioner education program or obtains a Master's, or higher degree, in nursing or related field with primary focus on nursing; a certification by a national credentialing body; and is registered pursuant to Chapter 90. A **licensed certified nurse midwife** is a registered nurse who has: graduated from an approved nurse midwifery education program approved by the American College of Nurse Midwives; and passes the certification exam in accordance with Chapter 90.

Karen Cochrane-Brown  
Director



Legislative Analysis  
Division  
919-733-2578

GENERAL ASSEMBLY OF NORTH CAROLINA  
SESSION 2017

H

1

HOUSE BILL 11

Short Title: Handicap Parking Privilege Certification. (Public)

Sponsors: Representatives Adcock, Dobson, Hardister, and Cunningham (Primary Sponsors).

Referred to: Transportation

January 26, 2017

A BILL TO BE ENTITLED

AN ACT TO PROVIDE THAT MEDICAL CERTIFICATION AND RECERTIFICATION REQUIREMENTS FOR HANDICAPPED PARKING PRIVILEGES MAY BE SATISFIED BY CERTIFICATION OF A LICENSED PHYSICIAN ASSISTANT, A LICENSED NURSE PRACTITIONER, OR A LICENSED CERTIFIED NURSE MIDWIFE THAT THE PERSON IS HANDICAPPED.

The General Assembly of North Carolina enacts:

**SECTION 1.** G.S. 20-37.6(c1) reads as rewritten:

"(c1) Application and Renewal; Physician's Certification. – The initial application for a distinguishing license plate, removable windshield placard, or temporary removable windshield placard shall be accompanied by a certification of a licensed physician, a licensed ophthalmologist, a licensed physician assistant, a licensed nurse practitioner, a licensed certified nurse midwife, a licensed optometrist, or the Division of Services for the Blind that the applicant is handicapped or by a disability determination by the United States Department of Veterans Affairs that the applicant is handicapped. The application for a temporary removable windshield placard shall contain additional certification to include the period of time the certifying authority determines the applicant will have the disability. Distinguishing license plates shall be renewed annually, but subsequent applications shall not require a medical certification that the applicant is handicapped. Removable windshield placards shall be renewed every five years, and, except for a person certified as totally and permanently disabled at the time of the initial application or a prior renewal under this subsection, the renewal shall require a medical recertification that the person is handicapped. Temporary removable windshield placards shall expire no later than six months after issuance."

**SECTION 2.** This act is effective when it becomes law.







## HOUSE BILL 66: Veterans Plates/Vehicle Weight Restriction.

2017-2018 General Assembly

<b>Committee:</b>	House Transportation. If favorable, re-refer to Finance	<b>Date:</b>	March 7, 2017
<b>Introduced by:</b>	Reps. Speciale, G. Martin, Henson	<b>Prepared by:</b>	Giles Perry
<b>Analysis of:</b>	First Edition		Staff Attorney

**OVERVIEW:** House Bill 66 increases from 6,000 pounds to 17,000 pounds the maximum weight of a vehicle eligible for the currently authorized free of charge military-related registration plates.

**CURRENT LAW:** Under current law, the annual vehicle registration fee for a private passenger vehicle is \$36.

Persons eligible for the following plates are annually eligible for one free registration plate, for a vehicle up to 6,000 pounds:

- A Legion of Valor registration plate to a recipient of the Legion of Valor award.
- A 100% Disabled Veteran registration plate to a 100% disabled veteran.
- An Ex Prisoner of War registration plate to an ex prisoner of war.
- A Bronze Star Valor registration plate to a recipient of the Bronze Star Medal for valor in combat award.
- A Silver Star registration plate to a recipient of the Silver Star award.

**BILL ANALYSIS:** House Bill 66 increases the maximum weight of a vehicle eligible for the currently authorized free registration plates from 6,000 pounds to 17,000 pounds.

**EFFECTIVE DATE:** House Bill 77 would become effective July 1, 2017, and apply to special registration plates issued or renewed on or after that date.

Karen Cochrane-Brown  
Director



Legislative Analysis  
Division  
919-733-2578

GENERAL ASSEMBLY OF NORTH CAROLINA  
SESSION 2017

H

1

HOUSE BILL 66

Short Title: Veterans Plates/Vehicle Weight Restriction. (Public)

Sponsors: Representatives Speciale, G. Martin, and Henson (Primary Sponsors).  
*For a complete list of sponsors, refer to the North Carolina General Assembly web site.*

Referred to: Transportation, if favorable, Finance

February 9, 2017

1 A BILL TO BE ENTITLED  
2 AN ACT TO PROVIDE THAT THE DIVISION OF MOTOR VEHICLES MAY ISSUE  
3 CERTAIN MILITARY SPECIAL REGISTRATION PLATES FREE OF CHARGE TO  
4 MOTOR VEHICLES WITH A REGISTERED WEIGHT THAT DOES NOT EXCEED  
5 SEVENTEEN THOUSAND POUNDS.  
6 The General Assembly of North Carolina enacts:  
7 **SECTION 1.** G.S. 20-79.7(a) reads as rewritten:  
8 "(a) Free of Charge. – Upon request, the Division shall annually provide and issue free of  
9 charge a single special registration plate listed in this subsection to a person qualified to receive  
10 the plate in accordance with G.S. 20-79.4(a2). This subsection does not apply to a special  
11 registration plate issued for a vehicle that has a registered weight greater than ~~6,000~~17,000 pounds.  
12 The regular motor vehicle registration fees in G.S. 20-88 apply if the registered weight of the  
13 vehicle is greater than ~~6,000~~17,000 pounds:  
14 (1) A Legion of Valor registration plate to a recipient of the Legion of Valor award.  
15 (2) A 100% Disabled Veteran registration plate to a 100% disabled veteran.  
16 (3) An Ex-Prisoner of War registration plate to an ex-prisoner of war.  
17 (4) A Bronze Star Valor registration plate to a recipient of the Bronze Star Medal  
18 for valor in combat award.  
19 (5) A Silver Star registration plate to a recipient of the Silver Star award."  
20 **SECTION 2.** This act becomes effective July 1, 2017, and applies to special  
21 registration plates issued or renewed on or after that date.





## HOUSE BILL 169: Kappa Alpha Psi/Special Plate Fee.

2017-2018 General Assembly

<b>Committee:</b>	House Transportation. If favorable, re-refer to Finance	<b>Date:</b>	March 7, 2017
<b>Introduced by:</b>	Reps. Hanes, Reives, Willingham	<b>Prepared by:</b>	Wendy Ray
<b>Analysis of:</b>	First Edition		Staff Attorney

**OVERVIEW:** *House Bill 169 would increase the fee for the Kappa Alpha Psi special registration plate, with the additional funds going to Kappa Alpha Psi, Inc. to provide for scholarships, education, and professional development.*

[As introduced, this bill was identical to S128, as introduced by Sen. Lowe, which is currently in Senate Rules and Operations of the Senate.]

**CURRENT LAW:** North Carolina offers a number of special registration plates. Upon application and payment of the required registration fees, a person may obtain from the Division of Motor Vehicles a special registration plate for a motor vehicle registered in that person's name if the person qualifies for the plate. The issuance of most authorized plates is contingent upon the receipt by the Division of at least 300 applications for the particular plate, or 500 applications for full-color background plates.

As a general rule, the fee for a special registration plate is the regular vehicle registration fee plus a \$10 special registration plate fee. The \$10 special registration plate fee is credited to the Special Registration Plate Account. After deducting the cost of the plates from this account, \$1.3 million is appropriated to provide operating assistance for Visitor Centers. The remaining revenue in the account is transferred quarterly to the Department of Transportation for highway beautification (50%) and the Highway Fund for the Roadside Vegetation Management Program (50%).

The cost of some special plates includes a fee in addition to the \$10 special registration plate fee. In those instances, the first \$10 goes to the special registration plate fund and the remainder is transferred quarterly to designated beneficiaries of the additional fee amount.

The Kappa Alpha Psi special plate was originally authorized in 2006. The authorization was amended in 2015 to make it a full-color background plate. The fee for the plate is currently the regular vehicle registration fee plus the \$10 special registration plate fee.

**BILL ANALYSIS:** House Bill 169 would increase the fee for the Kappa Alpha Psi special registration plate by \$10. The additional \$10 fee would be transferred to the Kappa Alpha Psi Fraternity, Inc. to provide funding for scholarships, education, and professional development, or similar programs.

**EFFECTIVE DATE:** The act would become effective July 1, 2017.

Karen Cochrane-Brown  
Director



Legislative Analysis  
Division  
919-733-2578

GENERAL ASSEMBLY OF NORTH CAROLINA  
SESSION 2017

H

1

HOUSE BILL 169

Short Title: Kappa Alpha Psi/Special Plate Fee. (Public)

Sponsors: Representatives Hanes, Reives, and Willingham (Primary Sponsors).  
*For a complete list of sponsors, refer to the North Carolina General Assembly web site.*

Referred to: Transportation, if favorable, Finance

February 23, 2017

A BILL TO BE ENTITLED  
AN ACT TO INCREASE THE FEE FOR A KAPPA ALPHA PSI FRATERNITY SPECIAL  
REGISTRATION PLATE.

The General Assembly of North Carolina enacts:

**SECTION 1.** 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:

<u>Special Plate</u>	<u>Additional Fee Amount</u>
...	
Kappa Alpha Psi Fraternity	\$20.00
Litter Prevention	\$20.00

(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 (a) of this section among the Special Registration Plate Account (SRPA), the Collegiate and Cultural Attraction Plate Account (CCAPA), the Clean Water Management Trust Fund (CWMTF), 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>	<u>SRPA</u>	<u>CCAPA</u>	<u>CWMTF</u>	<u>PRTF</u>
...				
Kappa Alpha Psi Fraternity	\$10	\$10	0	0
Kids First	\$10	\$15	0	0
...."				

**SECTION 2.** G.S. 20-81.12 is amended by adding a new subsection to read:

**"(b155) Kappa Alpha Psi Fraternity.** – The Division shall transfer quarterly the money in the Collegiate and Cultural Attraction Plate Account derived from the sale of Kappa Alpha Psi Fraternity plates to the Kappa Alpha Psi Fraternity, Inc., to provide funding for scholarships, education, and professional development, or similar programs. None of the proceeds from this special plate may be distributed to any board member as compensation or as an honorarium."

**SECTION 3.** This act becomes effective July 1, 2017.





# VISITOR REGISTRATION SHEET

House Committee on Transportation

3/7/2017

Name of Committee

Date

VISITORS: PLEASE SIGN IN BELOW AND RETURN TO COMMITTEE CLERK

NAME	FIRM OR AGENCY AND ADDRESS
Jaz Turner	Duke
Th M	CGA
Seth Picher	NCR
Jake Cere	NCC
Cathy Thomas	FDR
Stefano Wenzel	NCR
Logie Group	Silver Community Health Center
Tess James	NCR
Shree Smith	NCR
Amanda Donovan	TSS
Tanya H/Aan	TSS
Monteague	NCR



# VISITOR REGISTRATION SHEET

House Committee on Transportation

3/7/2017

Name of Committee

Date

VISITORS: PLEASE SIGN IN BELOW AND RETURN TO COMMITTEE CLERK

NAME

FIRM OR AGENCY AND ADDRESS

Sherry La	NC DMV-DOT
BERRY JENKINS	CAROLINAS AGS
Joy Hicks	NC DOT
Penny Huff	SOB
Doug Miskew	PSG
De Kasty	CAR
Chris McElune	BP
DUBON HARRIS	NC DOT SEA





# VISITOR REGISTRATION SHEET

House Committee on Transportation

3/7/2017

Name of Committee

Date

VISITORS: PLEASE SIGN IN BELOW AND RETURN TO COMMITTEE CLERK

NAME	FIRM OR AGENCY AND ADDRESS
Warren G. Smith	DOT/DMV 1100 New Bon Avenue
David Kolbuckon	NC Board of Nursing
Audrey Brandon	NC DPS
Alex Miller	AMGA
Caroline Miller	AMGA
Joe McClees	McClees Consulting
Ryan	RANK - LPA's RANK
Walter Seem	Prode
Ryan E. Ware	
Matthew Herr	DRMC
Jennifer Clark	NCNA



# VISITOR REGISTRATION SHEET

House Committee on Transportation

3/7/2017

Name of Committee

Date

VISITORS: PLEASE SIGN IN BELOW AND RETURN TO COMMITTEE CLERK

NAME

FIRM OR AGENCY AND ADDRESS

Chris Brangton	MWC
Emily Adams	NCAPA
Keri Burke	MWC
Christy Davis	NCSS
Sherri Barrow	NCSS
Ridge Mazingo	Rep. Alexander
Sue Ann Forrest	NCMS
Rian Mewall	WM
Katy Kingsbury	BTP
BASIL YAP	NC DOT
Juliana Lagasse	Rep. Hargis's office
Jason Goss	Rural Center



## VISITOR REGISTRATION SHEET

House Committee on Transportation

3/7/2017

Name of Committee

Date \_\_\_\_\_

VISITORS: PLEASE SIGN IN BELOW AND RETURN TO COMMITTEE CLERK

NAME \_\_\_\_\_

FIRM OR AGENCY AND ADDRESS

Faye Duffin

Barton College

Cheryl Davis

825

Taylor Abbey

525



**House Committee on Transportation  
Tuesday, March 14, 2017 at 11:00 AM  
Room 643 of the Legislative Office Building**

**MINUTES**

The House Committee on Transportation met at 11:00 AM on March 14, 2017 in Room 643 of the Legislative Office Building. Representatives Adams, Arp, Beasley, Belk, Blackwell, Bumgardner, Carney, Cleveland, Faircloth, Ford, Fraley, Goodman, C. Graham, Grange, Hastings, Hunter, Iler, Brenden Jones, McGrady, McNeill, R. Moore, Presnell, B. Richardson, W. Richardson, Shepard, Speciale, Stone, Strickland, Torbett, R. Turner, Willingham, and Wray attended.

Representative Kelly E. Hastings, Co-Chair, presided. Rep. Hastings called the meeting to order at 11:04 AM and introduced the Pages and Sergeant At Arms who would be assisting with the Committee. A copy of the agenda and visitor registration forms are attached.

The following bills were considered:

**HB 212 Zeta Phi Beta Special Registration Plate. (Representatives Gill, Pierce, Holley, B. Richardson)**

Rep. Gill was recognized to speak to the bill. Following this explanation Rep. Hastings recognized members for questions and comments on the bill. Rep. Graham moved for a favorable report on the PCS, unfavorable to original, with a serial referral to Finance, and the motion carried.

**HB 223 Disabled Veteran Plate for Motorcycles. (Representative Cleveland)**

Rep. Cleveland was recognized to speak to the bill. Following this explanation Rep. Hastings recognized members for questions and comments on the bill. Rep. Torbett moved for a favorable report, with a serial referral to Finance, and the motion carried.

**HB 207 Motorcycle License/Exempt Antique Scooters. (Representatives Speciale, Ford)**

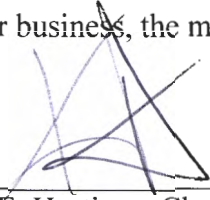
Rep. Speciale was recognized to speak to the bill. Following this explanation Rep. Hastings recognized members for questions and comments on the bill. Giles Perry from Legislative Analysis was recognized to explain the technical correction in the PCS. Reps. Torbett, Moore, Dollar, Adams, and Arp directed questions to the bill sponsor and Legislative Analysis.

There being no more questions, Rep. Torbett was recognized and moved that House Bill 207 receive a favorable report to the PCS, unfavorable original, with serial referral to the Finance Committee, and the motion carried.

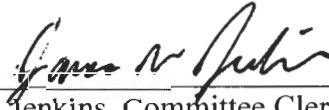




There being no further business, the meeting adjourned at 11:20 AM.

A handwritten signature in blue ink, appearing to read "Kelly E. Hastings", is written over a horizontal line.

Representative Kelly E. Hastings, Chair  
Presiding

A handwritten signature in blue ink, appearing to read "James Jenkins", is written over a horizontal line.

James Jenkins, Committee Clerk



**NORTH CAROLINA HOUSE OF REPRESENTATIVES  
COMMITTEE MEETING NOTICE  
AND  
BILL SPONSOR NOTIFICATION  
2017-2018 SESSION**

You are hereby notified that the **House Committee on Transportation** will meet as follows:

**DAY & DATE:** Tuesday, March 14, 2017

**TIME:** 11:00 AM

**LOCATION:** 643 LOB

The following bills will be considered:

<b>BILL NO.</b>	<b>SHORT TITLE</b>	<b>SPONSOR</b>
<u>HB 207</u>	Motorcycle License/Exempt Antique Scooters.	Representative Speciale Representative Ford
<u>HB 212</u>	Zeta Phi Beta Special Registration Plate.	Representative Gill Representative Pierce Representative Holley Representative B. Richardson
<u>HB 223</u>	Disabled Veteran Plate for Motorcycles.	Representative Cleveland

Respectfully,

Representative Kelly E. Hastings, Co-Chair  
Representative Frank Iler, Co-Chair  
Representative Phil Shepard, Co-Chair  
Representative John A. Torbett, Co-Chair

I hereby certify this notice was filed by the committee assistant at the following offices at 12:25 PM on Monday, June 26, 2017.

\_\_\_\_ Principal Clerk  
\_\_\_\_ Reading Clerk -- House Chamber

James Jenkins (Committee Assistant)



**House Committee on Transportation  
Tuesday, March 14, 2017, 11:00 AM  
643 Legislative Office Building**

**AGENDA**

**Welcome and Opening Remarks**

**Introduction of Pages**

**Bills**

<b>BILL NO.</b>	<b>SHORT TITLE</b>	<b>SPONSOR</b>
HB 207	Motorcycle License/Exempt Antique Scooters.	Representative Speciale Representative Ford
HB 212	Zeta Phi Beta Special Registration Plate.	Representative Gill Representative Pierce Representative Holley Representative B. Richardson
HB 223	Disabled Veteran Plate for Motorcycles.	Representative Cleveland

**Adjournment**



**NORTH CAROLINA GENERAL ASSEMBLY  
HOUSE OF REPRESENTATIVES**

**TRANSPORTATION COMMITTEE REPORT**

**Representative Kelly E. Hastings, Co-Chair**

**Representative Frank Iler, Co-Chair**

**Representative Phil Shepard, Co-Chair**

**Representative John A. Torbett, Co-Chair**

**FAVORABLE AND RE-REFERRED**

HB 223 Disabled Veteran Plate for Motorcycles.  
Draft Number: None  
**Serial Referral:** **FINANCE**  
Recommended Referral: None  
Long Title Amended: No  
Floor Manager: Cleveland

**FAVORABLE COM SUB , UNFAVORABLE ORIGINAL BILL AND RE-REFERRED**

HB 207 Motorcycle License/Exempt Antique Scooters.  
Draft Number: H207-PCS40203-BG-3  
**Serial Referral:** **FINANCE**  
Recommended Referral: None  
Long Title Amended: No  
Floor Manager: Speciale

HB 212 Zeta Phi Beta Special Registration Plate.  
Draft Number: H212-PCS40202-SU-10  
**Serial Referral:** **FINANCE**  
Recommended Referral: None  
Long Title Amended: No  
Floor Manager: Gill

**TOTAL REPORTED: 3**



\* C M R 6 7 - V - 2 \*







## HOUSE BILL 207: Motorcycle License/Exempt Antique Scooters.

2017-2018 General Assembly

<b>Committee:</b>	House Transportation. If favorable, re-refer to Finance	<b>Date:</b>	March 13, 2017
<b>Introduced by:</b>	Reps. Speciale, Ford	<b>Prepared by:</b>	Giles Perry
<b>Analysis of:</b>	PCS to First Edition H207-CSBG-3		Howard Marsilio Staff Attorneys

**OVERVIEW:** *House Bill 207 (proposed committee substitute) exempts operators of motor scooters manufactured before January 1, 1960, and that meet specified engine specifications, from the requirement to have a motorcycle endorsement in addition to a driver's license.*

*The proposed committee substitute corrects a typographical error in the original bill.*

**CURRENT LAW:** "Motor scooters" are included in the definition of "motorcycles" under current State motor vehicle law, unless they meet the definition of a moped<sup>i</sup>.

A motorcycle learner's permit or motorcycle endorsement is required, in addition to a driver's license, to operate a motorcycle in the State.

To obtain a motorcycle learner's permit, an applicant must pass a motorcycle knowledge test, and, if under 18, submit proof of completion of an approved motorcycle safety rider course.

To obtain a motorcycle endorsement, an applicant must pass a motorcycle knowledge test, and provide proof of a completion of an approved motorcycle safety rider course, or, if 18 or older, pass a road test<sup>ii</sup>.

The fee for a motorcycle endorsement is \$2.30/year. The fee for a one-year motorcycle learner's permit is \$20.

Operating a motorcycle without the proper motorcycle license endorsement is a Class 2 misdemeanor<sup>iii</sup>.

**BILL ANALYSIS:** House Bill 207 exempts operators of motor scooters that meet all of the following specifications from the requirement to have a motorcycle learner's permit or motorcycle endorsement:

- Manufactured prior to January 1, 1960.
- An engine displacement that does not exceed 150 cubic centimeters piston displacement.
- Produces less than eight horsepower.

**EFFECTIVE DATE:** This act is effective when it becomes law.

<sup>i</sup> G.S. 20-4.01(27)

d. Motorcycles. – Vehicles having a saddle for the use of the rider and designed to travel on not more than three wheels in contact with the ground, including autocycles, motor scooters, and motor driven bicycles, but excluding tractors and utility vehicles equipped with an additional form of device designed to transport property, three wheeled vehicles while being used by law enforcement agencies, electric assisted bicycles, and mopeds as defined in sub subdivision d1. of this subdivision.

d1. Moped. – A vehicle, other than a motor driven bicycle or electric assisted bicycle, that has two or three wheels, no external shifting device, a motor that does not exceed 50 cubic centimeters piston displacement and cannot propel the vehicle

Karen Cochrane-Brown  
Director



Legislative Analysis  
Division  
919-733-2578

# House PCS 207

Page 2

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at a speed greater than 30 miles per hour on a level surface. The motor may be powered by electricity, alternative fuel, motor fuel, or a combination of each.

<sup>"</sup> G.S. 20-7(a1)

<sup>"</sup> G.S. 20-7(a1), G.S. 20-35

GENERAL ASSEMBLY OF NORTH CAROLINA  
SESSION 2017

H

1

HOUSE BILL 207

Short Title: Motorcycle License/Exempt Antique Scooters. (Public)

Sponsors: Representatives Speciale and Ford (Primary Sponsors).  
*For a complete list of sponsors, refer to the North Carolina General Assembly web site.*

Referred to: Transportation

March 1, 2017

1 A BILL TO BE ENTITLED  
2 AN ACT TO PROVIDE THAT A MOTORCYCLE LEARNER'S PERMIT OR MOTORCYCLE  
3 ENDORSEMENT ARE NOT REQUIRED TO OPERATE CERTAIN ANTIQUE MOTOR  
4 SCOOTERS.

5 The General Assembly of North Carolina enacts:

6 SECTION 1. G.S. 20-7(a1) reads as rewritten:

7 "(a1) Motorcycles and Mopeds. – ~~To~~Except as otherwise provided in this subsection, to  
8 drive a motorcycle, a person shall have one of the following:

- 9 (1) A full provisional license with a motorcycle learner's permit.  
10 (2) A regular drivers license with a motorcycle learner's permit.  
11 (3) A full provisional license with a motorcycle endorsement.  
12 (4) A regular drivers license with a motorcycle endorsement.

13 Subsection (a2) of this section sets forth the requirements for a motorcycle learner's permit. To  
14 obtain a motorcycle endorsement, a person shall pay the fee set in subsection (i) of this section. In  
15 addition, to obtain an endorsement, a person age 18 or older shall demonstrate competence to  
16 drive a motorcycle by passing a knowledge test concerning motorcycles, and by passing a road test  
17 or providing proof of successful completion of one of the following:

- 18 (1) The North Carolina Motorcycle Safety Education Program Basic Rider Course  
19 or Experienced Rider Course.  
20 (2) Any course approved by the Commissioner consistent with the instruction  
21 provided through the Motorcycle Safety Instruction Program established under  
22 G.S. 115D-72.

23 A person less than 18 years of age shall demonstrate competence to drive a motorcycle by  
24 passing a knowledge test concerning motorcycles and providing proof of successful completion of  
25 one of the following:

- 26 (1) Repealed by Session Laws 2012-85, s. 1, effective July 1, 2012.  
27 (2) The North Carolina Motorcycle Safety Education Program Basic Rider Course  
28 or Experienced Rider Course.  
29 (3) Any course approved by the Commissioner consistent with the instruction  
30 provided through the Motorcycle Safety Instruction Program established under  
31 G.S. 115D-72.

32 A person less than 18 years of age with a motorcycle endorsement may not drive a motorcycle  
33 with a passenger.

34 Neither a drivers license nor a motorcycle endorsement is required to drive a moped. Neither a  
35 motorcycle learner's permit nor a motorcycle endorsement are required to drive a motor scooter



1 that (i) was manufactured prior to January 1, 1960, and (ii) has a motor that does not exceed 150  
2 cubic centimeters piston displacement and produces more than eight horsepower."

3 **SECTION 2.** This act is effective when it becomes law.



GENERAL ASSEMBLY OF NORTH CAROLINA  
SESSION 2017

H

D

HOUSE BILL 207  
PROPOSED COMMITTEE SUBSTITUTE H207-CSBG-3 [v.1]

03/09/2017 09:57:02 AM

Short Title: Motorcycle License/Exempt Antique Scooters.

(Public)

Sponsors:

Referred to:

March 1, 2017

A BILL TO BE ENTITLED  
AN ACT TO PROVIDE THAT A MOTORCYCLE LEARNER'S PERMIT OR MOTORCYCLE  
ENDORSEMENT ARE NOT REQUIRED TO OPERATE CERTAIN ANTIQUE MOTOR  
SCOOTERS.

The General Assembly of North Carolina enacts:

**SECTION 1.** G.S. 20-7(a1) reads as rewritten:

"(a1) Motorcycles and Mopeds. – Except as otherwise provided in this subsection, to  
drive a motorcycle, a person shall have one of the following:

- (1) A full provisional license with a motorcycle learner's permit.
- (2) A regular drivers license with a motorcycle learner's permit.
- (3) A full provisional license with a motorcycle endorsement.
- (4) A regular drivers license with a motorcycle endorsement.

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obtain a motorcycle endorsement, a person shall pay the fee set in subsection (i) of this section. In  
addition, to obtain an endorsement, a person age 18 or older shall demonstrate competence to  
drive a motorcycle by passing a knowledge test concerning motorcycles, and by passing a road test  
or providing proof of successful completion of one of the following:

- (1) The North Carolina Motorcycle Safety Education Program Basic Rider Course  
or Experienced Rider Course.
- (2) Any course approved by the Commissioner consistent with the instruction  
provided through the Motorcycle Safety Instruction Program established under  
G.S. 115D-72.

A person less than 18 years of age shall demonstrate competence to drive a motorcycle by  
passing a knowledge test concerning motorcycles and providing proof of successful completion of  
one of the following:

- (1) Repealed by Session Laws 2012-85, s. 1, effective July 1, 2012.
- (2) The North Carolina Motorcycle Safety Education Program Basic Rider Course  
or Experienced Rider Course.
- (3) Any course approved by the Commissioner consistent with the instruction  
provided through the Motorcycle Safety Instruction Program established under  
G.S. 115D-72.

A person less than 18 years of age with a motorcycle endorsement may not drive a motorcycle  
with a passenger.

Neither a drivers license nor a motorcycle endorsement is required to drive a moped. Neither a  
motorcycle learner's permit nor a motorcycle endorsement are required to drive a motor scooter



\* H 2 0 7 - C S B G - 3 \*

1 that (i) was manufactured prior to January 1, 1960, and (ii) has a motor that does not exceed 150  
2 cubic centimeters piston displacement and produces less than eight horsepower."

3 **SECTION 2.** This act is effective when it becomes law.

GENERAL ASSEMBLY OF NORTH CAROLINA  
SESSION 2017

H

D

HOUSE BILL 207  
PROPOSED COMMITTEE SUBSTITUTE H207-PCS40203-BG-3

Short Title: Motorcycle License/Exempt Antique Scooters.

(Public)

Sponsors:

Referred to:

March 1, 2017

1 A BILL TO BE ENTITLED  
2 AN ACT TO PROVIDE THAT A MOTORCYCLE LEARNER'S PERMIT OR  
3 MOTORCYCLE ENDORSEMENT ARE NOT REQUIRED TO OPERATE CERTAIN  
4 ANTIQUE MOTOR SCOOTERS.

5 The General Assembly of North Carolina enacts:

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10 (2) A regular drivers license with a motorcycle learner's permit.  
11 (3) A full provisional license with a motorcycle endorsement.  
12 (4) A regular drivers license with a motorcycle endorsement.

13 Subsection (a2) of this section sets forth the requirements for a motorcycle learner's permit.  
14 To obtain a motorcycle endorsement, a person shall pay the fee set in subsection (i) of this  
15 section. In addition, to obtain an endorsement, a person age 18 or older shall demonstrate  
16 competence to drive a motorcycle by passing a knowledge test concerning motorcycles, and by  
17 passing a road test or providing proof of successful completion of one of the following:

- 18 (1) The North Carolina Motorcycle Safety Education Program Basic Rider  
19 Course or Experienced Rider Course.  
20 (2) Any course approved by the Commissioner consistent with the instruction  
21 provided through the Motorcycle Safety Instruction Program established  
22 under G.S. 115D-72.

23 A person less than 18 years of age shall demonstrate competence to drive a motorcycle by  
24 passing a knowledge test concerning motorcycles and providing proof of successful completion  
25 of one of the following:

- 26 (1) Repealed by Session Laws 2012-85, s. 1, effective July 1, 2012.  
27 (2) The North Carolina Motorcycle Safety Education Program Basic Rider  
28 Course or Experienced Rider Course.  
29 (3) Any course approved by the Commissioner consistent with the instruction  
30 provided through the Motorcycle Safety Instruction Program established  
31 under G.S. 115D-72.

32 A person less than 18 years of age with a motorcycle endorsement may not drive a  
33 motorcycle with a passenger.

34 Neither a drivers license nor a motorcycle endorsement is required to drive a moped.  
35 Neither a motorcycle learner's permit nor a motorcycle endorsement is required to drive a  
36 motor scooter that (i) was manufactured prior to January 1, 1960, and (ii) has a motor that does



\* H 2 0 7 - P C S 4 0 2 0 3 - B G - 3 \*

1 not exceed 150 cubic centimeters piston displacement and produces less than eight  
2 horsepower."

3 **SECTION 2.** This act is effective when it becomes law.

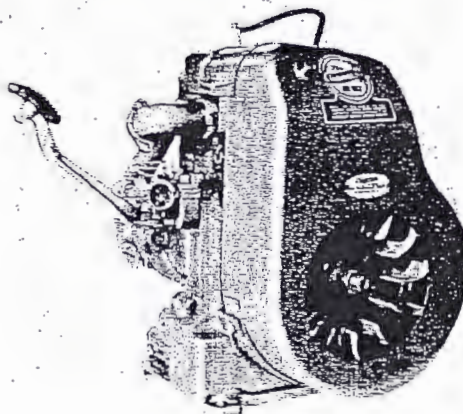


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FAX (919) 754-3348  
DISTRICT PHONE: (252) 635-5326

REPRESENTATIVE MICHAEL D. SPECIALE  
N.C. HOUSE OF REPRESENTATIVES  
3rd DISTRICT



**new**

new seat location,  
reducing sway and  
improving balance  
and riding quality

new handle bars, entirely chrome-plated,  
replaceable, and rubber mounted

new front fork wrap-around  
topped by motorcycle-type  
instrument panel

new ball-bearing mount,  
front fork to main frame

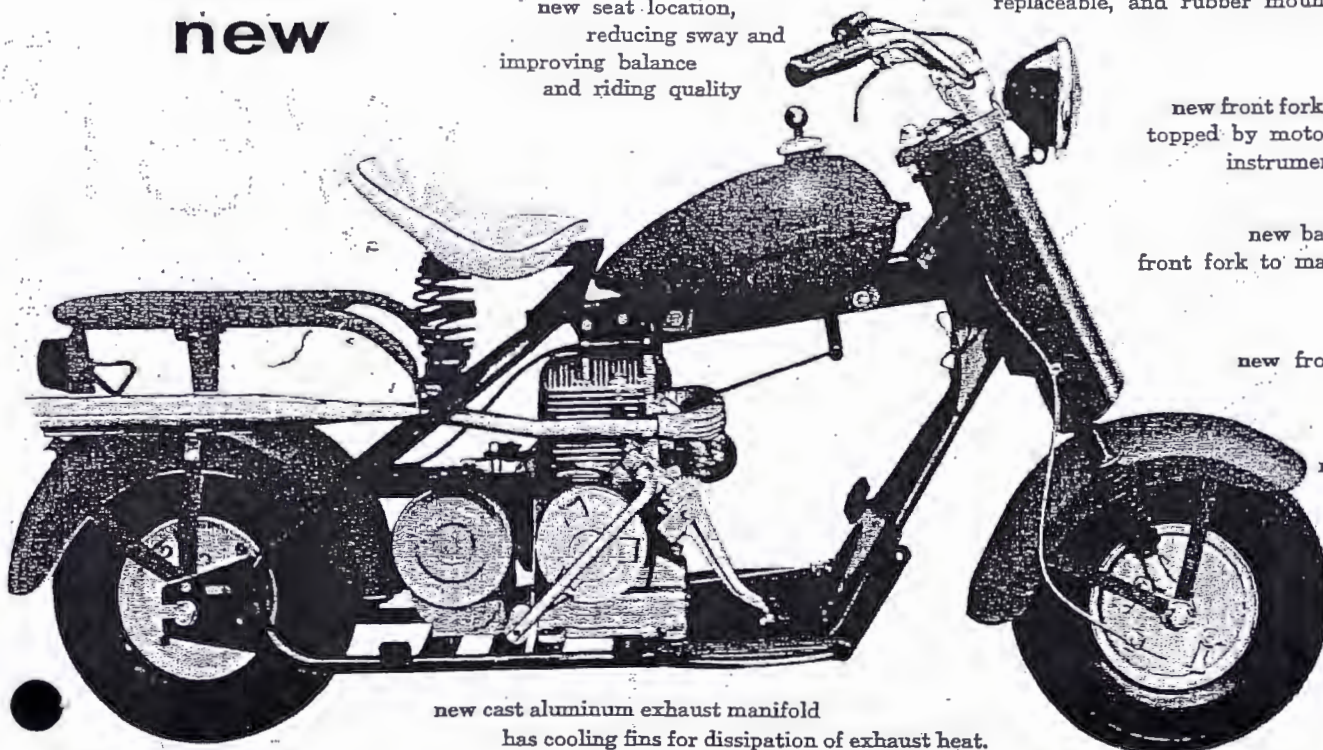
new front fender

new front brake  
design

new cast aluminum exhaust manifold  
has cooling fins for dissipation of exhaust heat.

new chrome muffler  
and tail pipe are located to fit

new telescopic front fork,





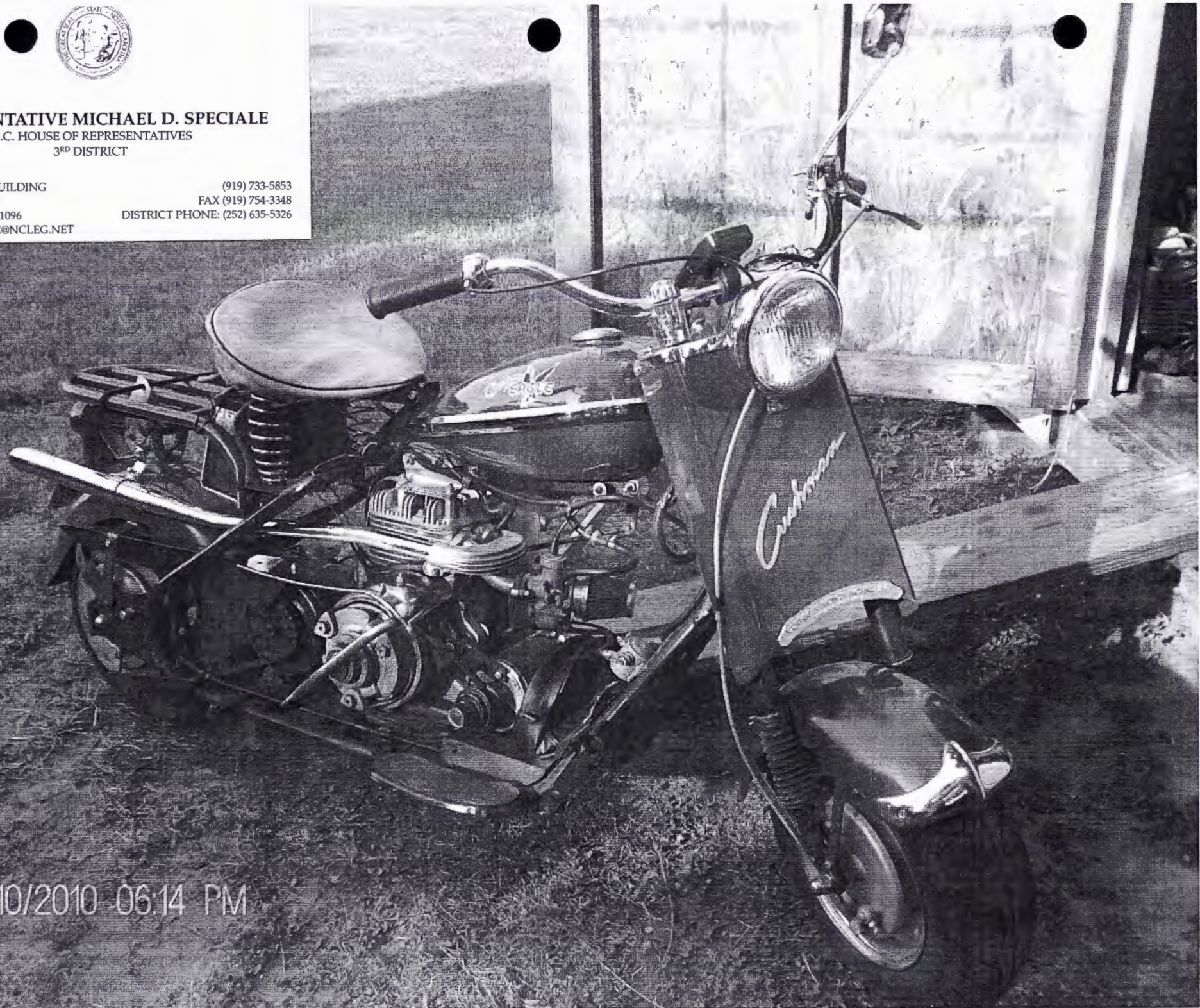




**REPRESENTATIVE MICHAEL D. SPECIALE**  
N.C. HOUSE OF REPRESENTATIVES  
3<sup>RD</sup> DISTRICT

1008 LEGISLATIVE BUILDING  
16 W. JONES STREET  
RALEIGH, NC 27601-1096  
MICHAEL.SPECIALE@NCLEG.NET

(919) 733-5853  
FAX (919) 754-3348  
DISTRICT PHONE: (252) 635-5326



06/10/2010 06:14 PM







## HOUSE BILL 212: Zeta Phi Beta Special Registration Plate.

2017-2018 General Assembly

<b>Committee:</b>	House Transportation. If favorable, re-refer to Finance	<b>Date:</b>	March 14, 2017
<b>Introduced by:</b>	Reps. Gill, Pierce, Holley, B. Richardson	<b>Prepared by:</b>	Wendy Ray
<b>Analysis of:</b>	PCS to First Edition H212-CSSU-10		Staff Attorney

**OVERVIEW:** *The Proposed Committee Substitute for House Bill 212 would reauthorize the Zeta Phi Beta special registration plate. The plate was originally authorized in 2003 but expired in 2014 because it did not have the required applications. Zeta Phi Beta has now completed the new special plate development process through the Division of Motor Vehicles and has submitted the required number of paid applications.*

*The PCS makes technical changes to the original bill.*

**CURRENT LAW AND BACKGROUND:** North Carolina offers a number of special registration plates. Upon application and payment of the required registration fees, a person may obtain from the Division of Motor Vehicles a special registration plate for a motor vehicle registered in that person's name if the person qualifies for the plate. The issuance of most authorized plates is contingent upon the receipt by the Division of at least 300 applications for the particular plate, or 500 applications for full-color background plates.

As a general rule, the fee for a special registration plate is the regular vehicle registration fee plus a \$10 special registration plate fee. The \$10 special registration plate fee is credited to the Special Registration Plate Account. After deducting the cost of the plates from this account, \$1.3 million is appropriated to provide operating assistance for Visitor Centers. The remaining revenue in the account is transferred quarterly to the Department of Transportation for highway beautification (50%) and the Highway Fund for the Roadside Vegetation Management Program (50%). The cost of some special plates includes a fee in addition to the \$10 special registration plate fee. In those instances, the first \$10 goes to the special registration plate fund and the remainder is transferred quarterly to designated beneficiaries.

The Zeta Phi Beta special registration plate was originally authorized in 2003 (S.L. 2003-424). The plate was to bear the sorority's name and symbol. The authorization included a \$10 fee, in addition to the \$10 special registration plate fee, to be transferred to the Zeta Phi Beta Sorority Education Foundation for the benefit of undergraduate scholarships in the State. The Division was required to receive at least 300 applications for the plate before the plate could be developed. In 2011, the General Assembly passed legislation (S.L. 2011-392) providing for the expiration of special plate authorizations that did not receive the required number of applications. Pursuant to that legislation, the Zeta Phi Beta plate expired on July 1, 2013. The plate was reauthorized in July of 2014 but expired again on October 1, 2014, because it did not have the required number of applications (S.L. 2014-96).

In 2014, the General Assembly enacted legislation creating a new development process for special registration plates, which requires the organization desiring the plate to submit the required number of paid applications to the Division before legislation is introduced to authorize the plate. The Division is

Karen Cochrane-Brown  
Director



Legislative Analysis  
Division  
919-733-2578

# House PCS 212

*Page 2*

required to submit a report to the General Assembly each year identifying applicants who have met the plate development requirements and are eligible for legislative consideration. Zeta Phi Beta has now completed the process and submitted the required number of paid applications and draft artwork. This plate was included in the Division's report to the General Assembly of special registration plates to be authorized in the 2016 Legislative Session. A bill to authorize the plate was introduced in 2016 but did not pass (House Bill 986). The Division has again included the plate in its 2017 report.

**BILL ANALYSIS:** The PCS for House Bill 212 would reauthorize the Zeta Phi Beta special registration plate as it existed before its expiration on October 1, 2014. The organization has now completed the plate development process and submitted the required number of paid applications to be eligible for authorization. If authorized, the plate would bear the sorority's name and symbol on a First in Flight background. The fee for the plate would be the regular registration fee plus \$20, with \$10 going to the Special Registration Plate Account and the additional \$10 going to the Zeta Phi Beta Sorority Education Foundation for the benefit of undergraduate scholarships in the State.

**EFFECTIVE DATE:** The act would become effective July 1, 2017.

GENERAL ASSEMBLY OF NORTH CAROLINA  
SESSION 2017

H

D

HOUSE BILL 212  
PROPOSED COMMITTEE SUBSTITUTE H212-PCS40202-SU-10

Short Title: Zeta Phi Beta Special Registration Plate.

(Public)

Sponsors:

Referred to:

March 2, 2017

1 A BILL TO BE ENTITLED  
2 AN ACT TO REAUTHORIZE THE DIVISION OF MOTOR VEHICLES TO ISSUE A  
3 SPECIAL REGISTRATION PLATE FOR THE ZETA PHI BETA SORORITY.  
4 The General Assembly of North Carolina enacts:  
5 SECTION 1. G.S. 20-79.4(b)(255), as it existed immediately before its repeal  
6 under Section 1(b) of S.L. 2014-96, is reenacted.  
7 SECTION 2. The fee amount and distribution set for "Zeta Phi Beta" special  
8 registration plates in G.S. 20-79.7(a1) and (b) immediately before their repeal under Section  
9 1(b) of S.L. 2014-96 are reenacted.  
10 SECTION 3. G.S. 20-81.12(b30), as it existed immediately before its repeal under  
11 Section 1(b) of S.L. 2014-96, is reenacted.  
12 SECTION 4. This act becomes effective July 1, 2017.



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GENERAL ASSEMBLY OF NORTH CAROLINA  
SESSION 2017

H

1

HOUSE BILL 212

Short Title: Zeta Phi Beta Special Registration Plate. (Public)

Sponsors: Representatives Gill, Pierce, Holley, and B. Richardson (Primary Sponsors).  
*For a complete list of sponsors, refer to the North Carolina General Assembly web site.*

Referred to: Transportation, if favorable, Finance

March 2, 2017

1 A BILL TO BE ENTITLED  
2 AN ACT TO REAUTHORIZE THE DIVISION OF MOTOR VEHICLES TO ISSUE A  
3 SPECIAL REGISTRATION PLATE FOR THE ZETA PHI BETA SORORITY.  
4 The General Assembly of North Carolina enacts:  
5 **SECTION 1.** G.S. 20-79.4(b)(255), as it existed immediately before its repeal under  
6 G.S. 20-79.8, is reenacted.  
7 **SECTION 2.** The fee amount and distribution set for "Zeta Phi Beta" special  
8 registration plates in G.S. 20-79.7(a1) and (b) immediately before their repeal under G.S. 20-79.8  
9 are reenacted.  
10 **SECTION 3.** G.S. 20-81.12(b30), as it existed immediately before its repeal under  
11 G.S. 20-79.8, is reenacted.  
12 **SECTION 4.** This act becomes effective July 1, 2017.



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**GENERAL ASSEMBLY OF NORTH CAROLINA  
SESSION 2017**

**H**

**D**

**HOUSE BILL 212  
PROPOSED COMMITTEE SUBSTITUTE H212-CSSU-10 [v.2]  
03/13/2017 10:56:39 AM**

Short Title: Zeta Phi Beta Special Registration Plate. (Public)

Sponsors: Representatives Gill, Pierce, Holley, and B. Richardson (Primary Sponsors).

Referred to:

March 2, 2017

1 A BILL TO BE ENTITLED  
2 AN ACT TO REAUTHORIZE THE DIVISION OF MOTOR VEHICLES TO ISSUE A  
3 SPECIAL REGISTRATION PLATE FOR THE ZETA PHI BETA SORORITY.  
4 The General Assembly of North Carolina enacts:  
5 **SECTION 1.** G.S. 20-79.4(b)(255), as it existed immediately before its repeal under  
6 Section 1(b) of S.L. 2014-96, is reenacted.  
7 **SECTION 2.** The fee amount and distribution set for "Zeta Phi Beta" special  
8 registration plates in G.S. 20-79.7(a1) and (b) immediately before their repeal under Section 1(b)  
9 of S.L. 2014-96, are reenacted.  
10 **SECTION 3.** G.S. 20-81.12(b30), as it existed immediately before its repeal under  
11 Section 1(b) of S.L. 2014-96, is reenacted.  
12 **SECTION 4.** This act becomes effective July 1, 2017.





## HOUSE BILL 223: Disabled Veteran Plate for Motorcycles.

2017-2018 General Assembly

<b>Committee:</b>	House Transportation. If favorable, re-refer to Finance	<b>Date:</b>	March 13, 2017
<b>Introduced by:</b>	Rep. Cleveland	<b>Prepared by:</b>	Giles Perry
<b>Analysis of:</b>	First Edition		Staff Attorney

**OVERVIEW:** *House Bill 223 authorizes the Division of Motor Vehicles to issue a 100% Disabled Veteran motorcycle plate, and a Partially Disabled Veteran motorcycle plate. In addition, the bill authorizes DMV to issue free of charge, and upon request, a single 100% Disabled Veteran motorcycle plate.*

**CURRENT LAW:** Under current law, DMV is issuing the following:

- **Disabled Veteran** license plates, issuable to a veteran of the Armed Forces of the United States who has suffered a 100% service connected disability.

The first plate of this type issued to an applicant is free of charge. Additional plates are issuable at the regular registration fee of \$36, and no additional special plate fee.

- **Partially Disabled Veteran** license plates, issuable to a veteran of the Armed Forces of the United States who suffered a service connected disability of less than 100%.

This plate is issuable for the regular registration fee of \$36, and no additional special plate fee.

- **Motorcycle plates:** Currently, DMV is authorized to issue a Blue Ridge Parkway motorcycle plate (\$24 regular fee plus \$30 special plate fee); and personalized motorcycle plates (\$24 regular fee plus \$30 personalized plate fee).

**BILL ANALYSIS:** House Bill 223 would authorize DMV to issue:

- A **Disabled Veteran** motorcycle plate. The first Disabled Veteran motorcycle plate issued would be free of charge. This plate would be in addition to the first regular Disabled Veteran regular license plate, which would continue to be free of charge. Subsequent motorcycle plates of this type would be issuable for the regular motorcycle registration plate fee of \$24.
- A **Partially Disabled Veteran** motorcycle plate, for the regular motorcycle registration plate fee of \$24.

**EFFECTIVE DATE:** This act becomes effective July 1, 2017

Karen Cochrane-Brown  
Director



Legislative Analysis  
Division  
919-733-2578



GENERAL ASSEMBLY OF NORTH CAROLINA  
SESSION 2017

H

1

HOUSE BILL 223

Short Title: Disabled Veteran Plate for Motorcycles.

(Public)

Sponsors: Representative Cleveland.

*For a complete list of sponsors, refer to the North Carolina General Assembly web site.*

Referred to: Transportation

March 2, 2017

A BILL TO BE ENTITLED  
AN ACT TO AUTHORIZE THE DIVISION OF MOTOR VEHICLES TO ISSUE DISABLED  
VETERAN AND PARTIALLY-DISABLED VETERAN SPECIAL REGISTRATION  
PLATES FOR MOTORCYCLES.

The General Assembly of North Carolina enacts:

**SECTION 1.** G.S. 20-79.4(b) reads as rewritten:

"(b) Types. – The Division shall issue the following types of special registration plates:

...

(62) Disabled Veteran. – Issuable to a veteran of the Armed Forces of the United States who suffered a 100% service-connected disability. A person may obtain from the Division a special registration plate under this subdivision for the registered owner of a motor vehicle or a motorcycle.

...

(179) Partially Disabled Veteran. – Issuable to a veteran of the Armed Forces of the United States who suffered a service connected disability of less than 100%. A person may obtain from the Division a special registration plate under this subdivision for the registered owner of a motor vehicle or a motorcycle.

...."

**SECTION 2.** G.S. 20-79.7(a) reads as rewritten:

"(a) Free of Charge. – Upon request, ~~the~~ and except for the special registration plate listed in subdivision (2) of this subsection, the Division shall annually provide and issue free of charge a single special registration plate listed in this subsection to a person qualified to receive the plate in accordance with G.S. 20-79.4(a2). For the special registration plate listed in subdivision (2) of this subsection, and upon request, the Division shall annually provide and issue free of charge a single registration plate for both a motor vehicle and a motorcycle to a person qualified to receive each plate in accordance with G.S. 20-79.4(a2). This subsection does not apply to a special registration plate issued for a vehicle that has a registered weight greater than 6,000 pounds. The regular motor vehicle registration fees in G.S. 20-88 apply if the registered weight of the vehicle is greater than 6,000 pounds:

- (1) A Legion of Valor registration plate to a recipient of the Legion of Valor award.
- (2) A 100% Disabled Veteran registration plate to a 100% disabled veteran.
- (3) An Ex-Prisoner of War registration plate to an ex-prisoner of war.
- (4) A Bronze Star Valor registration plate to a recipient of the Bronze Star Medal for valor in combat award.
- (5) A Silver Star registration plate to a recipient of the Silver Star award."



1

**SECTION 3.** This act becomes effective July 1, 2017.



Prepared By:	Sherry Lee	Phone	919 861-3355	Date/Time	03/2/17 12:50 p.m.
Reviewed By:	Paula Windley	Phone	919-861-3331	Date/Time	3/2/17 1:00 PM
Prepared by:	Chuck Church	Phone	919.861.3053	Date/Time	3/3/17 1536
DOT IT Reviewer: Mike Farmer			Name:	Date:	

## DMV BILL ANALYSIS 2017-2018

Pre-Final

**BILL NUMBER/EDITION:** HB 223 v1

**BILL EFFECTIVE DATE:** July 1, 2017

**PROPOSED EFFECTIVE DATE:** FEB 1, 2018

**SHORT TITLE:** Disabled Veteran Motorcycle Plate for Motorcycles.

**SPONSOR(S):** Representative Cleveland

**BILL SUMMARY:** An act to authorize the Division of Motor Vehicles to issue a Disabled Veteran and Partially-Disabled Veteran special registration plates for motorcycles.

**PRINCIPAL DEPARTMENT(S)/PROGRAM AFFECTED:** DOT IT State Titling and Registration (STARS) Team, Division of Motor Vehicle (DMV)

<b>DIVISION</b>	<b>Expenditures:</b>	Increase ( x )	Decrease ( )	No Impact ( )	No Est. Available ( )
<b>IMPACT:</b>	<b>Revenues:</b>	Increase ( x )	Decrease ( )	No Impact ( )	No Est. Available ( )
	<b>Operations:</b>	Impact (x)		No Impact ( )	

**FUND AFFECTED:** Highway Fund ( x ) General Fund ( ) Local Fund ( ) Other Funds (x)

### FISCAL IMPACT

	FY2017-2018	FY2018-2019	FY2019-2020	FY2020-2021	FY2021-2022
Personnel					
Non-Personnel					
O& M					
RECEIPTS/FEES					
Hwy Fund Revenue Loss - Motorcycle Registration Disabled Vet. 532 ea. (40% x \$24 fee)	(\$5,112)	(\$5,368)	(\$5,636)	(\$5,918)	(\$6,214)
NET Loss to Highway Fund	(\$5,112)	(\$5,368)	(\$5,636)	(\$5,918)	(\$6,214)

**ADMINISTRATIVE RULES REQUIRED:** \_\_\_\_\_ YES      x   NO

**ASSUMPTIONS AND METHODOLOGY:** DMV tracks 7.8M drivers with licenses and 160K with motorcycle (M) endorsements, roughly 2%.

Applying the math to the population of issued Disabled Veteran and Partially Disabled plates 28,663 (2%) ~ 532 vehicles could become motorcycle tag opportunities for disabled veterans, likely less but for this analysis 2% is best number available.

The "new" Disabled Veteran and Partially Disabled Veteran Motorcycle plates can be personalized for an additional fee of \$30.

Due to space limitation the plates would be printed flat with no embossed characters. The disabled veteran and partially disabled veteran motorcycle plates would display the international wheelchair logo, with 4 characters maximum on each plate, the printed words Disabled Veteran and Partially Disabled Veteran and a prefix or suffix for each plate which would be assigned by the Division based on the availability.

40% of 532 occurrences = 213

Total annual loss for a Disabled Veteran Plate:

\$24 registration fee forgiven

Outyear cost calculated from annual growth of 0.05% for registered motorcycles.

Once the plate has been signed into law, issuance of the plates would be up to 180 days after the design of the plates are approved. Therefore, the plates will not be available on the proposed effective date of July 1, 2017, the soonest effective date is October 1, 2017...

The recommended effective is February 1, 2018.

The form MVR-33A would need to be updated to reflect the Disabled Veteran and Partially Disabled Veteran Motorcycle plates.

The Title Manual and website information would require updating to reflect the Disabled Veteran and Partially Disabled Motorcycle plates.

#### **TECHNICAL CONSIDERATIONS:**

**SOURCES OF DATA:** NCDMV Field Services/Special Plate Section

**PERSONNEL:**

**COMMENTS ONLY SECTION:**

**SECTION POSITION:** Neutral



# VISITOR REGISTRATION SHEET

TRANSPORTATION

March 9, 2017

Name of Committee

Date

VISITORS: PLEASE SIGN IN BELOW AND RETURN TO COMMITTEE CLERK

NAME

FIRM OR AGENCY AND ADDRESS

CHARLIE BOONE	CBA/ABATE OF NC
Brion Henry	Habitat for Humanity
Ridge Mazing	Rep Alexander
<del>Wally</del>	<del>POC</del>
<del>Jim</del>	<del>NMA-LPA's RANC</del>
Joe McClees	McClees Consult
Butch Gurnello	NC Ber
Michele Frazier	SML
Fred Rose	Rose's Asso.
John Brown	CIADA
Jeff Mann	GoTriangle
HB	UCLGR
Matthew Herr	DRNC



## VISITOR REGISTRATION SHEET

TRANSPORTATION

March 9, 2017

Name of Committee

Date

VISITORS: PLEASE SIGN IN BELOW AND RETURN TO COMMITTEE CLERK

NAME

FIRM OR AGENCY AND ADDRESS

John Palumbo	NCAAA
Will Morgan	MFS
Maghan Lewis	Wc chambers
Jason Soper	u
Jake Casnia	u
Chris McLean	BO
Monteague	NMRS
Sam Bridges	Town of Gard



# VISITOR REGISTRATION SHEET

TRANSPORTATION

March 9, 2017

Name of Committee

Date

**VISITORS: PLEASE SIGN IN BELOW AND RETURN TO COMMITTEE CLERK**

NAME

FIRM OR AGENCY AND ADDRESS

MATTHEW NIES	NCDMV
Sherry Lee	NCDMV
Hope Mogen	NCDMV
Joy Wilson	INCDOT
Phoebe Landon	MWC
Kelley Kung	OP
Penny Hull	SOG
Susan Vicie	Duke E.
Josh Grant	Smith Anderson
Rhaegan Jackson	Focus Carolina
Wendy Kelly	Focus Carolina
John Hinder	MFS



**House Committee on Transportation  
Wednesday, March 22, 2017 at 11:00 AM  
Room 643 of the Legislative Office Building**

**MINUTES**

The House Committee on Transportation met at 11:00 AM on March 22, 2017 in Room 643 of the Legislative Office Building. Representatives Adams, Beasley, Belk, Blackwell, Boles, Brawley, Bumgardner, Carney, Cleveland, Corbin, Faircloth, Ford, Fraley, Goodman, Grange, Hastings, Hunter, Iler, Brenden Jones, McGrady, McNeill, R. Moore, Presnell, B. Richardson, Shepard, Speciale, Steinburg, Stone, Torbett, R. Turner, Willingham, and Wray attended.

Representative Frank Iler presided.

**HB 84 Drivers License/Hearing Impaired Designation**

Representative Insko was recognized to explain the bill. Representative Cleveland was recognized for a motion to bring the PCS before the committee. The motion passed. Representative Boles was recognized for a motion favorable to the PCS with a re-referral to the committee on Judiciary III, unfavorable to the original bill. The motion carried.

**HB 214 Autocycles/No Helmet Required**

Representative Speciale was recognized to explain the bill. After much discussion and debate, Representative Cleveland made a motion for a favorable report and a re-referral to the committee on Insurance. Division was called and a hand count was done by the clerk and certified by the chair. By a vote of 18 to 13, the motion carried.


**HB 242 License Plate Reader Systems in State ROW's**

Representative Faircloth was recognized to explain the bill. After discussion and debate Fred Baggett, with the NC Police Chiefs Association and Daniel House, Chief of Police with the Wrightsville Beach were both recognized for remarks. Representative Brawley was recognized for a motion to give the bill a favorable report with a re-referral to the committee on Energy and Public Utilities. The motion carried.

**HB 300 Partially Disabled Veteran/Free Plate**

Representative Hastings was recognized to explain the bill. After discussion and debate, Representative Bumgardner was recognized for a motion to give the bill a favorable report with a re-referral to the committee on Finance. The motion carried.

The meeting adjourned at 11:57.

  
Chairman Frank Iler

  
Carla Langdon, Committee Clerk





**House Committee on Transportation  
Tuesday, March 21, 2017, 11:00 AM  
643 Legislative Office Building**

**AGENDA**

**Welcome and Opening Remarks**

**Introduction of Pages**

**Bills**

<b>BILL #</b>	<b>SHORT TITLE</b>	<b>SPONSOR</b>
HB 84	Drivers License/Hearing Impaired Designation. <b>PCS with Referral to Judiciary III</b>	Representative Insko Representative Ball Representative Butler
HB 214	Autocycles/No Helmet Required.	Representative Speciale
HB 242	License Plate Reader Systems in State ROWs. <b>PCS with Referral to Energy and Public Utilities</b>	Representative Faircloth Representative McNeill Representative Ross Representative Davis
HB 300	Partially Disabled Veteran/Free Plate. <b>Referral to Finance</b>	Representative Hastings Representative Brawley Representative Speciale Representative Henson

**Adjournment**



GENERAL ASSEMBLY OF NORTH CAROLINA  
SESSION 2017

H

1

HOUSE BILL 84

Short Title: Drivers License/Hearing Impaired Designation. (Public)

Sponsors: Representatives Insko, Ball, and Butier (Primary Sponsors).

*For a complete list of sponsors, refer to the North Carolina General Assembly web site.*

Referred to: Transportation, if favorable, Judiciary III

February 13, 2017

1 A BILL TO BE ENTITLED  
2 AN ACT TO DIRECT THE DIVISION OF MOTOR VEHICLES TO DEVELOP A  
3 DESIGNATION FOR DRIVERS LICENSES THAT MAY BE GRANTED UPON  
4 REQUEST TO A PERSON WITH A HEARING IMPAIRMENT.  
5 The General Assembly of North Carolina enacts:  
6 SECTION 1. G.S. 20-7 is amended by adding a new subsection to read:  
7 "(q2) Hearing Impaired Designation. – The Division shall develop, in consultation with the  
8 Department of Public Safety and the State Highway Patrol, a designation for drivers licenses that  
9 may, upon request, be granted to North Carolina residents with a hearing impairment. An  
10 applicant requesting a designation under this subsection must provide the Division with a letter  
11 from the applicant's primary care provider certifying that the applicant has a hearing impairment.  
12 Nothing in this subsection shall be construed as authorizing the issuance of a drivers license to a  
13 person ineligible under G.S. 20-9."  
14 SECTION 2. This act is effective when it becomes law.





GENERAL ASSEMBLY OF NORTH CAROLINA  
SESSION 2017

H

D

HOUSE BILL 84  
PROPOSED COMMITTEE SUBSTITUTE H84-CSRW-5 [v.3]

03/20/2017 05:27:58 PM

Short Title: DL/Deaf or Hard of Hearing Designation.

(Public)

Sponsors:

Referred to:

February 13, 2017

1 A BILL TO BE ENTITLED  
2 AN ACT TO DIRECT THE DIVISION OF MOTOR VEHICLES TO DEVELOP A  
3 DESIGNATION FOR DRIVERS LICENSES THAT MAY BE GRANTED UPON  
4 REQUEST TO A PERSON WHO IS DEAF OR HARD OF HEARING.

5 The General Assembly of North Carolina enacts:

6 **SECTION 1.** G.S. 20-7 is amended by adding a new subsection to read:

7 "(q2) Deaf or Hard of Hearing Designation. – The Division shall develop, in consultation  
8 with the Department of Public Safety and the State Highway Patrol, and pursuant to this  
9 subsection, a driver's license designation that may, upon request, be granted to a person who is  
10 deaf or hard of hearing. The Division shall comply with the following requirements applicable  
11 to the designation:

12 (1) At the request of a person who is deaf or hard of hearing, the Division shall  
13 place a unique numerical identifier on the front of the person's license. The  
14 unique numerical identifier placed on the license shall not include any  
15 further descriptor. The Division shall record the designation in the electronic  
16 record associated with the person's driver's license.

17 (2) At the request of a person who is deaf or hard of hearing, the Division shall  
18 enter the driver license numerical identifier and a descriptor into the  
19 electronic record of any motor vehicle registered in the same name of the  
20 deaf or hard of hearing person.

21 (3) Medical certification or examination is not required to make a request  
22 pursuant to this subsection.

23 (4) Nothing in this subsection shall be construed as authorizing the issuance of a  
24 driver's license to a person ineligible under G.S. 20-9."

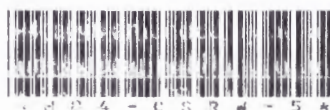
25 **SECTION 2.** G.S. 17C-6(a) is amended by adding a new subdivision to read:

26 "(17) Establish minimum educational and training standards for employment and  
27 continuing education for criminal justice officers concerning driver's license  
28 and vehicle registration identifiers of persons who are deaf or hard of  
29 hearing, as authorized by G.S. 20-7(q2).

30 **SECTION 3.** G.S. 17E-4(a) is amended by adding a new subdivision to read:

31 "(13) Establish minimum educational and training standards for employment and  
32 continuing education for officers concerning driver's license and vehicle  
33 registration identifiers of persons who are deaf or hard of hearing, as  
34 authorized by G.S. 20-7(q2)."

35 **SECTION 4.** This act becomes effective January 1, 2018.









# HOUSE BILL 84: DL/Deaf or Hard of Hearing Designation.

2017-2018 General Assembly

<b>Committee:</b>	House Transportation. If favorable, re-refer to Judiciary III	<b>Date:</b>	March 20, 2017
<b>Introduced by:</b>	Reps. Insko, Ball, Butler	<b>Prepared by:</b>	Giles Perry
<b>Analysis of:</b>	PCS to First Edition H84-CSRW-5		Staff Attorney

**OVERVIEW:** *House Bill 84 (proposed committee substitute) directs DMV to develop a voluntary driver's license designation for persons who are deaf or hard of hearing.*

*The proposed committee substitute adds details on how DMV is to implement the designation, removes a requirement for medical certification, and requires training for law enforcement.*

**CURRENT LAW:** Under current law, DMV is authorized to place various medical restrictions on a driver's license, such as vision, time of driving, and distance restrictions. DMV is also authorized to place designations on drivers' licenses for active duty military, and for American Indians. No specific designation for a deaf or hard of hearing person is currently authorized. G.S. 20-7.

## BILL ANALYSIS:

### Section 1 of House Bill 84 (PCS).

- Directs DMV to develop, in consultation with the Department of Public Safety and the State Highway Patrol, a driver's license designation that may, upon request, be granted to a person who is deaf or hard of hearing.
- Directs DMV, at the request of a person who is deaf or hard of hearing, to place a unique numerical identifier on the front of the person's license.
- Directs DMV to record the requested designation in the electronic record associated with the person's driver's license.
- Directs DMV, at the request of a person who is deaf or hard of hearing, to enter the driver license numerical identifier and a descriptor into the electronic record of any motor vehicle registered in the same name of the deaf or hard of hearing person.
- Provides that medical certification or examination is not required for the designation.

**Section 2** of House Bill 84 (PCS) directs the NC Criminal Justice Education and Training Standards Commission to establish minimum educational and training standards for employment and continuing education for criminal justice officers concerning driver's license and vehicle registration identifiers of persons who are deaf or hard of hearing.

**Section 3** of House Bill 84 (PCS) directs the NC Sheriffs' Education and Training Standards Commission to establish minimum educational and training standards for employment and continuing education for officers concerning driver's license and vehicle registration identifiers of persons who are deaf or hard of hearing.

Karen Cochran-Brown  
Director



Legislative Analysis  
Division  
919-733-2578



# House PCS 84

*Page 2*

**EFFECTIVE DATE:** This act becomes effective January 1, 2018.



GENERAL ASSEMBLY OF NORTH CAROLINA  
SESSION 2017

H

1

HOUSE BILL 214

Short Title: Autocycles/No Helmet Required. (Public)

Sponsors: Representative Speciale.

*For a complete list of sponsors, refer to the North Carolina General Assembly web site.*

Referred to: Transportation

March 2, 2017

1 A BILL TO BE ENTITLED  
2 AN ACT TO REMOVE THE REQUIREMENT THAT AUTOCYCLE OPERATORS AND  
3 PASSENGERS WEAR A HELMET.  
4 The General Assembly of North Carolina enacts.  
5 **SECTION 1.** G.S. 20-140.4(a)(2) reads as rewritten:  
6 "(a) No person shall operate a motorcycle or moped upon a highway or public vehicular  
7 area:  
8 ...  
9 (2) Unless the operator and all passengers thereon wear on their heads, with a  
10 retention strap properly secured, safety helmets of a type that complies with  
11 Federal Motor Vehicle Safety Standard (FMVSS) 218. This subdivision shall  
12 not apply to an operator of, or any passengers within, an ~~autocycle that has~~  
13 ~~completely enclosed seating-autocycle.~~"  
14 **SECTION 2.** This act becomes effective July 1, 2017. Prosecutions for offenses  
15 committed before the effective date of this act are not abated or affected by this act, and the  
16 statutes that would be applicable but for this act remain applicable to those prosecutions.







## HOUSE BILL 214: Autocycles/No Helmet Required.

2017-2018 General Assembly

**Committee:** House Transportation  
**Introduced by:** Rep. Speciale  
**Analysis of:** First Edition

**Date:** March 21, 2017  
**Prepared by:** Wendy Ray  
Staff Attorney

**OVERVIEW:** *House Bill 214 would eliminate the requirement that operators and passengers of autocycles with partially enclosed seating wear helmets.*

**CURRENT LAW:** In 2015, the General Assembly passed legislation to define and regulate autocycles. Prior to S.L. 2015-163, autocycles were treated as motorcycles under the law. G.S. 20-4.01(27) now includes autocycles as a separate category of passenger vehicle and defines an autocycle as a three wheeled motorcycle that has a steering wheel, pedals, seat safety belts for each occupant, antilock brakes, completely or partially enclosed seating that does not require the operator to straddle or sit astride, and is otherwise manufactured to comply with federal safety requirements for motorcycles.

An autocycle is subject to several laws concerning equipment that apply to motor vehicles rather than motorcycles (seat belts, brakes, turn signals, lights, spot lamps, headlamps), and the operator of an autocycle is required to have a regular drivers license but is not required to have a motorcycle endorsement.

G.S. 20-14.4(a)(2) exempts the operator and passengers in an autocycle that has completely enclosed seating from the requirement that they wear a helmet. However, operators and passengers in autocycles with partially enclosed seating are required to wear a helmet under current law.

**BILL ANALYSIS:** House Bill 214 would exempt operators and passengers in all autocycles, including those with partially enclosed seating, from the requirement that they wear a helmet. Currently the exemption only applies to autocycles with completely enclosed seating.

**EFFECTIVE DATE:** The act would become effective July 1, 2017, and would not affect prosecutions for offenses committed before that date.

Karen Cochran-Brown  
Director



Legislative Analysis  
Division  
919-733-2578





GENERAL ASSEMBLY OF NORTH CAROLINA  
SESSION 2017

H

1

HOUSE BILL 242

Short Title: License Plate Reader Systems in State ROWs. (Public)

Sponsors: Representatives Faircloth, McNeill, Ross, and Davis (Primary Sponsors).  
*For a complete list of sponsors, refer to the North Carolina General Assembly web site.*

Referred to: Transportation, if favorable, Energy and Public Utilities

March 6, 2017

1 A BILL TO BE ENTITLED  
2 AN ACT TO AUTHORIZE THE INSTALLATION AND USE OF AUTOMATIC LICENSE  
3 PLATE READER SYSTEMS IN STATE RIGHTS-OF-WAY.

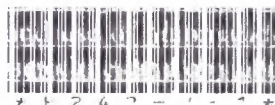
4 The General Assembly of North Carolina enacts:

5 **SECTION 1.** G.S. 136-18 is amended by adding a new subdivision to read:

6 "(46) For purposes of this subdivision, the term (i) "public utility" means any of the  
7 following: a public utility, as defined in G.S. 62-3(23); an electric membership  
8 corporation; telephone membership corporation; a joint municipal power  
9 agency; or a city or county engaged in producing, generating, transmitting,  
10 delivering, or furnishing electricity for private or public use and (ii) "automatic  
11 license plate reader system" is as defined in G.S. 20-183.30. The Department  
12 shall have the following powers related to automatic license plate reader  
13 systems:

14 a. To enter into agreements with municipalities, counties, and other  
15 governmental entities for the use of and encroachment upon the  
16 right-of-way of any road designated as part of the State highway system  
17 for the installation and use of automatic license plate reader systems;  
18 provided that (i) the agreements do not unreasonably interfere with the  
19 use of the right-of-way by a public utility with facilities already located  
20 within the right-of-way, (ii) the use shall immediately be terminated and  
21 the automatic license plate reader system and any related equipment  
22 removed upon request by any affected public utility, and (iii) the entity  
23 installing the automatic license plate reader system complies with the  
24 provisions of Article 8A of Chapter 87 of the General Statutes.

25 b. To approve requests by municipalities, counties, and other  
26 governmental entities to use land or right-of-way owned by the  
27 Department of Transportation that is encumbered by utility easements,  
28 or otherwise being lawfully occupied by a public utility, for the  
29 installation and use of automatic license plate reader systems; provided  
30 that (i) the use of the land or right-of-way is temporary in nature; (ii) the  
31 automatic license plate reader system shall be completely aboveground,  
32 easily moveable, and contain no combustible fuel; (iii) the use shall not  
33 unreasonably interfere with the operation and maintenance of the utility  
34 facilities or cause the utility facilities to fail to comply with all  
35 applicable laws, codes, and regulatory requirements; (iv) the use shall



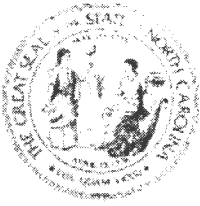


1 immediately be terminated and the automatic license plate reader system  
2 and any related equipment removed upon request by any affected public  
3 utility; and shall comply with provisions of Article 8A of  
4 Chapter 87 of the General Statutes. The affected public utility shall have  
5 the right to move the automatic license plate reader system in the event  
6 that the public utility needs immediate access to its utility facilities and,  
7 in such event, shall only be liable for damages to the automatic license  
8 plate reader system caused solely by its gross negligence or willful  
9 misconduct.

10 c. Nothing in this article shall relieve any entity, public or private, of  
11 its obligation to comply with the provisions of Article 8A of Chapter 87  
12 of the General Statutes.

13 **SECTION 2.** This act is effective when it becomes law.





## HOUSE BILL 242: License Plate Reader Systems in State ROWs.

2017-2018 General Assembly

<b>Committee:</b>	House Transportation. If favorable, re-refer to Energy and Public Utilities	<b>Date:</b>	March 21, 2017
<b>Introduced by:</b>	Reps. Fairecloth, McNeill, Ross, Davis	<b>Prepared by:</b>	Giles Perry
<b>Analysis of:</b>	PCS to First Edition H242-CSPG-5		Howard Marsilio Committee Counsel

**OVERVIEW:** *The Proposed Committee Substitute (PCS) for House Bill 242 would authorize the Department of Transportation (DOT) to enter into encroachment agreements with municipalities, counties, and other governmental entities for automatic license plate reader system installation or temporary placement within the State highway rights-of-way (ROW).*

*The proposed committee substitute reorganizes and clarifies the language of the bill.*

**CURRENT LAW:** G.S. 133-18 lists the powers of DOT. The Department maintains exclusive control of the State highway system, which includes ROW.

G.S. 133-18(2)(c) authorizes DOT to use rights-of-way for water, sewer, telephone, electric, and other utility lines, and for nonutility owned communications or data transmission infrastructure.

DOT currently authorizes and approves encroachments into highway ROW with an agreement between DOT and the encroaching entity.

**BILL ANALYSIS:** House Bill 242 (PCS) would authorize DOT to enter into encroachment agreements with municipalities, counties, and other governmental entities for the installation or temporary placement of automatic license plate reader systems within State highway ROW.

**EFFECTIVE DATE:** This act would become effective when it becomes law.

**BACKGROUND:** Article 3D of Chapter 20, as enacted by S.L. 2015-190, contains the State law governing use of automatic license plate reader systems (G.S. 20-183.31), and data use and preservation requirements (G.S. 20-183.32). An "automatic license plate reader system" is defined as a "system of one or more mobile or fixed automated high speed cameras used in combination with computer algorithms to convert images of license plates into computer readable data."

Karen Cockburn-Schmitt  
Director



Legislative Analysis  
Division  
919-733-2578





GENERAL ASSEMBLY OF NORTH CAROLINA  
SESSION 2017

H

1

HOUSE BILL 300

Short Title: Partially Disabled Veteran/Free Plate. (Public)

Sponsors: Representatives Hastings, Brawley, Speciale, and Henson (Primary Sponsors).  
*For a complete list of sponsors, refer to the North Carolina General Assembly web site.*

Referred to: Transportation, if favorable, Finance

March 13, 2017

1 A BILL TO BE ENTITLED  
2 AN ACT TO PROVIDE A SINGLE PARTIALLY DISABLED VETERAN REGISTRATION  
3 PLATE FREE OF CHARGE TO A PERSON QUALIFIED TO RECEIVE THE PLATE.  
4 The General Assembly of North Carolina enacts.  
5 SECTION 1. G.S. 20-79.7(a) reads as rewritten:  
6 "(a) Free of Charge. – Upon request the Division shall annually provide and issue free of  
7 charge a single special registration plate listed in this subsection to a person qualified to receive  
8 the plate in accordance with G.S. 20-79.4(a2). This subsection does not apply to a special  
9 registration plate issued for a vehicle that has a registered weight greater than 6,000 pounds. The  
10 regular motor vehicle registration fees in G.S. 20-88 apply if the registered weight of the vehicle is  
11 greater than 6,000 pounds.  
12 ...  
13 ~~(6)~~ A Partially Disabled Veteran registration plate to a partially disabled veteran."  
14 SECTION 2. This act becomes effective July 1, 2017, and applies to special  
15 registration plates issued or renewed on or after that date.







## HOUSE BILL 300: Partially Disabled Veteran/Free Plate.

2017-2018 General Assembly

<b>Committee:</b>	House Transportation. If favorable, re-refer to Finance	<b>Date:</b>	March 21, 2017
<b>Introduced by:</b>	Reps. Hastings, Brawley, Speciale, Henson	<b>Prepared by:</b>	Wendy Ray
<b>Analysis of:</b>	First Edition		Staff Attorney

**OVERVIEW:** *House Bill 300 would add the Partially Disabled Veteran special registration plate to the list of plates issued by the Division free of charge to a person qualified to receive the plate.*

**CURRENT LAW:** North Carolina offers a number of special registration plates. As a general rule, the fee for a special registration plate is the regular vehicle registration fee of \$36 plus a \$10 special registration plate fee. There are a number of military service related plates, including the Partially Disabled Veteran plate, that are issued without the additional special registration plate fee.

In addition, the Division of Motor Vehicles is required to provide, upon request, a single plate free of charge to an applicant qualified to receive the following plates:

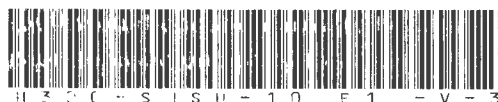
- Legion of Valor
- 100% Disabled Veteran
- Ex-Prisoner of War
- Bronze Star Valor
- Silver Star

Additional plates in those categories would be issued at the \$36 regular registration fee with no additional special registration plate fee.

**BILL ANALYSIS:** House Bill 300 would add the Partially Disabled Veteran Plate to the list of plates set out above, requiring the Division to issue one plate to a person qualified to receive the plate free of charge. Additional plates would continue to be issued at the \$36 regular registration fee with no additional special registration plate fee.

**EFFECTIVE DATE:** The act would become effective July 1, 2017, and would apply to plates issued or renewed on or after that date.

Karen Cochran-Brown  
Director



Legislative Analysis  
Division  
919-733-2578



NORTH CAROLINA GENERAL ASSEMBLY  
HOUSE OF REPRESENTATIVES

TRANSPORTATION COMMITTEE REPORT

Representative Kelly E. Hastings, Co-Chair

Representative Frank Iler, Co-Chair

Representative Phil Shepard, Co-Chair

Representative John A. Torbett, Co-Chair

FAVORABLE AND RE-REFERRED

HB 214

Autocycles/No Helmet Required.

Draft Number: None

Serial Referral: None

**Recommended Referral: INSURANCE**

Long Title Amended: No

Floor Manager: Speciale

HB 242

License Plate Reader Systems in State ROWs.

Draft Number: None

**Serial Referral: ENERGY AND PUBLIC UTILITIES**

Recommended Referral: None

Long Title Amended: No

Floor Manager: Faircloth

HB 300

Partially Disabled Veteran/Free Plate.

Draft Number: None

**Serial Referral: FINANCE**

Recommended Referral: None

Long Title Amended: No

Floor Manager: Hastings

TOTAL REPORTED: 3



★ C M R 8 7 - V - 1 ★



**NORTH CAROLINA GENERAL ASSEMBLY  
HOUSE OF REPRESENTATIVES**

**TRANSPORTATION COMMITTEE REPORT**

**Representative Kelly E. Hastings, Co-Chair**

**Representative Frank Iler, Co-Chair**

**Representative Phil Shepard, Co-Chair**

**Representative John A. Torbett, Co-Chair**

**FAVORABLE COM SUB , UNFAVORABLE ORIGINAL BILL AND RE-REFERRED**

**HB 84**

**Drivers License/Hearing Impaired Designation.**

**Draft Number: H84-PCS10141-RW-5**

**Serial Referral: JUDICIARY III**

**Recommended Referral: None**

**Long Title Amended: Yes**

**Floor Manager: Insko**

**TOTAL REPORTED: 1**



\* C M R 9 O - V - 1 \*





# VISITOR REGISTRATION SHEET

Transporatation

3-21-2017

Name of Committee

Date

**VISITORS: PLEASE SIGN IN BELOW AND RETURN TO COMMITTEE CLERK**

NAME

FIRM OR AGENCY AND ADDRESS

Swan	Duke Energy
Ray Roben	AT&T
Tim Minton	NC Home Builders Assn
Hope Moynihan	NCDMV
Sherry La	NC DMV
Pamela Gilyard	NCDMV
Maggie P. Thomas	NCDOT IT
Britton Allen	NC ICC
Josh Laine	SML
M. Phelan	PAC
Joe McClees	McClees Consulting



## VISITOR REGISTRATION SHEET

Transportation

3-21-2017

Name of Committee

Date

**VISITORS: PLEASE SIGN IN BELOW AND RETURN TO COMMITTEE CLERK**

NAME

FIRM OR AGENCY AND ADDRESS

Julia Adams Scheurich

Oak City GR / NCAD

Matthew Herr

DR NC

Reggie Skinner

NC-DMV

Paula Windley

NC-DMV

LT McCrimmon

DHHS

Kelly Kulinsk

DHHS

Kathy Kiszony

BP

Kevin Lacy

NCDOT



## VISITOR REGISTRATION SHEET

## Transportation

Name of Committee

3-21-2017

Date \_\_\_\_\_

**VISITORS: PLEASE SIGN IN BELOW AND RETURN TO COMMITTEE CLERK**

NAME \_\_\_\_\_

**FIRM OR AGENCY AND ADDRESS**

Fred Bayless Mc Polio Chief Clerk

Daniel House	Chief Police, W. Beach
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**House Committee on Transportation  
Tuesday, March 28, 2017 at 11:00 AM  
Room 643 of the Legislative Office Building**

**MINUTES**

The House Committee on Transportation met at 11:00 AM on March 28, 2017 in Room 643 of the Legislative Office Building. Representatives Adams, Alexander, Beasley, Belk, Boles, Brawley, Bumgardner, Carney, Cleveland, Corbin, Faircloth, Ford, Fraley, Goodman, C. Graham, Grange, Hastings, Hunter, Iler, Brenden Jones, McGrady, McNeill, Presnell, B. Richardson, W. Richardson, Shepard, Speciale, Steinburg, Strickland, Torbett, R. Turner, Willingham, and Wray attended.

Representative Phil Shepard, Chair, presided.

Representative Shepard, Chair, called the meeting to order and introduced the Pages and Sergeant At Arms.

The following bills were considered:

**HB 31 Material Fact Disclosure Clarifications (Representatives Hastings, Stone, Davis, Floyd)**

Representative Hastings was recognized to explain HB 31. After discussion and debate, Rep. Hastings motioned for a favorable report on the bill. The motion carried.

**HB 337 Unmanned Aircraft Systems Law Revisions (Representative Torbett)**

Chairman Shepard recognized Rep. Torbett to explain the bill. After discussion and debate on the bill Rep. Brawley was recognized for a motion to move for a favorable report on the bill with a serial referral to Judiciary II. The motion carried.

**HB 332 Morrow Mountain State Park License Plate. (Representative Burr)**

This bill was displaced and will be on the calendar at a later date.

**HB 336 Ltd. License/Drive to School Event Past 9:00 (Representatives Butler, Iler, Reives, Torbett)**

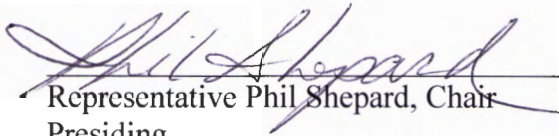
Chairman Shepard recognized Rep. Butler and Rep. Reives to explain the bill. A PCS was prepared, and Rep. Belk was recognized for a motion to bring the PCS before the committee, the motion carried, after debate on the PCS, Rep. Iler was recognized for a motion to move for a favorable report to the PCS with an unfavorable report to the original bill, with a serial referral to Education K-12. Rep. Shepard called for a vote and the motion carried.



**HB 110 DOT/DMV Changes. (Representatives Torbett, Iler, Shepard)**

Chairman Shepard recognized Rep. Torbett to explain the HB 110, it was for discussion only. The bill is to make changes to State Law related to the Department of Transportation and the Division of Motor Vehicles, as Recommended by the Joint Legislative Transportation Oversight Committee.

The meeting adjourned at 11:46.

  
Representative Phil Shepard, Chair  
Presiding

  
Pamela Pate, Committee Clerk



**NORTH CAROLINA HOUSE OF REPRESENTATIVES  
COMMITTEE MEETING NOTICE  
AND  
BILL SPONSOR NOTIFICATION  
2017-2018 SESSION**

You are hereby notified that the **House Committee on Transportation** will meet as follows:

**DAY & DATE:** Tuesday, March 28, 2017  
**TIME:** 11:00 AM  
**LOCATION:** 643 LOB  
**COMMENTS:** Representative Shepard, Chairing

The following bills will be considered:

<b>BILL NO.</b>	<b>SHORT TITLE</b>	<b>SPONSOR</b>
HB 31	Material Fact Disclosure Clarifications.	Representative Hastings Representative Stone Representative Davis Representative Floyd Representative Torbett
HB 337	Unmanned Aircraft Systems Law Revisions.	Representative Burr
HB 332	Morrow Mountain State Park License Plate.	Representative Butler Representative Iler Representative Reives Representative Torbett
HB 336	Ltd. License/Drive to School Event Past 9:00.	Representative Torbett Representative Iler Representative Shepard
HB 110	DOT/DMV Changes. Discussion Only	



Respectfully,

Representative Kelly E. Hastings, Co-Chair  
Representative Frank Iler, Co-Chair  
Representative Phil Shepard, Co-Chair  
Representative John A. Torbett, Co-Chair

I hereby certify this notice was filed by the committee assistant at the following offices at 8:52 AM on Wednesday, April 05, 2017.

\_\_\_\_ Principal Clerk  
\_\_\_\_ Reading Clerk – House Chamber

Pamela Pate (Committee Assistant)





**House Committee on Transportation  
Tuesday, March 28, 2017, 11:00 AM  
643 Legislative Office Building**

**AGENDA**

**Welcome and Opening Remarks**

**Introduction of Pages**

**Bills**

<b>BILL NO.</b>	<b>SHORT TITLE</b>	<b>SPONSOR</b>
HB 31	Material Fact Disclosure Clarifications.	Representative Hastings Representative Stone Representative Davis Representative Floyd Representative Torbett
HB 337	Unmanned Aircraft Systems Law Revisions.	Representative Torbett
HB 332	Morrow Mountain State Park License Plate.	Representative Burr
HB 336	Ltd. License/Drive to School Event Past 9:00.	Representative Butler Representative Iler Representative Reives Representative Torbett
HB 110	DOT/DMV Changes. Discussion Only	Representative Torbett Representative Iler Representative Shepard



**NORTH CAROLINA GENERAL ASSEMBLY  
HOUSE OF REPRESENTATIVES**

**TRANSPORTATION COMMITTEE REPORT**

**Representative Kelly E. Hastings, Co-Chair**

**Representative Frank Iler, Co-Chair**

**Representative Phil Shepard, Co-Chair**

**Representative John A. Torbett, Co-Chair**

**FAVORABLE**

**HB 31 (CS#1)**

**Material Fact Disclosure Clarifications.**

Draft Number: None

Serial Referral: None

Recommended Referral: None

Long Title Amended: No

Floor Manager: Hastings

**FAVORABLE AND RE-REFERRED**

**HB 337**

**Unmanned Aircraft Systems Law Revisions.**

Draft Number: None

**Serial Referral: JUDICIARY II**

Recommended Referral: None

Long Title Amended: No

Floor Manager: Torbett

**FAVORABLE COM SUB , UNFAVORABLE ORIGINAL BILL AND RE-REFERRED**

**HB 336**

**Ltd. License/Drive to School Event Past 9:00.**

Draft Number: H336-PCS10168-SU-12

**Serial Referral: EDUCATION - K-12**

Recommended Referral: None

Long Title Amended: Yes

Floor Manager: Butler

**TOTAL REPORTED: 3**



\* C M R 1 1 4 - V - 1 \*



GENERAL ASSEMBLY OF NORTH CAROLINA  
SESSION 2017

H

2

HOUSE BILL 31  
Committee Substitute Favorable 3/1/17

Short Title: Material Fact Disclosure Clarifications.

(Public)

Sponsors:

Referred to:

February 2, 2017

A BILL TO BE ENTITLED

AN ACT TO CLARIFY THAT THE MERE FACT THAT REAL PROPERTY IS INCLUDED IN A COMPREHENSIVE TRANSPORTATION PLAN, STANDING ALONE, IS NOT A REQUIRED DISCLOSURE OR A MATERIAL FACT FOR THE PURPOSES OF DISCLOSURE FOR REAL ESTATE TRANSACTIONS.

The General Assembly of North Carolina enacts:

**SECTION 1.** Article 9 of Chapter 39 of the General Statutes is amended by adding a new section to read:

**"§ 39-51. Inclusion of real property in a comprehensive transportation plan not a material fact.**

In offering real property for conveyance, rent, or lease, the fact that the real property, or any portion thereof, is included in a financially constrained transportation plan shall be deemed material; however, the mere fact that the real property, or any portion thereof, is included in a comprehensive transportation plan that is not financially constrained adopted pursuant to G.S. 136-66.2 or G.S. 136-212, or in accordance with 23 U.S.C. §§ 134 or 135, shall not, standing alone, be deemed material. A party to the conveyance, rental, or lease of real property, or an agent of any said party, may not knowingly make a false statement regarding the property's inclusion on any transportation plan."

**SECTION 2.** G.S. 47E-4 reads as rewritten:

**"§ 47E-4. Required disclosures.**

...

(b3) The inclusion of real property in a comprehensive transportation plan that is not financially constrained adopted pursuant to G.S. 136-66.2 or G.S. 136-212, or in accordance with 23 U.S.C. §§ 134 or 135, shall not be considered a required disclosure as provided in this section, provided, however, that no person subject to this Chapter, or an agent of a person subject to this Chapter, may knowingly make a false statement regarding any such fact.

...."

**SECTION 3.** This act is effective when it becomes law and applies to real estate contracts entered into on or after that date.



\* H 3 1 - V - 2 \*





## HOUSE BILL 31: Material Fact Disclosure Clarifications.

2017-2018 General Assembly

**Committee:** House Transportation  
**Introduced by:** Reps. Hastings, Stone, Davis, Floyd  
**Analysis of:** Second Edition

**Date:** March 26, 2017  
**Prepared by:** Giles Perry  
Staff Attorney

**OVERVIEW:** *House Bill 31 would clarify that the inclusion of real property in financially constrained transportation plan is a material fact that must be disclosed in a real estate transaction, but inclusion of real property in a Comprehensive Transportation Plan (CTP) that is not financially constrained is not a material fact and does not need to be disclosed in a real estate transaction.*

**CURRENT LAW:** Under G.S. 93A-6(a)(1), the North Carolina Real Estate Commission can take disciplinary action against a real estate broker who misrepresents or omits a material fact in a real estate transaction.

G.S. 47E-4 requires sellers of residential real property to provide the purchaser with a disclosure statement covering specified characteristics and conditions of the property listed for sale. As to each of the listed characteristics and conditions included in the disclosure statement, the seller must respond either that it is present in the property, that it is not present in the property, or that the seller makes no representation as to the characteristic or condition.

Current law does not specifically state whether inclusion of residential real property on a CTP that is not financially constrained is a material fact that must be disclosed by a real estate broker or is a characteristic or condition of the property subject to disclosure by the seller.

### BILL ANALYSIS:

**Section 1:** House Bill 31 would amend Article 9 of Chapter 39 of the General Statutes to clarify that the inclusion of a piece of real property in a transportation plan that is financially constrained is a material fact that must be disclosed by the party offering the real property for conveyance. Failure to disclose could be the basis for discipline of a broker under G.S. 93A-6(a)(1). The mere fact that a piece of real property is listed on a CTP that is not financially constrained would not be a material fact that must be disclosed by the party offering the real property for conveyance; therefore, failure to disclose the fact that a property was listed on a CTP that is not financially constrained could not, by itself, be the basis for discipline of a broker under G.S. 93A-6(a)(1). House Bill 31 would also clarify that a party conveying real property may not knowingly make a false statement regarding the property's inclusion on any transportation plan.

**Section 2** of House Bill 31 would add a section to G.S. 47E-4 to clarify that inclusion of a piece of real property on a CTP that is not financially constrained is not a material fact which must be included on the mandatory disclosure form a seller must furnish to a potential buyer of residential real property. The bill would also clarify that neither the seller nor anyone acting as an agent of the seller may make a false statement regarding the inclusion of the property on a CTP that is not financially constrained.

Karen Cochrane-Brown  
Director



Legislative Analysis  
Division  
919-733-2578





# House Bill 31

*Page 2*

**EFFECTIVE DATE:** This act is effective when it becomes law and applies to real estate contracts entered into on or after that date.

**BACKGROUND:** CTPs are long-range, not-financially-constrained transportation plans for municipalities, counties, and large metropolitan areas. They represent a community's consensus on the future transportation systems needed to support anticipated growth over a 20-30 year timeframe. CTPs differ from a Long Range Transportation Plan (LRTP) adopted by an MPO, which is required by federal regulations to be financially constrained, and the State Transportation Improvement Program, (STIP) which is a list of transportation projects that will receive funding in the next ten years.

*Jason Moran-Bates, counsel to House Judiciary I, substantially contributed to this summary.*



GENERAL ASSEMBLY OF NORTH CAROLINA  
SESSION 2017

H

1

HOUSE BILL 337

Short Title: Unmanned Aircraft Systems Law Revisions. (Public)

Sponsors: Representative Torbett.

*For a complete list of sponsors, refer to the North Carolina General Assembly web site.*

Referred to: Transportation, if favorable, Judiciary II

March 15, 2017

1 A BILL TO BE ENTITLED  
2 AN ACT TO MAKE VARIOUS REVISIONS TO THE LAWS GOVERNING THE USE OF  
3 UNMANNED AIRCRAFT SYSTEMS.  
4 The General Assembly of North Carolina enacts:

6 **MODEL AIRCRAFTS/REMOVE EXEMPTION FROM UNMANNED AIRCRAFT**  
7 **SYSTEMS LAWS**

8 **SECTION 1.** G.S. 15A-300.1(a) reads as rewritten:

9 "(a) Definitions. – The following definitions apply to this Article:

10 ...

11 (2) ~~Model aircraft. – An aircraft, as defined in G.S. 63-1, that is mechanically~~  
12 ~~driven or launched into flight and that meets all of the following requirements:~~

13 a. ~~Is flown solely for hobby or recreational purposes.~~

14 b. ~~Is not used for payment, consideration, gratuity, or benefit, directly or~~  
15 ~~indirectly charged, demanded, received, or collected, by any person for~~  
16 ~~the use of the aircraft or any photographic or video image produced by~~  
17 ~~the aircraft.~~

18 (3) Unmanned aircraft. – An aircraft, as defined in G.S. 63-1, that is operated  
19 without the possibility of human intervention from within or on the aircraft and  
20 that does not meet the definition of model aircraft.

21 ...."

22  
23 **REMOVE RESTRICTION ON USE OF SPECIAL IMAGING TECHNOLOGY**

24 **SECTION 2.** G.S. 15A-300.1(d) is repealed.

25  
26 **EMERGENCY MANAGEMENT EXCEPTION**

27 **SECTION 3.** G.S. 15A-300.1 is amended by adding a new subsection to read:

28 "(c1) Emergency Management Exception. – Notwithstanding the provisions of subsection  
29 (b) of this section, an emergency management agency, as defined in G.S. 166A-19.3, may use  
30 unmanned aircraft systems for all functions and activities related to emergency management,  
31 including incident command, area reconnaissance, search and rescue, preliminary damage  
32 assessment, hazard risk management, and floodplain mapping."

33  
34 **ALIGN WITH FEDERAL LAW STANDARD**

35 **SECTION 4.** G.S. 63-96 reads as rewritten:





1 "§ 63-96. Permit required for commercial operation of unmanned aircraft systems.

- 2 ...
- 3 (b) No person shall be issued a permit under this section unless all of the following apply:
- 4 (1) The person is at least ~~16 years of age~~ the minimum age required by federal
- 5 regulation for operation of an unmanned aircraft system.
- 6 (2) The person possesses a valid ~~drivers license issued by any state or territory of~~
- 7 ~~the United States or the District of Columbia~~ government-issued photographic
- 8 identification acceptable to the Federal Aviation Administration for issuing
- 9 authorization to operate an unmanned aircraft system.
- 10 (3) The person has passed the knowledge test for operating an unmanned aircraft
- 11 system as prescribed in G.S. 63-95(b).
- 12 (4) The person has satisfied all other applicable requirements of this Article or
- 13 federal regulation.

14 ...

15 (d) The Division shall develop and administer a program that complies with all applicable

16 federal regulations to issue permits to operators of unmanned aircraft systems for commercial

17 ~~purposes~~ purposes, including a fee structure for permits. Criteria and requirements established

18 under the subdivisions set forth in this subsection shall be no more restrictive than the rules or

19 regulations adopted by the Federal Aviation Administration setting forth the criteria and

20 requirements under which a person may operate an unmanned aircraft system for commercial

21 purposes. The program must include the following components:

22 ...

23 (2) ~~A fee structure for permits.~~

24 ...

25 (7) A designation of the geographic area within which a permittee shall be

26 authorized to operate an unmanned aircraft system. ~~The rules adopted by the~~

27 ~~Division for designating a geographic area pursuant to this subdivision shall be~~

28 ~~no more restrictive than the rules or regulations adopted by the Federal~~

29 ~~Aviation Administration for designating a geographic area for the commercial~~

30 ~~operation of unmanned aircraft systems.~~

31 ...

32 (f) ~~The~~ Subject to the limitations set forth in subsection (d) of this section, the Division

33 may issue rules and regulations to implement the provisions of this section."

34

35 **EFFECTIVE DATE**

36 **SECTION 5.** This act is effective when it becomes law.





# HOUSE BILL 337: Unmanned Aircraft Systems Law Revisions.

2017-2018 General Assembly

<b>Committee:</b>	House Transportation. If favorable, re-refer to Judiciary II	<b>Date:</b>	March 28, 2017
<b>Introduced by:</b>	Rep. Torbett	<b>Prepared by:</b>	Giles Perry
<b>Analysis of:</b>	First Edition		Howard Marsilio Committee Counsel

**OVERVIEW:** *House Bill 337 would revise multiple existing statutes related to use limitations and commercial operation permitting requirements for unmanned aircraft systems (UAS).*

## CURRENT LAW:

G.S. 15A-300.1(a) defines various types of aircraft for the purposes of Article 16B, Use of Unmanned Aircraft Systems, which include: "manned aircraft"; "model aircraft"; "unmanned aircraft"; and "unmanned aircraft systems."

G.S. 15A-300.1(b) prohibits using a UAS for surveillance of a person or a dwelling occupied by a person or private lands without consent, or taking unauthorized photographs of individuals for public dissemination (except for newsgathering, newsworthy events, public events, or public places).

G.S. 15A-300.1(c) exempts law enforcement from the general UAS use prohibitions in G.S. 15A-300.1(b) under certain circumstances, but emergency services are not currently exempt from these general prohibitions in subsection (b).

G.S. 15A-300.1(d) states that a commercial and private UAS may be equipped with infrared or thermal imaging technology for only the purposes listed in subsection (d), such as scientific research and agricultural activities.

G.S. 63-96 contains commercial UAS operation permitting requirements.

## BILL ANALYSIS:

**Section 1** would remove the definition of "model aircraft," and the exemption of model aircrafts from unmanned aircraft and UAS State law.

**Section 2** would repeal 15A-300.1(d), and therefore would remove the use limitations on a commercial and private UAS equipped with infrared or thermal imaging technology.

**Section 3** would add a new subsection exempting specified emergency service functions from the UAS operation prohibitions in G.S. 15A-300.1(b), and specifies the following as permissible functions: incident command; area reconnaissance; search and rescue; preliminary damage assessment; hazard risk management; and floodplain mapping.

**Section 4** would align State UAS law with federal commercial UAS operator regulations, and would clarify that the State criteria and requirements could not be more restrictive than federal regulations.

**EFFECTIVE DATE:** This bill would become effective when it becomes law.

Karen Cochrane-Brown  
Director



Legislative Analysis  
Division  
919-733-2578





GENERAL ASSEMBLY OF NORTH CAROLINA  
SESSION 2017

H

1

HOUSE BILL 332

Short Title: Morrow Mountain State Park License Plate. (Public)

Sponsors: Representative Burr.

*For a complete list of sponsors, refer to the North Carolina General Assembly web site.*

Referred to: Transportation, if favorable, Finance

March 14, 2017

A BILL TO BE ENTITLED  
AN ACT TO AUTHORIZE THE DIVISION OF MOTOR VEHICLES TO PRODUCE A  
MORROW MOUNTAIN STATE PARK SPECIAL REGISTRATION PLATE.

The General Assembly of North Carolina enacts:

**SECTION 1.** G.S. 20-79.4(b) reads as rewritten:

"(b) Types. – The Division shall issue the following types of special registration plates:

...

○ Morrow Mountain State Park. – Issuable to the registered owner of a motor vehicle in accordance with G.S. 20-81.12. The plate shall bear the phrase "Morrow Mountain State Park" and a logo designed by the Friends of Morrow Mountain State Park. The plate authorized by this subdivision is not subject to the provisions of G.S. 20-79.3A.

...."

**SECTION 2.** G.S. 20-79.7 reads as rewritten:

**"§ 20-79.7. Fees for special registration plates and distribution of the fees.**

...

(a) 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

...

Morgan Horse Club

Expired July 1, 2016

Morrow Mountain State Park

\$30.00

Mountains-to-Sea Trail

\$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 (a) of this section among the Special Registration Plate Account (SRPA), the Collegiate and Cultural Attraction Plate Account (CCAPA), the Clean Water Management Trust Fund (CWMTF), which is established under G.S. 113A-253, and the Parks and Recreation Trust Fund, which is established under G.S. 113-44.15, as follows:

Special Plate

SRPA

CCAPA

CWMTF

PRTF

...

Morehead Planetarium – Expired

July 1, 2016



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1	<u>Morrow Mountain State Park</u>	<u>\$10</u>	<u>\$20</u>	<u>0</u>	<u>0</u>
2	Mountains-to-Sea Trail	\$10	\$20	0	0
3	...."				

4           **SECTION 3.** G.S. 20-81.12 reads as rewritten:

5       **"§ 20-81.12. Collegiate insignia plates and certain other special plates.**

6       ..."

7       (b155) Morrow Mountain State Park. – The Division must receive 300 or more applications  
8       for the Morrow Mountain State Park plate before the plate may be developed. The Division shall  
9       transfer quarterly the money in the Collegiate and Cultural Attraction Plate Account derived from  
10       the sale of Morrow Mountain State Park plates to the Friends of Morrow Mountain State Park to  
11       be used to provide support for the organization.

12       ...."

13           **SECTION 4.** The Revisor of Statutes is authorized to alphabetize, number, and  
14       renumber the special registration plates listed in G.S. 20-79.4(b) to ensure that all the special  
15       registration plates are listed in alphabetical order and numbered accordingly.

16           **SECTION 5.** This act becomes effective July 1, 2018.





## HOUSE BILL 332: Morrow Mountain State Park License Plate.

2017-2018 General Assembly

<b>Committee:</b>	House Transportation. If favorable, re-refer to Finance	<b>Date:</b>	March 28, 2017
<b>Introduced by:</b>	Rep. Burr	<b>Prepared by:</b>	Wendy Ray
<b>Analysis of:</b>	First Edition		Staff Attorney

**OVERVIEW:** *House Bill 332 would authorize the Division of Motor Vehicles to produce a Morrow Mountain State Park special registration plate. The plate would be exempt from the new plate development process, but the Division would have to receive at least 300 applications for the plate before it could be developed.*

**CURRENT LAW:** North Carolina offers a number of special registration plates. Upon application and payment of the required registration fees, a person may obtain from the Division of Motor Vehicles a special registration plate for a motor vehicle registered in that person's name if the person qualifies for the plate. The issuance of most authorized plates is contingent upon the receipt by the Division of at least 300 applications for the particular plate, or 500 applications for full-color background plates.

As a general rule, the fee for a special registration plate is the regular vehicle registration fee plus a \$10 special registration plate fee. The \$10 special registration plate fee is credited to the Special Registration Plate Account. After deducting the cost of the plates from this account, \$1.3 million is appropriated to provide operating assistance for Visitor Centers. The remaining revenue in the account is transferred quarterly to the Department of Transportation for highway beautification (50%) and the Highway Fund for the Roadside Vegetation Management Program (50%). The cost of some special plates includes a fee in addition to the \$10 special registration plate fee. In those instances, the first \$10 goes to the special registration plate fund and the remainder is transferred quarterly to designated beneficiaries.

In 2014, the General Assembly enacted legislation creating a new development process for special registration plates (G.S. 20-79.3A), which requires the organization desiring the plate to submit the required number of paid applications to the Division before legislation is introduced to authorize the plate. Applications must be submitted by February 15 of the year in which legislation is to be considered. The Division is then required to submit a report to the General Assembly identifying applicants who have met the plate development requirements and are eligible for legislative consideration.

**BILL ANALYSIS:** House Bill 332 would authorize the Division to produce a Morrow Mountain State Park special license plate. The plate would bear the phrase "Morrow Mountain State Park" and a logo designed by the Friends of Morrow Mountain State Park. The fee for the plate would be the regular registration fee plus \$30, with \$20 going to the Friends of Morrow Mountain State Park to be used to provide support for the organization.

The plate would be exempt from the new plate development process under G.S. 20-79.3A. However, the bill requires that the Division receive 300 applications for the new plate before it may be developed.

**EFFECTIVE DATE:** The act would be effective July 1, 2018.

Karen Cochran-Brown  
Director



Legislative Analysis  
Division  
919-733-2578



GENERAL ASSEMBLY OF NORTH CAROLINA  
SESSION 2017

H

1

HOUSE BILL 336

Short Title: Ltd. License/Drive to School Event Past 9:00. (Public)

Sponsors: Representatives Butler, Iler, Reives, and Torbett (Primary Sponsors).  
*For a complete list of sponsors, refer to the North Carolina General Assembly web site.*

Referred to: Transportation, if favorable, Education - K-12

March 15, 2017

- 1 A BILL TO BE ENTITLED  
2 AN ACT TO AUTHORIZE A HOLDER OF A LIMITED PROVISIONAL LICENSE TO DRIVE  
3 PAST 9:00 P.M. WHEN DRIVING TO OR FROM AN EXTRACURRICULAR OR  
4 ATHLETIC ACTIVITY THAT THE HOLDER'S HIGH SCHOOL OR POSTSECONDARY  
5 SCHOOL IS SPONSORING OR PARTICIPATING IN.  
6 The General Assembly of North Carolina enacts:  
7 **SECTION 1.** G.S. 20-11(e)(2) reads as rewritten:  
8 "(2) The license holder may drive without supervision in any of the following  
9 circumstances:  
10 a. From 5:00 a.m. to 9:00 p.m.  
11 b. When driving directly to or from work.  
12 c. When driving directly to or from an activity of a volunteer fire  
13 department, volunteer rescue squad, or volunteer emergency medical  
14 service, if the driver is a member of the organization.  
15 d. When driving to or from an extracurricular or athletic activity that a  
16 high school or postsecondary school sponsors or participates in, if the  
17 driver is enrolled in the sponsoring or participating high school or  
18 postsecondary school."  
19 **SECTION 2.** This act is effective when it becomes law.









NORTH CAROLINA GENERAL ASSEMBLY  
AMENDMENT  
House Bill 336

H336-ASU-9 [v.1]

AMENDMENT NO. \_\_\_\_\_  
(to be filled in by  
Principal Clerk)

Page 1 of 1

Amends Title [YES]  
First Edition

Date 3-28-17, 2017

Representative Belk

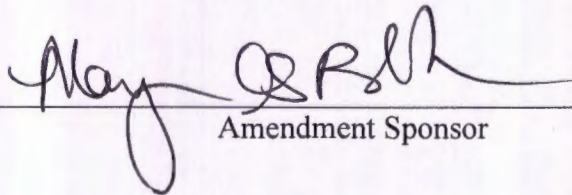
1 moves to amend the bill on page 1, line 5, by deleting "IN." and substituting "IN OR WHEN  
2 DRIVING TO OR FROM A CLASS THE HOLDER IS ENROLLED IN THAT IS HELD AT  
3 A HIGH SCHOOL OR POSTSECONDARY SCHOOL."; and

4  
5 on page 1, line 18, by rewriting the line to read:

6  
7 "postsecondary school.

8 e. When driving to or from a class held at a high school or postsecondary  
9 school, if the driver is enrolled in the class."

SIGNED



Amendment Sponsor

SIGNED

Committee Chair if Senate Committee Amendment

ADOPTED

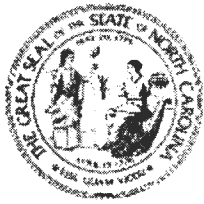
FAILED

TABLED



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## HOUSE BILL 336: Ltd. License/Drive to School Event Past 9:00.

2017-2018 General Assembly

<b>Committee:</b>	House Transportation. If favorable, re-refer to Education - K-12	<b>Date:</b>	March 28, 2017
<b>Introduced by:</b>	Reps. Butler, Iler, Reives, Torbett	<b>Prepared by:</b>	Wendy Ray
<b>Analysis of:</b>	First Edition		Staff Attorney

**OVERVIEW:** *House Bill 336 would amend the law regarding graduated drivers license privileges for drivers under the age of 18 by allowing a level 2 limited provisional licensee to drive unsupervised after 9:00 p.m. when driving to or from a school-related extracurricular or athletic activity.*

**CURRENT LAW:** Under the graduated drivers license statute (G.S. 20-11), there are three levels of driving privileges for persons less than 18 years old: level 1 limited learners permit, level 2 limited provisional license, and level 3 full provisional license (see chart on page 2 for requirements and restrictions for each level.)

Currently, a level 2 limited provisional licensee is authorized to drive without supervision:

- From 5:00 a.m. to 9:00 p.m.
- When driving to or from work.
- When driving to a volunteer fire department, rescue squad, or emergency medical service activity.

Failure to comply with a restriction concerning the time of driving or the presence of a supervising driver in the vehicle constitutes operating a motor vehicle without a license.

**BILL ANALYSIS:** House Bill 336 would authorize a level 2 limited provisional licensee to drive without supervision past 9:00 p.m. when he or she is driving to or from an extracurricular or athletic activity that a high school or postsecondary school sponsors or participates in. The driver would have to be enrolled in the sponsoring or participating school.

**EFFECTIVE DATE:** The act would be effective when it becomes law.

Karen Cochrane-Brown  
Director



Legislative Analysis  
Division  
919-733-2578



# House Bill 336

Page 2

## GRADUATED DRIVERS LICENSE PROVISIONS (G.S. 20-11)

	LEVEL 1 – Limited Learner's Permit	LEVEL 2 – Limited Provisional License	LEVEL 3 – Full Provisional License
<b>REQUIREMENTS</b>	<ul style="list-style-type: none"> <li>• 15-17 years old</li> <li>• Passes driver education course</li> <li>• Passes DMV written test.</li> <li>• Has driving eligibility certificate, high school diploma, or equivalent.</li> </ul>	<ul style="list-style-type: none"> <li>• 16-17 years old</li> <li>• Has held a Level 1 permit for at least 12 months.</li> <li>• Has no convictions for moving violations, seat belt infractions, or violations of mobile phone use restrictions within the last 6 months.</li> <li>• Passes DMV road test.</li> <li>• Has driving eligibility certificate, high school diploma, or equivalent.</li> <li>• 60 logged hours driving.</li> </ul>	<ul style="list-style-type: none"> <li>• 16-17 years old.</li> <li>• Has held a Level 2 license for at least 6 months.</li> <li>• Has no convictions for moving violations, seat belt infractions, or violations of mobile phone use restrictions within the last 6 months.</li> <li>• Has driving eligibility certificate, high school diploma, or equivalent.</li> <li>• 12 logged hours driving.</li> </ul>
<b>TIME RESTRICTIONS</b>	<ul style="list-style-type: none"> <li>• 5:00 a.m. – 9:00 p.m. for first 6 months.</li> <li>• Anytime after 6 months.</li> </ul>	<ul style="list-style-type: none"> <li>• If supervised, anytime.</li> <li>• If unsupervised: <ul style="list-style-type: none"> <li>○ 5:00 a.m. – 9:00 p.m.;</li> <li>○ Driving to or from work; or</li> <li>○ Driving to or from an activity of a volunteer fire department, rescue squad, or emergency medical service.</li> </ul> </li> </ul>	NONE
<b>SUPERVISION</b>	Supervision is required at all times, and the supervising driver must be seated beside the permit holder in the front seat of the vehicle.	When supervision is required, the supervising driver must be seated beside the license holder in the front seat of the vehicle.	NONE
<b>PASSENGER LIMITATIONS</b>	Only the supervising driver may be in the front seat.	If unsupervised: <ul style="list-style-type: none"> <li>• Unlimited number of occupants over the age of 21.</li> <li>• Unlimited number of occupants who are family members or members of the same household.</li> <li>• Only one non-family member occupant under the age of 21, but only if no family member occupant or occupant from the same household is under the age of 21.</li> </ul>	NONE
<b>USE OF MOBILE PHONE</b>	All use prohibited	All use prohibited	Use prohibited except: <ul style="list-style-type: none"> <li>• Emergencies</li> <li>• Calling parent, legal guardian, or spouse</li> </ul>

\*All drivers must be in possession of license or permit when driving, and every person occupying the vehicle must have a safety belt properly fastened or be restrained by child passenger restraint system when the vehicle is in motion.

\*A "supervising driver" is a parent, grandparent, guardian, or responsible person approved by the parent, guardian or DMV, who has been a licensed driver for at least five years.





GENERAL ASSEMBLY OF NORTH CAROLINA  
SESSION 2017

H

1

HOUSE BILL 110\*

Short Title: DOT/DMV Changes.

(Public)

Sponsors: Representatives Torbett, Iler, and Shepard (Primary Sponsors).

*For a complete list of sponsors, refer to the North Carolina General Assembly web site.*

Referred to: Transportation, if favorable, State and Local Government II

February 16, 2017

A BILL TO BE ENTITLED  
AN ACT TO MAKE CHANGES TO STATE LAW RELATED TO THE DEPARTMENT OF  
TRANSPORTATION AND THE DIVISION OF MOTOR VEHICLES, AS  
RECOMMENDED BY THE JOINT LEGISLATIVE TRANSPORTATION OVERSIGHT  
COMMITTEE.

The General Assembly of North Carolina enacts:

PART I. DEPARTMENT OF TRANSPORTATION CHANGES

DOT RESIDUE PROPERTY DISPOSAL

SECTION 1.(a) G.S. 136-19 is amended by adding a new subsection to read:

"(j) Remainder properties acquired in connection with acquisition of right-of-way shall be disposed of as follows:

- (1) The sale of all residues will be by public sale except as hereinafter specified.
- (2) Residue properties sold by public sale may be sold by sealed bid, or by auction at the election of the Right of Way Branch. The sale of such properties must be advertised by at least one of the following methods:
  - a. Publication in a newspaper having general circulation in the county in which the property is situated.
  - b. On a Department of Transportation Web site.
  - c. By placement of a "For Sale" sign on the residue.
- (3) After opening bids or closing of auction, upset bids may be considered. The high bid shall be presented to the Board of Transportation at its next regular meeting after the date of the sale for rejection or acceptance. The Department of Transportation may reject all bids if the Department does not consider the bids to be in accord with the appraised or fair market value as determined by the Department.
- (4) Residue properties sold by public sale may also be sold by real estate brokers licensed in North Carolina at the election of the Chief Engineer. The highest offer to purchase shall be presented to the Board of Transportation at its next regular meeting after the acceptance of the offer to purchase. The Department of Transportation may reject all offers to purchase if the Department does not consider them to be in accord with the appraised or fair market value as determined by the Department.



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- (5) Those residue properties located adjacent to controlled access projects that are landlocked may be sold to the adjoining property owner by negotiation rather than public sale for a consideration that is approved by the Division Right of Way Agent and the Right of Way Unit Manager.
- (6) Residue properties may be sold to State agencies and institutions and other governmental units by negotiation rather than public sale and may be donated provided their future use is for public purposes.
- (7) Residue acquired in connection with highway purposes may be used for the purpose of exchange with a public utility company in part or in full consideration for property to be acquired for highway purposes from the public utility company. Such exchanges shall be based on the appraised values of the surplus property and the property to be acquired for highway purposes. Residue property acquired in connection with right-of-way for a project may be used for the purpose of exchange in part or full consideration for right-of-way being acquired from another property owner on the project. Such exchanges shall be based on the appraised values of the residue property and the right-of-way to be acquired.
- (8) Residues which have an area of one acre or less and a value of twenty-five thousand dollars (\$25,000) or less and the highest and best use is for assemblage with adjacent property may be sold without advertising by negotiations rather than public sale to an adjoining owner. The Division Right of Way Agent together with an Area Appraiser will determine the value of the residue. Factors such as the after value as indicated in the original appraisal, sales of similar properties, and sales of other residues, if any, in the area may be considered in determining the value. After a value has been established, the Division Right of Way Agent or their designee may negotiate with the adjoining owners concerning the disposal of each residue. The decision of the Division Right of Way Agent to accept and complete a sale is final.
- (9) The Manager of Right of Way shall dispose of residues with values of less than five thousand dollars (\$5,000), as determined in accordance with subdivision (8) of this subsection, by executing and delivering on behalf of the Department of Transportation a quit claim deed to the buyers of such residues after the transactions are first approved by the Board of Transportation. Conveyances of residues with values of less than five thousand dollars (\$5,000) shall not require the approval of the Governor and Council of State.
- (10) Residue properties or portions of residue properties acquired in connection with right-of-way for a project and located outside the right-of-way for that project may be sold by negotiation rather than by public sale to property owners and tenants who are displaced by the project for relocation of the displacee. Such sales shall be based upon the appraised value of the residue properties.
- (11) Except as noted in this subsection, all sales of surplus lands, including, but not limited to, surplus rights-of-way, residues, and uneconomic remnants, require the approval of the Board of Transportation."

**SECTION 1.(b)** The Department of Transportation may adopt, amend, or repeal rules to implement G.S. 136-19(j), as enacted by this section.

**SECTION 2.** Reserved

**EXTEND SUNSET FOR DOT MINORITY-OWNED/WOMEN-OWNED BUSINESSES PROGRAM**

**SECTION 3.** G.S. 136-28.4(e) reads as rewritten:

"(e) This section expires August 31, ~~2017~~2019."





**ELIMINATE ANNUAL REPORT ON REDUCING VEHICLE MILES TRAVELED BY STATE EMPLOYEES**

**SECTION 4.** Subsections (d) and (e) of G.S. 143-215.107C are repealed.

**PART II. DIVISION OF MOTOR VEHICLES CHANGES**

**CLARIFY THAT HYBRID VEHICLES WITH EMISSIONS COMPONENTS ARE SUBJECT TO EMISSIONS INSPECTIONS**

**SECTION 5.** 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:

...

(12a) Fuel cell electric vehicle. – A four-wheeled motor vehicle that does not have the ability to be propelled by a gasoline engine and that meets each of the following requirements:

- a. Is made by a manufacturer primarily for use on public streets, roads, and highways and meets National Highway Traffic Safety Administration standards included in 49 C.F.R. § 571.
- b. Has not been modified from original manufacturer specifications with regard to power train or any manner of powering the vehicle.
- c. Uses hydrogen and a fuel cell to produce electricity on board to power an electric motor to propel the vehicle.
- d. Is rated at not more than 8,500 pounds unloaded gross vehicle weight.
- e. Has a maximum speed capability of at least 65 miles per hour.

...

(28a) Plug-in electric vehicle. – A four-wheeled motor vehicle that does not have the ability to be propelled by a gasoline engine and that meets each of the following requirements:

- a. Is made by a manufacturer primarily for use on public streets, roads, and highways and meets National Highway Traffic Safety Administration standards included in 49 C.F.R. § 571.
- b. Has not been modified from original manufacturer specifications with regard to power train or any manner of powering the vehicle.
- c. Is rated at not more than 8,500 pounds unloaded gross vehicle weight.
- d. Has a maximum speed capability of at least 65 miles per hour.
- e. Draws electricity from a battery that has all of the following characteristics:
  1. A capacity of not less than four kilowatt hours.
  2. Capable of being recharged from an external source of electricity.

...."

**MODIFY PROCESS BY WHICH DMV DETERMINES WHETHER TO REVOKE A DRIVERS LICENSE OF A PERSON WHO HAS BEEN ADJUDICATED INCOMPETENT**

**SECTION 6.(a)** G.S. 20-17.1(a) reads as rewritten:

"(a) The Commissioner, upon receipt of notice that any person has been legally adjudicated incompetent or has been involuntarily committed to an institution for the treatment of ~~alcoholism or drug addiction~~, an alcohol abuse or substance abuse disorder, shall forthwith make inquiry into the facts for the purpose of determining whether such person is competent to operate a motor





1 vehicle. If a person has been adjudicated incompetent under Chapter 35A of the General Statutes,  
2 in making an inquiry into the facts, the Commissioner shall consider the clerk of court's  
3 recommendation regarding whether the incompetent person should be allowed to retain his or her  
4 driving privilege. If a clerk of court, in any incompetency adjudication order under Chapter 35A of  
5 the General Statutes, recommends that any person's driving privilege be revoked, the Division  
6 shall immediately revoke such person's driving privilege. If the clerk of court, in any such order,  
7 recommends that the person retain their driving privilege, or makes no recommendation  
8 concerning their driving privilege, the Division shall determine whether the person shall retain  
9 their driving privilege, based upon an inquiry of the facts. Unless the Commissioner is satisfied  
10 that such person is competent to operate a motor vehicle with safety to persons and property, he  
11 the Commissioner shall revoke such person's driving privilege. ~~Provided that if such person~~  
12 ~~requests, in writing, a hearing, he shall retain his license until after the hearing, and if the~~  
13 ~~revocation is sustained after such hearing, the person whose driving privilege has been revoked~~  
14 ~~under the provisions of this section, Any person whose driving privilege is revoked pursuant to~~  
15 ~~this subsection shall have the right to a review by the review board as provided in G.S. 20-9(g)(4)~~  
16 ~~upon written request filed with the Division."~~

17 **SECTION 6.(b)** This section becomes effective February 1, 2018, and applies to  
18 adjudications on or after that date.

## 20 REDESIGNATE DMV LICENSE AND THEFT INSPECTORS AS AGENTS

21 **SECTION 7.(a)** G.S. 20-16.5(e) reads as rewritten:

22 "(e) Procedure if Report Filed with Judicial Official When Person Is Present. – If a properly  
23 executed revocation report concerning a person is filed with a judicial official when the person is  
24 present before that official, the judicial official shall, after completing any other proceedings  
25 involving the person, determine whether there is probable cause to believe that each of the  
26 conditions of subsection (b) has been met. If he determines that there is such probable cause, he  
27 shall enter an order revoking the person's driver's license for the period required in this subsection.  
28 The judicial official shall order the person to surrender his license and if necessary may order a  
29 law-enforcement officer to seize the license. The judicial official shall give the person a copy of  
30 the revocation order. In addition to setting it out in the order the judicial official shall personally  
31 inform the person of his right to a hearing as specified in subsection (g), and that his license  
32 remains revoked pending the hearing. The revocation under this subsection begins at the time the  
33 revocation order is issued and continues until the person's license has been surrendered for the  
34 period specified in this subsection, and the person has paid the applicable costs. The period of  
35 revocation is 30 days, if there are no pending offenses for which the person's license had been or is  
36 revoked under this section. If at the time of the current offense, the person has one or more  
37 pending offenses for which his license had been or is revoked under this section, the revocation  
38 shall remain in effect until a final judgment, including all appeals, has been entered for the current  
39 offense and for all pending offenses. In no event, may the period of revocation under this  
40 subsection be less than 30 days. If within five working days of the effective date of the order, the  
41 person does not surrender his license or demonstrate that he is not currently licensed, the clerk  
42 shall immediately issue a pick-up order. The pick-up order shall be issued to a member of a local  
43 law-enforcement agency if the law enforcement officer was employed by the agency at the time of  
44 the charge and the person resides in or is present in the agency's territorial jurisdiction. In all other  
45 cases, the pick-up order shall be issued to an officer or ~~inspector-agent~~ of the Division. A pick-up  
46 order issued pursuant to this section is to be served in accordance with G.S. 20-29 as if the order  
47 had been issued by the Division."

48 **SECTION 7.(b)** G.S. 20-49 reads as rewritten:

49 **"§ 20-49. Police authority of Division.**





1 The Commissioner and such officers and ~~inspectors~~agents of the Division as ~~he~~the  
2 Commissioner shall designate and all members of the Highway Patrol and law enforcement  
3 officers of the Department of Public Safety shall have the power:

4 ...."

5 **SECTION 7.(c)** G.S. 20-49.1 reads as rewritten:

6 **"§ 20-49.1. Supplemental police authority of Division ~~officers~~officers and agents.**

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

10 (1) When they have probable cause to believe that a person has committed a  
11 criminal act in their presence and at the time of the violation they are engaged  
12 in the enforcement of laws otherwise within their jurisdiction.

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

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

23 (b) In addition to the law enforcement authority granted in G.S. 20-49 or elsewhere, the  
24 Commissioner and the officers and ~~inspectors~~agents of the Division whom the Commissioner  
25 designates have the authority to investigate drivers license fraud and identity thefts related to  
26 drivers license fraud and to make arrests for these offenses."

27 **SECTION 7.(d)** G.S. 20-53(e) reads as rewritten:

28 "(e) No title shall be issued to an initial applicant for (i) out-of-state vehicles that are 1980  
29 model year or older or (ii) a specially constructed vehicle prior to the completion of a vehicle  
30 verification conducted by the License and Theft Bureau of the Division of Motor Vehicles. These  
31 verifications shall be conducted as soon as practical. For an out-of-state vehicle that is 1980 model  
32 year or older, this inspection shall consist of verifying the public vehicle identification number to  
33 ensure that it matches the vehicle and ownership documents. No covert vehicle identification  
34 numbers are to be examined on an out-of-state vehicle 1980 model year or older unless the  
35 ~~inspector~~agent develops probable cause to believe that the ownership documents or public vehicle  
36 identification number presented does not match the vehicle being examined. However, upon such  
37 application and the submission of any required documentation, the Division shall be authorized to  
38 register the vehicle pending the completion of the verification of the vehicle. The registration shall  
39 be valid for one year but shall not be renewed unless and until the vehicle examination has been  
40 completed.

41 If an inspection and verification is not conducted by the License and Theft Bureau of the  
42 Division of Motor Vehicles within 15 days after receiving a request for such and the ~~inspector~~  
43 agent has no probable cause to believe that the ownership documents or public vehicle  
44 identification number presented does not match the vehicle being examined, the vehicle shall be  
45 deemed to have satisfied all inspection and verification requirements and title shall issue to the  
46 owner within 15 days thereafter. If an inspection and verification is timely performed and the  
47 vehicle passes the inspection and verification, title shall issue to the owner within 15 days of the  
48 date of the inspection."

49 **SECTION 7.(e)** G.S. 20-108 reads as rewritten:

50 **"§ 20-108. Vehicles or component parts of vehicles without manufacturer's numbers.**

51 ...





(b) The Commissioner and such officers and ~~inspectors~~ agents of the Division of Motor Vehicles as he has designated may take and possess any motor vehicle or component part if its engine number, vehicle identification number, or manufacturer's serial number has been altered, changed, or obliterated or if such officer or agent has probable cause to believe that the driver or person in charge of the motor vehicle or component part has violated subsection (a) above. Any officer or agent who so takes possession of a motor vehicle or component part shall immediately notify the Division of Motor Vehicles and the rightful owner, if known. The notification shall contain a description of the motor vehicle or component part and any other facts that may assist in locating or establishing the rightful ownership thereof or in prosecuting any person for a violation of the provisions of this Article.

(c) Within 15 days after seizure of a motor vehicle or component part pursuant to this section, the Division shall send notice by certified mail to the person from whom the property was seized and to all claimants to the property whose interest or title is in the registration records in the Division of Motor Vehicles that the Division has taken custody of the motor vehicle or component part. The notice shall also contain the following information:

- (1) The name and address of the person or persons from whom the motor vehicle or component part was seized;
- (2) A statement that the motor vehicle or component part has been seized for investigation as provided in this section and that the motor vehicle or component part will be released to the rightful owner:
  - a. Upon a determination that the identification number has not been altered, changed, or obliterated; or
  - b. Upon presentation of satisfactory evidence of the ownership of the motor vehicle or component part if no other person claims an interest in it within 30 days of the date the notice is mailed. Otherwise, a hearing regarding the disposition of the motor vehicle or component part may take place in a court having jurisdiction.
- (3) The name and address of the officer or agent to whom evidence of ownership of the motor vehicle or component part may be presented; and
- (4) A copy statement of the text contained in this section.

(d) Whenever a motor vehicle or component part comes into the custody of an ~~officer~~, officer or agent, the Division of Motor Vehicles may commence a civil action in the District Court in the county in which the motor vehicle or component part was seized to determine whether the motor vehicle or component part should be destroyed, sold, converted to the use of the Division or otherwise disposed of by an order of the court. The Division shall give notice of the commencement of such an action to the person from whom the motor vehicle or component part was seized and all claimants to the property whose interest or title is in the registration records of the Division of Motor Vehicles. Notice shall be by certified mail sent within 10 days after the filing of the action. In addition, any possessor of a motor vehicle or component part described in this section may commence a civil action under the provisions of this section, to which the Division of Motor Vehicles may be made a party, to provide for the proper disposition of the motor vehicle or component part.

...

(j) An officer or agent taking into custody a motor vehicle or component part under the provisions of this section is authorized to obtain necessary removal and storage services, but shall incur no personal liability for such services. The person or company so employed shall be entitled to reasonable compensation as a claimant under (e), and shall not be deemed an unlawful possessor under (a)."

#### **LIMIT ISSUANCE OF 10-DAY TEMPORARY VEHICLE REGISTRATION TAGS**

**SECTION 8.(a)** G.S. 20-50(b) reads as rewritten:





"(b) The Division may issue a temporary license plate for a vehicle. A temporary license plate is valid for the period set by the Division. The period may not be less than 10 days nor more than 60 days. Except for a vehicle that is model year 1980 or older and is being transported directly to or from a vehicle show or exhibition, the Division shall not issue more than two 10-day temporary license plates to a person for a particular vehicle during an annual registration period.

A person may obtain a temporary license plate for a vehicle by filing an application with the Division and paying the required fee. An application must be filed on a form provided by the Division.

The fee for a temporary license plate that is valid for 10 days is ten dollars (\$10.00). The fee for a temporary license plate that is valid for more than 10 days is the amount that would be required with an application for a license plate for the vehicle. If a person obtains for a vehicle a temporary license plate that is valid for more than 10 days and files an application for a license plate for that vehicle before the temporary license plate expires, the person is not required to pay the fee that would otherwise be required for the license plate.

A temporary license plate is subject to the following limitations and conditions:

- (1) It may be issued only upon proper proof that the applicant has met the applicable financial responsibility requirements.
- (2) It expires on midnight of the day set for expiration.
- (3) It may be used only on the vehicle for which issued and may not be transferred, loaned, or assigned to another.
- (4) If it is lost or stolen, the person who applied for it must notify the Division.
- (5) It may not be issued by a dealer.
- (6) The provisions of G.S. 20-63, 20-71, 20-110 and 20-111 that apply to license plates apply to temporary license plates insofar as possible."

**SECTION 8.(b)** This section becomes effective January 1, 2018, and applies to applications received on or after that date.

## **REMOVE SIGNATURE LINE FROM MOTOR VEHICLE REGISTRATION CARD**

**SECTION 9.** G.S. 20-57(b) reads as rewritten:

"(b) The registration card shall be delivered to the owner and shall contain upon the face thereof the name and address of the owner, ~~space for the owner's signature~~, the registration number assigned to the vehicle, and a description of the vehicle as determined by the Commissioner, provided that if there are more than two owners the Division may show only two owners on the registration card and indicate that additional owners exist by placing after the names listed "et al." An owner may obtain a copy of a registration card issued in the owner's name by applying to the Division for a copy and paying the fee set in G.S. 20-85."

## **MODIFY CONTINUING EDUCATION REQUIREMENT FOR INDEPENDENT MOTOR VEHICLE DEALERS**

**SECTION 10.(a)** G.S. 20-288(a1) reads as rewritten:

"(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:

- ...
- (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 six-hour course approved by the Division 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.~~  
any person who is seeking a renewal license, who is age 60 or older, and who  
has been licensed for at least 10 consecutive years beginning on or after the  
person's fiftieth birthday. 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 20 miles or less  
from 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.

...."

**SECTION 10.(b)** This section becomes effective January 1, 2018, and applies to  
renewals on or after that date.

#### **ALLOW REMOTE CONVERSION OF CERTAIN FULL PROVISIONAL LICENSES TO CLASS C LICENSES**

**SECTION 11.(a)** G.S. 20-7(f)(1) reads as rewritten:

"(1) Duration of license for persons under age 18. – A full provisional license issued  
to a person under the age of 18 expires on the sixtieth day following the  
person's twenty-first birthday."

**SECTION 11.(b)** G.S. 20-7(f)(6) reads as rewritten:

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

a. Requirements. – To be eligible for remote renewal or conversion under  
this subdivision, a person must meet all of the following requirements:

1. The license holder (i) ~~possesses a valid, unexpired valid Class C~~  
drivers license ~~that was issued when the person was at least 18~~  
~~years old or~~ (ii) possesses a valid full provisional license and is  
at least 18 years old at the time of the remote conversion request.
2. The license holder's current license includes no restrictions other  
than a restriction for corrective lenses.
3. The license holder attests, in a manner designated by the  
Division, that (i) the license holder is a resident of the State and  
currently resides at the address on the license to be ~~renewed,~~  
renewed or converted, (ii) the license holder's name as it appears  
on the license to be renewed or converted has not changed, and  
(iii) all other information required by the Division for an  
in-person renewal under this Article has been provided  
completely and truthfully. If the license holder does not  
currently reside at the address on the license to be renewed or  
converted, the license holder may comply with the address  
requirement of this sub-sub-subdivision by providing the address  
at which the license holder resides at the time of the remote  
renewal or conversion request.
4. ~~The~~ For a remote renewal, the most recent renewal was an  
in-person renewal and not a remote renewal under this  
subdivision.
5. The license holder is otherwise eligible for renewal or  
conversion under this subsection.





- b. Waiver of requirements. – When renewing or converting a drivers license pursuant to this subdivision, the Division may waive the examination and photograph that would otherwise be required for the ~~renewal~~ renewal or conversion.
- c. Duration of remote ~~renewal~~ renewal or conversion. – A ~~renewed~~ drivers license issued to a person by remote renewal or conversion under this subdivision expires according to the following schedule:
1. For a person at least 18 years old but less than 66 years old, on the birthday of the licensee in the eighth year after issuance.
  2. For a person at least 66 years old, on the birthday of the licensee in the fifth year after issuance.
- d. Rules. – The Division shall adopt rules to implement this subdivision.
- e. Federal law. – Nothing in this subdivision shall be construed to supersede any more restrictive provisions for renewal or conversion of drivers licenses prescribed by federal law or regulation.
- f. Definition. – For purposes of this subdivision, "remote ~~renewal~~ renewal or conversion" means renewal or conversion of a drivers license or full provisional license by mail, telephone, electronic device, or other secure means approved by the Commissioner."

**SECTION 11.**(c) Subsection (a) of this section becomes effective March 1, 2018, and applies to full provisional licenses issued on or after that date. The remainder of this section becomes effective March 1, 2018.

#### **TEMPORARY REGISTRATION PLATES/EXTEND TIME LIMIT FOR DELIVERY OF SALES DOCUMENTS**

**SECTION 12.(a)** G.S. 20-79.1(d)(3) reads as rewritten:

"(d) A dealer shall:

...

- (3) Within ~~40-20~~ working days, 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 in writing by all parties to the contract."

**SECTION 12.(b)** This section is effective when it becomes law and applies to sales made on or after that date.

**SECTION 13.** Reserved.

#### **SPECIAL IDENTIFICATION CARDS/MODIFY ISSUANCE PROCESS AND ALLOW REMOTE RENEWAL**

**SECTION 14.(a)** G.S. 20-37.7 reads as rewritten:

"§ 20-37.7. Special identification card.

...

(d) ~~Expiration and Fee Duration.~~ – ~~A special~~ Special identification card issued to a person for the first time under this section expires when a drivers license issued on the same day to that person would expire. A special identification card renewed under this section expires when a drivers license renewed by the card holder on the same day would expire. cards shall be issued and renewed pursuant to the provisions of this subsection:

- (1) Duration for persons under age 18. – A special identification card issued to or renewed by a person under the age of 18 expires on the birthday of the holder in the fifth year after issuance.



- 1           (2)   Duration for persons age 18 and older. – A special identification card issued to  
2           or renewed by a person at least 18 years old expires on the birthday of the  
3           holder in the eighth year after issuance.
- 4           (3)   Duration for certain other drivers. – The durations listed in subdivisions (1) and  
5           (2) of this subsection are valid unless the Division determines that a special  
6           identification card of shorter duration should be issued when the applicant holds  
7           valid documentation issued by, or under the authority of, the United States  
8           government that demonstrates the applicant's legal presence of limited duration  
9           in the United States. In no event shall a special identification card of limited  
10          duration expire later than the expiration of the authorization for the applicant's  
11          legal presence in the United States.
- 12          (4)   When to renew. – A person may apply to the Division to renew a special  
13          identification card during the 180-day period before the special identification  
14          card expires. The Division may not accept an application for renewal made  
15          before the 180-day period begins.
- 16          (d1)   Fee. – The fee for a new or renewed special identification card is the same as the fee  
17          set in G.S. 20-14 for a duplicate license. The fee does not apply to a special identification card  
18          issued to a resident of this State as follows:
- 19                ...
- 20          (7)    The applicant has a developmental disability. To obtain a special identification  
21                card without paying a fee pursuant to this subdivision, an applicant must  
22                present a ~~letter from~~ letter, or a form approved by the Division, signed by his or  
23                her primary care provider certifying that the applicant has a developmental  
24                disability. For purposes of this subdivision, the term "developmental disability"  
25                has the same meaning as in G.S. 122C-3.
- 26          (d2)   Remote Renewal. – Subject to the following limitations and requirements, the Division  
27          may offer remote renewal of a special identification card issued by the Division:
- 28                (1)   Requirements. – To be eligible for remote renewal under this subsection, a  
29                person must meet all of the following requirements:
- 30                   a.   The special identification card holder possesses a valid special  
31                   identification card that was issued when the person was at least 18 years  
32                   old.
- 33                   b.   The special identification card holder attests, in a manner designated by  
34                   the Division, that (i) the special identification card holder is a resident of  
35                   the State and currently resides at the address on the special identification  
36                   card to be renewed, (ii) the special identification card holder's name as it  
37                   appears on the special identification card to be renewed has not  
38                   changed, and (iii) all other information required by the Division for an  
39                   in-person renewal under this Article has been provided completely and  
40                   truthfully. If the special identification card holder does not currently  
41                   reside at the address on the special identification card to be renewed, the  
42                   special identification card holder may comply with the address  
43                   requirement of this sub-subdivision by providing the address at which  
44                   the special identification card holder resides at the time of the remote  
45                   renewal request.
- 46                   c.   The most recent renewal was an in-person renewal and not a remote  
47                   renewal under this subsection.
- 48                   d.   The special identification card holder is otherwise eligible for renewal  
49                   under this subsection.





(2) Definition. – For purposes of this subsection, "remote renewal" means renewal of a special identification card by mail, telephone, electronic device, or other secure means approved by the Commissioner.

~~(d1)(d3)~~ Severe Disability. – For a person who has a physician's letter certifying that a severe disability causes the person to be homebound, the Division shall adopt rules allowing for application for or renewal of a special photo identification card under this section by means other than a personal appearance.

(d4) Special Identification Card to Be Sent by Mail. – The Division shall issue to the applicant a temporary identification certificate valid for 60 days. The temporary identification certificate shall not be valid for identification purposes, except when conducting business with the Division and not otherwise prohibited by federal law. The Division shall produce the applicant's special identification card at a central location and send it to the applicant by first-class mail at the residence address provided by the applicant, unless the applicant is ineligible for mail delivery by the United States Postal Service at the applicant's residence. If the United States Postal Service documents that it does not deliver to the residential address provided by the applicant, and the Division has verified the applicant's residential address by other means, the Division may mail the special identification card to the post office box provided by the applicant. Applicants whose only mailing address prior to July 1, 2008, was a post office box in this State may continue to receive their license at that post office box, provided the applicant's residential address has been verified by the Division.

...."

**SECTION 14.(b)** G.S. 20-9.2(c) reads as rewritten:

"(c) This section does not apply to special identification cards issued pursuant to ~~G.S. 20-37.7(d)(5) or (6)~~, subdivision (5) or (6) of subsection (d1) of G.S. 20-37.7."

**SECTION 14.(c)** G.S. 163-275(13) reads as rewritten:

"(13) For any person falsely to make or present any certificate or other paper to qualify any person fraudulently as a voter, or to attempt thereby to secure to any person the privilege of voting, including declarations made under this Chapter, ~~G.S. 20-37.7(d)(5), 20-37.7(d)(6), G.S. 20-37.7(d1)(5), 20-37.7(d1)(6), 130A-93.1(c), and 161-10(a)(8).~~"

**SECTION 14.(d)** Subsections (b) and (c) of this section and subsection (d2) of G.S. 20-37.7, as enacted by subsection (a) of this section, become effective December 1, 2017. The remainder of this section becomes effective December 1, 2017, and applies to initial applications and renewals on or after that date.

## **DMV OFFICERS/EXPAND LIST OF SITUATIONS WHERE POLICE AUTHORITY MAY BE EXERCISED**

**SECTION 15.** G.S. 20-49.1(a) is amended by adding a new subdivision to read:

"(3) When they are responding to an emergency situation that (i) is occurring in their immediate vicinity and (ii) would likely result in bodily harm or loss of property without immediate intervention."

## **ELIMINATION OF DRIVERS LICENSE TECHNOLOGY FUND**

**SECTION 16.** G.S. 20-37.01 and G.S. 20-37.02(e) are repealed.

## **MOTOR VEHICLE DEFINITION/TECHNICAL CORRECTION**

**SECTION 17.** G.S. 58-37-1(6) reads as rewritten:

"(6) "Motor vehicle" means every self-propelled vehicle that is designed for use upon a highway, including trailers and semitrailers designed for use with such vehicles (except traction engines, road rollers, farm tractors, tractor cranes, power shovels, and well drillers). "Motor vehicle" also means a motorcycle, as



1 defined in G.S. 20-4.01(27)d., and a moped, as defined in ~~G.S. 20-4.01(27)d1.~~  
2 ~~or G.S. 20-4.01(27)d1.~~ "Motor vehicle" does not mean an electric assisted  
3 bicycle, as defined in G.S. 20-4.01(7a)."  
4

5 **PART III. EFFECTIVE DATE**

6 **SECTION 18.** Except as otherwise provided, this act becomes effective July 1, 2017.







## HOUSE BILL 110: DOT/DMV Changes.

2017-2018 General Assembly

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<b>Committee:</b>	House Transportation. If favorable, re-refer to State and Local Government II	<b>Date:</b>	March 26, 2017
<b>Introduced by:</b>	Reps. Torbett, Iler, Shepard	<b>Prepared by:</b>	Giles Perry
<b>Analysis of:</b>	First Edition		Staff Attorney

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**OVERVIEW:** *House Bill 110 makes changes to State law related to DOT and DMV.*

[As introduced, this bill was identical to S3, as introduced by Sens. Rabon and Harrington, which is currently in Senate Transportation.]

### CURRENT LAW and BILL ANALYSIS:

#### PART I. Department of Transportation Changes

**Section 1.** This section codifies and makes modifications to DOT's existing residual property disposal procedures.

**Section 2.** Reserved

**Section 3.** This section extends the sunset of DOT's minority-owned and women-owned business program from August 31, 2017 to August 31, 2019.

**Section 4.** This section repeals a requirement that the Department of Administration, Office of State Human Resources, Department of Transportation, and Department of Environmental Quality jointly develop and periodically update a plan to reduce vehicle miles traveled by State employees and private sector employees.

#### PART II. Division of Motor Vehicles Changes

**Section 5.** This section amends current law applicable to vehicle emissions inspections in certain counties by clarifying that fuel cell electric and plug-in electric vehicles with a gasoline engine component are subject to the requirement.

**Section 6.** This section modifies the process by which DMV determines whether to revoke the driver's license of a person who has been adjudicated incompetent.

- It provides that if a clerk of court, in any incompetency adjudication order under Chapter 35A of the General Statutes recommends that any person's driving privilege be revoked, DMV shall immediately revoke it.
- If the clerk of court, in the order, recommends that the person retain their driving privilege or makes no recommendation concerning the driving privilege, DMV must determine whether the person can retain their driving privilege, based upon an inquiry of the facts.
- Any revocation would be subject to review by the DMV Medical Review Board.

This section would become effective February 1, 2018.

Karen Cochrane-Brown  
Director



Legislative Analysis  
Division  
919-733-2578



# House Bill 110

Page 2

**Section 7.** This section redesignates DMV License and Theft "inspectors" as "agents".

**Section 8.** This section restricts issuance of 10-day temporary license plates to no more than two per year per person.

This section would become effective January 1, 2018.

**Section 9.** In 2016, in House Bill 959, enacted as S.L. 2016-90, the General Assembly repealed the requirement for an owner to sign a motor vehicle registration card. This section makes a technical correction to the prior change, to repeal the requirement of "space for the owner's signature" on the registration card.

**Section 10.** This section modifies the continuing education requirements for independent motor vehicle dealers to exempt any person who is seeking a license renewal who is age 60 or older, and who has been licensed for at least 10 consecutive years beginning on or after their 50th birthday.

**Section 11.** This section authorizes remote renewal and conversion of a full provisional license to a regular Class C license, provides that a full provisional license expire on the 60th day after the holder's 21st birthday; and authorizes persons remotely renewing a license to update their address.

This section would become effective March 1, 2018.

**Section 12.** This section requires a motor vehicle dealer who issues a temporary registration plate to a purchaser to deliver the sales documents and fees to DMV within 20 days (10 days under current law).

This section would become effective when it becomes law.

**Section 13.** Reserved

**Section 14.** This section modifies the law governing special identification cards issued by DMV, to:

- provide that special ID cards issued to persons under age 18 expire after five years; to persons over age 18 after 8 years; and to non-citizens who are legally present under authority issued by the United States government at the expiration of their authorized legal presence.
- Clarify that the fee (\$13) for a special identification card also applies to the renewal, unless the special ID card applicant is eligible for a fee exception.
- Authorize an application for a free special ID card by a person with a developmental disability to be made on a form approved by DMV.
- Authorize remote renewal of special ID cards, in specified circumstances.
- Provide for central issuance and mailing of special ID cards.

This section becomes effective December 1, 2017.

**Section 15.** This section amends the law enforcement authority of officers and inspectors (renamed agents by Section 7) of DMV, to authorize them to enforce criminal laws "when they are responding to an emergency situation that (i) is occurring in their immediate vicinity and (ii) would likely result in bodily harm or loss of property without immediate intervention."

**Section 16.** This section repeals the Driver's License Technology Fund, which was established in 2001 to fund a driver license information verification system for ABC permittees. DMV reports the fund has a zero balance and is no longer in use.

**Section 17.** This section makes a technical correction to the definition of "motor vehicle" in the NC Motor Vehicle Reinsurance Facility statutes, to correct an error from the 2016 session in House Bill 959, S.L. 2016-90, in which the statute was inconsistently amended by two different sections of that bill.



# House Bill 110

*Page 3*

**EFFECTIVE DATE:** Except as otherwise provided, this act is effective when it becomes law.

**BACKGROUND:** House Bill 110 was a recommendation of the Joint Legislative Transportation Oversight Committee.





**House Pages  
Assignments  
Tuesday, March 28, 2017  
Session: 2:00 PM**

Committee	Room	Time	Staff	Comments	Member
Education - K-12	643	10:00 AM	Megan Hammaker		Rep. Kevin Corbin
			Diamond Smith		Rep. Speaker Tim Moore
			Situna Taliau		Rep. Speaker Tim Moore
			Sydney Todd		Rep. Speaker Tim Moore
Regulatory Reform	1228/1327	10:00 AM	Kevin Molina-Guevara		Rep. Speaker Tim Moore
			Anthony Vincent		Rep. Speaker Tim Moore
Appropriations, Capital	421	11:00 AM	Darius Bellamy		Rep. Speaker Tim Moore
			Hunter Freeman		Rep. Speaker Tim Moore
Transportation	643	11:00 AM	Jon Edmonston		Rep. Grier Martin
			Naila Pullen		Rep. Speaker Tim Moore
			Ubaldo Velasco-Lopez		Rep. Speaker Tim Moore
			Benjamin Williams		Rep. Marvin Lucas

10

11



12

13



Committee Sergeants at Arms

NAME OF COMMITTEE House Comm. on Transportation

DATE: 03/28/17 Room: 643

House Sgt-At Arms:

1. Name: Young Bae
2. Name: Jim Moran
3. Name: David Linthicum
4. Name: \_\_\_\_\_
5. Name: \_\_\_\_\_

Senate Sgt-At Arms:

1. Name: \_\_\_\_\_
2. Name: \_\_\_\_\_
3. Name: \_\_\_\_\_
4. Name: \_\_\_\_\_
5. Name: \_\_\_\_\_



## VISITOR REGISTRATION SHEET

House Comm. on Transportation

03/28/17

Name of Committee

Date

VISITORS: PLEASE SIGN IN BELOW AND RETURN TO COMMITTEE CLERK

NAME

FIRM OR AGENCY AND ADDRESS

MATTHEW NIRS	NCDMV License & Theft
L. PAUL JELLEY	NCDMV License & THEFT Bureau
Wm. W. Wintersen	Ward and Smith, P.A.
Ken Woolen	Ward and Smith, P.A.
Ralph Belk	Rep. Mary Belk
Jul Bon	Bonne - ASSO
John Brown	CIADA
Hope Mayers	NCDMV
Maggie P. Thomas	NC DOT IT
Crystal Collins	NC Trucking Assn.
Nancy Smith	NCDMV

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## VISITOR REGISTRATION SHEET

● House Comm. on Transportation 03/28/17

Name of Committee

Date

VISITORS: PLEASE SIGN IN BELOW AND RETURN TO COMMITTEE CLERK

NAME

FIRM OR AGENCY AND ADDRESS

Sherry La	NC DMV
Pamela Bilyard	NC DMV
Charlotte Boyd-Malette	NC DOT / DMV
David McGowan	NCPC
Liz Bahr	Marathon Petroleum
Will Poltr	NC DPS
Andy Brandon	NC DPS
Tim M. J. J.	NC HBA
Mike Carpenter	NC HBA
Bo Heath	McBride Wood Jr
YJ MILLER	ACLU



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## VISITOR REGISTRATION SHEET

House Comm. on Transportation

Name of Committee

03/28/17

Date \_\_\_\_\_

**VISITORS: PLEASE SIGN IN BELOW AND RETURN TO COMMITTEE CLERK**

NAME

FIRM OR AGENCY AND ADDRESS

Joe McEles

McClees Consult.

Wm. Benson

ADMC

2 Jerry Williams

HPAs

8



## VISITOR REGISTRATION SHEET

House Comm. on Transportation

03/28/17

Name of Committee

Date

VISITORS: PLEASE SIGN IN BELOW AND RETURN TO COMMITTEE CLERK

NAME

FIRM OR AGENCY AND ADDRESS

Tanya Hagan	TSS
Stephen Kouban	KMA
Andy Chase	KMA
Scott Palmer	NC REALTORS
Susan Harrison	NCDTSEA
Susan Vishneski	Local Physician
Kara Weislan	SA
Lexi Arthur	NCRMA
Elizabeth Davidson	NCRMA
Cameron Henley	MVA
Shirley Harris	NCMAA

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## VISITOR REGISTRATION SHEET

House Comm. on Transportation

03/28/17

Name of Committee

Date

VISITORS: PLEASE SIGN IN BELOW AND RETURN TO COMMITTEE CLERK

NAME

FIRM OR AGENCY AND ADDRESS

Kathy Kryzhan	BP
Pam Buff	SOG
Tom Vitaglione	NC CHLD
Kellie Hatcher	NC CFTF
Elizabeth Biser	Brooks Piers
Fred Moreno	NCREC
Cathy Thomas	Fours Carolina
BERRY JANTON	CHARLOTTE AGC
Ellis Powell	CAPA
Matha-Balch	PPAB
Matthew Hill	DRAC

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## VISITOR REGISTRATION SHEET

House Comm. on Transportation

03/28/17

Name of Committee

Date

VISITORS: PLEASE SIGN IN BELOW AND RETURN TO COMMITTEE CLERK

NAME

FIRM OR AGENCY AND ADDRESS

for Mr	SA
John P. Pate	UCMMA
Wendy Kelly	Focus Carolina
Rhazyn Jackson	Focus Carolina
Isabel Villo-Horta	NC REALTORS
Phoebe Landen	MWC
Robb Jansen	NCSBE
David Collins	SEANc
Guan	Trille Eney

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**House Committee on Transportation  
Tuesday, April 4, 2017 at 11:00 AM  
Room 643 of the Legislative Office Building**

**MINUTES**

The House Committee on Transportation met at 11:00 AM on April 4, 2017 in Room 643 of the Legislative Office Building. Representatives Alexander, Belk, Blackwell, Brawley, Carney, Cleveland, Ford, Fraley, Goodman, C. Graham, Grange, Duane Hall, Hunter, Iler, Brenden Jones, McGrady, McNeill, Presnell, W. Richardson, Shepard, Speciale, Steinburg, Strickland, Torbett, R. Turner, Willingham, and Wray attended.

Representative John A. Torbett, Chair, presided.

The following bills were considered:

**HB 332 Morrow Mountain State Park License Plate. (Representative Burr) Representative Burr explained the bill, there was discussion on the bill, Representative Speciale motioned for a favorable to the original bill with a referral to Finance. The bill passed.**

**HB 110 DOT/DMV Changes - Megaproject Funding. (Representatives Torbett, Iler, Shepard) Representative Iler motioned the PCS be brought before committee, Representative Torbett explained the bill, there was discussion on the bill, Representative Shepard motioned for unfavorable to original bill, favorable to the PCS, with a referral to Insurance. The bill passed.**

**HB 21 Driver Instruction/Law Enforcement Stops. (Representatives Goodman, Faircloth, McNeill, Earle) Representative Iler motioned the PCS be brought before committee, Representative Goodman explained the bill, there was discussion on the bill, Representative McNeill motioned for unfavorable to original bill, favorable to the PCS, with a referral to Education K-12. The bill passed.**

**HB 181 First Responders Act of 2017. (Representatives Warren, Clampitt, Ford, Potts) Representative Shepard motioned the PCS be brought before committee, Representative Warren explained the bill, there was discussion on the bill, Representative Cleveland motioned for unfavorable to original bill, favorable to the PCS, with a referral to Finance. The bill passed.**

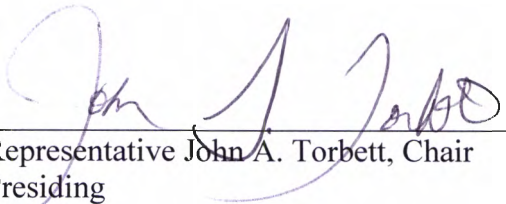


**HB 349 Currituck-Developer Funds for Road Constr. (Representative Steinburg)**  
Representative Steinburg explained the bill, there was discussion on the bill, Representative Speciale motioned for favorable to original bill, with a referral to State and Local Government II. The bill passed.

**HB 457 Performance Guarantees/Subdivision Streets. (Representatives Torbett, Iler, Hastings, Shepard)** Representative Iler motioned the PCS be brought before committee, Representative Torbett explained the bill, there was discussion on the bill, Representative Speciale motioned for unfavorable to original bill, favorable to the PCS. The bill passed.

**HB 468 DOT/Funding for Preliminary Engineering. (Representatives Shepard, Torbett)**  
Representative Shepard explained the bill, there was discussion on the bill, Representative Cleveland motioned for favorable to original bill with a referral to State and Local Government II. The bill passed.

The meeting adjourned at 11:50.

  
\_\_\_\_\_  
Representative John A. Torbett, Chair  
Presiding

  
\_\_\_\_\_  
Viddia Torbett, Committee Clerk



**NORTH CAROLINA HOUSE OF REPRESENTATIVES  
COMMITTEE MEETING NOTICE  
AND  
BILL SPONSOR NOTIFICATION  
2017-2018 SESSION**

You are hereby notified that the **House Committee on Transportation** will meet as follows:

**DAY & DATE:** Tuesday, April 4, 2017  
**TIME:** 11:00 AM  
**LOCATION:** 643 LOB

The following bills will be considered:

<b>BILL NO.</b>	<b>SHORT TITLE</b>	<b>SPONSOR</b>
HB 332	Morrow Mountain State Park License Plate.	Representative Burr
HB 110	DOT/DMV Changes.	Representative Torbett Representative Iler Representative Shepard
HB 21	Driver Instruction/Law Enforcement Stops.	Representative Goodman Representative Faircloth Representative McNeill Representative Earle
HB 181	First Responders Act of 2017.	Representative Warren Representative Clampitt Representative Ford Representative Potts Representative Steinburg
HB 349	Currituck-Developer Funds for Road Constr.	
HB 457	Performance Guarantees/Subdivision Streets.	Representative Torbett Representative Iler Representative Hastings Representative Shepard
HB 468	DOT/Funding for Preliminary Engineering.	Representative Shepard Representative Torbett





**House Committee on Transportation  
Tuesday, April 4, 2017, 11:00 AM  
643 Legislative Office Building**

**AGENDA**

**Welcome and Opening Remarks**

**Introduction of Pages**

**Bills**

<b>BILL NO.</b>	<b>SHORT TITLE</b>	<b>SPONSOR</b>
HB 332	Morrow Mountain State Park License Plate.	Representative Burr
HB 110	DOT/DMV Changes.	Representative Torbett Representative Iler Representative Shepard
HB 21	Driver Instruction/Law Enforcement Stops.	Representative Goodman Representative Faircloth Representative McNeill Representative Earle
HB 181	First Responders Act of 2017.	Representative Warren Representative Clampitt Representative Ford Representative Potts Representative Steinburg
HB 349	Currituck-Developer Funds for Road Constr.	
HB 457	Performance Guarantees/Subdivision Streets.	Representative Torbett Representative Iler Representative Hastings Representative Shepard
HB 468	DOT/Funding for Preliminary Engineering.	Representative Shepard Representative Torbett

**Adjournment**



Respectfully,

Representative Kelly E. Hastings, Co-Chair  
Representative Frank Iler, Co-Chair  
Representative Phil Shepard, Co-Chair  
Representative John A. Torbett, Co-Chair

I hereby certify this notice was filed by the committee assistant at the following offices at 12:01 PM on Thursday, March 30, 2017.

\_\_\_ Principal Clerk  
\_\_\_ Reading Clerk – House Chamber

Viddia Torbett (Committee Assistant)



**NORTH CAROLINA GENERAL ASSEMBLY  
HOUSE OF REPRESENTATIVES**

**TRANSPORTATION COMMITTEE REPORT**

**Representative Kelly E. Hastings, Co-Chair**

**Representative Frank Iler, Co-Chair**

**Representative Phil Shepard, Co-Chair**

**Representative John A. Torbett, Co-Chair**

**FAVORABLE COM SUB , UNFAVORABLE ORIGINAL BILL AND RE-REFERRED**

**HB 110**

**DOT/DMV Changes.**

**Draft Number: H110-PCS10200-RW-13**

**Serial Referral: STATE AND LOCAL  
GOVERNMENT II**

**Recommended Referral: None**

**Long Title Amended: No**

**Floor Manager: Torbett**

**FAVORABLE COM SUB NO. 2, UNFAVORABLE COM SUB NO. 1 AND RE-REFERRED**

**HB 181 (CS#1)**

**First Responders Act of 2017.**

**Draft Number: H181-PCS30249-RWf-14**

**Serial Referral: FINANCE**

**Recommended Referral: None**

**Long Title Amended: No**

**Floor Manager: Warren**

**TOTAL REPORTED: 2**



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**NORTH CAROLINA GENERAL ASSEMBLY  
HOUSE OF REPRESENTATIVES**

**TRANSPORTATION COMMITTEE REPORT**

**Representative Kelly E. Hastings, Co-Chair**

**Representative Frank Iler, Co-Chair**

**Representative Phil Shepard, Co-Chair**

**Representative John A. Torbett, Co-Chair**

**FAVORABLE AND RE-REFERRED**

HB 332	Morrow Mountain State Park License Plate. Draft Number: None <b>Serial Referral:</b> <b>FINANCE</b> Recommended Referral: None Long Title Amended: No Floor Manager: Burr
HB 349	Currituck-Developer Funds for Road Constr. Draft Number: None <b>Serial Referral:</b> <b>STATE AND LOCAL GOVERNMENT II</b> Recommended Referral: None Long Title Amended: No Floor Manager: Steinburg
HB 468	DOT/Funding for Preliminary Engineering. Draft Number: None <b>Serial Referral:</b> <b>STATE AND LOCAL GOVERNMENT II</b> Recommended Referral: None Long Title Amended: No Floor Manager: Shepard

**FAVORABLE COM SUB , UNFAVORABLE ORIGINAL BILL AND RE-REFERRED**

HB 21	Driver Instruction/Law Enforcement Stops. Draft Number: H21-PCS10196-BG-7 <b>Serial Referral:</b> <b>EDUCATION - K-12</b> Recommended Referral: None Long Title Amended: No Floor Manager: Goodman
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TOTAL REPORTED: 4





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**NORTH CAROLINA GENERAL ASSEMBLY  
HOUSE OF REPRESENTATIVES**

**TRANSPORTATION COMMITTEE REPORT**

**Representative Kelly E. Hastings, Co-Chair**

**Representative Frank Iler, Co-Chair**

**Representative Phil Shepard, Co-Chair**

**Representative John A. Torbett, Co-Chair**

**FAVORABLE COM SUB , UNFAVORABLE ORIGINAL BILL**

**HB 457**

Performance Guarantees/Subdivision Streets.

Draft Number: H457-PCS30250-RW-15

Serial Referral: None

Recommended Referral: None

Long Title Amended: No

Floor Manager: Torbett

**TOTAL REPORTED: 1**



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GENERAL ASSEMBLY OF NORTH CAROLINA  
SESSION 2017

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D

HOUSE BILL 110  
PROPOSED COMMITTEE SUBSTITUTE H110-PCS10200-RW-13

Short Title: DOT/DMV Changes.

(Public)

Sponsors:

Referred to:

February 16, 2017

A BILL TO BE ENTITLED  
AN ACT TO MAKE CHANGES TO STATE LAW RELATED TO THE DEPARTMENT OF  
TRANSPORTATION AND THE DIVISION OF MOTOR VEHICLES, AS  
RECOMMENDED BY THE JOINT LEGISLATIVE TRANSPORTATION OVERSIGHT  
COMMITTEE.

The General Assembly of North Carolina enacts:

PART I. DEPARTMENT OF TRANSPORTATION CHANGES

DOT RESIDUE PROPERTY DISPOSAL

SECTION 1.(a) G.S. 136-19 is amended by adding a new subsection to read:

"(j) Remainder properties acquired in connection with acquisition of right-of-way shall be disposed of as follows:

(1) The sale of all residues will be by public sale, except as hereinafter specified.

(2) Residue properties sold by public sale may be sold by sealed bid or by auction at the election of the Right of Way Branch. The sale of such properties must be advertised by at least one of the following methods:

a. Publication in a newspaper having general circulation in the county in which the property is situated.

b. On a Department of Transportation Web site.

c. By placement of a "For Sale" sign on the residue.

(3) After opening bids or closing of auction, upset bids may be considered. The high bid shall be presented to the Board of Transportation at its next regular meeting after the date of the sale for rejection or acceptance. The Department of Transportation may reject all bids if the Department does not consider the bids to be in accord with the appraised or fair market value as determined by the Department.

(4) Residue properties sold by public sale may also be sold by real estate brokers licensed in North Carolina at the election of the Chief Engineer. The highest offer to purchase shall be presented to the Board of Transportation at its next regular meeting after the acceptance of the offer to purchase. The Department of Transportation may reject all offers to purchase if the Department does not consider them to be in accord with the appraised or fair market value as determined by the Department.



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- (5) Those residue properties located adjacent to controlled access projects that are landlocked may be sold to the adjoining property owner by negotiation rather than public sale for a consideration that is approved by the Division Right of Way Agent and the Right of Way Unit Manager.
- (6) Residue properties may be sold to State agencies and institutions and other governmental units by negotiation rather than public sale and may be donated provided their future use is for public purposes.
- (7) Residue acquired in connection with highway purposes may be used for the purpose of exchange with a public utility company in part or in full consideration for property to be acquired for highway purposes from the public utility company. Such exchanges shall be based on the appraised values of the surplus property and the property to be acquired for highway purposes. Residue property acquired in connection with right-of-way for a project may be used for the purpose of exchange in part or full consideration for right-of-way being acquired from another property owner on the project. Such exchanges shall be based on the appraised values of the residue property and the right-of-way to be acquired.
- (8) Residues which have an area of one acre or less and a value of twenty-five thousand dollars (\$25,000) or less and the highest and best use is for assemblage with adjacent property may be sold without advertising by negotiations rather than public sale to an adjoining owner. The Division Right of Way Agent together with an area appraiser will determine the value of the residue. Factors such as the after value as indicated in the original appraisal, sales of similar properties, and sales of other residues, if any, in the area may be considered in determining the value. After a value has been established, the Division Right of Way Agent or their designee may negotiate with the adjoining owners concerning the disposal of each residue. The decision of the Division Right of Way Agent to accept and complete a sale is final.
- (9) The Manager of Right of Way shall dispose of residues with values of less than five thousand dollars (\$5,000), as determined in accordance with subdivision (8) of this subsection, by executing and delivering on behalf of the Department of Transportation a quitclaim deed to the buyers of such residues after the transactions are first approved by the Board of Transportation. Conveyances of residues with values of less than five thousand dollars (\$5,000) shall not require the approval of the Governor and Council of State.
- (10) Residue properties or portions of residue properties acquired in connection with right-of-way for a project and located outside the right-of-way for that project may be sold by negotiation rather than by public sale to property owners and tenants who are displaced by the project for relocation of the displacee. Such sales shall be based upon the appraised value of the residue properties.
- (11) Except as noted in this subsection, all sales of surplus lands, including, but not limited to, surplus rights-of-way, residues, and uneconomic remnants, require the approval of the Board of Transportation."

**SECTION 1.(b)** The Department of Transportation may adopt, amend, or repeal rules to implement G.S. 136-19(j), as enacted by this section.

**EXTEND SUNSET FOR DOT MINORITY-OWNED/WOMEN-OWNED BUSINESSES PROGRAM**

1           **SECTION 2.** G.S. 136-28.4(e) reads as rewritten:  
2           "(e)   This section expires August 31, ~~2017~~2019."

3  
4           **ELIMINATE ANNUAL REPORT ON REDUCING VEHICLE MILES TRAVELED BY**  
5           **STATE EMPLOYEES**

6           **SECTION 3.** Subsections (d) and (e) of G.S. 143-215.107C are repealed.

7  
8           **PART II. DIVISION OF MOTOR VEHICLES CHANGES**

9  
10          **CLARIFY THAT HYBRID VEHICLES WITH EMISSIONS COMPONENTS ARE**  
11          **SUBJECT TO EMISSIONS INSPECTIONS**

12          **SECTION 4.** G.S. 20-4.01 reads as rewritten:

13          **"§ 20-4.01. Definitions.**

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

16          ...

17          (12a) Fuel cell electric vehicle. – A four-wheeled motor vehicle that does not have  
18               the ability to be propelled by a gasoline engine and that meets each of the  
19               following requirements:

- 20               a.     Is made by a manufacturer primarily for use on public streets, roads,  
21                      and highways and meets National Highway Traffic Safety  
22                      Administration standards included in 49 C.F.R. § 571.  
23               b.     Has not been modified from original manufacturer specifications  
24                      with regard to power train or any manner of powering the vehicle.  
25               c.     Uses hydrogen and a fuel cell to produce electricity on board to  
26                      power an electric motor to propel the vehicle.  
27               d.     Is rated at not more than 8,500 pounds unloaded gross vehicle  
28                      weight.  
29               e.     Has a maximum speed capability of at least 65 miles per hour.

30          ...

31          (28a) Plug-in electric vehicle. – A four-wheeled motor vehicle that does not have  
32               the ability to be propelled by a gasoline engine and that meets each of the  
33               following requirements:

- 34               a.     Is made by a manufacturer primarily for use on public streets, roads,  
35                      and highways and meets National Highway Traffic Safety  
36                      Administration standards included in 49 C.F.R. § 571.  
37               b.     Has not been modified from original manufacturer specifications  
38                      with regard to power train or any manner of powering the vehicle.  
39               c.     Is rated at not more than 8,500 pounds unloaded gross vehicle  
40                      weight.  
41               d.     Has a maximum speed capability of at least 65 miles per hour.  
42               e.     Draws electricity from a battery that has all of the following  
43                      characteristics:  
44                      1.     A capacity of not less than four kilowatt hours.  
45                      2.     Capable of being recharged from an external source of  
46                      electricity.

47          ...."

48  
49          **MODIFY PROCESS BY WHICH DMV DETERMINES WHETHER TO REVOKE A**  
50          **DRIVERS LICENSE OF A PERSON WHO HAS BEEN ADJUDICATED**  
51          **INCOMPETENT**



**SECTION 5.(a)** G.S. 20-17.1(a) reads as rewritten:

"(a) The Commissioner, upon receipt of notice that any person has been legally adjudicated incompetent or has been involuntarily committed to an institution for the treatment of ~~alcoholism or drug addiction~~, an alcohol abuse or substance abuse disorder, shall forthwith make inquiry into the facts for the purpose of determining whether such person is competent to operate a motor vehicle. ~~If a person has been adjudicated incompetent under Chapter 35A of the General Statutes, in making an inquiry into the facts, the Commissioner shall consider the clerk of court's recommendation regarding whether the incompetent person should be allowed to retain his or her driving privilege. If a clerk of court, in any incompetency adjudication order under Chapter 35A of the General Statutes, recommends that any person's driving privilege be revoked, the Division shall immediately revoke such person's driving privilege. If the clerk of court, in any such order, recommends that the person retain their driving privilege, or makes no recommendation concerning their driving privilege, the Division shall determine whether the person shall retain their driving privilege, based upon an inquiry of the facts.~~ Unless the Commissioner is satisfied that such person is competent to operate a motor vehicle with safety to persons and property, ~~he the Commissioner shall revoke such person's driving privilege. Provided that if such person requests, in writing, a hearing, he shall retain his license until after the hearing, and if the revocation is sustained after such hearing, the person whose driving privilege has been revoked under the provisions of this section, Any person whose driving privilege is revoked pursuant to this subsection shall have the right to a review by the review board as provided in G.S. 20-9(g)(4) upon written request filed with the Division.~~"

**SECTION 5.(b)** This section becomes effective February 1, 2018, and applies to adjudications on or after that date.

**REDESIGNATE DMV LICENSE AND THEFT INSPECTORS AS AGENTS****SECTION 6.(a)** G.S. 20-16.5(e) reads as rewritten:

"(e) Procedure if Report Filed with Judicial Official When Person Is Present. – If a properly executed revocation report concerning a person is filed with a judicial official when the person is present before that official, the judicial official shall, after completing any other proceedings involving the person, determine whether there is probable cause to believe that each of the conditions of subsection (b) has been met. If he determines that there is such probable cause, he shall enter an order revoking the person's driver's license for the period required in this subsection. The judicial official shall order the person to surrender his license and if necessary may order a law-enforcement officer to seize the license. The judicial official shall give the person a copy of the revocation order. In addition to setting it out in the order the judicial official shall personally inform the person of his right to a hearing as specified in subsection (g), and that his license remains revoked pending the hearing. The revocation under this subsection begins at the time the revocation order is issued and continues until the person's license has been surrendered for the period specified in this subsection, and the person has paid the applicable costs. The period of revocation is 30 days, if there are no pending offenses for which the person's license had been or is revoked under this section. If at the time of the current offense, the person has one or more pending offenses for which his license had been or is revoked under this section, the revocation shall remain in effect until a final judgment, including all appeals, has been entered for the current offense and for all pending offenses. In no event, may the period of revocation under this subsection be less than 30 days. If within five working days of the effective date of the order, the person does not surrender his license or demonstrate that he is not currently licensed, the clerk shall immediately issue a pick-up order. The pick-up order shall be issued to a member of a local law-enforcement agency if the law enforcement officer was employed by the agency at the time of the charge and the person resides in or is present in the agency's territorial jurisdiction. In all other cases, the pick-up order shall be issued to an officer or ~~inspector-agent~~ of the Division. A pick-up order issued

pursuant to this section is to be served in accordance with G.S. 20-29 as if the order had been issued by the Division."

**SECTION 6.(b)** G.S. 20-49 reads as rewritten:

**"§ 20-49. Police authority of Division.**

The Commissioner and such officers and ~~inspectors~~agents of the Division as ~~he~~the Commissioner shall designate and all members of the Highway Patrol and law enforcement officers of the Department of Public Safety shall have the power:

...."

**SECTION 6.(c)** G.S. 20-49.1 reads as rewritten:

**"§ 20-49.1. Supplemental police authority of Division ~~officers~~officers and agents.**

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

- (1) When they have probable cause to believe that a person has committed a criminal act in their presence and at the time of the violation they are engaged in the enforcement of laws otherwise within their jurisdiction.
- (2) When they are asked to provide temporary assistance by the head of a State or local law enforcement agency or his designee and the request is within the scope of the agency's subject matter jurisdiction.

While acting pursuant to this subsection, the Division officers and agents 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 and agents shall not be considered an officer, employee, or agent of the State or local law enforcement agency or designee asking for temporary assistance. Nothing in this section shall be construed to expand the Division officers' or agents' authority to initiate or conduct an independent investigation into violations of criminal laws outside the scope of their subject matter or territorial jurisdiction.

(b) In addition to the law enforcement authority granted in G.S. 20-49 or elsewhere, the Commissioner and the officers and ~~inspectors~~agents of the Division whom the Commissioner designates have the authority to investigate drivers license fraud and identity thefts related to drivers license fraud and to make arrests for these offenses."

**SECTION 6.(d)** G.S. 20-53(e) reads as rewritten:

"(e) No title shall be issued to an initial applicant for (i) out-of-state vehicles that are 1980 model year or older or (ii) a specially constructed vehicle prior to the completion of a vehicle verification conducted by the License and Theft Bureau of the Division of Motor Vehicles. These verifications shall be conducted as soon as practical. For an out-of-state vehicle that is 1980 model year or older, this inspection shall consist of verifying the public vehicle identification number to ensure that it matches the vehicle and ownership documents. No covert vehicle identification numbers are to be examined on an out-of-state vehicle 1980 model year or older unless the ~~inspector~~agent develops probable cause to believe that the ownership documents or public vehicle identification number presented does not match the vehicle being examined. However, upon such application and the submission of any required documentation, the Division shall be authorized to register the vehicle pending the completion of the verification of the vehicle. The registration shall be valid for one year but shall not be renewed unless and until the vehicle examination has been completed.

If an inspection and verification is not conducted by the License and Theft Bureau of the Division of Motor Vehicles within 15 days after receiving a request for such and the ~~inspector~~agent has no probable cause to believe that the ownership documents or public vehicle identification number presented does not match the vehicle being examined, the vehicle shall be deemed to have satisfied all inspection and verification requirements and title shall issue to

1 the owner within 15 days thereafter. If an inspection and verification is timely performed and  
2 the vehicle passes the inspection and verification, title shall issue to the owner within 15 days  
3 of the date of the inspection."

4 **SECTION 6.(e)** G.S. 20-108 reads as rewritten:

5 **"§ 20-108. Vehicles or component parts of vehicles without manufacturer's numbers.**

6 ...

7 (b) The Commissioner and such officers and ~~inspectors~~ agents of the Division of Motor  
8 Vehicles as he has designated may take and possess any motor vehicle or component part if its  
9 engine number, vehicle identification number, or manufacturer's serial number has been altered,  
10 changed, or obliterated or if such officer or agent has probable cause to believe that the driver  
11 or person in charge of the motor vehicle or component part has violated subsection (a) above.  
12 Any officer or agent who so takes possession of a motor vehicle or component part shall  
13 immediately notify the Division of Motor Vehicles and the rightful owner, if known. The  
14 notification shall contain a description of the motor vehicle or component part and any other  
15 facts that may assist in locating or establishing the rightful ownership thereof or in prosecuting  
16 any person for a violation of the provisions of this Article.

17 (c) Within 15 days after seizure of a motor vehicle or component part pursuant to this  
18 section, the Division shall send notice by certified mail to the person from whom the property  
19 was seized and to all claimants to the property whose interest or title is in the registration  
20 records in the Division of Motor Vehicles that the Division has taken custody of the motor  
21 vehicle or component part. The notice shall also contain the following information:

22 (1) The name and address of the person or persons from whom the motor  
23 vehicle or component part was seized;

24 (2) A statement that the motor vehicle or component part has been seized for  
25 investigation as provided in this section and that the motor vehicle or  
26 component part will be released to the rightful owner:

27 a. Upon a determination that the identification number has not been  
28 altered, changed, or obliterated; or

29 b. Upon presentation of satisfactory evidence of the ownership of the  
30 motor vehicle or component part if no other person claims an interest  
31 in it within 30 days of the date the notice is mailed. Otherwise, a  
32 hearing regarding the disposition of the motor vehicle or component  
33 part may take place in a court having jurisdiction.

34 (3) The name and address of the officer or agent to whom evidence of  
35 ownership of the motor vehicle or component part may be presented; and

36 (4) A copy statement of the text contained in this section.

37 (d) Whenever a motor vehicle or component part comes into the custody of an ~~officer,~~  
38 officer or agent, the Division of Motor Vehicles may commence a civil action in the District  
39 Court in the county in which the motor vehicle or component part was seized to determine  
40 whether the motor vehicle or component part should be destroyed, sold, converted to the use of  
41 the Division or otherwise disposed of by an order of the court. The Division shall give notice of  
42 the commencement of such an action to the person from whom the motor vehicle or component  
43 part was seized and all claimants to the property whose interest or title is in the registration  
44 records of the Division of Motor Vehicles. Notice shall be by certified mail sent within 10 days  
45 after the filing of the action. In addition, any possessor of a motor vehicle or component part  
46 described in this section may commence a civil action under the provisions of this section, to  
47 which the Division of Motor Vehicles may be made a party, to provide for the proper  
48 disposition of the motor vehicle or component part.

49 ...

50 (j) An officer or agent taking into custody a motor vehicle or component part under the  
51 provisions of this section is authorized to obtain necessary removal and storage services, but



1 shall incur no personal liability for such services. The person or company so employed shall be  
2 entitled to reasonable compensation as a claimant under (e), and shall not be deemed an  
3 unlawful possessor under (a)."

#### 5 **LIMIT ISSUANCE OF 10-DAY TEMPORARY VEHICLE REGISTRATION TAGS**

6 **SECTION 7.(a)** G.S. 20-50(b) reads as rewritten:

7 "(b) The Division may issue a temporary license plate for a vehicle. A temporary license  
8 plate is valid for the period set by the Division. The period may not be less than 10 days nor  
9 more than 60 days. Except for a vehicle that is model year 1980 or older and is being  
10 transported directly to or from a vehicle show or exhibition, the Division shall not issue more  
11 than two 10-day temporary license plates to a person for a particular vehicle during an annual  
12 registration period.

13 A person may obtain a temporary license plate for a vehicle by filing an application with  
14 the Division and paying the required fee. An application must be filed on a form provided by  
15 the Division.

16 The fee for a temporary license plate that is valid for 10 days is ten dollars (\$10.00). The  
17 fee for a temporary license plate that is valid for more than 10 days is the amount that would be  
18 required with an application for a license plate for the vehicle. If a person obtains for a vehicle  
19 a temporary license plate that is valid for more than 10 days and files an application for a  
20 license plate for that vehicle before the temporary license plate expires, the person is not  
21 required to pay the fee that would otherwise be required for the license plate.

22 A temporary license plate is subject to the following limitations and conditions:

- 23 (1) It may be issued only upon proper proof that the applicant has met the  
24 applicable financial responsibility requirements.
- 25 (2) It expires on midnight of the day set for expiration.
- 26 (3) It may be used only on the vehicle for which issued and may not be  
27 transferred, loaned, or assigned to another.
- 28 (4) If it is lost or stolen, the person who applied for it must notify the Division.
- 29 (5) It may not be issued by a dealer.
- 30 (6) The provisions of G.S. 20-63, 20-71, 20-110 and 20-111 that apply to license  
31 plates apply to temporary license plates insofar as possible."

32 **SECTION 7.(b)** This section becomes effective January 1, 2018, and applies to  
33 applications received on or after that date.

#### 35 **REMOVE SIGNATURE LINE FROM MOTOR VEHICLE REGISTRATION CARD**

36 **SECTION 8.** G.S. 20-57(b) reads as rewritten:

37 "(b) The registration card shall be delivered to the owner and shall contain upon the face  
38 thereof the name and address of the owner, ~~space for the owner's signature,~~ the registration  
39 number assigned to the vehicle, and a description of the vehicle as determined by the  
40 Commissioner, provided that if there are more than two owners the Division may show only  
41 two owners on the registration card and indicate that additional owners exist by placing after  
42 the names listed "et al." An owner may obtain a copy of a registration card issued in the  
43 owner's name by applying to the Division for a copy and paying the fee set in G.S. 20-85."

#### 45 **ALLOW REMOTE CONVERSION OF CERTAIN FULL PROVISIONAL LICENSES** 46 **TO CLASS C LICENSES**

47 **SECTION 9.(a)** G.S. 20-7(f)(1) reads as rewritten:

48 "(1) Duration of license for persons under age 18. – A full provisional license  
49 issued to a person under the age of 18 expires on the sixtieth day following  
50 the person's twenty-first birthday."

51 **SECTION 9.(b)** G.S. 20-7(f)(6) reads as rewritten:

- 1           "(6) Remote ~~renewal~~renewal or conversion. – Subject to the following  
2 requirements and limitations, the Division may offer remote renewal of a  
3 drivers ~~license~~license, or remote conversion of a full provisional license,  
4 issued by the Division:
- 5           a. Requirements. – To be eligible for remote renewal or conversion  
6 under this subdivision, a person must meet all of the following  
7 requirements:
- 8               1. The license holder (i) possesses a ~~valid, unexpired~~valid Class  
9 C drivers license ~~that was issued when the person was at least~~  
10 ~~18 years old~~ or (ii) possesses a valid full provisional license  
11 and is at least 18 years old at the time of the remote  
12 conversion request.
- 13               2. The license holder's current license includes no restrictions  
14 other than a restriction for corrective lenses.
- 15               3. The license holder attests, in a manner designated by the  
16 Division, that (i) the license holder is a resident of the State  
17 and currently resides at the address on the license to be  
18 ~~renewed~~renewed or converted, (ii) the license holder's name  
19 as it appears on the license to be renewed or converted has  
20 not changed, and (iii) all other information required by the  
21 Division for an in-person renewal under this Article has been  
22 provided completely and truthfully. If the license holder does  
23 not currently reside at the address on the license to be  
24 renewed or converted, the license holder may comply with  
25 the address requirement of this sub-sub-subdivision by  
26 providing the address at which the license holder resides at  
27 the time of the remote renewal or conversion request.
- 28               4. ~~The~~For a remote renewal, the most recent renewal was an  
29 in-person renewal and not a remote renewal under this  
30 subdivision.
- 31               5. The license holder is otherwise eligible for renewal or  
32 conversion under this subsection.
- 33           b. Waiver of requirements. – When renewing or converting a drivers  
34 license pursuant to this subdivision, the Division may waive the  
35 examination and photograph that would otherwise be required for the  
36 ~~renewal~~renewal or conversion.
- 37           c. Duration of remote ~~renewal~~renewal or conversion. – A ~~renewed~~  
38 drivers license issued to a person by remote renewal or conversion  
39 under this subdivision expires according to the following schedule:
- 40               1. For a person at least 18 years old but less than 66 years old,  
41 on the birthday of the licensee in the eighth year after  
42 issuance.
- 43               2. For a person at least 66 years old, on the birthday of the  
44 licensee in the fifth year after issuance.
- 45           d. Rules. – The Division shall adopt rules to implement this  
46 subdivision.
- 47           e. Federal law. – Nothing in this subdivision shall be construed to  
48 supersede any more restrictive provisions for renewal or conversion  
49 of drivers licenses prescribed by federal law or regulation.
- 50           f. Definition. – For purposes of this subdivision, "remote ~~renewal~~"  
51 renewal or conversion" means renewal or conversion of a drivers



license or full provisional license by mail, telephone, electronic device, or other secure means approved by the Commissioner."

SECTION 9.(c) Subsection (a) of this section becomes effective March 1, 2018, and applies to full provisional licenses issued on or after that date. The remainder of this section becomes effective March 1, 2018.

## TEMPORARY REGISTRATION PLATES/EXTEND TIME LIMIT FOR DELIVERY OF SALES DOCUMENTS

SECTION 10.(a) G.S. 20-79.1(d)(3) reads as rewritten:

"(d) A dealer shall:

...

- (3) Within ~~40-20~~ working days, 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 in writing by all parties to the contract."

SECTION 10.(b) This section is effective when it becomes law and applies to sales made on or after that date.

## SPECIAL IDENTIFICATION CARDS/MODIFY ISSUANCE PROCESS AND ALLOW REMOTE RENEWAL

SECTION 11.(a) G.S. 20-37.7 reads as rewritten:

"§ 20-37.7. Special identification card.

...

(d) ~~Expiration and Fee.Duration. – A special Special identification card issued to a person for the first time under this section expires when a drivers license issued on the same day to that person would expire. A special identification card renewed under this section expires when a drivers license renewed by the card holder on the same day would expire.cards shall be issued and renewed pursuant to the provisions of this subsection:~~

- (1) Duration for persons under age 18. – A special identification card issued to or renewed by a person under the age of 18 expires on the birthday of the holder in the fifth year after issuance.
- (2) Duration for persons age 18 and older. – A special identification card issued to or renewed by a person at least 18 years old expires on the birthday of the holder in the eighth year after issuance.
- (3) Duration for certain other drivers. – The durations listed in subdivisions (1) and (2) of this subsection are valid unless the Division determines that a special identification card of shorter duration should be issued when the applicant holds valid documentation issued by, or under the authority of, the United States government that demonstrates the applicant's legal presence of limited duration in the United States. In no event shall a special identification card of limited duration expire later than the expiration of the authorization for the applicant's legal presence in the United States.
- (4) When to renew. – A person may apply to the Division to renew a special identification card during the 180-day period before the special identification card expires. The Division may not accept an application for renewal made before the 180-day period begins.

(d1) Fee. – The fee for a new or renewed special identification card is the same as the fee set in G.S. 20-14 for a duplicate license. The fee does not apply to a special identification card issued to a resident of this State as follows:

...

(7) The applicant has a developmental disability. To obtain a special identification card without paying a fee pursuant to this subdivision, an applicant must present a ~~letter from~~ letter, or a form approved by the Division, signed by his or her primary care provider certifying that the applicant has a developmental disability. For purposes of this subdivision, the term "developmental disability" has the same meaning as in G.S. 122C-3.

(d2) Remote Renewal. – Subject to the following limitations and requirements, the Division may offer remote renewal of a special identification card issued by the Division:

(1) Requirements. – To be eligible for remote renewal under this subsection, a person must meet all of the following requirements:

a. The special identification card holder possesses a valid special identification card that was issued when the person was at least 18 years old.

b. The special identification card holder attests, in a manner designated by the Division, that (i) the special identification card holder is a resident of the State and currently resides at the address on the special identification card to be renewed, (ii) the special identification card holder's name as it appears on the special identification card to be renewed has not changed, and (iii) all other information required by the Division for an in-person renewal under this Article has been provided completely and truthfully. If the special identification card holder does not currently reside at the address on the special identification card to be renewed, the special identification card holder may comply with the address requirement of this sub-subdivision by providing the address at which the special identification card holder resides at the time of the remote renewal request.

c. The most recent renewal was an in-person renewal and not a remote renewal under this subsection.

d. The special identification card holder is otherwise eligible for renewal under this subsection.

(2) Definition. – For purposes of this subsection, "remote renewal" means renewal of a special identification card by mail, telephone, electronic device, or other secure means approved by the Commissioner.

~~(d1)~~(d3) Severe Disability. – For a person who has a physician's letter certifying that a severe disability causes the person to be homebound, the Division shall adopt rules allowing for application for or renewal of a special photo identification card under this section by means other than a personal appearance.

(d4) Special Identification Card to Be Sent by Mail. – The Division shall issue to the applicant a temporary identification certificate valid for 60 days. The temporary identification certificate shall not be valid for identification purposes, except when conducting business with the Division and not otherwise prohibited by federal law. The Division shall produce the applicant's special identification card at a central location and send it to the applicant by first-class mail at the residence address provided by the applicant, unless the applicant is ineligible for mail delivery by the United States Postal Service at the applicant's residence. If the United States Postal Service documents that it does not deliver to the residential address provided by the applicant, and the Division has verified the applicant's residential address by other means, the Division may mail the special identification card to the post office box provided by the applicant. Applicants whose only mailing address prior to July 1, 2008, was a



1 post office box in this State may continue to receive their license at that post office box,  
2 provided the applicant's residential address has been verified by the Division.

3 ...."

4 **SECTION 11.(b)** G.S. 20-9.2(c) reads as rewritten:

5 "(c) This section does not apply to special identification cards issued pursuant to ~~G.S.~~  
6 ~~20-37.7(d)(5) or (6)-subdivision (5) or (6) of subsection (d1) of G.S. 20-37.7."~~

7 **SECTION 11.(c)** G.S. 163-275(13) reads as rewritten:

8 "(13) For any person falsely to make or present any certificate or other paper to  
9 qualify any person fraudulently as a voter, or to attempt thereby to secure to  
10 any person the privilege of voting, including declarations made under this  
11 Chapter, ~~G.S. 20-37.7(d)(5), 20-37.7(d)(6), G.S. 20-37.7(d1)(5),~~  
12 ~~20-37.7(d1)(6),~~ 130A-93.1(c), and 161-10(a)(8)."

13 **SECTION 11.(d)** Subsections (b) and (c) of this section and subsection (d2) of  
14 G.S. 20-37.7, as enacted by subsection (a) of this section, become effective December 1, 2017.  
15 The remainder of this section becomes effective December 1, 2017, and applies to initial  
16 applications and renewals on or after that date.

17  
18 **DMV OFFICERS/EXPAND LIST OF SITUATIONS WHERE POLICE AUTHORITY**  
19 **MAY BE EXERCISED**

20 **SECTION 12.** G.S. 20-49.1(a) is amended by adding a new subdivision to read:

21 "(3) When they are responding to an emergency situation that (i) is occurring in  
22 their immediate vicinity and (ii) would likely result in bodily harm or loss of  
23 property without immediate intervention."

24  
25 **ELIMINATION OF DRIVERS LICENSE TECHNOLOGY FUND**

26 **SECTION 13.** G.S. 20-37.01 and G.S. 20-37.02(e) are repealed.

27  
28 **MOTOR VEHICLE DEFINITION/TECHNICAL CORRECTION**

29 **SECTION 14.** G.S. 58-37-1(6) reads as rewritten:

30 "(6) "Motor vehicle" means every self-propelled vehicle that is designed for use  
31 upon a highway, including trailers and semitrailers designed for use with  
32 such vehicles (except traction engines, road rollers, farm tractors, tractor  
33 cranes, power shovels, and well drillers). "Motor vehicle" also means a  
34 motorcycle, as defined in G.S. 20-4.01(27)d., and a moped, as defined in  
35 ~~G.S. 20-4.01(27)d1., or G.S. 20-4.01(27)d1.~~ "Motor vehicle" does not mean  
36 an electric assisted bicycle, as defined in G.S. 20-4.01(7a)."

37  
38 **PART III. EFFECTIVE DATE**

39 **SECTION 15.** Except as otherwise provided, this act becomes effective July 1,  
40 2017.





NORTH CAROLINA GENERAL ASSEMBLY  
AMENDMENT  
House Bill 110\*

H110-ARW-10 [v.1]

AMENDMENT NO. \_\_\_\_\_  
(to be filled in by  
Principal Clerk)

Page 1 of 1

Amends Title [NO]  
First Edition

Date \_\_\_\_\_, 2017

Representative Torbett

- 1 moves to amend the bill on page 7, line 38 through page 8, line 13,
- 2 by deleting Section 10 of the bill in its entirety;
- 3
- 4 and by renumbering the sections of the bill accordingly.
- 5
- 6
- 7
- 8

SIGNED \_\_\_\_\_  
Amendment Sponsor

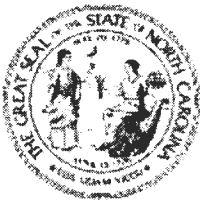
SIGNED \_\_\_\_\_  
Committee Chair if Senate Committee Amendment

ADOPTED \_\_\_\_\_ FAILED \_\_\_\_\_ TABLED \_\_\_\_\_



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# HOUSE BILL 110: DOT/DMV Changes.

2017-2018 General Assembly

<b>Committee:</b>	House Transportation. If favorable, re-refer to State and Local Government II	<b>Date:</b>	April 4, 2017
<b>Introduced by:</b>	Reps. Torbett, Iler, Shepard	<b>Prepared by:</b>	Giles Perry
<b>Analysis of:</b>	First Edition		Staff Attorney

**OVERVIEW:** *House Bill 110 makes changes to State law related to DOT and DMV.*

[As introduced, this bill was identical to S3, as introduced by Sens. Rabon and Harrington, which is currently in the Senate Committee on Judiciary.]

## CURRENT LAW and BILL ANALYSIS:

### PART I. Department of Transportation Changes

**Section 1.** This section codifies and makes modifications to DOT's existing residual property disposal procedures.

**Section 2.** Reserved

**Section 3.** This section extends the sunset of DOT's minority-owned and women-owned business program from August 31, 2017 to August 31, 2019.

**Section 4.** This section repeals a requirement that the Department of Administration, Office of State Human Resources, Department of Transportation, and Department of Environmental Quality jointly develop and periodically update a plan to reduce vehicle miles traveled by State employees and private sector employees.

### PART II. Division of Motor Vehicles Changes

**Section 5.** This section amends current law applicable to vehicle emissions inspections in certain counties by clarifying that fuel cell electric and plug-in electric vehicles with a gasoline engine component are subject to the requirement.

**Section 6.** This section modifies the process by which DMV determines whether to revoke the driver's license of a person who has been adjudicated incompetent.

- It provides that if a clerk of court, in any incompetency adjudication order under Chapter 35A of the General Statutes recommends that any person's driving privilege be revoked, DMV shall immediately revoke it.
- If the clerk of court, in the order, recommends that the person retain their driving privilege or makes no recommendation concerning the driving privilege, DMV must determine whether the person can retain their driving privilege, based upon an inquiry of the facts.
- Any revocation would be subject to review by the DMV Medical Review Board.

This section would become effective February 1, 2018.

Karen Cochrane-Brown  
Director



Legislative Analysis  
Division  
919-733-2578



# House Bill 110

Page 2

**Section 7.** This section redesignates DMV License and Theft "inspectors" as "agents".

**Section 8.** This section restricts issuance of 10-day temporary license plates to no more than two per year per person.

This section would become effective January 1, 2018.

**Section 9.** In 2016, in House Bill 959, enacted as S.L. 2016-90, the General Assembly repealed the requirement for an owner to sign a motor vehicle registration card. This section makes a technical correction to the prior change, to repeal the requirement of "space for the owner's signature" on the registration card.

**Section 10.** This section modifies the continuing education requirements for independent motor vehicle dealers to exempt any person who is seeking a license renewal who is age 60 or older, and who has been licensed for at least 10 consecutive years beginning on or after their 50th birthday.

**Section 11.** This section authorizes remote renewal and conversion of a full provisional license to a regular Class C license, provides that a full provisional license expire on the 60th day after the holder's 21st birthday; and authorizes persons remotely renewing a license to update their address.

This section would become effective March 1, 2018.

**Section 12.** This section requires a motor vehicle dealer who issues a temporary registration plate to a purchaser to deliver the sales documents and fees to DMV within 20 days (10 days under current law).

This section would become effective when it becomes law.

**Section 13.** Reserved

**Section 14.** This section modifies the law governing special identification cards issued by DMV, to:

- provide that special ID cards issued to persons under age 18 expire after five years; to persons over age 18 after 8 years; and to non-citizens who are legally present under authority issued by the United States government at the expiration of their authorized legal presence.
- Clarify that the fee (\$13) for a special identification card also applies to the renewal, unless the special ID card applicant is eligible for a fee exception.
- Authorize an application for a free special ID card by a person with a developmental disability to be made on a form approved by DMV.
- Authorize remote renewal of special ID cards, in specified circumstances.
- Provide for central issuance and mailing of special ID cards.

This section becomes effective December 1, 2017.

**Section 15.** This section amends the law enforcement authority of officers and inspectors (renamed agents by Section 7) of DMV, to authorize them to enforce criminal laws "when they are responding to an emergency situation that (i) is occurring in their immediate vicinity and (ii) would likely result in bodily harm or loss of property without immediate intervention."

**Section 16.** This section repeals the Driver's License Technology Fund, which was established in 2001 to fund a driver license information verification system for ABC permittees. DMV reports the fund has a zero balance and is no longer in use.

**Section 17.** This section makes a technical correction to the definition of "motor vehicle" in the NC Motor Vehicle Reinsurance Facility statutes, to correct an error from the 2016 session in House Bill 959, S.L. 2016-90, in which the statute was inconsistently amended by two different sections of that bill.





# House Bill 110

*Page 3*

**EFFECTIVE DATE:** Except as otherwise provided, this act becomes effective July 1, 2017.

**BACKGROUND:** House Bill 110 was a recommendation of the Joint Legislative Transportation Oversight Committee.



GENERAL ASSEMBLY OF NORTH CAROLINA  
SESSION 2017

H

1

HOUSE BILL 110\*

Short Title: DOT/DMV Changes. (Public)

Sponsors: Representatives Torbett, Iler, and Shepard (Primary Sponsors).  
*For a complete list of sponsors, refer to the North Carolina General Assembly web site.*

Referred to: Transportation, if favorable, State and Local Government II

February 16, 2017

A BILL TO BE ENTITLED  
AN ACT TO MAKE CHANGES TO STATE LAW RELATED TO THE DEPARTMENT OF  
TRANSPORTATION AND THE DIVISION OF MOTOR VEHICLES, AS  
RECOMMENDED BY THE JOINT LEGISLATIVE TRANSPORTATION OVERSIGHT  
COMMITTEE.

The General Assembly of North Carolina enacts:

PART I. DEPARTMENT OF TRANSPORTATION CHANGES

DOT RESIDUE PROPERTY DISPOSAL

SECTION 1.(a) G.S. 136-19 is amended by adding a new subsection to read:  
"(j) Remainder properties acquired in connection with acquisition of right-of-way shall be  
disposed of as follows:

- (1) The sale of all residues will be by public sale except as hereinafter specified.
- (2) Residue properties sold by public sale may be sold by sealed bid, or by auction  
at the election of the Right of Way Branch. The sale of such properties must be  
advertised by at least one of the following methods:
  - a. Publication in a newspaper having general circulation in the county in  
which the property is situated.
  - b. On a Department of Transportation Web site.
  - c. By placement of a "For Sale" sign on the residue.
- (3) After opening bids or closing of auction, upset bids may be considered. The  
high bid shall be presented to the Board of Transportation at its next regular  
meeting after the date of the sale for rejection or acceptance. The Department of  
Transportation may reject all bids if the Department does not consider the bids  
to be in accord with the appraised or fair market value as determined by the  
Department.
- (4) Residue properties sold by public sale may also be sold by real estate brokers  
licensed in North Carolina at the election of the Chief Engineer. The highest  
offer to purchase shall be presented to the Board of Transportation at its next  
regular meeting after the acceptance of the offer to purchase. The Department  
of Transportation may reject all offers to purchase if the Department does not  
consider them to be in accord with the appraised or fair market value as  
determined by the Department.





- (5) Those residue properties located adjacent to controlled access projects that are landlocked may be sold to the adjoining property owner by negotiation rather than public sale for a consideration that is approved by the Division Right of Way Agent and the Right of Way Unit Manager.
- (6) Residue properties may be sold to State agencies and institutions and other governmental units by negotiation rather than public sale and may be donated provided their future use is for public purposes.
- (7) Residue acquired in connection with highway purposes may be used for the purpose of exchange with a public utility company in part or in full consideration for property to be acquired for highway purposes from the public utility company. Such exchanges shall be based on the appraised values of the surplus property and the property to be acquired for highway purposes. Residue property acquired in connection with right-of-way for a project may be used for the purpose of exchange in part or full consideration for right-of-way being acquired from another property owner on the project. Such exchanges shall be based on the appraised values of the residue property and the right-of-way to be acquired.
- (8) Residues which have an area of one acre or less and a value of twenty-five thousand dollars (\$25,000) or less and the highest and best use is for assemblage with adjacent property may be sold without advertising by negotiations rather than public sale to an adjoining owner. The Division Right of Way Agent together with an Area Appraiser will determine the value of the residue. Factors such as the after value as indicated in the original appraisal, sales of similar properties, and sales of other residues, if any, in the area may be considered in determining the value. After a value has been established, the Division Right of Way Agent or their designee may negotiate with the adjoining owners concerning the disposal of each residue. The decision of the Division Right of Way Agent to accept and complete a sale is final.
- (9) The Manager of Right of Way shall dispose of residues with values of less than five thousand dollars (\$5,000), as determined in accordance with subdivision (8) of this subsection, by executing and delivering on behalf of the Department of Transportation a quit claim deed to the buyers of such residues after the transactions are first approved by the Board of Transportation. Conveyances of residues with values of less than five thousand dollars (\$5,000) shall not require the approval of the Governor and Council of State.
- (10) Residue properties or portions of residue properties acquired in connection with right-of-way for a project and located outside the right-of-way for that project may be sold by negotiation rather than by public sale to property owners and tenants who are displaced by the project for relocation of the displacee. Such sales shall be based upon the appraised value of the residue properties.
- (11) Except as noted in this subsection, all sales of surplus lands, including, but not limited to, surplus rights-of-way, residues, and uneconomic remnants, require the approval of the Board of Transportation."

**SECTION 1.(b)** The Department of Transportation may adopt, amend, or repeal rules to implement G.S. 136-19(j), as enacted by this section.

**SECTION 2.** Reserved

**EXTEND SUNSET FOR DOT MINORITY-OWNED/WOMEN-OWNED BUSINESSES PROGRAM**

**SECTION 3.** G.S. 136-28.4(e) reads as rewritten:

"(e) This section expires August 31, 2017-2019."





**ELIMINATE ANNUAL REPORT ON REDUCING VEHICLE MILES TRAVELED BY STATE EMPLOYEES**

**SECTION 4.** Subsections (d) and (e) of G.S. 143-215.107C are repealed.

**PART II. DIVISION OF MOTOR VEHICLES CHANGES**

**CLARIFY THAT HYBRID VEHICLES WITH EMISSIONS COMPONENTS ARE SUBJECT TO EMISSIONS INSPECTIONS**

**SECTION 5.** 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:

...

(12a) Fuel cell electric vehicle. – A four-wheeled motor vehicle that does not have the ability to be propelled by a gasoline engine and that meets each of the following requirements:

- a. Is made by a manufacturer primarily for use on public streets, roads, and highways and meets National Highway Traffic Safety Administration standards included in 49 C.F.R. § 571.
- b. Has not been modified from original manufacturer specifications with regard to power train or any manner of powering the vehicle.
- c. Uses hydrogen and a fuel cell to produce electricity on board to power an electric motor to propel the vehicle.
- d. Is rated at not more than 8,500 pounds unloaded gross vehicle weight.
- e. Has a maximum speed capability of at least 65 miles per hour.

...

(28a) Plug-in electric vehicle. – A four-wheeled motor vehicle that does not have the ability to be propelled by a gasoline engine and that meets each of the following requirements:

- a. Is made by a manufacturer primarily for use on public streets, roads, and highways and meets National Highway Traffic Safety Administration standards included in 49 C.F.R. § 571.
- b. Has not been modified from original manufacturer specifications with regard to power train or any manner of powering the vehicle.
- c. Is rated at not more than 8,500 pounds unloaded gross vehicle weight.
- d. Has a maximum speed capability of at least 65 miles per hour.
- e. Draws electricity from a battery that has all of the following characteristics:
  1. A capacity of not less than four kilowatt hours.
  2. Capable of being recharged from an external source of electricity.

...."

**MODIFY PROCESS BY WHICH DMV DETERMINES WHETHER TO REVOKE A DRIVERS LICENSE OF A PERSON WHO HAS BEEN ADJUDICATED INCOMPETENT**

**SECTION 6.(a)** G.S. 20-17.1(a) reads as rewritten:

"(a) The Commissioner, upon receipt of notice that any person has been legally adjudicated incompetent or has been involuntarily committed to an institution for the treatment of ~~alcoholism or drug addiction~~, an alcohol abuse or substance abuse disorder, shall forthwith make inquiry into the facts for the purpose of determining whether such person is competent to operate a motor



1 vehicle. If a person has been adjudicated incompetent under Chapter 35A of the General Statutes,  
2 in making an inquiry into the facts, the Commissioner shall consider the clerk of court's  
3 recommendation regarding whether the incompetent person should be allowed to retain his or her  
4 driving privilege. If a clerk of court, in any incompetency adjudication order under Chapter 35A of  
5 the General Statutes, recommends that any person's driving privilege be revoked, the Division  
6 shall immediately revoke such person's driving privilege. If the clerk of court, in any such order,  
7 recommends that the person retain their driving privilege, or makes no recommendation  
8 concerning their driving privilege, the Division shall determine whether the person shall retain  
9 their driving privilege, based upon an inquiry of the facts. Unless the Commissioner is satisfied  
10 that such person is competent to operate a motor vehicle with safety to persons and property, he  
11 the Commissioner shall revoke such person's driving privilege. ~~Provided that if such person~~  
12 ~~requests, in writing, a hearing, he shall retain his license until after the hearing, and if the~~  
13 ~~revocation is sustained after such hearing, the person whose driving privilege has been revoked~~  
14 ~~under the provisions of this section, Any person whose driving privilege is revoked pursuant to~~  
15 ~~this subsection shall have the right to a review by the review board as provided in G.S. 20-9(g)(4)~~  
16 ~~upon written request filed with the Division."~~

17 **SECTION 6.(b)** This section becomes effective February 1, 2018, and applies to  
18 adjudications on or after that date.  
19

## 20 **REDESIGNATE DMV LICENSE AND THEFT INSPECTORS AS AGENTS**

21 **SECTION 7.(a)** G.S. 20-16.5(e) reads as rewritten:

22 "(e) Procedure if Report Filed with Judicial Official When Person Is Present. – If a properly  
23 executed revocation report concerning a person is filed with a judicial official when the person is  
24 present before that official, the judicial official shall, after completing any other proceedings  
25 involving the person, determine whether there is probable cause to believe that each of the  
26 conditions of subsection (b) has been met. If he determines that there is such probable cause, he  
27 shall enter an order revoking the person's driver's license for the period required in this subsection.  
28 The judicial official shall order the person to surrender his license and if necessary may order a  
29 law-enforcement officer to seize the license. The judicial official shall give the person a copy of  
30 the revocation order. In addition to setting it out in the order the judicial official shall personally  
31 inform the person of his right to a hearing as specified in subsection (g), and that his license  
32 remains revoked pending the hearing. The revocation under this subsection begins at the time the  
33 revocation order is issued and continues until the person's license has been surrendered for the  
34 period specified in this subsection, and the person has paid the applicable costs. The period of  
35 revocation is 30 days, if there are no pending offenses for which the person's license had been or is  
36 revoked under this section. If at the time of the current offense, the person has one or more  
37 pending offenses for which his license had been or is revoked under this section, the revocation  
38 shall remain in effect until a final judgment, including all appeals, has been entered for the current  
39 offense and for all pending offenses. In no event, may the period of revocation under this  
40 subsection be less than 30 days. If within five working days of the effective date of the order, the  
41 person does not surrender his license or demonstrate that he is not currently licensed, the clerk  
42 shall immediately issue a pick-up order. The pick-up order shall be issued to a member of a local  
43 law-enforcement agency if the law enforcement officer was employed by the agency at the time of  
44 the charge and the person resides in or is present in the agency's territorial jurisdiction. In all other  
45 cases, the pick-up order shall be issued to an officer or ~~inspector~~ agent of the Division. A pick-up  
46 order issued pursuant to this section is to be served in accordance with G.S. 20-29 as if the order  
47 had been issued by the Division."

48 **SECTION 7.(b)** G.S. 20-49 reads as rewritten:

49 **"§ 20-49. Police authority of Division.**





1 The Commissioner and such officers and ~~inspectors-agents~~ of the Division as ~~he-the~~  
2 Commissioner shall designate and all members of the Highway Patrol and law enforcement  
3 officers of the Department of Public Safety shall have the power:

4 ...."

5 SECTION 7.(c) G.S. 20-49.1 reads as rewritten:

6 "**§ 20-49.1. Supplemental police authority of Division ~~officers-officers and agents.~~**

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

- 10 (1) When they have probable cause to believe that a person has committed a  
11 criminal act in their presence and at the time of the violation they are engaged  
12 in the enforcement of laws otherwise within their jurisdiction.  
13 (2) When they are asked to provide temporary assistance by the head of a State or  
14 local law enforcement agency or his designee and the request is within the  
15 scope of the agency's subject matter jurisdiction.

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

23 (b) In addition to the law enforcement authority granted in G.S. 20-49 or elsewhere, the  
24 Commissioner and the officers and ~~inspectors-agents~~ of the Division whom the Commissioner  
25 designates have the authority to investigate drivers license fraud and identity thefts related to  
26 drivers license fraud and to make arrests for these offenses."

27 SECTION 7.(d) G.S. 20-53(e) reads as rewritten:

28 "(e) No title shall be issued to an initial applicant for (i) out-of-state vehicles that are 1980  
29 model year or older or (ii) a specially constructed vehicle prior to the completion of a vehicle  
30 verification conducted by the License and Theft Bureau of the Division of Motor Vehicles. These  
31 verifications shall be conducted as soon as practical. For an out-of-state vehicle that is 1980 model  
32 year or older, this inspection shall consist of verifying the public vehicle identification number to  
33 ensure that it matches the vehicle and ownership documents. No covert vehicle identification  
34 numbers are to be examined on an out-of-state vehicle 1980 model year or older unless the  
35 ~~inspector-agent~~ develops probable cause to believe that the ownership documents or public vehicle  
36 identification number presented does not match the vehicle being examined. However, upon such  
37 application and the submission of any required documentation, the Division shall be authorized to  
38 register the vehicle pending the completion of the verification of the vehicle. The registration shall  
39 be valid for one year but shall not be renewed unless and until the vehicle examination has been  
40 completed.

41 If an inspection and verification is not conducted by the License and Theft Bureau of the  
42 Division of Motor Vehicles within 15 days after receiving a request for such and the ~~inspector~~  
43 agent has no probable cause to believe that the ownership documents or public vehicle  
44 identification number presented does not match the vehicle being examined, the vehicle shall be  
45 deemed to have satisfied all inspection and verification requirements and title shall issue to the  
46 owner within 15 days thereafter. If an inspection and verification is timely performed and the  
47 vehicle passes the inspection and verification, title shall issue to the owner within 15 days of the  
48 date of the inspection."

49 SECTION 7.(e) G.S. 20-108 reads as rewritten:

50 "**§ 20-108. Vehicles or component parts of vehicles without manufacturer's numbers.**

51 ...



(b) The Commissioner and such officers and ~~inspectors~~ agents of the Division of Motor Vehicles as he has designated may take and possess any motor vehicle or component part if its engine number, vehicle identification number, or manufacturer's serial number has been altered, changed, or obliterated or if such officer or agent has probable cause to believe that the driver or person in charge of the motor vehicle or component part has violated subsection (a) above. Any officer or agent who so takes possession of a motor vehicle or component part shall immediately notify the Division of Motor Vehicles and the rightful owner, if known. The notification shall contain a description of the motor vehicle or component part and any other facts that may assist in locating or establishing the rightful ownership thereof or in prosecuting any person for a violation of the provisions of this Article.

(c) Within 15 days after seizure of a motor vehicle or component part pursuant to this section, the Division shall send notice by certified mail to the person from whom the property was seized and to all claimants to the property whose interest or title is in the registration records in the Division of Motor Vehicles that the Division has taken custody of the motor vehicle or component part. The notice shall also contain the following information:

- (1) The name and address of the person or persons from whom the motor vehicle or component part was seized;
- (2) A statement that the motor vehicle or component part has been seized for investigation as provided in this section and that the motor vehicle or component part will be released to the rightful owner:
  - a. Upon a determination that the identification number has not been altered, changed, or obliterated; or
  - b. Upon presentation of satisfactory evidence of the ownership of the motor vehicle or component part if no other person claims an interest in it within 30 days of the date the notice is mailed. Otherwise, a hearing regarding the disposition of the motor vehicle or component part may take place in a court having jurisdiction.
- (3) The name and address of the officer or agent to whom evidence of ownership of the motor vehicle or component part may be presented; and
- (4) A copy statement of the text contained in this section.

(d) Whenever a motor vehicle or component part comes into the custody of an ~~officer~~, officer or agent, the Division of Motor Vehicles may commence a civil action in the District Court in the county in which the motor vehicle or component part was seized to determine whether the motor vehicle or component part should be destroyed, sold, converted to the use of the Division or otherwise disposed of by an order of the court. The Division shall give notice of the commencement of such an action to the person from whom the motor vehicle or component part was seized and all claimants to the property whose interest or title is in the registration records of the Division of Motor Vehicles. Notice shall be by certified mail sent within 10 days after the filing of the action. In addition, any possessor of a motor vehicle or component part described in this section may commence a civil action under the provisions of this section, to which the Division of Motor Vehicles may be made a party, to provide for the proper disposition of the motor vehicle or component part.

...  
(j) An officer or agent taking into custody a motor vehicle or component part under the provisions of this section is authorized to obtain necessary removal and storage services, but shall incur no personal liability for such services. The person or company so employed shall be entitled to reasonable compensation as a claimant under (e), and shall not be deemed an unlawful possessor under (a)."

#### **LIMIT ISSUANCE OF 10-DAY TEMPORARY VEHICLE REGISTRATION TAGS**

**SECTION 8.(a)** G.S. 20-50(b) reads as rewritten:





"(b) The Division may issue a temporary license plate for a vehicle. A temporary license plate is valid for the period set by the Division. The period may not be less than 10 days nor more than 60 days. Except for a vehicle that is model year 1980 or older and is being transported directly to or from a vehicle show or exhibition, the Division shall not issue more than two 10-day temporary license plates to a person for a particular vehicle during an annual registration period.

A person may obtain a temporary license plate for a vehicle by filing an application with the Division and paying the required fee. An application must be filed on a form provided by the Division.

The fee for a temporary license plate that is valid for 10 days is ten dollars (\$10.00). The fee for a temporary license plate that is valid for more than 10 days is the amount that would be required with an application for a license plate for the vehicle. If a person obtains for a vehicle a temporary license plate that is valid for more than 10 days and files an application for a license plate for that vehicle before the temporary license plate expires, the person is not required to pay the fee that would otherwise be required for the license plate.

A temporary license plate is subject to the following limitations and conditions:

- (1) It may be issued only upon proper proof that the applicant has met the applicable financial responsibility requirements.
- (2) It expires on midnight of the day set for expiration.
- (3) It may be used only on the vehicle for which issued and may not be transferred, loaned, or assigned to another.
- (4) If it is lost or stolen, the person who applied for it must notify the Division.
- (5) It may not be issued by a dealer.
- (6) The provisions of G.S. 20-63, 20-71, 20-110 and 20-111 that apply to license plates apply to temporary license plates insofar as possible."

**SECTION 8.(b)** This section becomes effective January 1, 2018, and applies to applications received on or after that date.

## **REMOVE SIGNATURE LINE FROM MOTOR VEHICLE REGISTRATION CARD**

**SECTION 9.** G.S. 20-57(b) reads as rewritten:

"(b) The registration card shall be delivered to the owner and shall contain upon the face thereof the name and address of the owner, ~~space for the owner's signature~~, the registration number assigned to the vehicle, and a description of the vehicle as determined by the Commissioner, provided that if there are more than two owners the Division may show only two owners on the registration card and indicate that additional owners exist by placing after the names listed "et al." An owner may obtain a copy of a registration card issued in the owner's name by applying to the Division for a copy and paying the fee set in G.S. 20-85."

## **MODIFY CONTINUING EDUCATION REQUIREMENT FOR INDEPENDENT MOTOR VEHICLE DEALERS**

**SECTION 10.(a)** G.S. 20-288(a1) reads as rewritten:

"(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:

- ...
- (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 six-hour course approved by the Division 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. any person who is seeking a renewal license, who is age 60 or older, and who has been licensed for at least 10 consecutive years beginning on or after the person's fiftieth birthday. 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 20 miles or less from 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.

...."

**SECTION 10.(b)** This section becomes effective January 1, 2018, and applies to renewals on or after that date.

### **ALLOW REMOTE CONVERSION OF CERTAIN FULL PROVISIONAL LICENSES TO CLASS C LICENSES**

**SECTION 11.(a)** G.S. 20-7(f)(1) reads as rewritten:

"(1) Duration of license for persons under age 18. – A full provisional license issued to a person under the age of 18 expires on the sixtieth day following the person's twenty-first birthday."

**SECTION 11.(b)** G.S. 20-7(f)(6) reads as rewritten:

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

a. Requirements. – To be eligible for remote renewal or conversion under this subdivision, a person must meet all of the following requirements:

1. The license holder (i) possesses a ~~valid, unexpired valid~~ Class C drivers license ~~that was issued when the person was at least 18 years old~~ or (ii) possesses a valid full provisional license and is at least 18 years old at the time of the remote conversion request.
2. The license holder's current license includes no restrictions other than a restriction for corrective lenses.
3. The license holder attests, in a manner designated by the Division, that (i) the license holder is a resident of the State and currently resides at the address on the license to be ~~renewed,~~ renewed or converted, (ii) the license holder's name as it appears on the license to be renewed or converted has not changed, and (iii) all other information required by the Division for an in-person renewal under this Article has been provided completely and truthfully. If the license holder does not currently reside at the address on the license to be renewed or converted, the license holder may comply with the address requirement of this sub-sub-subdivision by providing the address at which the license holder resides at the time of the remote renewal or conversion request.
4. ~~The~~ For a remote renewal, the most recent renewal was an in-person renewal and not a remote renewal under this subdivision.
5. The license holder is otherwise eligible for renewal or conversion under this subsection.





- b. Waiver of requirements. – When renewing or converting a drivers license pursuant to this subdivision, the Division may waive the examination and photograph that would otherwise be required for the ~~renewal~~ renewal or conversion.
- c. Duration of remote ~~renewal~~ renewal or conversion. – A ~~renewed~~ drivers license issued to a person by remote renewal or conversion under this subdivision expires according to the following schedule:
1. For a person at least 18 years old but less than 66 years old, on the birthday of the licensee in the eighth year after issuance.
  2. For a person at least 66 years old, on the birthday of the licensee in the fifth year after issuance.
- d. Rules. – The Division shall adopt rules to implement this subdivision.
- e. Federal law. – Nothing in this subdivision shall be construed to supersede any more restrictive provisions for renewal or conversion of drivers licenses prescribed by federal law or regulation.
- f. Definition. – For purposes of this subdivision, "remote ~~renewal~~ renewal or conversion" means renewal or conversion of a drivers license or full provisional license by mail, telephone, electronic device, or other secure means approved by the Commissioner."

**SECTION 11.**(c) Subsection (a) of this section becomes effective March 1, 2018, and applies to full provisional licenses issued on or after that date. The remainder of this section becomes effective March 1, 2018.

#### **TEMPORARY REGISTRATION PLATES/EXTEND TIME LIMIT FOR DELIVERY OF SALES DOCUMENTS**

**SECTION 12.**(a) G.S. 20-79.1(d)(3) reads as rewritten:

"(d) A dealer shall:

...

- (3) Within ~~10-20~~ working days, 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 in writing by all parties to the contract."

**SECTION 12.**(b) This section is effective when it becomes law and applies to sales made on or after that date.

**SECTION 13.** Reserved.

#### **SPECIAL IDENTIFICATION CARDS/MODIFY ISSUANCE PROCESS AND ALLOW REMOTE RENEWAL**

**SECTION 14.**(a) G.S. 20-37.7 reads as rewritten:

"§ 20-37.7. Special identification card.

...

(d) ~~Expiration and Fee Duration. – A special~~ Special identification card issued to a person for the first time under this section expires when a drivers license issued on the same day to that person would expire. A special identification card renewed under this section expires when a drivers license renewed by the card holder on the same day would expire. cards shall be issued and renewed pursuant to the provisions of this subsection:

- (1) Duration for persons under age 18. – A special identification card issued to or renewed by a person under the age of 18 expires on the birthday of the holder in the fifth year after issuance.





- 1           (2) Duration for persons age 18 and older. – A special identification card issued to  
2 or renewed by a person at least 18 years old expires on the birthday of the  
3 holder in the eighth year after issuance.
- 4           (3) Duration for certain other drivers. – The durations listed in subdivisions (1) and  
5 (2) of this subsection are valid unless the Division determines that a special  
6 identification card of shorter duration should be issued when the applicant holds  
7 valid documentation issued by, or under the authority of, the United States  
8 government that demonstrates the applicant's legal presence of limited duration  
9 in the United States. In no event shall a special identification card of limited  
10 duration expire later than the expiration of the authorization for the applicant's  
11 legal presence in the United States.
- 12           (4) When to renew. – A person may apply to the Division to renew a special  
13 identification card during the 180-day period before the special identification  
14 card expires. The Division may not accept an application for renewal made  
15 before the 180-day period begins.
- 16           (d1) Fee. – The fee for a new or renewed special identification card is the same as the fee  
17 set in G.S. 20-14 for a duplicate license. The fee does not apply to a special identification card  
18 issued to a resident of this State as follows:
- 19           ...
- 20           (7) The applicant has a developmental disability. To obtain a special identification  
21 card without paying a fee pursuant to this subdivision, an applicant must  
22 present a ~~letter from~~ letter, or a form approved by the Division, signed by his or  
23 her primary care provider certifying that the applicant has a developmental  
24 disability. For purposes of this subdivision, the term "developmental disability"  
25 has the same meaning as in G.S. 122C-3.
- 26           (d2) Remote Renewal. – Subject to the following limitations and requirements, the Division  
27 may offer remote renewal of a special identification card issued by the Division:
- 28           (1) Requirements. – To be eligible for remote renewal under this subsection, a  
29 person must meet all of the following requirements:
- 30           a. The special identification card holder possesses a valid special  
31 identification card that was issued when the person was at least 18 years  
32 old.
- 33           b. The special identification card holder attests, in a manner designated by  
34 the Division, that (i) the special identification card holder is a resident of  
35 the State and currently resides at the address on the special identification  
36 card to be renewed, (ii) the special identification card holder's name as it  
37 appears on the special identification card to be renewed has not  
38 changed, and (iii) all other information required by the Division for an  
39 in-person renewal under this Article has been provided completely and  
40 truthfully. If the special identification card holder does not currently  
41 reside at the address on the special identification card to be renewed, the  
42 special identification card holder may comply with the address  
43 requirement of this sub-subdivision by providing the address at which  
44 the special identification card holder resides at the time of the remote  
45 renewal request.
- 46           c. The most recent renewal was an in-person renewal and not a remote  
47 renewal under this subsection.
- 48           d. The special identification card holder is otherwise eligible for renewal  
49 under this subsection.





(2) Definition. – For purposes of this subsection, "remote renewal" means renewal of a special identification card by mail, telephone, electronic device, or other secure means approved by the Commissioner.

~~(d1)~~(d3) Severe Disability. – For a person who has a physician's letter certifying that a severe disability causes the person to be homebound, the Division shall adopt rules allowing for application for or renewal of a special photo identification card under this section by means other than a personal appearance.

(d4) Special Identification Card to Be Sent by Mail. – The Division shall issue to the applicant a temporary identification certificate valid for 60 days. The temporary identification certificate shall not be valid for identification purposes, except when conducting business with the Division and not otherwise prohibited by federal law. The Division shall produce the applicant's special identification card at a central location and send it to the applicant by first-class mail at the residence address provided by the applicant, unless the applicant is ineligible for mail delivery by the United States Postal Service at the applicant's residence. If the United States Postal Service documents that it does not deliver to the residential address provided by the applicant, and the Division has verified the applicant's residential address by other means, the Division may mail the special identification card to the post office box provided by the applicant. Applicants whose only mailing address prior to July 1, 2008, was a post office box in this State may continue to receive their license at that post office box, provided the applicant's residential address has been verified by the Division.

...."

**SECTION 14.(b)** G.S. 20-9.2(c) reads as rewritten:

"(c) This section does not apply to special identification cards issued pursuant to ~~G.S. 20-37.7(d)(5) or (6)~~ subdivision (5) or (6) of subsection (d1) of G.S. 20-37.7."

**SECTION 14.(c)** G.S. 163-275(13) reads as rewritten:

"(13) For any person falsely to make or present any certificate or other paper to qualify any person fraudulently as a voter, or to attempt thereby to secure to any person the privilege of voting, including declarations made under this Chapter, ~~G.S. 20-37.7(d)(5), 20-37.7(d)(6), G.S. 20-37.7(d1)(5), 20-37.7(d1)(6), 130A-93.1(c), and 161-10(a)(8).~~"

**SECTION 14.(d)** Subsections (b) and (c) of this section and subsection (d2) of G.S. 20-37.7, as enacted by subsection (a) of this section, become effective December 1, 2017. The remainder of this section becomes effective December 1, 2017, and applies to initial applications and renewals on or after that date.

## **DMV OFFICERS/EXPAND LIST OF SITUATIONS WHERE POLICE AUTHORITY MAY BE EXERCISED**

**SECTION 15.** G.S. 20-49.1(a) is amended by adding a new subdivision to read:

"(3) When they are responding to an emergency situation that (i) is occurring in their immediate vicinity and (ii) would likely result in bodily harm or loss of property without immediate intervention."

## **ELIMINATION OF DRIVERS LICENSE TECHNOLOGY FUND**

**SECTION 16.** G.S. 20-37.01 and G.S. 20-37.02(e) are repealed.

## **MOTOR VEHICLE DEFINITION/TECHNICAL CORRECTION**

**SECTION 17.** G.S. 58-37-1(6) reads as rewritten:

"(6) "Motor vehicle" means every self-propelled vehicle that is designed for use upon a highway, including trailers and semitrailers designed for use with such vehicles (except traction engines, road rollers, farm tractors, tractor cranes, power shovels, and well drillers). "Motor vehicle" also means a motorcycle, as



1 defined in G.S. 20-4.01(27)d., and a moped, as defined in ~~G.S. 20-4.01(27)d1.,~~  
2 ~~or G.S. 20-4.01(27)d1. "Motor vehicle" does not mean~~ an electric assisted  
3 bicycle, as defined in G.S. 20-4.01(7a)."  
4

5 **PART III. EFFECTIVE DATE**

6 **SECTION 18.** Except as otherwise provided, this act becomes effective July 1, 2017.





GENERAL ASSEMBLY OF NORTH CAROLINA  
SESSION 2017

H

D

HOUSE BILL 181  
Committee Substitute Favorable 3/22/17  
PROPOSED COMMITTEE SUBSTITUTE H181-PCS30249-RWf-14

Short Title: First Responders Act of 2017.

(Public)

Sponsors:

Referred to:

February 23, 2017

A BILL TO BE ENTITLED  
AN ACT TO MAKE VARIOUS CHANGES TO THE LAWS APPLYING TO FIRST  
RESPONDERS.

The General Assembly of North Carolina enacts:

**PART I. TAX DEDUCTION FOR FIREFIGHTERS**

**SECTION 1.(a)** G.S. 105-153.5 is amended by adding a new subsection to read:

"(e) Other Adjustments. – In calculating North Carolina taxable income, a taxpayer who is an eligible firefighter or an eligible rescue squad worker may deduct from adjusted gross income the sum of two hundred fifty dollars (\$250.00). In the case of a married couple filing a joint return, each spouse may qualify separately for the deduction allowed under this subsection. In order to claim the deduction allowed under this subsection, the taxpayer must submit with the tax return any documentation required by the Secretary. An individual may not claim a deduction as both an eligible firefighter and as an eligible rescue squad worker in a single taxable year. The following definitions apply in this subsection:

(1) Eligible firefighter. – An unpaid member of a volunteer fire department who attended at least 36 hours of fire department drills and meetings during the taxable year.

(2) Eligible rescue squad worker. – An unpaid member of a volunteer rescue or emergency medical services squad who attended at least 36 hours of rescue squad training and meetings during the taxable year."

**SECTION 1.(b)** This section is effective for taxable years beginning on or after January 1, 2017.

**PART II. PROPERTY TAX HOMESTEAD EXCLUSION FOR SURVIVING SPOUSE OF QUALIFYING EMERGENCY PERSONNEL**

**SECTION 2.(a)** Article 12 of Subchapter II of Chapter 105 of the General Statutes is amended by adding a new section to read:

**"§ 105-277.1E. Surviving spouse property tax homestead exclusion.**

(a) Classification. – A permanent residence owned and occupied by a qualifying owner is designated a special class of property under Section 2(2) of Article V of the North Carolina Constitution and is taxable in accordance with this section. The appraised value of the permanent residence is excluded from taxation. A qualifying owner who receives an exclusion under this section may not receive other property tax relief.

(b) Definitions. – The following definitions apply in this section:



\* H 1 8 1 - P C S 3 0 2 4 9 - R W F - 1 4 \*



(1) Emergency personnel officer. – Firefighting, search and rescue, or emergency medical services personnel or any employee of any duly accredited State or local government agency possessing authority to enforce the criminal laws of the State who (i) is actively serving in a position with assigned primary duties and responsibilities for prevention and detection of crime or the general enforcement of the criminal laws of the State and (ii) possesses the power of arrest by virtue of an oath administered under the authority of the State.

(2) Permanent residence. – Defined in G.S. 105-277.1.

(3) Property tax relief. – Defined in G.S. 105-277.1.

(4) Qualifying owner. – An owner, as defined in G.S. 105-277.1, who is a North Carolina resident and is the surviving spouse who has not remarried of an emergency personnel officer who was killed in the line of duty.

(c) Temporary Absence. – An owner does not lose the benefit of this exclusion because of a temporary absence from his or her permanent residence for reasons of health or because of an extended absence while confined to a rest home or nursing home, so long as the residence is unoccupied or occupied by a dependent of the owner.

(d) Other Multiple Owners. – This subsection applies to co-owners who are not husband and wife. Each co-owner of a permanent residence must apply separately for the exclusion allowed under this section.

When one or more co-owners of a permanent residence qualify for the exclusion allowed under this section and none of the co-owners qualifies for the exclusion allowed under G.S. 105-277.1, each co-owner is entitled to the full amount of the exclusion allowed under this section. The exclusion allowed to one co-owner may not exceed the co-owner's proportionate share of the valuation of the property, and the amount of the exclusion allowed to all the co-owners may not exceed the exclusion allowed under this section.

When one or more co-owners of a permanent residence qualify for the exclusion allowed under this section and one or more of the co-owners qualify for the exclusion allowed under G.S. 105-277.1, each co-owner who qualifies for the exclusion allowed under this section is entitled to the full amount of the exclusion. The exclusion allowed to one co-owner may not exceed the co-owner's proportionate share of the valuation of the property, and the amount of the exclusion allowed to all the co-owners may not exceed the greater of the exclusion allowed under this section and the exclusion allowed under G.S. 105-277.1.

(e) Application. – An application for the exclusion allowed under this section should be filed during the regular listing period but may be filed and must be accepted at any time up to and through June 1 preceding the tax year for which the exclusion is claimed. Persons may apply for this property tax relief by entering the appropriate information on a form made available by the assessor under G.S. 105-282.1."

**SECTION 2.(b)** G.S. 105-282.1(a) reads as rewritten:

"(a) Application. – Every owner of property claiming exemption or exclusion from property taxes under the provisions of this Subchapter has the burden of establishing that the property is entitled to it. If the property for which the exemption or exclusion is claimed is appraised by the Department of Revenue, the application shall be filed with the Department. Otherwise, the application shall be filed with the assessor of the county in which the property is situated. An application must contain a complete and accurate statement of the facts that entitle the property to the exemption or exclusion and must indicate the municipality, if any, in which the property is located. Each application filed with the Department of Revenue or an assessor shall be submitted on a form approved by the Department. Application forms shall be made available by the assessor and the Department, as appropriate.

Except as provided below, an owner claiming an exemption or exclusion from property taxes must file an application for the exemption or exclusion annually during the listing period.



...  
(2) Single application required. – An owner of one or more of the following properties eligible for a property tax benefit must file an application for the benefit to receive it. Once the application has been approved, the owner does not need to file an application in subsequent years unless new or additional property is acquired or improvements are added or removed, necessitating a change in the valuation of the property, or there is a change in the use of the property or the qualifications or eligibility of the taxpayer necessitating a review of the benefit.

- a. Property exempted from taxation under G.S. 105-278.3, 105-278.4, 105-278.5, 105-278.6, 105-278.7, or 105-278.8.
- b. Special classes of property excluded from taxation under G.S. 105-275(3), (7), (8), (12), (17), (18), (19), (20), (21), (31e), (35), (36), (38), (39), (41), or (45) or under G.S. 105-277.1E or G.S. 131A-21.
- c. Special classes of property classified for taxation at a reduced valuation under G.S. 105-277(h), 105-277.1, 105-277.1C, 105-277.10, 105-277.13, 105-277.14, 105-277.15, 105-277.17, or 105-278.

...."

**SECTION 2.(c)** This section is effective for taxes imposed for taxable years beginning on or after July 1, 2017.

### **PART III. ALLOW COMPANY POLICE OFFICERS AND HOSPITAL SECURITY TO TAKE PERSONS INTO CUSTODY FOR EXAMINATION BY PHYSICIAN OR ELIGIBLE PSYCHOLOGIST**

**SECTION 3.** The title of Part 7 of Article 5 of Chapter 122C of the General Statutes and G.S. 122C-261 read as rewritten:

"Part 7. Involuntary Commitment of ~~the Mentally Ill;~~Persons with Mental Illness; Facilities for ~~the Mentally Ill;~~Persons With Mental Illness.

#### **"§ 122C-261. Affidavit and petition before clerk or magistrate when immediate hospitalization is not necessary; custody order.**

(a) Anyone who has knowledge of an individual who ~~is mentally ill~~has a mental illness and is either (i) dangerous to self, as defined in G.S. 122C-3(11)a., or dangerous to others, as defined in G.S. 122C-3(11)b., or (ii) in need of treatment in order to prevent further disability or deterioration that would predictably result in dangerousness, may appear before a clerk or assistant or deputy clerk of superior court or a magistrate and execute an affidavit to this effect, and petition the clerk or magistrate for issuance of an order to take the respondent into custody for examination by a physician or eligible psychologist. The affidavit shall include the facts on which the affiant's opinion is based. If the affiant has knowledge or reasonably believes that the respondent, in addition to ~~being mentally ill,~~having a mental illness, ~~is also mentally retarded,~~has an intellectual disability, this fact shall be stated in the affidavit. Jurisdiction under this subsection is in the clerk or magistrate in the county where the respondent resides or is found.

(b) If the clerk or magistrate finds reasonable grounds to believe that the facts alleged in the affidavit are true and that the respondent ~~is probably mentally ill~~has a mental illness and is either (i) dangerous to self, as defined in G.S. 122C-3(11)a., or dangerous to others, as defined in G.S. 122C-3(11)b., or (ii) in need of treatment in order to prevent further disability or deterioration that would predictably result in dangerousness, the clerk or magistrate shall issue an order to ~~a take the respondent into custody for examination by a physician or eligible psychologist.~~take the respondent into custody for examination by a physician or eligible psychologist. The order shall be issued to any of the following persons:

- (1) ~~A law enforcement officer-officer.~~
- (2) ~~A company police officer commissioned under Chapter 74E of the General Statutes who is present at and assigned to the 24-hour facility or area facility where the respondent is located.~~
- (3) ~~or any~~Any other person authorized under G.S. 122C-251 to take the respondent into custody for examination by a physician or eligible psychologist.G.S. 122C-251.

If the clerk or magistrate finds that, in addition to probably ~~being mentally ill, having a mental illness,~~ the respondent is also probably ~~mentally retarded,~~has an intellectual disability, the clerk or magistrate shall contact the area authority before issuing a custody order and the area authority shall designate the facility to which the respondent is to be taken for examination by a physician or eligible psychologist. The clerk or magistrate shall provide the petitioner and the respondent, if present, with specific information regarding the next steps that will occur for the respondent.

...  
(d) If the affiant is a physician or eligible psychologist, all of the following apply:

- ...
- (6) If the clerk or magistrate finds probable cause to believe that the respondent, in addition to ~~being mentally ill, having a mental illness,~~ is also ~~mentally retarded,~~has an intellectual disability, the clerk or magistrate shall contact the area authority before issuing the order and the area authority shall designate the facility to which the respondent is to be transported.

...  
(f) When a petition is filed for an individual who is a resident of a single portal area, the procedures for examination by a physician or eligible psychologist as set forth in G.S. 122C-263 shall be carried out in accordance with the area plan. Prior to issuance of a custody order for a respondent who resides in an area authority with a single portal plan, the clerk or magistrate shall communicate with the area authority to determine the appropriate 24-hour facility to which the respondent should be admitted according to the area plan or to determine if there are more appropriate resources available through the area authority to assist the petitioner or the respondent. When an individual from a single portal area is presented for commitment at a 24-hour area or State facility directly, the individual may not be accepted for admission until the facility notifies the area authority and the area authority agrees to the admission. If the area authority does not agree to the admission, it shall determine the appropriate 24-hour facility to which the individual should be admitted according to the area plan or determine if there are more appropriate resources available through the area authority to assist the individual. If the area authority agrees to the admission, further planning of treatment for the client is the joint responsibility of the area authority and the facility as prescribed in the area plan.

Notwithstanding the provisions of this section, in no event shall an individual known or reasonably believed to ~~be mentally retarded,~~have an intellectual disability be admitted to a State psychiatric hospital, except as follows:

- (1) Persons described in G.S. 122C-266(b);
- (2) Persons admitted pursuant to G.S. 15A-1321;
- (3) Respondents who are so extremely dangerous as to pose a serious threat to the community and to other patients committed to non-State hospital psychiatric inpatient units, as determined by the Director of the Division of Mental Health, Developmental Disabilities, and Substance Abuse Services or his designee; and
- (4) Respondents who are so gravely disabled by both multiple disorders and medical fragility or multiple disorders and deafness that alternative care is

inappropriate, as determined by the Director of the Division of Mental Health, Developmental Disabilities, and Substance Abuse Services or his designee.

Individuals transported to a State facility for ~~the mentally ill~~ persons with mental illness who are not admitted by the facility may be transported by law enforcement officers or designated staff of the State facility in State-owned vehicles to an appropriate 24-hour facility that provides psychiatric inpatient care.

No later than 24 hours after the transfer, the responsible professional at the original facility shall notify the petitioner, the clerk of court, and, if consent is granted by the respondent, the next of kin, that the transfer has been completed."

#### PART IV. INTERSTATE ACCESS STUDY

**SECTION 4.(a)** Study. – The Department of Transportation shall study the needs of law enforcement, emergency medical and emergency management personnel, and firefighters to improve access to or within the interstate system within this State for the benefit of public safety. In conducting the study, the Department of Transportation may consult with the Division of Emergency Management of the Department of Public Safety, the Office of State Fire Marshal of the Department of Insurance, the Office of Emergency Medical Services of the Department of Health and Human Services, and any other State or local government organizations the Department of Transportation determines may be of assistance in the course of the study. In performing the study, the Department of Transportation shall, at a minimum, take the following steps:

- (1) Consult with county fire marshal divisions, emergency management offices, and emergency medical service divisions to determine potential sites of interest for construction or improvement relevant to the study.
- (2) Establish criteria to prioritize sites of interest for either construction or improvement.
- (3) Review applicable federal and State laws, codes, standards, and studies relevant to the study.
- (4) Review (i) existing Department of Transportation planning, design, and construction standards for interchanges, median crossovers, and access points and (ii) how those standards consider the needs of law enforcement, emergency medical and emergency management personnel, and firefighters.
- (5) Consider the feasibility of providing opportunities for stakeholder input during the planning of future interstate improvements that focus on the needs of law enforcement, emergency medical and emergency management personnel, and firefighters.
- (6) Examine any other matters the Department of Transportation deems relevant in the course of the study.

**SECTION 4.(b)** Report. – The Department of Transportation shall report the findings and recommendations, including any legislative proposals, to the Joint Legislative Oversight Committee on Justice and Public Safety, Joint Emergency Management Oversight Committee, and Joint Legislative Transportation Oversight Committee no later than March 1, 2018.

#### PART V. LOCAL FIREFIGHTER RELIEF FUND ELIGIBILITY

**SECTION 5.(a)** G.S. 58-84-35(a) reads as rewritten:

**"§ 58-84-35. Disbursement of funds by trustees.**

(a) The board of trustees shall have entire control of the funds derived from the provisions of this Article, and shall disburse the funds only for the following purposes:

...



(2a) To provide assistance, upon approval by the Executive Director of the North Carolina State Firefighters' Association, to a destitute member firefighter who has served or is serving honorably ~~for at least five years with a certified fire department~~. The determination of destitute shall be based on the inability of the firefighters, through no fault of their own, to provide basic provisions to themselves or their families. Such basic provisions include, but are not limited to, assistance with housing, vehicle or commuting expenses, food, clothing, utilities, medical care, and funeral expenses.

...."

**SECTION 5.(b)** This section becomes effective July 1, 2017, and applies to distributions to local firefighters' relief funds on or after that date.

## **PART VI. CDL/CLARIFY EXEMPTION FOR EMERGENCY VEHICLES**

**SECTION 6.(a)** G.S. 20-7(a)(3) reads as rewritten:

"(3) Class C. – A Class C license authorizes the holder to drive any of the following:

- a. A Class C motor vehicle that is not a commercial motor vehicle.
- b. When operated by a volunteer member of a fire department, a rescue squad, or an emergency medical service (EMS) in the performance of duty, a Class A or Class B fire-fighting, rescue, or EMS motor vehicle or a combination of these vehicles. For purposes of this sub-subdivision, (i) the term "performance of duty" includes any official business of a fire department, rescue squad, or EMS that requires use of the vehicle and (ii) the term "official business" includes training and the performance of maintenance.
- c. A combination of noncommercial motor vehicles that have a GVWR of more than 10,000 pounds but less than 26,001 pounds. This sub-subdivision does not apply to a Class C license holder less than 18 years of age."

**SECTION 6.(b)** G.S. 20-37.16(e) reads as 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:

...

- (2) Any vehicle when used as firefighting or emergency equipment for the purpose of preserving life or ~~property or to execute property; executing emergency governmental functions; functions; or other official business of a fire department, rescue squad, or emergency medical service that requires use of the vehicle.~~ For purposes of this subdivision, the term "official business" includes training and the performance of maintenance.

...."

## **PART VII. HATE CRIMES AGAINST EMERGENCY PERSONNEL**

**SECTION 7.(a)** Article 52 of Chapter 14 of the General Statutes is amended by adding a new section to read:

**"§ 14-401.14A. Hate crime against emergency personnel.**

(a) The following definitions apply in this section:

- (1) Emergency personnel. – As defined in G.S. 14-288.9.
- (2) Serious bodily injury. – As defined in G.S. 14-32.4.

(b) Unless the conduct is covered by another provision of law providing greater punishment, if anyone assaults another person because the person is emergency personnel and inflicts serious bodily injury on the other person, the offender is guilty of a Class H felony.

(c) Unless the conduct is covered by another provision of law providing greater punishment, if anyone assaults another person with a firearm because the person is emergency personnel, the offender is guilty of a Class F felony.

(d) Anyone who, with the intent of harming a person who is emergency personnel, lures the person to a location by falsely reporting or having another individual falsely report that emergency services are needed and then assaults that person because the person is emergency personnel is guilty of a Class E felony."

**SECTION 7.(b)** This section becomes effective December 1, 2017, and applies to offenses committed on or after that date.

## **PART VIII. CONCEALED CARRY FOR CERTAIN EMERGENCY MEDICAL SERVICES PERSONNEL**

**SECTION 8.(a)** G.S. 14-269 reads as rewritten:

### **"§ 14-269. Carrying concealed weapons.**

(a) It shall be unlawful for any person willfully and intentionally to carry concealed about his or her person any bowie knife, dirk, dagger, slung shot, loaded cane, metallic knuckles, razor, shuriken, stun gun, or other deadly weapon of like kind, except when the person is on the person's own premises.

...

(b) This prohibition shall not apply to the following persons:

...

(10) Emergency medical services personnel, as defined in G.S. 131E-155, while on duty, who are deployed as part of their official duties providing tactical medical assistance to law enforcement in an emergency situation, including a special weapons and tactics (SWAT) operation. In order to qualify under this subdivision, emergency services personnel shall have completed an approved tactical medical assistance course for supporting tactical law enforcement operations. An approved course shall (i) include an element on firearms safety and training, (ii) include instruction in the laws of this State governing the use of deadly force, and (iii) require training and qualification on all weapons systems, both lethal and less than lethal, deemed necessary by any law enforcement agency the emergency services personnel supports. For purposes of this subdivision, an approved course shall be any course which satisfies the requirements of this subdivision and is certified or sponsored by one or more of the following organizations:

a. The North Carolina Criminal Justice Education and Training Standards Commission.

b. The National Rifle Association.

c. A law enforcement agency, college, private or public institution or organization, or firearms training school, taught by instructors certified by the North Carolina Criminal Justice Education and Training Standards Commission or the National Rifle Association.

Every instructor of an approved course shall file a copy of the course description, outline, and proof of certification annually, or upon modification of the course if more frequently, with the North Carolina Criminal Justice Education and Training Standards Commission.

...."

1           **SECTION 8.(b)** State and local law enforcement agencies shall provide  
2 paramedics rendering tactical medical assistance during a Special Weapons and Tactics  
3 operation with the same protective equipment provided to other members of a Special Weapons  
4 and Tactics operation.

5  
6 **PART IX. EFFECTIVE DATE**

7           **SECTION 9.** Except as otherwise provided, this act is effective when it becomes  
8 law.



NORTH CAROLINA GENERAL ASSEMBLY AMENDMENT

(Please type or use ballpoint pen)

EDITION No. \_\_\_\_\_

H. B. No. 181

DATE \_\_\_\_\_

S. B. No. \_\_\_\_\_

Amendment No. \_\_\_\_\_

(to be filled in by  
Principal Clerk)

COMMITTEE SUBSTITUTE \_\_\_\_\_

Rep. ) ~~Elam~~ Torbett  
Sen. ) \_\_\_\_\_

1 moves to amend the bill on page 4, line 5-7

2 ( ) WHICH CHANGES THE TITLE

3 by \_\_\_\_\_

4 deleting those lines, and

5 \_\_\_\_\_

6 by changing "(4)" to "(3)"

7 on page 4, line 8

8 \_\_\_\_\_

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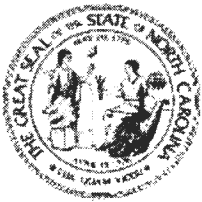
19 \_\_\_\_\_

SIGNED Rep. Mike Clary

ADOPTED \_\_\_\_\_ FAILED \_\_\_\_\_ TABLED \_\_\_\_\_

PRINCIPAL CLERK'S OFFICE (FOR ENGROSSMENT)





# HOUSE BILL 181: First Responders Act of 2017.

2017-2018 General Assembly

<b>Committee:</b>	House Transportation. If favorable, re-refer to Finance	<b>Date:</b>	April 4, 2017
<b>Introduced by:</b>	Reps. Warren, Clampitt, Ford, Potts	<b>Prepared by:</b>	Wendy Ray
<b>Analysis of:</b>	Second Edition		Staff Attorney

**OVERVIEW:** *House Bill 181 includes transportation-related provisions applicable to first responders in Parts IV and VI of the bill, which would:*

- *Direct the Department of Transportation to study the needs of law enforcement, emergency medical and emergency management personnel, and firefighters to improve access within the interstate system for the benefit of public safety and report its findings no later than March 1, 2018.*
- *Clarify that licensing exemptions for the operation of emergency vehicles includes operation for the purpose of training and performance of maintenance.*

*The bill would also make the following changes to laws applicable to first responders:*

- *Create a \$250 income tax deduction for a person who works as an unpaid member for a volunteer fire department, volunteer rescue department, or an EMS squad and attends at least 36 hours of training during the year.*
- *Create a property tax exclusion for property of a surviving spouse who has not remarried of an emergency personnel officer who was killed in the line of duty.*
- *Allow company police officers and hospital security located at the evaluating facility to take persons into custody for examination by a physician or psychologist.*
- *Expand eligibility for assistance from a local firefighter relief fund by removing the requirement that a firefighter have served at least five years.*
- *Create new hate crimes for offenses against emergency personnel.*
- *Exempt from the general prohibition against carrying a concealed weapon, emergency medical services personnel if they are deployed providing tactical medical assistance to law enforcement in an emergency situation and if they have had specific training.*

## CURRENT LAW & BILL ANALYSIS:

### PARTS I & II: TAX CHANGES

*Income Tax Deduction.* – There is currently no stand-alone income tax deduction available specifically for firefighters or rescue squad workers. In 2007, the General Assembly enacted a \$250 deduction under the same conditions being proposed by this bill. The deduction was in place from tax year 2007 through tax year 2013. In 2013, the General Assembly enacted the Tax Simplification and Reduction Act which made significant changes to the overall tax structure and reduced tax rates. In exchange, several tax

Karen Cochrane-Brown  
Director



Legislative Analysis  
Division  
919-733-2578



# House Bill 181

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credits and tax deductions were repealed, including the deduction for volunteer firefighters and rescue workers.

**Part I** of the bill would create a State income tax deduction for an individual who meets all three of the following conditions:

- Works as an unpaid member
- For a volunteer fire department, a volunteer rescue squad, or an emergency medical services squad
- Attends 36 hours of training and meetings during the taxable year.

The amount of the deduction is \$250. An individual may only claim one deduction in a single taxable year. In the case of a married couple filing a joint return, each spouse must qualify separately for the deduction.

**EFFECTIVE DATE:** The deduction would be effective for taxable years beginning on or after January 1, 2017.

## Property Tax Exclusion. –

**Part II** of the bill would exclude from property tax 100% of the appraised value of a permanent residence owned and occupied by a person who is a North Carolina resident and who is the surviving spouse, who has not remarried, of an emergency personnel officer who was killed in the line of duty.

An emergency personnel officer means the following:

- Firefighting, search and rescue, or emergency services personnel
- Any employee of an accredited State or local government agency possessing authority to enforce the criminal laws of the State who is:
  - Actively serving in a position with assigned primary duties and responsibilities for prevention and detection of crime or the general enforcement of the criminal laws of this State; and
  - Possesses the power of arrest by virtue of an oath administered under the authority of this State.

An owner must apply for this benefit in order to receive it, but once the application has been approved, the owner does not have to reapply in subsequent years unless there is a change in the valuation or use of the property or the eligibility of the taxpayer.

**EFFECTIVE DATE:** This section would become effective for taxes imposed for taxable years beginning on or after July 1, 2017.

## **PART III: CUSTODIAL AUTHORITY FOR COMPANY POLICE OFFICERS AND HOSPITAL SECURITY**

**Part III** of the bill would modify the provision of current law that allows a magistrate to order a person who has a mental illness and is either (i) a danger to self or others, or (ii) in need of treatment in order to prevent further disability or deterioration that would predictably result in dangerousness to be taken into custody for examination by a physician or eligible psychologist. G.S. 122C-261 currently allows the magistrate to issue the order to a law enforcement officer, in some limited cases a family member or immediate friend, or a specifically trained individual designated by the local government entity required to provide transportation for the examination.



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The bill would amend G.S. 122C-261 to add the following additional persons to whom the custody order could be issued:

- A company police officer commissioned under Chapter 74E of the General Statutes who is present at and assigned to the 24-hour facility or area facility where the respondent is located.
- A security officer employed by the facility or employed by a company contracting with the facility who is present at and assigned to the 24-hour facility or area facility where the respondent is located.

**EFFECTIVE DATE:** This section would become effective when the act becomes law.

## **PART IV: INTERSTATE ACCESS STUDY BY DOT**

**Part IV** of the bill would direct the Department of Transportation (DOT) to study improving access of emergency personnel to the interstate system within the State for the benefit of public safety. The bill would require the DOT to report findings and recommendations, including any legislative proposals, to the Joint Legislative Oversight Committee on Justice and Public Safety, Joint Emergency Management Oversight Committee, and Joint Legislative Transportation Oversight Committee no later than March 1, 2018.

**EFFECTIVE DATE:** This section would become effective when the act becomes law.

## **PART V: LOCAL FIREFIGHTER RELIEF FUND ELIGIBILITY**

**Part V** of the bill would permit the board of trustees of a Local Firefighters' Relief fund to provide assistance, upon approval by the Executive Director of the North Carolina State Firefighters' Association, to a destitute member firefighter who has served or is serving honorably with a certified fire department. It removes the requirement that the firefighter must have served honorably for at least five years.

**EFFECTIVE DATE:** This section would become effective July 1, 2017, and would apply to distributions to local firefighters' relief funds on or after that date.

## **PART VI: LICENSING EXEMPTION FOR EMERGENCY VEHICLES**

**Part VI** of the bill would clarify existing exemptions from licensing requirements for operation of emergency vehicles to include operation of those vehicles for purposes of training and performance of maintenance. Section 6.(a) would clarify the exemption that allows volunteer members of a fire department, rescue squad, or emergency medical service to operate Class A or Class B emergency vehicles with only a Class C license, and Section 6.(b) would clarify the exemption that allows operation of firefighting or emergency equipment without a commercial drivers license.

**EFFECTIVE DATE:** This section would become effective when the act becomes law.

## **PART VII: NEW CRIMINAL OFFENSES**

**Part VII** of the bill would create new criminal offenses for hate crimes committed against emergency personnel, which includes law enforcement officers, firemen, ambulance attendants, utility workers, doctors, nurses, and other persons lawfully engaged in providing essential services during an emergency.

The new G.S. 14-401.14A would create the following new offenses:





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- A Class H felony for assaulting a person because the person is emergency personnel and inflicting serious bodily injury.
- A Class F felony for assaulting a person with a firearm because the person is emergency personnel.
- A Class E felony for luring a person to a location by falsely reporting or having another individual falsely report that emergency services are needed with the intent to harm the person and then assaulting the person because the person is emergency personnel.

**EFFECTIVE DATE:** This section would become effective December 1, 2017, and would apply to offenses committed on or after that date.

## **PART VIII: CONCEALED CARRY FOR CERTAIN EMS PERSONNEL**

**Part VIII** of the bill would exempt emergency medical services personnel, while on duty, who are deployed providing tactical medical assistance to law enforcement in an emergency situation, including a Special Weapons and Tactics (SWAT) operation, as part of their official duties, from the general prohibition against concealed weapons if they have had specific training. This would also exclude them from prohibitions against weapons in certain other locations including educational property, the State Capitol, and courthouses while they are assisting in the emergency situation.

Section 8.(b) of the bill would require State and local law enforcement agencies to provide paramedics providing tactical medical assistance during a SWAT operation with the same protective equipment provided to other members of the SWAT team.

**EFFECTIVE DATE:** This section would become effective when the act becomes law.



GENERAL ASSEMBLY OF NORTH CAROLINA  
SESSION 2017

H

D

HOUSE BILL 181  
PROPOSED COMMITTEE SUBSTITUTE H181-PCS30192-RN-5

Short Title: First Responders Act of 2017.

(Public)

Sponsors:

Referred to:

February 23, 2017

A BILL TO BE ENTITLED  
AN ACT TO MAKE VARIOUS CHANGES TO THE LAWS APPLYING TO FIRST  
RESPONDERS.

The General Assembly of North Carolina enacts:

**PART I. TAX DEDUCTION FOR FIREFIGHTERS**

**SECTION 1.(a)** G.S. 105-153.5 is amended by adding a new subsection to read:

"(e) Other Adjustments. – In calculating North Carolina taxable income, a taxpayer who is an eligible firefighter or an eligible rescue squad worker may deduct from adjusted gross income the sum of two hundred fifty dollars (\$250.00). In the case of a married couple filing a joint return, each spouse may qualify separately for the deduction allowed under this subsection. In order to claim the deduction allowed under this subsection, the taxpayer must submit with the tax return any documentation required by the Secretary. An individual may not claim a deduction as both an eligible firefighter and as an eligible rescue squad worker in a single taxable year. The following definitions apply in this subsection:

- (1) Eligible firefighter. – An unpaid member of a volunteer fire department who attended at least 36 hours of fire department drills and meetings during the taxable year.
- (2) Eligible rescue squad worker. – An unpaid member of a volunteer rescue or emergency medical services squad who attended at least 36 hours of rescue squad training and meetings during the taxable year."

**SECTION 1.(b)** This section is effective for taxable years beginning on or after January 1, 2017.

**PART II. PROPERTY TAX HOMESTEAD EXCLUSION FOR SURVIVING SPOUSE OF QUALIFYING EMERGENCY PERSONNEL**

**SECTION 2.(a)** Article 12 of Subchapter II of Chapter 105 of the General Statutes is amended by adding a new section to read:

**"§ 105-277.1E. Surviving spouse property tax homestead exclusion.**

(a) Classification. – A permanent residence owned and occupied by a qualifying owner is designated a special class of property under Section 2(2) of Article V of the North Carolina Constitution and is taxable in accordance with this section. The appraised value of the permanent residence is excluded from taxation. A qualifying owner who receives an exclusion under this section may not receive other property tax relief.

(b) Definitions. – The following definitions apply in this section:



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(1) Emergency personnel officer. – Firefighting, search and rescue, or emergency medical services personnel or any employee of any duly accredited State or local government agency possessing authority to enforce the criminal laws of the State who (i) is actively serving in a position with assigned primary duties and responsibilities for prevention and detection of crime or the general enforcement of the criminal laws of the State and (ii) possesses the power of arrest by virtue of an oath administered under the authority of the State.

(2) Permanent residence. – Defined in G.S. 105-277.1.

(3) Property tax relief. – Defined in G.S. 105-277.1.

(4) Qualifying owner. – An owner, as defined in G.S. 105-277.1, who is a North Carolina resident and is the surviving spouse who has not remarried of an emergency personnel officer who was killed in the line of duty.

(c) Temporary Absence. – An owner does not lose the benefit of this exclusion because of a temporary absence from his or her permanent residence for reasons of health or because of an extended absence while confined to a rest home or nursing home, so long as the residence is unoccupied or occupied by a dependent of the owner.

(d) Other Multiple Owners. – This subsection applies to co-owners who are not husband and wife. Each co-owner of a permanent residence must apply separately for the exclusion allowed under this section.

When one or more co-owners of a permanent residence qualify for the exclusion allowed under this section and none of the co-owners qualifies for the exclusion allowed under G.S. 105-277.1, each co-owner is entitled to the full amount of the exclusion allowed under this section. The exclusion allowed to one co-owner may not exceed the co-owner's proportionate share of the valuation of the property, and the amount of the exclusion allowed to all the co-owners may not exceed the exclusion allowed under this section.

When one or more co-owners of a permanent residence qualify for the exclusion allowed under this section and one or more of the co-owners qualify for the exclusion allowed under G.S. 105-277.1, each co-owner who qualifies for the exclusion allowed under this section is entitled to the full amount of the exclusion. The exclusion allowed to one co-owner may not exceed the co-owner's proportionate share of the valuation of the property, and the amount of the exclusion allowed to all the co-owners may not exceed the greater of the exclusion allowed under this section and the exclusion allowed under G.S. 105-277.1.

(e) Application. – An application for the exclusion allowed under this section should be filed during the regular listing period but may be filed and must be accepted at any time up to and through June 1 preceding the tax year for which the exclusion is claimed. Persons may apply for this property tax relief by entering the appropriate information on a form made available by the assessor under G.S. 105-282.1."

**SECTION 2.(b)** G.S. 105-282.1(a) reads as rewritten:

"(a) Application. – Every owner of property claiming exemption or exclusion from property taxes under the provisions of this Subchapter has the burden of establishing that the property is entitled to it. If the property for which the exemption or exclusion is claimed is appraised by the Department of Revenue, the application shall be filed with the Department. Otherwise, the application shall be filed with the assessor of the county in which the property is situated. An application must contain a complete and accurate statement of the facts that entitle the property to the exemption or exclusion and must indicate the municipality, if any, in which the property is located. Each application filed with the Department of Revenue or an assessor shall be submitted on a form approved by the Department. Application forms shall be made available by the assessor and the Department, as appropriate.

Except as provided below, an owner claiming an exemption or exclusion from property taxes must file an application for the exemption or exclusion annually during the listing period.





- 1  
2           ...  
3           (2)   Single application required. – An owner of one or more of the following  
4               properties eligible for a property tax benefit must file an application for the  
5               benefit to receive it. Once the application has been approved, the owner does  
6               not need to file an application in subsequent years unless new or additional  
7               property is acquired or improvements are added or removed, necessitating a  
8               change in the valuation of the property, or there is a change in the use of the  
9               property or the qualifications or eligibility of the taxpayer necessitating a  
10              review of the benefit.  
11              a.   Property exempted from taxation under G.S. 105-278.3, 105-278.4,  
12               105-278.5, 105-278.6, 105-278.7, or 105-278.8.  
13              b.   Special classes of property excluded from taxation under  
14               G.S. 105-275(3), (7), (8), (12), (17), (18), (19), (20), (21), (31e), (35),  
15               (36), (38), (39), (41), or (45) or under G.S. 105-277.1E or  
16               G.S. 131A-21.  
17              c.   Special classes of property classified for taxation at a reduced  
18               valuation under G.S. 105-277(h), 105-277.1, 105-277.1C,  
19               105-277.10, 105-277.13, 105-277.14, 105-277.15, 105-277.17, or  
20               105-278.

21           ...."

22           **SECTION 2.(c)** This section is effective for taxes imposed for taxable years  
23           beginning on or after July 1, 2017.

24           **PART III. ALLOW COMPANY POLICE OFFICERS AND HOSPITAL SECURITY TO**  
25           **TAKE PERSONS INTO CUSTODY FOR EXAMINATION BY PHYSICIAN OR**  
26           **ELIGIBLE PSYCHOLOGIST**

27           **SECTION 3.** The title of Part 7 of Article 5 of Chapter 122C of the General  
28           Statutes and G.S. 122C-261 read as rewritten:

29           "Part 7. Involuntary Commitment of ~~the Mentally Ill~~; Persons with Mental Illness; Facilities for  
30           ~~the Mentally Ill~~; Persons With Mental Illness.

31           "**§ 122C-261. Affidavit and petition before clerk or magistrate when immediate**  
32           **hospitalization is not necessary; custody order.**

33           (a)   Anyone who has knowledge of an individual who ~~is mentally ill~~ has a mental illness  
34           and is either (i) dangerous to self, as defined in G.S. 122C-3(11)a., or dangerous to others, as  
35           defined in G.S. 122C-3(11)b., or (ii) in need of treatment in order to prevent further disability  
36           or deterioration that would predictably result in dangerousness, may appear before a clerk or  
37           assistant or deputy clerk of superior court or a magistrate and execute an affidavit to this effect,  
38           and petition the clerk or magistrate for issuance of an order to take the respondent into custody  
39           for examination by a physician or eligible psychologist. The affidavit shall include the facts on  
40           which the affiant's opinion is based. If the affiant has knowledge or reasonably believes that the  
41           respondent, in addition to ~~being mentally ill~~ having a mental illness, ~~is also mentally~~  
42           ~~retarded~~ has an intellectual disability, this fact shall be stated in the affidavit. Jurisdiction under  
43           this subsection is in the clerk or magistrate in the county where the respondent resides or is  
44           found.

45           (b)   If the clerk or magistrate finds reasonable grounds to believe that the facts alleged in  
46           the affidavit are true and that the respondent ~~is probably mentally ill~~ has a mental illness and is  
47           either (i) dangerous to self, as defined in G.S. 122C-3(11)a., or dangerous to others, as defined  
48           in G.S. 122C-3(11)b., or (ii) in need of treatment in order to prevent further disability or  
49           deterioration that would predictably result in dangerousness, the clerk or magistrate shall issue  
50           an order to ~~a~~ take the respondent into custody for examination by a physician or eligible  
51           psychologist. The order shall be issued to any of the following persons:



- 1           (1) A law enforcement officer-officer.  
2           (2) A company police officer commissioned under Chapter 74E of the General  
3               Statutes who is present at and assigned to the 24-hour facility or area facility  
4               where the respondent is located.  
5           (3) A security officer employed by the facility or employed by a company  
6               contracting with the facility who is present at and assigned to the 24-hour  
7               facility or area facility where the respondent is located.  
8           (4) ~~or any~~Any other person authorized under ~~G.S. 122C-251 to take the~~  
9               ~~respondent into custody for examination by a physician or eligible~~  
10              ~~psychologist.~~G.S. 122C-251.

11           If the clerk or magistrate finds that, in addition to probably ~~being mentally ill,~~having a  
12           mental illness, the respondent ~~is also probably mentally retarded,~~has an intellectual disability,  
13           the clerk or magistrate shall contact the area authority before issuing a custody order and the  
14           area authority shall designate the facility to which the respondent is to be taken for examination  
15           by a physician or eligible psychologist. The clerk or magistrate shall provide the petitioner and  
16           the respondent, if present, with specific information regarding the next steps that will occur for  
17           the respondent.

18           ...  
19           (d) If the affiant is a physician or eligible psychologist, all of the following apply:

- 20           ...  
21           (6) If the clerk or magistrate finds probable cause to believe that the respondent,  
22               in addition to ~~being mentally ill,~~having a mental illness, ~~is also mentally~~  
23               ~~retarded,~~has an intellectual disability, the clerk or magistrate shall contact  
24               the area authority before issuing the order and the area authority shall  
25               designate the facility to which the respondent is to be transported.

26           ...  
27           (f) When a petition is filed for an individual who is a resident of a single portal area,  
28           the procedures for examination by a physician or eligible psychologist as set forth in  
29           G.S. 122C-263 shall be carried out in accordance with the area plan. Prior to issuance of a  
30           custody order for a respondent who resides in an area authority with a single portal plan, the  
31           clerk or magistrate shall communicate with the area authority to determine the appropriate  
32           24-hour facility to which the respondent should be admitted according to the area plan or to  
33           determine if there are more appropriate resources available through the area authority to assist  
34           the petitioner or the respondent. When an individual from a single portal area is presented for  
35           commitment at a 24-hour area or State facility directly, the individual may not be accepted for  
36           admission until the facility notifies the area authority and the area authority agrees to the  
37           admission. If the area authority does not agree to the admission, it shall determine the  
38           appropriate 24-hour facility to which the individual should be admitted according to the area  
39           plan or determine if there are more appropriate resources available through the area authority to  
40           assist the individual. If the area authority agrees to the admission, further planning of treatment  
41           for the client is the joint responsibility of the area authority and the facility as prescribed in the  
42           area plan.

43           Notwithstanding the provisions of this section, in no event shall an individual known or  
44           reasonably believed to ~~be mentally retarded,~~have an intellectual disability be admitted to a State  
45           psychiatric hospital, except as follows:

- 46           (1) Persons described in G.S. 122C-266(b);  
47           (2) Persons admitted pursuant to G.S. 15A-1321;  
48           (3) Respondents who are so extremely dangerous as to pose a serious threat to  
49               the community and to other patients committed to non-State hospital  
50               psychiatric inpatient units, as determined by the Director of the Division of





Mental Health, Developmental Disabilities, and Substance Abuse Services or his designee; and

- (4) Respondents who are so gravely disabled by both multiple disorders and medical fragility or multiple disorders and deafness that alternative care is inappropriate, as determined by the Director of the Division of Mental Health, Developmental Disabilities, and Substance Abuse Services or his designee.

Individuals transported to a State facility for ~~the mentally ill~~ persons with mental illness who are not admitted by the facility may be transported by law enforcement officers or designated staff of the State facility in State-owned vehicles to an appropriate 24-hour facility that provides psychiatric inpatient care.

No later than 24 hours after the transfer, the responsible professional at the original facility shall notify the petitioner, the clerk of court, and, if consent is granted by the respondent, the next of kin, that the transfer has been completed."

#### **PART IV. INTERSTATE ACCESS STUDY**

**SECTION 4.(a)** Study. – The Department of Transportation shall study the needs of law enforcement, emergency medical and emergency management personnel, and firefighters to improve access to or within the interstate system within this State for the benefit of public safety. In conducting the study, the Department of Transportation may consult with the Division of Emergency Management of the Department of Public Safety, the Office of State Fire Marshal of the Department of Insurance, the Office of Emergency Medical Services of the Department of Health and Human Services, and any other State or local government organizations the Department of Transportation determines may be of assistance in the course of the study. In performing the study, the Department of Transportation shall, at a minimum, take the following steps:

- (1) Consult with county Fire Marshal Divisions, Emergency Management Offices, and Emergency Medical Service Divisions to determine potential sites of interest for construction or improvement relevant to the study.
- (2) Establish criteria to prioritize sites of interest for either construction or improvement.
- (3) Review applicable federal and State laws, codes, standards, and studies relevant to the study.
- (4) Review (i) existing Department of Transportation planning, design, and construction standards for interchanges, median crossovers, and access points and (ii) how those standards consider the needs of law enforcement, emergency medical and emergency management personnel, and firefighters.
- (5) Consider the feasibility of providing opportunities for stakeholder input during the planning of future interstate improvements that focus on the needs of law enforcement, emergency medical and emergency management personnel, and firefighters.
- (6) Examine any other matters the Department of Transportation deems relevant in the course of the study.

**SECTION 4.(b)** Report. – The Department of Transportation shall report the findings and recommendations, including any legislative proposals, to the Joint Legislative Oversight Committee on Justice and Public Safety, Joint Emergency Management Oversight Committee, and Joint Legislative Transportation Oversight Committee no later than March 1, 2018.

#### **PART V. LOCAL FIREFIGHTER RELIEF FUND ELIGIBILITY**

**SECTION 5.(a)** G.S. 58-84-35(a) reads as rewritten:



1    **"§ 58-84-35. Disbursement of funds by trustees.**

2    (a)    The board of trustees shall have entire control of the funds derived from the  
3    provisions of this Article, and shall disburse the funds only for the following purposes:

- 4           ...
- 5           (2a)    To provide assistance, upon approval by the Executive Director of the North  
6                    Carolina State Firefighters' Association, to a destitute member firefighter  
7                    who has served or is serving honorably ~~for at least five years with a certified~~  
8                    fire department. The determination of destitute shall be based on the inability  
9                    of the firefighters, through no fault of their own, to provide basic provisions  
10                   to themselves or their families. Such basic provisions include, but are not  
11                   limited to, assistance with housing, vehicle or commuting expenses, food,  
12                   clothing, utilities, medical care, and funeral expenses.

13           ...."

14           **SECTION 5.(b)** This section becomes effective July 1, 2017, and applies to  
15           distributions to local firefighters' relief funds on or after that date.

16

17    **PART VI. CDL/CLARIFY EXEMPTION FOR EMERGENCY VEHICLES**

18           **SECTION 6.(a)** G.S. 20-7(a)(3) reads as rewritten:

19           "(3)    Class C. – A Class C license authorizes the holder to drive any of the  
20                   following:

- 21                   a.    A Class C motor vehicle that is not a commercial motor vehicle.
- 22                   b.    When operated by a volunteer member of a fire department, a rescue  
23                        squad, or an emergency medical service (EMS) in the performance of  
24                        duty, a Class A or Class B fire-fighting, rescue, or EMS motor  
25                        vehicle or a combination of these vehicles. For purposes of this  
26                        sub-subdivision, (i) the term "performance of duty" includes any  
27                        official business of a fire department, rescue squad, or EMS that  
28                        requires use of the vehicle and (ii) the term "official business"  
29                        includes training and the performance of maintenance.
- 30                   c.    A combination of noncommercial motor vehicles that have a GVWR  
31                        of more than 10,000 pounds but less than 26,001 pounds. This  
32                        sub-subdivision does not apply to a Class C license holder less than  
33                        18 years of age."

34           **SECTION 6.(b)** G.S. 20-37.16(e) reads as rewritten:

35           "(e)    The requirements for a commercial drivers license do not apply to vehicles used for  
36                   personal use such as recreational vehicles. A commercial drivers license is also waived for the  
37                   following classes of vehicles as permitted by regulation of the United States Department of  
38                   Transportation:

39           ...

- 40           (2)    Any vehicle when used as firefighting or emergency equipment for the  
41                   purpose of preserving life or ~~property or to execute property;~~ executing  
42                   emergency governmental functions; or other official business of a  
43                   fire department, rescue squad, or emergency medical service that requires  
44                   use of the vehicle. For purposes of this subdivision, the term "official  
45                   business" includes training and the performance of maintenance.

46           ...."

47

48    **PART VII. HATE CRIMES AGAINST EMERGENCY PERSONNEL**

49           **SECTION 7.(a)** Article 52 of Chapter 14 of the General Statutes is amended by  
50           adding a new section to read:

51           **"§ 14-401.14A. Hate crime against emergency personnel.**





(a) The following definitions apply in this section:

(1) Emergency personnel. – As defined in G.S. 14-288.9.

(2) Serious bodily injury. – As defined in G.S. 14-32.4.

(b) Unless the conduct is covered by another provision of law providing greater punishment, if anyone assaults another person because the person is emergency personnel and inflicts serious bodily injury on the other person, the offender is guilty of a Class H felony.

(c) Unless the conduct is covered by another provision of law providing greater punishment, if anyone assaults another person with a firearm because the person is emergency personnel, the offender is guilty of a Class F felony.

(d) Anyone who, with the intent of harming a person who is emergency personnel, lures the person to a location by falsely reporting or having another individual falsely report that emergency services are needed and then assaults that person because the person is emergency personnel is guilty of a Class E felony."

**SECTION 7.(b)** This section becomes effective December 1, 2017, and applies to offenses committed on or after that date.

## **PART VIII. CONCEALED CARRY FOR CERTAIN EMERGENCY MEDICAL SERVICES PERSONNEL**

**SECTION 8.(a)** G.S. 14-269 reads as rewritten:

### **"§ 14-269. Carrying concealed weapons.**

(a) It shall be unlawful for any person willfully and intentionally to carry concealed about his or her person any bowie knife, dirk, dagger, slung shot, loaded cane, metallic knuckles, razor, shuriken, stun gun, or other deadly weapon of like kind, except when the person is on the person's own premises.

...

(b) This prohibition shall not apply to the following persons:

...

(10) Emergency medical services personnel, as defined in G.S. 131E-155, while on duty, who are deployed as part of their official duties providing tactical medical assistance to law enforcement in an emergency situation, including a Special Weapons And Tactics (SWAT) operation. In order to qualify under this subdivision, emergency services personnel shall have completed an approved tactical medical assistance course for supporting tactical law enforcement operations. An approved course shall (i) include an element on firearms safety and training, (ii) include instruction in the laws of this State governing the use of deadly force, and (iii) require training and qualification on all weapons systems, both lethal and less than lethal, deemed necessary by any law enforcement agency the emergency services personnel supports. For purposes of this subdivision, an approved course shall be any course which satisfies the requirements of this subdivision and is certified or sponsored by one or more of the following organizations:

a. The North Carolina Criminal Justice Education and Training Standards Commission.

b. The National Rifle Association.

c. A law enforcement agency, college, private or public institution or organization, or firearms training school, taught by instructors certified by the North Carolina Criminal Justice Education and Training Standards Commission or the National Rifle Association.

Every instructor of an approved course shall file a copy of the course description, outline, and proof of certification annually, or upon modification



1                               of the course if more frequently, with the North Carolina Criminal Justice  
2                               Education and Training Standards Commission.

3               ...."

4               **SECTION 8.(b)** State and local law enforcement agencies shall provide  
5 paramedics rendering tactical medical assistance during a Special Weapons and Tactics  
6 operation with the same protective equipment provided to other members of a Special Weapons  
7 and Tactics operation.

8  
9               **PART IX. EFFECTIVE DATE**

10               **SECTION 9.** Except as otherwise provided, this act is effective when it becomes  
11 law.





# HOUSE BILL 332: Morrow Mountain State Park License Plate.

2017-2018 General Assembly

<b>Committee:</b>	House Transportation. If favorable, re-refer to Finance	<b>Date:</b>	April 4, 2017
<b>Introduced by:</b>	Rep. Burr	<b>Prepared by:</b>	Wendy Ray
<b>Analysis of:</b>	First Edition		Staff Attorney

**OVERVIEW:** House Bill 332 would authorize the Division of Motor Vehicles to produce a Morrow Mountain State Park special registration plate. The plate would be exempt from the new plate development process, but the Division would have to receive at least 300 applications for the plate before it could be developed.

**CURRENT LAW:** North Carolina offers a number of special registration plates. Upon application and payment of the required registration fees, a person may obtain from the Division of Motor Vehicles a special registration plate for a motor vehicle registered in that person's name if the person qualifies for the plate. The issuance of most authorized plates is contingent upon the receipt by the Division of at least 300 applications for the particular plate, or 500 applications for full-color background plates.

As a general rule, the fee for a special registration plate is the regular vehicle registration fee plus a \$10 special registration plate fee. The \$10 special registration plate fee is credited to the Special Registration Plate Account. After deducting the cost of the plates from this account, \$1.3 million is appropriated to provide operating assistance for Visitor Centers. The remaining revenue in the account is transferred quarterly to the Department of Transportation for highway beautification (50%) and the Highway Fund for the Roadside Vegetation Management Program (50%). The cost of some special plates includes a fee in addition to the \$10 special registration plate fee. In those instances, the first \$10 goes to the special registration plate fund and the remainder is transferred quarterly to designated beneficiaries.

In 2014, the General Assembly enacted legislation creating a new development process for special registration plates (G.S. 20-79.3A), which requires the organization desiring the plate to submit the required number of paid applications to the Division before legislation is introduced to authorize the plate. Applications must be submitted by February 15 of the year in which legislation is to be considered. The Division is then required to submit a report to the General Assembly identifying applicants who have met the plate development requirements and are eligible for legislative consideration.

**BILL ANALYSIS:** House Bill 332 would authorize the Division to produce a Morrow Mountain State Park special license plate. The plate would bear the phrase "Morrow Mountain State Park" and a logo designed by the Friends of Morrow Mountain State Park. The fee for the plate would be the regular registration fee plus \$30, with \$20 going to the Friends of Morrow Mountain State Park to be used to provide support for the organization.

The plate would be exempt from the new plate development process under G.S. 20-79.3A. However, the bill requires that the Division receive 300 applications for the new plate before it may be developed.

**EFFECTIVE DATE:** The act would be effective July 1, 2018.

Karen Cochrane-Brown  
Director



Legislative Analysis  
Division  
919-733-2578





GENERAL ASSEMBLY OF NORTH CAROLINA  
SESSION 2017

H

1

HOUSE BILL 332

Short Title: Morrow Mountain State Park License Plate. (Public)

Sponsors: Representative Burr.

*For a complete list of sponsors, refer to the North Carolina General Assembly web site.*

Referred to: Transportation, if favorable, Finance

March 14, 2017

A BILL TO BE ENTITLED

AN ACT TO AUTHORIZE THE DIVISION OF MOTOR VEHICLES TO PRODUCE A  
MORROW MOUNTAIN STATE PARK SPECIAL REGISTRATION PLATE.

The General Assembly of North Carolina enacts:

**SECTION 1.** G.S. 20-79.4(b) reads as rewritten:

"(b) Types. – The Division shall issue the following types of special registration plates:

...

(1) Morrow Mountain State Park. – Issuable to the registered owner of a motor vehicle in accordance with G.S. 20-81.12. The plate shall bear the phrase "Morrow Mountain State Park" and a logo designed by the Friends of Morrow Mountain State Park. The plate authorized by this subdivision is not subject to the provisions of G.S. 20-79.3A.

...."

**SECTION 2.** 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

...

Morgan Horse Club

Expired July 1, 2016

Morrow Mountain State Park

\$30.00

Mountains-to-Sea Trail

\$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 (a) of this section among the Special Registration Plate Account (SRPA), the Collegiate and Cultural Attraction Plate Account (CCAPA), the Clean Water Management Trust Fund (CWMTF), which is established under G.S. 113A-253, and the Parks and Recreation Trust Fund, which is established under G.S. 113-44.15, as follows:

Special Plate

SRPA

CCAPA

CWMTF

PRTF

...

Morehead Planetarium – Expired

July 1, 2016



\* H 3 3 2 - V - 1 \*



1	<u>Morrow Mountain State Park</u>	<u>\$10</u>	<u>\$20</u>	<u>0</u>	<u>0</u>
2	Mountains-to-Sea Trail	\$10	\$20	0	0
3	...."				

4           **SECTION 3.** G.S. 20-81.12 reads as rewritten:

5       **"§ 20-81.12. Collegiate insignia plates and certain other special plates.**

6       ...

7       **(b155) Morrow Mountain State Park.** – The Division must receive 300 or more applications  
8       for the Morrow Mountain State Park plate before the plate may be developed. The Division shall  
9       transfer quarterly the money in the Collegiate and Cultural Attraction Plate Account derived from  
10       the sale of Morrow Mountain State Park plates to the Friends of Morrow Mountain State Park to  
11       be used to provide support for the organization.

12       ...."

13           **SECTION 4.** The Revisor of Statutes is authorized to alphabetize, number, and  
14       renumber the special registration plates listed in G.S. 20-79.4(b) to ensure that all the special  
15       registration plates are listed in alphabetical order and numbered accordingly.

16           **SECTION 5.** This act becomes effective July 1, 2018.



GENERAL ASSEMBLY OF NORTH CAROLINA  
SESSION 2017

H

D

HOUSE BILL 21  
PROPOSED COMMITTEE SUBSTITUTE H21-PCS10196-BG-7

Short Title: Driver Instruction/Law Enforcement Stops.

(Public)

Sponsors:

Referred to:

January 30, 2017

A BILL TO BE ENTITLED  
AN ACT TO REQUIRE DRIVER INSTRUCTION ON LAW ENFORCEMENT  
PROCEDURES DURING TRAFFIC STOPS.

The General Assembly of North Carolina enacts:

**SECTION 1.** G.S. 20-88.1(d) reads as rewritten:

"(d) The Division shall prepare a driver license handbook that explains the traffic laws of the State and shall periodically revise the handbook to reflect changes in these laws. The Division, in consultation with the State Highway Patrol, the North Carolina Sheriff's Association, the North Carolina Association of Chiefs of Police, and the North Carolina Police Benevolent Association, shall include in the driver license handbook a description of law enforcement procedures during traffic stops and the actions that a motorist should take during a traffic stop, including appropriate interactions with law enforcement officers. At the request of the Department of Public Instruction, the Division shall provide free copies of the handbook to that Department for use in the program of driver education offered at public high schools."

**SECTION 2.** G.S. 115C-215(b) reads as rewritten:

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

- (1) Instruction on the rights and privileges of the handicapped and the signs and symbols used to assist the handicapped relative to motor vehicles, including the "international symbol of accessibility" and other symbols and devices as provided in Article 2A of Chapter 20 of the General Statutes.
- (2) At least six hours of instruction on the offense of driving while impaired and related subjects.
- (3) At least six hours of actual driving experience. To the extent practicable, this experience may include at least one hour of instruction on the techniques of defensive driving.
- (4) At least one hour of motorcycle safety awareness training.
- (5) Instruction on law enforcement procedures for traffic stops that is developed in consultation with the State Highway Patrol, the North Carolina Sheriff's Association, the North Carolina Association of Chiefs of Police, and the North Carolina Police Benevolent Association. The instruction shall provide a description of the actions that a motorist should take during a traffic stop, including appropriate interactions with law enforcement officers.

**SECTION 3.** Section 1 of this act becomes effective January 1, 2018. The remainder of this act is effective when it becomes law and applies beginning with the 2017-2018 school year.



\* H 2 1 - P C S 1 0 1 9 6 - B G - 7 \*







## HOUSE BILL 21: Driver Instruction/Law Enforcement Stops.

2017-2018 General Assembly

<b>Committee:</b>	House Transportation. If favorable, re-refer to Education - K-12	<b>Date:</b>	April 4, 2017
<b>Introduced by:</b>	Reps. Goodman, Faircloth, McNeill, Earle	<b>Prepared by:</b>	Howard Marsilio
<b>Analysis of:</b>	PCS to First Edition H21-CSBG-7		Committee Counsel

**OVERVIEW:** *The Proposed Committee Substitute for House Bill 21 would require the Division of Motor Vehicles to include a description of law enforcement traffic stop procedures and appropriate driver actions and interactions with law enforcement officers within its driver license handbook. It would also require the Department of Public Instruction to instruct on these topics in the driver education curriculum.*

*The PCS adds the North Carolina Police Benevolent Association.*

[As introduced, this bill was identical to S453, as introduced by Sens. McKissick, Daniel, Britt, which is currently in Senate Rules and Operations of the Senate.]

**CURRENT LAW:** G.S. 20-88.1(d) requires the Division to prepare and revise the driver license handbook that explains the traffic laws of this State.

G.S. 115C-215 requires the Department of Public Instruction to organize and administer a standardized program of driver education to be offered at the public high schools of this State to make driver safety and training education available to all students. G.S. 115C-215(b) sets the minimum education curriculum requirements for that driver education program.

### BILL ANALYSIS:

**Section 1** would require the Division of Motor Vehicles to consult with State Highway Patrol, the Sheriff's Association, the Association of Chiefs of Police, and the Police Benevolent Association, in creating, and revising, the driver license handbook to include a description of law enforcement procedures during traffic stops and the actions that a motorist should take during a traffic stop, including appropriate interactions with law enforcement officers.

**Section 2** would require the Department of Public Instruction to include, in the driver education curriculum instruction, law enforcement procedures during traffic stops and the actions that a motorist should take during a traffic stop, including appropriate interactions with law enforcement officers.

This section directs the Department to consult with State Highway Patrol, the Sheriff's Association, the Association of Chiefs of Police, and the Police Benevolent Association in developing the curriculum.

**EFFECTIVE DATE:** Section 1 of this act would become effective January 1, 2018. The remainder of this act would become effective when it becomes law, and applies beginning with the 2017-2018 school year.

Karen Cochrane-Brown  
Director



Legislative Analysis  
Division  
919-733-2578





GENERAL ASSEMBLY OF NORTH CAROLINA  
SESSION 2017

H

D

HOUSE BILL 21  
PROPOSED COMMITTEE SUBSTITUTE H21-CSBG-7 [v.2]

03/29/2017 02:26:44 PM

Short Title: Driver Instruction/Law Enforcement Stops.

(Public)

Sponsors:

Referred to:

January 30, 2017

A BILL TO BE ENTITLED  
AN ACT TO REQUIRE DRIVER INSTRUCTION ON LAW ENFORCEMENT  
PROCEDURES DURING TRAFFIC STOPS.

The General Assembly of North Carolina enacts:

**SECTION 1.** G.S. 20-88.1(d) reads as rewritten:

"(d) The Division shall prepare a driver license handbook that explains the traffic laws of the State and shall periodically revise the handbook to reflect changes in these laws. The Division, in consultation with the State Highway Patrol, the North Carolina Sheriff's Association, the North Carolina Association of Chiefs of Police, and the North Carolina Police Benevolent Association, shall include in the driver license handbook a description of law enforcement procedures during traffic stops and the actions that a motorist should take during a traffic stop, including appropriate interactions with law enforcement officers. At the request of the Department of Public Instruction, the Division shall provide free copies of the handbook to that Department for use in the program of driver education offered at public high schools."

**SECTION 2.** G.S. 115C-215(b) reads as rewritten:

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

- (1) Instruction on the rights and privileges of the handicapped and the signs and symbols used to assist the handicapped relative to motor vehicles, including the "international symbol of accessibility" and other symbols and devices as provided in Article 2A of Chapter 20 of the General Statutes.
- (2) At least six hours of instruction on the offense of driving while impaired and related subjects.
- (3) At least six hours of actual driving experience. To the extent practicable, this experience may include at least one hour of instruction on the techniques of defensive driving.
- (4) At least one hour of motorcycle safety awareness training.
- (5) Instruction on law enforcement procedures for traffic stops that is developed in consultation with the State Highway Patrol, the North Carolina Sheriff's Association, the North Carolina Association of Chiefs of Police, and the North Carolina Police Benevolent Association. The instruction shall provide a description of the actions that a motorist should take during a traffic stop, including appropriate interactions with law enforcement officers.

**SECTION 3.** Section 1 of this act becomes effective January 1, 2018. The remainder of this act is effective when it becomes law and applies beginning with the 2017-2018 school year.





GENERAL ASSEMBLY OF NORTH CAROLINA  
SESSION 2017

H

1

HOUSE BILL 21

Short Title: Driver Instruction/Law Enforcement Stops. (Public)  
Sponsors: Representatives Goodman, Faircloth, McNeill, and Earle (Primary Sponsors).  
Referred to: Transportation

January 30, 2017

A BILL TO BE ENTITLED  
AN ACT TO REQUIRE DRIVER INSTRUCTION ON LAW ENFORCEMENT PROCEDURES  
DURING TRAFFIC STOPS.

The General Assembly of North Carolina enacts:

**SECTION 1.** G.S. 20-88.1(d) reads as rewritten:

"(d) The Division shall prepare a driver license handbook that explains the traffic laws of the State and shall periodically revise the handbook to reflect changes in these laws. The Division, in consultation with the State Highway Patrol, the North Carolina Sheriff's Association, and the North Carolina Association of Chiefs of Police, shall include in the driver license handbook a description of law enforcement procedures during traffic stops and the actions that a motorist should take during a traffic stop, including appropriate interactions with law enforcement officers. At the request of the Department of Public Instruction, the Division shall provide free copies of the handbook to that Department for use in the program of driver education offered at public high schools."

**SECTION 2.** G.S. 115C-215(b) reads as rewritten:

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

- (1) Instruction on the rights and privileges of the handicapped and the signs and symbols used to assist the handicapped relative to motor vehicles, including the "international symbol of accessibility" and other symbols and devices as provided in Article 2A of Chapter 20 of the General Statutes.
- (2) At least six hours of instruction on the offense of driving while impaired and related subjects.
- (3) At least six hours of actual driving experience. To the extent practicable, this experience may include at least one hour of instruction on the techniques of defensive driving.
- (4) At least one hour of motorcycle safety awareness training.
- (5) Instruction on law enforcement procedures for traffic stops that is developed in consultation with the State Highway Patrol, the North Carolina Sheriff's Association, and the North Carolina Association of Chiefs of Police. The instruction shall provide a description of the actions that a motorist should take during a traffic stop, including appropriate interactions with law enforcement officers.

**SECTION 3.** Section 1 of this act becomes effective January 1, 2018. The remainder of this act is effective when it becomes law and applies beginning with the 2017-2018 school year.







## HOUSE BILL 349: Currituck-Developer Funds for Road Constr.

2017-2018 General Assembly

<b>Committee:</b>	House Transportation. If favorable, re-refer to State and Local Government II	<b>Date:</b>	March 30, 2017
<b>Introduced by:</b>	Rep. Steinburg	<b>Prepared by:</b>	Giles Perry
<b>Analysis of:</b>	First Edition		Staff Attorney

**OVERVIEW:** *House Bill 349 authorizes Currituck County to use funds contributed by a developer pursuant to a county subdivision road ordinance for the purpose of improving roads serving the subdivision or development, in conjunction with DOT.*

[As introduced, this bill was identical to S281, as introduced by Sen. Cook, which is currently in Senate Rules and Operations of the Senate.]

**CURRENT LAW:** Under current G.S. 153A-331, a county subdivision ordinance may require a developer to contribute funds in lieu of required road construction to serve the residents of a subdivision or development. Funds contributed in accordance with this section must be transferred to a municipality for the construction of the roads serving the subdivision or development.

**BILL ANALYSIS:** House Bill 349, applicable to Currituck County only, amends the current law concerning developer contributions of funds to serve a county subdivision or development, under a county subdivision ordinance, to provide that the county may use the funds to undertake improvements to the roads serving the subdivision or development, pursuant to an agreement with NC DOT.

**EFFECTIVE DATE:** This act is effective when it becomes law.

Karen Cochrane-Brown  
Director



Legislative Analysis  
Division  
919-733-2578





GENERAL ASSEMBLY OF NORTH CAROLINA  
SESSION 2017

H

1

HOUSE BILL 349\*

Short Title: Currituck-Developer Funds for Road Constr. (Local)

Sponsors: Representative Steinburg.

*For a complete list of sponsors, refer to the North Carolina General Assembly web site.*

Referred to: Transportation, if favorable, State and Local Government II

March 15, 2017

A BILL TO BE ENTITLED

AN ACT TO ALLOW CURRITUCK COUNTY TO USE DEVELOPER FUNDS FOR THE  
CONSTRUCTION OF ROADS TO ALLOW FOR INTERCONNECTIVITY OF  
SUBDIVISION STREETS AND ROADS.

The General Assembly of North Carolina enacts:

**SECTION 1.** G.S. 153A-331 reads as rewritten:

**"§ 153A-331. Contents and requirements of ordinance.**

...

(c) A subdivision control ordinance may provide that a developer may provide funds to the county whereby the county may acquire recreational land or areas to serve the development or subdivision, including the purchase of land that may be used to serve more than one subdivision or development within the immediate area.

(d) The ordinance may provide that in lieu of required street construction, a developer may provide funds to be used for the development of roads to serve the occupants, residents, or invitees of the subdivision or development. All funds received by the county under this section shall be ~~transferred to the municipality to be~~ used solely for the development of roads, including design, land acquisition, and construction. ~~Any municipality receiving funds from a county under this section is authorized to expend such funds outside its corporate limits for the purposes specified in the agreement between the municipality and the county. However, a county may undertake these activities in conjunction with the Department of Transportation pursuant to an agreement between the county and the Department of Transportation. Any~~ formula adopted to determine the amount of funds the developer is to pay in lieu of required street construction shall be based on the trips generated from the subdivision or development. The ordinance may require a combination of partial payment of funds and partial dedication of constructed streets when the governing body of the county determines that a combination is in the best interest of the citizens of the area to be served.

...."

**SECTION 2.** This act applies to Currituck County only.

**SECTION 3.** This act is effective when it becomes law.







# HOUSE BILL 457: Performance Guarantees/Subdivision Streets.

2017-2018 General Assembly

<b>Committee:</b>	House Transportation	<b>Date:</b>	April 4, 2017
<b>Introduced by:</b>	Reps. Torbett, Iler, Hastings, Shepard	<b>Prepared by:</b>	Giles Perry
<b>Analysis of:</b>	First Edition		Staff Attorney

**OVERVIEW:** *House Bill 457 makes changes to State law concerning performance guarantees on county subdivision streets offered for public dedication.*

[As introduced, this bill was identical to S373, as introduced by Sen. Meredith, which is currently in Senate Rules and Operations of the Senate.]

**CURRENT LAW:** G.S. 153A-331 and G.S. 160A-372 authorize counties and cities, as a part of their subdivision ordinances, to require performance guarantees to assure successful completion of improvements required under the ordinance.

## BILL ANALYSIS:

**Section 1** of the bill amends State law governing performance guarantees on county subdivision streets, as follows:

This section applies to developer performance guarantees on streets located outside municipal jurisdiction, in developments approved on or after August 1, 2017, and to all county residential subdivisions or development plans approved on or after October 1, 2010 that include an offer of dedication of roads and the roads have been constructed and opened for travel and are fully completed.

### Performance Guarantees

- Provides that a county ordinance may, but is not required to, provide for performance guarantees for new streets offered for dedication.
- Developers may choose not to provide the performance guarantee prior to construction of a subdivision street, but must provide a residual performance guarantee prior to the issuance of a building permit for a structure within the development.
- Provides that the amount of a street performance guarantee shall not exceed 125% of the cost of completion.
- Provides that a performance guarantee shall only be used for completion of the required improvements, and not for repairs or maintenance after completion.
- Provides for extension of the performance guarantee, if the required improvements are not complete.
- Provides that any performance guarantee on a street shall be released upon confirmation from the Division of Highways that the street has been accepted for maintenance, but not later than six months following submittal to the DOT form SR-2, "Request for Addition to State Maintained Secondary Road System"; and proof the street is fully completed.

Karen Cochrane-Brown  
Director



Legislative Analysis  
Division  
919-733-2578



# House Bill 457

Page 2

- Provides, for streets built to more stringent standards than DOT required as of January 1, 2017, for the release of a performance guarantee, upon confirmation DOT has accepted the Street, but no later than three months following submittal of DOT form SR-2; and presentation of a county issue construction inspection, a DOT construction inspection approval, a sealed engineer certification of completion, or proof of posting of a residual performance guarantee.
- Provides that the principal amount of the performance guarantee may be incrementally reduced by the developer during the course of construction to reflect the level of completion of the road.

## Residual Performance Guarantees

- Provides that upon certification that the road has been fully constructed, the performance guarantee shall be reduced to a residual amount (15% of construction cost or 125% of the pavement cost).
- Provides the purpose of the residual performance guarantee is to allow time for completed new roads offered for dedication to attain the density required for acceptance.
- Provides that the residual performance guarantee shall only be used for specified maintenance or repairs.
- Provides that the residual performance guarantee shall remain in place until the road is accepted, or for one year from the date of issuance, whichever is less. If at the end of one year the road is still not eligible for acceptance the residual performance guarantee shall be extended for a second year. If the developer has fully constructed the street but not achieved the required density the residual performance guarantee shall be extended beyond the end of the second full year.
- Provides for release of residual performance guarantee within 30 days of the date the street or road is accepted for maintenance by the DOT, but not later than six months following submittal to the DOT form SR-2; and presentation of a county issue construction inspection, a DOT construction inspection approval, or a sealed engineer certification of completion.
- Provides, for streets built to more stringent standards than DOT required as of January 1, 2017, for the release of a residual performance guarantee, upon confirmation DOT has accepted the Street, but no later than three months following submittal of DOT form SR-2; and presentation of a county issue construction inspection, a DOT construction inspection approval, or a sealed engineer certification of completion.

## DOT acceptance standards

- Provides that DOT shall accept subdivision roads offered of public dedication within subdivisions or developments approved on or after October 1, 2010, that are fully completed, as soon as is possible after January 1, 2018, if (1) The road has been fully constructed; (2) The road pavement, storm drainage and signage are in proper condition; (3) The road has been opened for public travel for at least six years, as of September 30, 2017, if the street was opened before October 1, 2017; (4) Either 10% of the lots have occupied dwelling units, or if the phase contains fewer than 20 lots, a minimum of two homes are occupied, and each street shall have at least one occupied home; and (5) There are no structural or vertical vegetative encroachments.
- If DOT subdivision street construction standards change, DOT shall apply DOT construction standards in effect January 1, 2017 for any subdivision streets completed prior to January 1, 2018.





# House Bill 457

Page 3

- Roads meeting the requirements shall be proposed for acceptance by either the county or another party to the Division of Highways.
- Acceptance by the Division of Highways shall be issued as soon as the Division can review the streets and assure that they meet the conditions. The review shall occur within 60 days of the request.

## County assessments

- Authorizes County assessments for street or drainage improvements, or mowing, to facilitate State acceptance of streets.

## Prohibited Ground for Denial of Acceptance by DOT

- Prohibits DOT from denying acceptance of streets or roads completed between October 1, 2010 and September 30, 2017, that otherwise meet the acceptance conditions, for minor encroachments, removal of debris, grass cutting, sidewalk or lack thereof.

## Development of County Road Database

- Requires counties, on or before January 1, 2019, and with DOT's assistance, to create a "County Public Street Information Database" that accurately conveys the status of roads within the jurisdictional area of the county.

## Updating of DOT Subdivision Manual

- Requires DOT to update its Subdivision Roads Minimum Construction Standards Manual by July 1, 2018

**EFFECTIVE DATE:** This act becomes effective July 1, 2017.



NORTH CAROLINA GENERAL ASSEMBLY AMENDMENT

(Please type or use ballpoint pen)

EDITION No. \_\_\_\_\_

H. B. No. 457

DATE \_\_\_\_\_

S. B. No. \_\_\_\_\_

Amendment No. \_\_\_\_\_

(to be filled in by  
Principal Clerk)

COMMITTEE SUBSTITUTE \_\_\_\_\_

Rep. ) Torbett  
Sen. )

1 moves to amend the bill on page 2, line 28

2 ( ) WHICH CHANGES THE TITLE

3 by \_\_\_\_\_

4 adding the word "professional"

5 \_\_\_\_\_

6 before the word "engineer".

7 \_\_\_\_\_

8 (McMurry) 376

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SIGNED \_\_\_\_\_

ADOPTED \_\_\_\_\_ FAILED \_\_\_\_\_ TABLED \_\_\_\_\_

PRINCIPAL CLERK'S OFFICE (FOR ENGROSSMENT)



GENERAL ASSEMBLY OF NORTH CAROLINA  
SESSION 2017

H

1

HOUSE BILL 457\*

Short Title: Performance Guarantees/Subdivision Streets. (Public)

Sponsors: Representatives Torbett, Iler, Hastings, and Shepard (Primary Sponsors).  
*For a complete list of sponsors, refer to the North Carolina General Assembly web site.*

Referred to: Transportation

March 27, 2017

1 A BILL TO BE ENTITLED  
2 AN ACT TO MAKE CHANGES TO STATE LAW CONCERNING PERFORMANCE  
3 GUARANTEES ON COUNTY SUBDIVISION STREETS OFFERED FOR PUBLIC  
4 DEDICATION.

5 The General Assembly of North Carolina enacts:

6 SECTION 1. Chapter 153A of the General Statutes is amended by adding a new  
7 section to read:

8 "**§ 153A-331.1. Performance guarantees and acceptance of streets offered for public**  
9 **dedication.**

10 (a) Applicability. – This section applies to county subdivision streets located outside  
11 municipal jurisdiction. This section applies to all developments approved on or after August 1,  
12 2017, and retroactively to all county residential subdivisions or development plans approved on  
13 or after October 1, 2010, that include an offer of dedication of roads and the roads that have  
14 been constructed and opened for travel and are fully completed.

15 (b) Performance and Residual Performance Guarantees to Be Provided. – The following  
16 shall apply to performance and residual performance guarantees:

17 (1) A county ordinance may or may not provide for performance guarantees for  
18 new streets offered for dedication. If a county ordinance does not provide for  
19 performance guarantees for new streets offered for dedication, that county  
20 shall not require the successful completion of the new street improvements  
21 prior to allowing a plat to be recorded.

22 (2) Ordinances shall provide for the residual performance guarantee pursuant to  
23 subsections (g) through (j) of this section.

24 (3) Developers may choose not to provide a performance guarantee. If a  
25 developer chooses not to provide a performance guarantee, the developer  
26 shall be permitted to record a plat and proceed to construct the street. Prior  
27 to the issuance of any building permit for a structure to be constructed within  
28 the subdivision or development, the developer shall provide the residual  
29 performance guarantee.

30 (4) For subdivision streets, the type of performance or residual performance  
31 guarantee shall be as defined in G.S. 160A-372(g)(1), and the type of  
32 security utilized shall be at the election of the developer.

33 (c) Amount of Performance Guarantee. – The amount of a street performance guarantee  
34 shall not exceed one hundred twenty-five percent (125%) of the reasonably estimated cost of  
35 completion provided by the engineer of record at the time the performance guarantee is issued.







1 Any amount of any extension of the performance guarantee necessary to complete required  
2 improvements shall not exceed one hundred twenty-five percent (125%) of the reasonably  
3 estimated cost of completion provided by the engineer of record to complete the remaining  
4 incomplete improvements. If the performance guarantee is extended beyond the first year, the  
5 principal amount for the revised guarantee shall be properly adjusted for any anticipated cost  
6 increase or decrease. The performance guarantee amount includes the reasonable cost to the  
7 county to administer and collect the guarantee.

8 (d) Use of Performance Guarantee. – A performance guarantee on a street shall only be  
9 used for completion of the required improvements and not for repairs or maintenance after  
10 completion.

11 (e) Extension of Street Performance Guarantee. – If the required improvements are not  
12 complete and the current performance guarantee is expiring, the performance guarantee shall be  
13 extended, or a new performance guarantee issued, for an additional period until the required  
14 improvements are complete. A developer shall demonstrate reasonable, good-faith progress  
15 toward completion of the required improvements that are the subject of the performance  
16 guarantee or any extension. The form of any extension or new performance guarantee shall be  
17 as defined in G.S. 160A-372(g)(1), and the type of security used shall remain at the election of  
18 the developer.

19 (f) Release of Performance Guarantee. – Any performance guarantee on a street shall  
20 be released upon confirmation from the Division of Highways that the street has been accepted  
21 for maintenance, but not later than six months following submittal to the Division of Highways  
22 of form SR-2, "Request for Addition to State Maintained Secondary Road System," and upon  
23 the presentation of any of the following documents:

24 (1) A county-issued construction inspection approval for the fully completed  
25 streets.

26 (2) Division of Highways-issued construction inspection approval for the fully  
27 completed streets.

28 (3) A sealed certification by the engineer of record confirming to the county and  
29 the Division of Highways that the street or road is fully completed and  
30 conforms to the approved plans and specifications.

31 (4) Proof of posting of the residual performance guarantee pursuant to  
32 subsection (h) of this section.

33 (f1) Release of Performance Guarantee if Street Built to More Stringent Standards. –  
34 Any performance guarantee on a street that is built with more stringent standards than those  
35 required by the Division of Highways standards of January 1, 2017, shall be released upon  
36 confirmation from the Division of Highways that the street has been accepted for maintenance,  
37 but not later than three months following submittal to the Division of Highways of form SR-2,  
38 "Request for Addition to State Maintained Secondary Road System," and upon the presentation  
39 of any of the following documents:

40 (1) A county-issued construction inspection approval for the fully completed  
41 streets.

42 (2) Division of Highways-issued construction inspection approval for the fully  
43 completed streets.

44 (3) A sealed certification by the engineer of record confirming to the county and  
45 the Division of Highways that the street or road is fully completed and  
46 conforms to the approved plans and specifications.

47 (4) Proof of posting of the residual performance guarantee pursuant to  
48 subsection (h) of this section.

49 (g) Incremental Reduction During Construction. – The principal amount of the  
50 performance guarantee may be incrementally reduced by the developer during the course of  
51 construction to reflect the level of completion of the road facility and its associated storm





1 drainage and other required appurtenances, but it shall not be reduced below the amount  
2 required in subsection (h) of this section.

3 (h) Reduction to Residual Amount Upon Certification. – Upon certification that the  
4 road has been fully constructed, the performance guarantee shall be reduced to a residual  
5 amount that is the greater of either fifteen percent (15%) of the total costs of construction or  
6 one hundred twenty-five percent (125%) of the costs of the travel surface pavement. This  
7 reduced guarantee shall be known as the residual performance guarantee.

8 (i) Purpose and Use of Residual Performance Guarantee. – The residual performance  
9 guarantee is for the purpose of allowing a reasonable period of time within which the  
10 completed new roads offered for dedication may attain the density required for acceptance and  
11 be accepted for maintenance by the Division of Highways. The residual performance guarantee  
12 shall only be used for necessary maintenance or repairs, including the removal of structural  
13 encroachments that impede maintenance or compromise the safety of the traveling public.

14 (j) Time Limit on Residual Performance Guarantee. – The residual performance  
15 guarantee shall remain in place until the road is accepted, or for a period of one year from the  
16 date of issuance, whichever is less. If at the end of one year the road is still not eligible for  
17 acceptance, the residual performance guarantee shall be extended for a second year. If the  
18 developer has fully constructed the street but not achieved the required density or alternate  
19 density pursuant to subdivision (4) of subsection (l) of this section, the residual performance  
20 guarantee shall be extended beyond the end of the second full year.

21 (k) Release of Residual Performance Guarantee. – The residual performance guarantee  
22 shall be released as follows:

23 (1) Within 30 days of the date the street or road is accepted for maintenance by  
24 the Division of Highways, but not later than six months following submittal  
25 to the Division of Highways of form SR-2, "Request for Addition to State  
26 Maintained Secondary Road System," and upon the presentation of any of  
27 the following documents:

28 a. A county-issued construction inspection approval for the fully  
29 completed streets.

30 b. Division of Highways-issued construction inspection approval for the  
31 fully completed streets.

32 c. A sealed certification by the engineer of record confirming to the  
33 county and the Division of Highways that the street or road is fully  
34 completed and conforms to the approved plans and specifications.

35 (2) Within 30 days following the second anniversary date of the issuance of the  
36 residual guarantee, provided that the road is fully constructed. In addition, in  
37 the case of a residential subdivision or development, the alternate density  
38 measures provided in subdivision (4) of subsection (l) of this section shall  
39 have been met. In the case of a nonresidential development, the street shall  
40 be accepted in the same time frame, provided one building has been  
41 constructed within the project on the street.

42 (k1) Release of Residual Performance Guarantee if Street Built to More Stringent  
43 Standards. – Any performance guarantee on a street that is built with more stringent standards  
44 than those required by the Division of Highways standards of January 1, 2017, shall be released  
45 upon confirmation from the Division of Highways that the street has been accepted for  
46 maintenance, but not later than three months following submittal to the Division of Highways  
47 of form SR-2, "Request for Addition to State Maintained Secondary Road System," and upon  
48 the presentation of any of the following documents:

49 (1) A county-issued construction inspection approval for the fully completed  
50 streets.





(2) Division of Highways-issued construction inspection approval for the fully completed streets.

(3) A sealed certification by the engineer of record confirming to the county and the Division of Highways that the street or road is fully completed and conforms to the approved plans and specifications.

(l) Department of Transportation Acceptance. – Roads with an offer of public dedication within subdivisions or developments approved on or after October 1, 2010, that are fully completed according to either the plans and specifications approved by the Department on the recorded plat of the project, or confirmed by a built-to-standards letter issued to the county by the Division of Highways, shall be accepted by the Department for maintenance as soon as is possible after January 1, 2018, provided that the following conditions for acceptance are all met:

(1) The road has been fully constructed according to the plans and specifications approved when the subdivision plat was recorded.

(2) The road pavement, storm drainage, and signage are in proper condition.

(3) The street or road has been opened for public travel for at least six years, as of September 30, 2017. This subdivision shall not apply to streets opened on or after October 1, 2017.

(4) Either ten percent (10%) of the lots in the phase of a residential subdivision have occupied dwelling units constructed upon them, or if the phase contains fewer than 20 lots, a minimum of two homes are occupied in that phase. Each separately named street being considered for acceptance within the phase shall have at least one occupied home. If all of the named streets within the phase do not have occupied homes, nothing in this section shall prevent the acceptance of those streets within the phase that have occupied homes, while acceptance of those streets that do not have occupied homes may be deferred.

(5) There are no structural or vertical vegetative encroachments upon the right-of-way that either compromise the safety of the traveling public or impede maintenance of the roadway.

(m) Change to Division of Highway Subdivision Street Construction Standards. – Any subdivision street completed prior to January 1, 2018, that has not yet been accepted by the Department, shall be subject to Division of Highway subdivision street construction standards that were in effect on January 1, 2017, and shall be accepted by the Department in accordance with this section.

(n) County Proposal for Acceptance. – Roads meeting the requirements of subsection (l) of this section shall be proposed for acceptance by either the county or another party to the Division of Highways.

(o) Time Limits for Division of Highways Acceptance. – Acceptance by the Division of Highways shall be issued as soon as the Division can review the streets and assure that they meet the Division standards. The review shall occur within 60 days of the request. The Division of Highways may issue a conditional acceptance based upon the completion of any necessary repairs to the roadway and its drainage facilities identified during the review, including the removal of encroachments that impede maintenance or compromise the safety of the traveling public.

(p) County Assessments for Necessary Improvements. – If necessary to facilitate acceptance of streets, counties may finance the cost of improvements made under the supervision of the Department of Transportation to bring these streets up to the standards for acceptance, in the case of street or drainage improvements or necessary mowing, and recover all or any portion of those costs through an assessment, as provided in G.S. 153A-205, levied





1 upon the lots within the development or levied upon the offending lot in the case of an  
2 encroachment that impedes maintenance or compromises the safety of the traveling public.

3 (q) Applicability Exceptions. – The provisions of this section shall not apply to any of  
4 the following:

5 (1) Any proposed public road that has been platted but has not been properly  
6 constructed according to the plans and specifications that were in place at the  
7 time a map of the proposed right-of-way was recorded.

8 (2) Any subdivision or development recorded prior to October 1, 1975, where  
9 the road construction has not been completed.

10 (3) Any road completed after October 1, 1975, that was not constructed to the  
11 minimum standards for a paved road that were in place on the date of  
12 recordation of the plat or where it can be clearly shown by the Department  
13 that the construction did not meet the plans and specifications by which the  
14 road was designed.

15 (r) Terms. – For the purposes of this section, the use of the terms "road construction,"  
16 or "completion," and any reference to maintenance of roads prior to final acceptance, refer to  
17 all of the physically constructed components of the road within the designated right-of-way,  
18 including, but not limited to, the proper installation, according to approved plans and  
19 specifications, of any of the following:

20 (1) The soil base and related compaction.

21 (2) Base pavement courses and final travel surface pavement.

22 (3) Shoulders where specified with appropriately sloped side ditches, including  
23 appropriate drainage structures, pipes, outlets, and related appurtenances.

24 (4) Curb and gutter where specified along with appropriately designed storm  
25 drainage pipes, structures, outlets, and related appurtenances.

26 (5) Appropriate signage and pavement striping.

27 (s) Prohibited Grounds for Denial of Acceptance. – None of the following shall be a  
28 basis for denial or delay of the acceptance by the Department for streets or roads completed  
29 between October 1, 2010, and September 30, 2017, that meet the acceptance conditions of this  
30 section:

31 (1) Removal of encroachments that are neither structural nor pose a safety  
32 hazard to the motoring public, including, but not limited to, planted  
33 ornamental vegetation or nuisance plant materials.

34 (2) Removal of debris from ditches or drainage pipes, culverts, or related  
35 appurtenances that is not significantly impeding the drainage function.

36 (3) Cosmetic trimming of grass or weeds, and other similar maintenance items  
37 not related to the maintenance of the paved travel surface of the roadway and  
38 its related storm drainage facilities, unless trimming is necessary to allow for  
39 a proper visual inspection of the street and drainage facilities.

40 (4) Sidewalks, or lack of sidewalks, located adjacent to a road.

41 (t) Development of Street Database. – The Department shall work cooperatively with  
42 each county to provide the necessary information to the counties to enable the counties to  
43 compile a readily available "County Public Street Information Database" and place it in  
44 operation on or before January 1, 2019. The information provided shall accurately convey the  
45 status of roads within the jurisdictional area of the county, including municipal extraterritorial  
46 jurisdictions, and it shall be updated at least monthly. The data shall reside on any existing  
47 database system chosen by the county for this purpose, such as, but not limited to, a geographic  
48 information system (GIS) mapping system or property tax records system. The system chosen  
49 shall be able to convey clear and concise information regarding the status of roads to the public  
50 and more particularly to those individuals involved in the research of real property records and



1 information. The data may be made available to the public in either graphic or tabular format,  
2 or both. The status of roads to be conveyed shall be:

3       (1) Federally maintained with a federal route number assigned.

4       (2) State-maintained with a State road number assigned.

5       (3) City-maintained.

6       (4) Pending public acceptance with a financial consideration in place for the  
7 maintenance and repair of the street until it is accepted. This subdivision  
8 shall only apply to new streets offered for public dedication after October 1,  
9 2017.

10       (5) Pending public acceptance without a financial consideration being in place  
11 for the maintenance and repair of the street until it is accepted.

12       (6) Private street requiring private maintenance.

13       (u) Department Subdivision Roads Manual. – The Department shall update its  
14 Subdivision Roads Minimum Construction Standards Manual, and any related pavement or  
15 other policies, by July 1, 2018, and regularly thereafter, to accurately reflect current federal and  
16 State law and applicable judicial decisions. The Department shall report all updates to the  
17 Manual to the Joint Legislative Transportation Oversight Committee."

18       **SECTION 2.** This act becomes effective July 1, 2017.





## HOUSE BILL 468: DOT/Funding for Preliminary Engineering.

2017-2018 General Assembly

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<b>Committee:</b>	House Transportation. If favorable, re-refer to State and Local Government II	<b>Date:</b>	April 4, 2017
<b>Introduced by:</b>	Reps. Shepard, Torbett	<b>Prepared by:</b>	Giles Perry
<b>Analysis of:</b>	First Edition		Staff Attorney

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**OVERVIEW:** *House Bill 468 would also authorize DOT to enter into agreements with local governments, allowing the local government to fund preliminary engineering for projects not currently funded in the TIP, but that were programmed in the immediately preceding TIP.*

**CURRENT LAW:** Under current G.S. 136-66.8, DOT is authorized to enter into agreements with local governments to expedite projects in the Transportation Improvement Program (TIP) by using local funds, with DOT reimbursing the local government when the project is funded by State and federal sources.

**BILL ANALYSIS:** House Bill 468 would also authorize DOT to enter into agreements with local governments, allowing the local government to fund preliminary engineering for projects not currently funded in the TIP, but that were programmed in the immediately preceding TIP. The local government would be reimbursed only when the project was funded by State and federal sources.

The bill also requires a report each year to the Joint Legislative Oversight Committee on any agreements funded pursuant to this statute.

**EFFECTIVE DATE:** This act is effective when it becomes law.

Karen Cochrane-Brown  
Director



H 4 6 8 - S M R W - 2 9 E 1 - V - 1

Legislative Analysis  
Division  
919-733-2578





GENERAL ASSEMBLY OF NORTH CAROLINA  
SESSION 2017

H

1

HOUSE BILL 468

Short Title: DOT/Funding for Preliminary Engineering. (Public)

Sponsors: Representatives Shepard and Torbett (Primary Sponsors).

*For a complete list of sponsors, refer to the North Carolina General Assembly web site.*

Referred to: Transportation, if favorable, State and Local Government II

March 27, 2017

1 A BILL TO BE ENTITLED  
2 AN ACT TO AUTHORIZE THE DEPARTMENT OF TRANSPORTATION TO ENTER  
3 INTO AGREEMENTS WITH UNITS OF LOCAL GOVERNMENTS TO FUND  
4 PRELIMINARY ENGINEERING FOR CERTAIN TRANSPORTATION PROJECTS.

5 The General Assembly of North Carolina enacts:

6 **SECTION 1.** G.S. 136-66.8 reads as rewritten:

7 **"§ 136-66.8. Agreements with units of local government to expedite projects.**

8 (a) Agreements Authorized. – The Department of Transportation may enter into  
9 agreements with units of local government for either of the purpose of expediting following  
10 purposes:

11 (1) Expediting transportation projects currently programmed in the  
12 Transportation Improvement Plan-Program.

13 (2) Funding preliminary engineering for projects not currently programmed in  
14 the Transportation Improvement Program but programmed in the  
15 immediately preceding Transportation Improvement Program.

16 (b) Form of Project Agreements. – The agreements ~~affected~~ authorized by subdivision  
17 (1) of subsection (a) of this section shall be between the Department of Transportation and  
18 units of local government. The agreements may authorize units of local government to  
19 construct projects scheduled in the Transportation Improvement ~~Plan-Program~~ more than two  
20 years from the date of the agreement. The units of local government shall fund one hundred  
21 percent (100%) of the project at current prices. In a future year, when the project is funded  
22 from State and federal sources, the units of local government shall be reimbursed an  
23 appropriate share of the funds, at the future programmed project funding amount, as identified  
24 and scheduled in the Transportation Improvement ~~Plan-Program~~.

25 (b1) Form of Preliminary Engineering Agreement. – The agreements authorized by  
26 subdivision (2) of subsection (a) of this section shall be between the Department of  
27 Transportation and units of local government. The units of local government shall fund one  
28 hundred percent (100%) of the preliminary engineering funding at current prices. In a future  
29 year, when the project is funded from State and federal sources, the units of local government  
30 shall be reimbursed for the amount expended in accordance with the agreement.

31 (c) Report. – The Department of Transportation shall annually report to the Joint  
32 Legislative Transportation Oversight Committee by December ~~1, 2006,~~ 1 on any agreements  
33 executed with units of local government pursuant to this section."

34 **SECTION 2.** This act is effective when it becomes law.





## VISITOR REGISTRATION SHEET

House Comm. Transportation  
Name of Committee

4/4/17  
Date

VISITORS: PLEASE SIGN IN BELOW AND RETURN TO COMMITTEE CLERK

NAME

FIRM OR AGENCY AND ADDRESS

James Smith	ACEC/NC
BERRY JONES	CAROLINAS AGC
Matthew Babcock	PPAB
Perry Hunter	SOG
Caroline Miller	AMGA
Swain	Duke Energy
Edith Caldwell	NC Sheriff's Assn.
Rachel Brantley	RFLAN
CADY THOMAS	TOUROS (AROLINA)
Isabel Villa Garcia	NC REALTORS
Quinn Menden	Wm



## VISITOR REGISTRATION SHEET

House Comm. Transportation  
Name of Committee

4/4/17  
Date

VISITORS: PLEASE SIGN IN BELOW AND RETURN TO COMMITTEE CLERK

NAME

FIRM OR AGENCY AND ADDRESS

Tarrch Callahan

CCSR

Brad Salmer

APS

Cindy Brandon

NC APS

CAPT CHRIS MORTON

NCSHP

GLENN MCNEILL

NCSHP

Robb Jansen

NCSBE

MIKE HALDOR

NCDOT

Joy Willes

NCDOT

Matthew Herr

DRAC

S Grillooly

ACLU

NICK TENNYSON

TENNYSON SPANGLER LLC





## VISITOR REGISTRATION SHEET

House Comm. Transportation  
Name of Committee

4/4/17  
Date

VISITORS: PLEASE SIGN IN BELOW AND RETURN TO COMMITTEE CLERK

NAME

FIRM OR AGENCY AND ADDRESS

Will Culpepper	MVA
Whitney Christensen	Ward & Smith, P.A.
Kayla Skinner	Wake Stem ECHS
Madeline Hurley	Ward and Smith, P.A.
Skye David	NEWFRAME
Jason Joyner	NEWFRAME



## VISITOR REGISTRATION SHEET

House Comm. Transportation  
Name of Committee

4/4/17  
Date

VISITORS: PLEASE SIGN IN BELOW AND RETURN TO COMMITTEE CLERK

NAME

FIRM OR AGENCY AND ADDRESS

Warren & Smith	NCDMV
Pamela Gilyard	NCDMV
Kevin Lacy	NCDOT
Charlotte Boyd-Malette	NCDMV
Rodney Coleman	NCDMV
Dan Cant	AA
Wynn Wagenseil	Audubon
CS Hollis	CSA
Ellis Powell	CAPA
A Chase	KMA
Stephen Kouba	KMA
Flint Benson	SEAN



## VISITOR REGISTRATION SHEET

House Comm. Transportation  
Name of Committee

4/4/17  
Date

VISITORS: PLEASE SIGN IN BELOW AND RETURN TO COMMITTEE CLERK

NAME

FIRM OR AGENCY AND ADDRESS

David Collins

SEANL

Mike Asperken

NCHBA

Tim Marked

NCHBA





**House Committee on Transportation  
Tuesday, April 11, 2017 at 11:00 AM  
Room 643 of the Legislative Office Building**

**MINUTES**

The House Committee on Transportation met at 11:00 AM on April 11, 2017 in Room 643 of the Legislative Office Building. Representatives Adams, Alexander, Beasley, Belk, Blackwell, Boles, Brawley, Bumgardner, Carney, Corbin, Faircloth, Ford, Fraley, Goodman, C. Graham, Hastings, Hunter, Iler, Brenden Jones, McGrady, McNeill, Presnell, B. Richardson, Shepard, Speciale, Steinburg, Stone, Strickland, Torbett, Willingham, and Wray attended.

Representative Frank Iler, Chair, presided.

The following bills were considered:

**HB 94 Emergency Management/Drone Use. (Representatives Speciale, Pittman, Torbett, Cleveland)**

Representative Shepard was recognized for a motion to have the PCS before the committee. The motion carried. He then explained the bill. Representative Carney was recognized for a motion favorable to the PCS, unfavorable to the original bill. The motion carried.

**HB 168 Study/Damage From ATV Use. (Representatives C. Graham, Pittman, Pierce)**

This bill was not heard in committee at the request of Representative Graham.

**HB 275 No Stormwater Fees on Taxiways or Runways. (Representatives Conrad, Torbett, Presnell, Hunter)**

Representative Conrad was recognized for a motion to bring the PCS before the committee. The motion carried.

**HB 418 SOS/Save Our Street Signs. (Representative Clampitt)**

Representative Clampitt was recognized to explain the bill. Representative Torbett was recognized for a motion to bring the PCS before the committee. The motion carried. Mr. Mike Holder, Chief Engineer with NC DOT was recognized and available to answer questions from the committee. After discussion, Representative Boles was recognized for a motion to give the committee substitute a favorable report, unfavorable to the original bill and re-refer to Judiciary II. The motion carried.

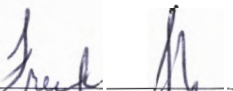
**HB 501 DOT/Surveying Information in Plans. (Representative Brody)**

Representative Brody was recognized to explain the bill. After discussion and debate, Representative Brawley was recognized for a motion to give the bill a favorable report and re-refer to the Judiciary III.

**HB 528 Traffic Impact Analysis Time Frame. (Representatives Millis, Torbett)**

Representative Millis was recognized to explain the bill. Representative Torbett was recognized to have the PCS brought before the committee and the motion carried. Representative Torbett was recognized for an amendment to the bill. The amendment carried. Representative Shepard was recognized for a motion to give a favorable report to the PCS, unfavorable to the original bill with a re-referral to Local Government II. The motion carried.

The meeting adjourned at 11:50.

  
\_\_\_\_\_  
Representative Frank Iler, Chair  
Presiding

  
\_\_\_\_\_  
Carla Langdon, Committee Clerk



**NORTH CAROLINA HOUSE OF REPRESENTATIVES  
COMMITTEE MEETING NOTICE  
AND  
BILL SPONSOR NOTIFICATION  
2017-2018 SESSION**

You are hereby notified that the **House Committee on Transportation** will meet as follows:

**DAY & DATE:** Tuesday, April 11, 2017  
**TIME:** 11:00 AM  
**LOCATION:** 643 LOB  
**COMMENTS:** Rep. Iler will be chairing.

The following bills will be considered:

<b>BILL NO.</b>	<b>SHORT TITLE</b>	<b>SPONSOR</b>
HB 94	Emergency Management/Drone Use.	Representative Speciale Representative Pittman Representative Torbett Representative Cleveland
HB 168	Study/Damage From ATV Use.	Representative C. Graham Representative Pittman Representative Pierce
HB 275	No Stormwater Fees on Taxiways or Runways.	Representative Conrad Representative Torbett Representative Presnell Representative Hunter
HB 376	Subdivision Improvement Guarantee Changes.	Representative McGrady Representative Henson
HB 418	SOS/Save Our Street Signs.	Representative Clampitt
HB 501	DOT/Surveying Information in Plans.	Representative Brody
HB 528	Traffic Impact Analysis Time Frame.	Representative Millis Representative Torbett



Respectfully,

Representative Kelly E. Hastings, Co-Chair  
Representative Frank Iler, Co-Chair  
Representative Phil Shepard, Co-Chair  
Representative John A. Torbett, Co-Chair

I hereby certify this notice was filed by the committee assistant at the following offices at 1:39 PM on Wednesday, April 05, 2017.

\_\_\_\_ Principal Clerk  
\_\_\_\_ Reading Clerk – House Chamber

Carla Langdon (Committee Assistant)





**House Committee on Transportation  
Tuesday, April 11, 2017, 11:00 AM  
643 Legislative Office Building**

**AGENDA**

**Welcome and Opening Remarks**

**Introduction of Pages**

**Bills**

<b>BILL NO.</b>	<b>SHORT TITLE</b>	<b>SPONSOR</b>
HB 94	Emergency Management/Drone Use <b>PCS (No Re-referral)</b>	Representative Speciale Representative Pittman Representative Torbett Representative Cleveland
HB 168	Study/Damage From ATV Use <b>PCS, Re-refer to J-IV</b>	Representative C. Graham Representative Pittman Representative Pierce
HB 275	No Stormwater Fees on Taxiways or Runways <b>Re –refer to Finance</b>	Representative Conrad Representative Torbett Representative Presnell Representative Hunter
HB 418	SOS/Save Our Street Signs <b>PCS, Re-refer to J-II</b>	Representative Clampitt
HB 501	DOT/Surveying Information in Plan. <b>Re-refer to J-III</b>	Representative Brody
HB 528	Traffic Impact Analysis Time Frame <b>PCS, Re-refer to Local Govt. II</b>	Representative Millis Representative Torbett

**Adjourn**



**NORTH CAROLINA GENERAL ASSEMBLY  
HOUSE OF REPRESENTATIVES**

**TRANSPORTATION COMMITTEE REPORT**

**Representative Kelly E. Hastings, Co-Chair**

**Representative Frank Iler, Co-Chair**

**Representative Phil Shepard, Co-Chair**

**Representative John A. Torbett, Co-Chair**

**FAVORABLE AND RE-REFERRED**

**HB 275**

No Stormwater Fees on Taxiways or Runways.

Draft Number: None

**Serial Referral:** **FINANCE**

Recommended Referral: None

Long Title Amended: No

Floor Manager: Conrad

**HB 501**

DOT/Surveying Information in Plans.

Draft Number: None

**Serial Referral:** **JUDICIARY III**

Recommended Referral: None

Long Title Amended: No

Floor Manager: Brody

**TOTAL REPORTED: 2**



\* C M R 1 9 2 - V - 1 \*



**NORTH CAROLINA GENERAL ASSEMBLY  
HOUSE OF REPRESENTATIVES**

**TRANSPORTATION COMMITTEE REPORT**

**Representative Kelly E. Hastings, Co-Chair**

**Representative Frank Iler, Co-Chair**

**Representative Phil Shepard, Co-Chair**

**Representative John A. Torbett, Co-Chair**

**FAVORABLE COM SUB , UNFAVORABLE ORIGINAL BILL AND RE-REFERRED**

**HB 528**

**Traffic Impact Analysis Time Frame.**

**Draft Number: H528-PCS40454-ML-4**

**Serial Referral: STATE AND LOCAL  
GOVERNMENT II**

**Recommended Referral: None**

**Long Title Amended: Yes**

**Floor Manager: Millis**

**FAVORABLE COM SUB NO. 2, UNFAVORABLE COM SUB NO. 1**

**HB 94 (CS#1)**

**Emergency Management/Drone Use.**

**Draft Number: H94-PCS40463-BG-12**

**Serial Referral: None**

**Recommended Referral: None**

**Long Title Amended: Yes**

**Floor Manager: Speciale**

**TOTAL REPORTED: 2**



\* C M R 2 0 4 - V - 1 \*





**NORTH CAROLINA GENERAL ASSEMBLY  
HOUSE OF REPRESENTATIVES**

**TRANSPORTATION COMMITTEE REPORT**

**Representative Kelly E. Hastings, Co-Chair**

**Representative Frank Iler, Co-Chair**

**Representative Phil Shepard, Co-Chair**

**Representative John A. Torbett, Co-Chair**

**FAVORABLE COM SUB , UNFAVORABLE ORIGINAL BILL AND RE-REFERRED**

**HB 418**

**SOS/Save Our Street Signs.**

Draft Number: H418-PCS10280-BG-11

**Serial Referral:** **JUDICIARY II**

Recommended Referral: None

Long Title Amended: Yes

Floor Manager: Clampitt

**TOTAL REPORTED: 1**



\* C M R 2 1 4 - V - 1 \*



GENERAL ASSEMBLY OF NORTH CAROLINA  
SESSION 2017

H

2

HOUSE BILL 94  
Committee Substitute Favorable 3/30/17

Short Title: Emergency Management/Drone Use.

(Public)

Sponsors:

Referred to:

February 15, 2017

A BILL TO BE ENTITLED  
AN ACT TO AUTHORIZE AN EMERGENCY MANAGEMENT AGENCY TO USE  
UNMANNED AIRCRAFT SYSTEMS FOR EMERGENCY MANAGEMENT  
RESPONSE PURPOSES.

The General Assembly of North Carolina enacts:

**SECTION 1.** G.S. 15A-300.1 reads as rewritten:  
**"§ 15A-300.1. Restrictions on use of unmanned aircraft systems.**

...  
(c) Law Enforcement Exceptions. – Notwithstanding the provisions of subsection (b) of this section, the use of unmanned aircraft systems by law enforcement agencies of the State or a political subdivision of the State is not prohibited in the following instances:

- (1) To counter a high risk of a terrorist attack by a specific individual or organization if the United States Secretary of Homeland Security or the Secretary of the North Carolina Department of Public Safety determines that credible intelligence indicates that such a risk exists.
- (2) To conduct surveillance in an area that is within a law enforcement officer's plain view when the officer is in a location the officer has a legal right to be.
- (3) If the law enforcement agency first obtains a search warrant authorizing the use of an unmanned aircraft system.
- (4) If the law enforcement agency possesses reasonable suspicion that, under particular circumstances, swift action is needed to prevent imminent danger to life or serious damage to property, to forestall the imminent escape of a suspect or the destruction of evidence, to conduct pursuit of an escapee or suspect, or to facilitate the search for a missing person.
- (5) To photograph gatherings to which the general public is invited on public or private land.

(c1) Emergency Management Agency Exceptions. – Notwithstanding the provisions of subsection (b) of this section, an emergency management agency as defined in G.S. 166A-19.3(9) may use unmanned aircraft systems for incident command, area reconnaissance, personnel and equipment deployment monitoring, and other related emergency management response purposes.

...."

**SECTION 2.** This act is effective when it becomes law.



GENERAL ASSEMBLY OF NORTH CAROLINA  
SESSION 2017

H

D

HOUSE BILL 94  
Committee Substitute Favorable 3/30/17  
PROPOSED COMMITTEE SUBSTITUTE H94-CSBG-12 [v.2]  
04/07/2017 01:51:16 PM

Short Title: Emergency Management/Drone Use.

(Public)

Sponsors:

Referred to:

February 15, 2017

A BILL TO BE ENTITLED  
AN ACT TO AUTHORIZE AN EMERGENCY MANAGEMENT AGENCY TO USE  
UNMANNED AIRCRAFT SYSTEMS FOR EMERGENCY MANAGEMENT  
FUNCTIONS AND ACTIVITIES.

The General Assembly of North Carolina enacts:

SECTION 1. G.S. 15A-300.1 reads as rewritten:

"§ 15A-300.1. Restrictions on use of unmanned aircraft systems.

...

(c) Law Enforcement Exceptions. – Notwithstanding the provisions of subsection (b) of this section, the use of unmanned aircraft systems by law enforcement agencies of the State or a political subdivision of the State is not prohibited in the following instances:

- (1) To counter a high risk of a terrorist attack by a specific individual or organization if the United States Secretary of Homeland Security or the Secretary of the North Carolina Department of Public Safety determines that credible intelligence indicates that such a risk exists.
- (2) To conduct surveillance in an area that is within a law enforcement officer's plain view when the officer is in a location the officer has a legal right to be.
- (3) If the law enforcement agency first obtains a search warrant authorizing the use of an unmanned aircraft system.
- (4) If the law enforcement agency possesses reasonable suspicion that, under particular circumstances, swift action is needed to prevent imminent danger to life or serious damage to property, to forestall the imminent escape of a suspect or the destruction of evidence, to conduct pursuit of an escapee or suspect, or to facilitate the search for a missing person.
- (5) To photograph gatherings to which the general public is invited on public or private land.

(c1) Emergency Management Exception. – Notwithstanding the provisions of subsection (b) of this section, an emergency management agency, as defined in G.S. 166A-19.3, may use unmanned aircraft systems for all functions and activities related to emergency management, including incident command, area reconnaissance, search and rescue, preliminary damage assessment, hazard risk management, and floodplain mapping.

...."

SECTION 2. This act is effective when it becomes law.







## HOUSE BILL 94: Emergency Management/Drone Use.

2017-2018 General Assembly

<b>Committee:</b>	House Transportation	<b>Date:</b>	April 11, 2017
<b>Introduced by:</b>	Reps. Speciale, Pittman, Torbett, Cleveland	<b>Prepared by:</b>	Howard Marsilio
<b>Analysis of:</b>	PCS to Second Edition		Committee Counsel
	H94-CSBG-12		

**OVERVIEW:** *House Bill 94 (proposed committee substitute) would authorize an emergency management agency, to use an unmanned aircraft system (UAS) for all functions and activities related to emergency management.*

*The PCS would align language to the emergency management agency UAS use exception contained in Section 3 of H337.*

**CURRENT LAW:** G.S.15A-300.1(b) prohibits any person, entity, or State agency from using a UAS to (i) conduct non-consensual surveillance of persons, dwellings, or private real property or to (ii) photograph an individual with the intent to publish or disseminate the photograph (unless in newsgathering, or at newsworthy events, or events to which the general public is invited).

G.S. 15A-300.1(c) exempts law enforcement from the general UAS use prohibitions under certain circumstances, but emergency management agencies are not currently exempt from these general prohibitions.

G.S. 63-95 requires all State or local government UAS operators to complete a knowledge test demonstrating knowledge of State statutes and regulations regarding UAS operation.

**BILL ANALYSIS:** House Bill 94 (proposed committee substitute) would add an exception to the general prohibitions to allow an emergency management agency to use a UAS for all functions and activities related to emergency management, and would specifically include:

- Incident command.
- Area reconnaissance.
- Search and rescue.
- Preliminary damage assessment.
- Hazard risk management.
- Floodplain mapping.

**EFFECTIVE DATE:** The bill would be effective when it becomes law.

Karen Cochrane-Brown  
Director



Legislative Analysis  
Division  
919-733-2578





GENERAL ASSEMBLY OF NORTH CAROLINA  
SESSION 2017

H

1

HOUSE BILL 168

Short Title: Study/Damage From ATV Use. (Public)

Sponsors: Representatives C. Graham, Pittman, and Pierce (Primary Sponsors).  
*For a complete list of sponsors, refer to the North Carolina General Assembly web site.*

Referred to: Transportation, if favorable, Judiciary IV

February 23, 2017

- 1 A BILL TO BE ENTITLED  
2 AN ACT TO STUDY THE DAMAGE CAUSED TO VARIOUS TYPES OF PROPERTIES  
3 FROM UNAUTHORIZED USE OF AN ALL-TERRAIN VEHICLE.  
4 The General Assembly of North Carolina enacts:  
5 **SECTION 1.** Definition. – For purposes of this act, the term "all-terrain vehicle" has  
6 the same meaning as in G.S. 20-4.01.  
7 **SECTION 2.** Study. – The Department of Transportation shall study the impact and  
8 damage from the unauthorized use of all-terrain vehicles on State rights-of-way, private property,  
9 and farmland.  
10 **SECTION 3.** Report. – The Department shall report its findings, including any  
11 legislative proposals, to the Joint Legislative Transportation Oversight Committee no later than  
12 December 1, 2017.  
13 **SECTION 4.** Effective Date. – This act is effective when it becomes law.



GENERAL ASSEMBLY OF NORTH CAROLINA  
SESSION 2017

H

D

HOUSE BILL 168  
PROPOSED COMMITTEE SUBSTITUTE H168-CSRW-17 [v.2]

04/10/2017 04:47:25 PM

Short Title: JLTOC Study/Damage to DOT ROW from ATV Use.

(Public)

Sponsors:

Referred to:

February 23, 2017

1 A BILL TO BE ENTITLED  
2 AN ACT TO DIRECT THE JOINT LEGISLATIVE TRANSPORTATION OVERSIGHT  
3 COMMITTEE TO STUDY THE DAMAGE CAUSED TO DEPARTMENT OF  
4 TRANSPORTATION RIGHTS-OF-WAY FROM UNAUTHORIZED USE OF  
5 ALL-TERRAIN VEHICLES.  
6 The General Assembly of North Carolina enacts:  
7 SECTION 1. Definition. – For purposes of this act, the term "all-terrain vehicle"  
8 has the same meaning as in G.S. 20-4.01.  
9 SECTION 2. Study. – The Joint Legislative Transportation Oversight Committee  
10 shall study the impact and damage from the unauthorized use of all-terrain vehicles on  
11 Department of Transportation rights-of-way.  
12 SECTION 3. Report. – The Committee shall report its findings, including any  
13 legislative proposals, to the General Assembly by May 1, 2018.  
14 SECTION 4. Effective Date. – This act is effective when it becomes law.



\* H 1 6 8 - C S R W - 1 7 \*



# HOUSE BILL 168: JLTOC Study/Damage to DOT ROW from ATV Use.

2017-2018 General Assembly

<b>Committee:</b>	House Transportation. If favorable, re-refer to Judiciary IV	<b>Date:</b>	April 11, 2017
<b>Introduced by:</b>	Reps. C. Graham, Pittman, Pierce	<b>Prepared by:</b>	Giles Perry
<b>Analysis of:</b>	PCS to First Edition H168-CSRW-17		Staff Attorney

**OVERVIEW:** *House Bill 168 (proposed committee substitute) directs the Joint Legislative Transportation Oversight Committee (JLTOC) to study the damage caused to DOT rights-of-way from unauthorized use of all-terrain vehicles.*

*The PCS directs JLTOC instead of DOT to undertake the study, and limits the study to DOT ROW.*

**BILL ANALYSIS:** House Bill 168 (proposed committee substitute) directs the Joint Legislative Transportation Oversight Committee to study the damage caused to Department of Transportation rights-of-way from unauthorized use of all-terrain vehicles.

The Committee is directed to report its findings, including any legislative proposals, to the General Assembly by May 1, 2018.

**EFFECTIVE DATE:** This act is effective when it becomes law.

Karen Cochrane-Brown  
Director



Legislative Analysis  
Division  
919-733-2578



GENERAL ASSEMBLY OF NORTH CAROLINA  
SESSION 2017

H

1

HOUSE BILL 275

Short Title: No Stormwater Fees on Taxiways or Runways. (Public)

Sponsors: Representatives Conrad, Torbett, Presnell, and Hunter (Primary Sponsors).  
*For a complete list of sponsors, refer to the North Carolina General Assembly web site.*

Referred to: State and Local Government II, if favorable, Finance

March 8, 2017

A BILL TO BE ENTITLED  
AN ACT TO EXEMPT AIRPORTS FROM PAYING A STORMWATER UTILITY FEE  
LEVIED ON RUNWAYS AND TAXIWAYS.

The General Assembly of North Carolina enacts:

**SECTION 1.** G.S. 153A-277(a1) is amended by adding a new subdivision to read:

"(4) For airports, a county shall list separately the amount of a stormwater utility fee levied on airport runways and taxiways from the amount levied on the remainder of the airport property. An airport shall be exempt from paying a stormwater utility fee levied on its runways and taxiways. To qualify for an exemption under this subdivision, an airport shall use the amount of savings realized from this exemption for attracting business to the airport and shall provide certification to the county that the savings realized shall be used for this purpose. Except as otherwise prohibited under federal law, and upon request, an airport shall provide the levying county with evidence that the full amount of savings realized from the exemption authorized under this subdivision has been used or encumbered for the purpose set forth in this subdivision. Any amount of savings realized from the exemption authorized under this subdivision that is not used or encumbered for the purpose set forth in this subdivision shall be remitted to the county to be used in accordance with applicable law governing the use of stormwater utility fee proceeds. Savings realized from the exemption authorized under this subdivision shall be in addition to, and not in lieu of, any local funding provided by the county to the airport."

**SECTION 2.** G.S. 160A-314(a1) is amended by adding a new subdivision to read:

"(5) For airports, a city shall list separately the amount of a stormwater utility fee levied on airport runways and taxiways from the amount levied on the remainder of the airport property. An airport shall be exempt from paying a stormwater utility fee levied on its runways and taxiways. To qualify for an exemption under this subdivision, an airport shall use the amount of savings realized from this exemption for attracting business to the airport and shall provide certification to the city that the savings realized shall be used for this purpose. Except as otherwise prohibited under federal law, and upon request, an airport shall provide the levying city with evidence that the full amount of savings realized from the exemption authorized under this subdivision has been used or encumbered for the purpose set forth in this subdivision. Any amount of savings realized from the exemption authorized under this subdivision that is



1                   not used or encumbered for the purpose set forth in this subdivision shall be  
2                   remitted to the city to be used in accordance with applicable law governing the  
3                   use of stormwater utility fee proceeds. Savings realized from the exemption  
4                   authorized under this subdivision shall be in addition to, and not in lieu of, any  
5                   local funding provided by the city to the airport."

6                   **SECTION 3.** This act becomes effective January 1, 2018, and applies to fees levied  
7                   on or after that date.





## HOUSE BILL 275: No Stormwater Fees on Taxiways or Runways.

2017-2018 General Assembly

<b>Committee:</b>	House Transportation. If favorable, re-refer to Finance	<b>Date:</b>	April 11, 2017
<b>Introduced by:</b>	Reps. Conrad, Torbett, Presnell, Hunter	<b>Prepared by:</b>	Wendy Ray
<b>Analysis of:</b>	First Edition		Staff Attorney

**OVERVIEW:** *House Bill 275 would exempt airports from paying the portion of stormwater utility fees applicable to runways and taxiways if the savings are used to attract business to the airport.*

**CURRENT LAW:** Under G.S. 153A-277 and G.S. 160A-314, counties and cities are authorized to establish and collect fees for stormwater management programs and structural and natural stormwater drainage systems. Fees may not exceed the costs of providing the program and drainage system, including any costs necessary to assure that all aspects of stormwater quality and quantity are managed in accordance with federal and State law.

**BILL ANALYSIS:** House Bill 275 would provide a limited exemption for airports from paying stormwater utility fees. Under the bill, an airport would not have to pay the portion of the fee that covers the airport's runways and taxiways if the airport certifies that the savings realized from the exemption will be used to attract business to the airport. Upon request of the city or county levying the fee, the airport would be required to provide evidence that the savings were used to attract business to the airport. Any savings not used for the required purpose would have to be remitted to the city or county to be used for stormwater management.

**EFFECTIVE DATE:** The act would become effective January 1, 2018, and would apply to fees levied on or after that date.

Karen Cochrane-Brown  
Director



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Legislative Analysis  
Division  
919-733-2578





# North Carolina's Aviation System

72 Publicly Owned Airports in North Carolina



**REPRESENTATIVE DEBRA CONRAD**  
N.C. HOUSE OF REPRESENTATIVES  
74<sup>TH</sup> DISTRICT

416B LEGISLATIVE OFFICE BUILDING  
300 N. SALISBURY STREET  
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GENERAL ASSEMBLY OF NORTH CAROLINA  
SESSION 2017

H

1

HOUSE BILL 418

Short Title: SOS/Save Our Street Signs.

(Public)

Sponsors: Representative Clampitt.

*For a complete list of sponsors, refer to the North Carolina General Assembly web site.*

Referred to: Transportation, if favorable, Judiciary II

March 22, 2017

A BILL TO BE ENTITLED

AN ACT INCREASING THE PENALTY FOR DAMAGING OR REMOVING STREET  
SIGNS AND PROVIDING THAT REWARD FUNDS FOR INFORMATION LEADING  
TO THE ARREST AND CONVICTION OF A PERSON WHO DAMAGES OR  
REMOVES STREET SIGNS SHALL BE DEDUCTED FROM THE 911 FUND.

The General Assembly of North Carolina enacts:

**SECTION 1.** G.S. 136-33 reads as rewritten:

**"§ 136-33. Damaging or removing signs; rewards.**

(a) No person shall willfully deface, damage, knock down or remove any sign posted as provided in G.S. 136-26 or G.S. 136-30.

(b) No person, without just cause or excuse, shall have in his possession any highway sign as provided in G.S. 136-26 or G.S. 136-30.

(b1) Any person violating the provisions of this section shall be guilty of a Class 2-1 misdemeanor.

(c) The Department of Transportation is authorized to offer a reward not to exceed ~~five hundred dollars (\$500.00)~~ one thousand dollars (\$1,000) for information leading to the arrest and conviction of persons who violate the provisions of this section, such reward to be paid from funds of the ~~Department of Transportation~~ 911 Fund established under G.S. 143B-1404.

(d) The enforcement of this section shall be the specific responsibility and duty of the State Highway Patrol in addition to all other law-enforcement agencies and officers within this State."

**SECTION 2.** G.S. 143B-1404 reads as rewritten:

**"§ 143B-1404. 911 Fund.**

...

(a1) Reward Funds. – The 911 Board shall deduct and retain one percent (1%) of the total service charges remitted to it under G.S. 143B-1403 for deposit in the 911 Fund for the purpose of funding the reward under G.S. 136-33(c).

...."

**SECTION 3.** This act becomes effective July 1, 2017.



GENERAL ASSEMBLY OF NORTH CAROLINA  
SESSION 2017

H

D

HOUSE BILL 418  
PROPOSED COMMITTEE SUBSTITUTE H418-CSBG-11 [v.3]

04/07/2017 02:49:05 PM

Short Title: SOS/Save Our Street Signs.

(Public)

Sponsors:

Referred to:

March 22, 2017

A BILL TO BE ENTITLED  
AN ACT INCREASING THE CRIMINAL PENALTY AND DOT REWARD FOR  
DAMAGING OR REMOVING STREET SIGN OFFENSES.

The General Assembly of North Carolina enacts:

**SECTION 1.** G.S. 136-33 reads as rewritten:

**"§ 136-33. Damaging or removing signs; rewards.**

(a) No person shall willfully deface, damage, knock down or remove any ~~sign-posted~~  
~~traffic sign and other traffic control device~~ as provided in G.S. 136-26 or G.S. 136-30.

(b) No person, without just cause or excuse, shall have in his possession any ~~highway~~  
~~sign-traffic sign and other traffic control device~~ as provided in G.S. 136-26 or G.S. 136-30.

(b1) Any person violating the provisions of this section shall be guilty of a ~~Class-2~~  
~~misdemeanor~~. Class 1 misdemeanor, and shall pay a fine of one thousand dollars (\$1,000).

(c) The Department of Transportation is authorized to offer a reward not to exceed ~~five~~  
~~hundred dollars (\$500.00)~~ one thousand dollars (\$1,000) for information leading to the arrest  
and conviction of persons who violate the provisions of this section, such reward to be paid  
from funds of the Department of Transportation.

(d) The enforcement of this section shall be the specific responsibility and duty of the  
State Highway Patrol in addition to all other law-enforcement agencies and officers within this  
State."

**SECTION 2.** This act becomes effective December 1, 2017, and applies to  
offenses committed on or after that date.



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## HOUSE BILL 418: SOS/Save Our Street Signs.

2017-2018 General Assembly

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<b>Committee:</b>	House Transportation. If favorable, re-refer to Judiciary II	<b>Date:</b>	April 11, 2017
<b>Introduced by:</b>	Rep. Clappitt	<b>Prepared by:</b>	Howard Marsilio
<b>Analysis of:</b>	PCS to First Edition H418-CSBG-11		Committee Counsel

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**OVERVIEW:** *The Proposed Committee Substitute for House Bill 418 would increase the criminal penalty, and allowable DOT reward for information, related to damaging, removing, or possessing street signs and traffic control devices.*

*The PCS to Edition 1 would clarify that traffic signs include traffic control devices, modifies the amount and disposition of fines for violations, and removes any change to the reward source.*

**CURRENT LAW:** G.S. 136-33(a) and (b) create violations for willfully defacing, damaging, knocking down, removing, or possessing (without just cause or excuse), signs as provided in G.S. 136-26 (traffic barriers and signs related to construction or maintenance) or G.S. 136-30 (uniform signs and other traffic control devices on highways, streets, and public vehicular areas).

A violation under the provisions of this section is punishable as a Class 2 misdemeanor. A Class 2 misdemeanor may include a fine not to exceed one thousand dollars (\$1,000).

### **BILL ANALYSIS:**

**Section 1** of the PCS would:

- Clarify that traffic signs include traffic control devices.
- Increase the penalty for a violation under this section from a Class 2 misdemeanor to a Class 1 misdemeanor.
- Impose a one thousand dollar fine (\$1,000) for a violation.
- Increase the maximum allowable DOT reward for information, leading to an arrest and conviction, from five hundred dollars (\$500) to one thousand dollars (\$1000).

**EFFECTIVE DATE:** This act would become effective December 1, 2017, and would apply to offenses committed on or after that date.

Karen Cochrane-Brown  
Director



Legislative Analysis  
Division  
919-733-2578





GENERAL ASSEMBLY OF NORTH CAROLINA  
SESSION 2017

H

1

HOUSE BILL 501

Short Title: DOT/Surveying Information in Plans.

(Public)

Sponsors: Representative Brody.

*For a complete list of sponsors, refer to the North Carolina General Assembly web site.*

Referred to: Transportation, if favorable, Judiciary III

March 29, 2017

A BILL TO BE ENTITLED

AN ACT TO REQUIRE THE DEPARTMENT OF TRANSPORTATION TO INCLUDE  
SURVEYING INFORMATION IN ANY PLANS PREPARED FOR THE PURPOSE OF  
ACQUIRING CERTAIN PROPERTY RIGHTS.

The General Assembly of North Carolina enacts:

**SECTION 1.** Article 2 of Chapter 136 of the General Statutes is amended by adding  
a new section:

**"§ 136-19.4A. Required surveying information in certain acquisition plans.**

The Department of Transportation shall include in any plan prepared for the purpose of  
acquiring right-of-way, a permanent easement, or both, that depicts property lines, right-of-way  
lines, or permanent easements, a set of drawings that clearly identify design alignments,  
baseline control points, found property-related corner markers, and new right-of-way and  
permanent easement corner markers. Plans subject to the requirements of this section shall  
document the localized coordinates for each major control point along the design alignments.  
The coordinates and associated localization metadata shall be based upon, and tied to, the North  
Carolina State Plane Coordinate system and shall be clearly identified within the plans. All  
property corner markers found and surveyed shall be clearly identified within the plans in  
accordance with general surveying standards and procedures. Each property corner marker  
shall be accurately tied to the design alignment or the North Carolina State Plane Coordinate  
system, by either a system of bearings and distances or by station and offset."

**SECTION 2.** This act becomes effective July 1, 2017, and applies to plans  
prepared for acquisitions on or after that date.





## HOUSE BILL 501: DOT/Surveying Information in Plans.

2017-2018 General Assembly

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<b>Committee:</b>	House Transportation. If favorable, re-refer to Judiciary III	<b>Date:</b>	April 11, 2017
<b>Introduced by:</b>	Rep. Brody	<b>Prepared by:</b>	Wendy Ray
<b>Analysis of:</b>	First Edition		Staff Attorney

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**OVERVIEW:** *House Bill 501 would require the Department of Transportation to include specified surveying data on plans to acquire property rights.*

**BILL ANALYSIS:** House Bill 501 would require the Department to include specific surveying data on plans to acquire property that depict property lines, right-of-way lines, or permanent easements. The data would be tied to the North Carolina State Plane Coordinate system. All property corner markers would be clearly identified within the plans in accordance with general surveying standards and procedures.

**EFFECTIVE DATE:** The act would become effective July 1, 2017, and would apply to plans prepared for acquisition on or after that date.

**BACKGROUND:** The language in the bill was developed by the North Carolina Society of Surveyors, the North Carolina Board of Examiners for Engineers and Surveyors, and the North Carolina Department of Transportation. The intent of the language is to make the Department's plans simpler and easier to use and to eliminate confusion about property rights.

Karen Cochrane-Brown  
Director



Legislative Analysis  
Division  
919-733-2578

*This bill analysis was prepared by the nonpartisan legislative staff for the use of legislators in their deliberations and does not constitute an official statement of legislative intent.*

GENERAL ASSEMBLY OF NORTH CAROLINA  
SESSION 2017

H

1

HOUSE BILL 528

Short Title: Traffic Impact Analysis Time Frame.

(Public)

Sponsors: Representatives Millis and Torbett (Primary Sponsors).

*For a complete list of sponsors, refer to the North Carolina General Assembly web site.*

Referred to: Transportation, if favorable, State and Local Government II

March 30, 2017

A BILL TO BE ENTITLED  
AN ACT TO PROVIDE A TIME FRAME IN WHICH THE DEPARTMENT OF  
TRANSPORTATION MUST MAKE A DECISION ON A DRIVEWAY PERMIT  
APPLICATION REQUIRING A TRAFFIC IMPACT ANALYSIS.

The General Assembly of North Carolina enacts:

**SECTION 1.** Article 7 of Chapter 136 of the General Statutes is amended by  
adding a new section to read:

**"§ 136-93.1A. Time frame for reviewing and making a decision on certain driveway  
permit applications.**

(a) Required Time Frames. – The following time frames apply to the Department's  
process for reviewing and making a decision on a driveway permit application that requires a  
traffic impact analysis:

(1) The Department shall communicate the scope of the traffic impact analysis  
to the applicant no later than 10 business days from the day the Department  
receives the scope proposed by the applicant.

(2) The Department shall review and make a decision as to the completeness of  
the traffic impact analysis no later than 20 business days from the day the  
Department receives the traffic impact analysis. Failure of the Department to  
meet the time frame set forth in this subdivision shall result in the traffic  
impact analysis being deemed complete.

(3) The Department shall review and make a decision as to the issuance of a  
driveway permit no later than 20 business days from the day the traffic  
impact analysis is determined or deemed to be complete in accordance with  
subdivision (2) of this subsection. Failure of the Department to meet the time  
frame set forth in this subdivision shall result in the driveway permit  
application being deemed approved and the Department shall issue the  
driveway permit.

(b) Calculation. – The following rules apply when calculating the time frames set forth  
in subsection (a) of this section:

(1) For the time frames set forth in subdivisions (1) and (2) of subsection (a) of  
this section, the period of a time in which a local government or local  
transportation planning organization reviews and provides feedback shall be  
included.

(2) The period of time in which the Department awaits a response from an  
applicant shall not be included.





1       (c) Basis for Rejection. – The Department shall not reject a traffic impact analysis or  
2 deny issuance of a driveway permit on the basis that the applicant has failed to include  
3 information in a traffic impact analysis that is outside the scope established under subdivision  
4 (1) of subsection (a) of this section for that traffic impact analysis.

5       (d) Criteria. – The Department shall develop and use criteria for determining the scope  
6 of a traffic impact analysis and the completeness of a traffic impact analysis. The Department  
7 shall post the criteria on its Web site. Prior to amending the criteria, the Department shall  
8 consult with a working group that consists of engineers, local government representatives, local  
9 transportation planning organization representatives, and other interested stakeholders  
10 identified by the Department. The Department shall provide at least 90 days' notice prior to the  
11 effective date of any amendments to the criteria. The notice required under this subsection may  
12 be satisfied by publishing the proposed amendments on the Department's Web site.

13       (e) Report. – Beginning October 1, and annually thereafter, the Department shall  
14 provide to the chairs of the Joint Legislative Transportation Oversight Committee a report on  
15 the number of times the Department failed during the year preceding the report to meet the time  
16 frame set in subdivision (1) of subsection (a) of this section, including reasoning for each  
17 failure."

18       **SECTION 2.** This act becomes effective July 1, 2017, and applies to driveway  
19 permit applications received on or after that date.

GENERAL ASSEMBLY OF NORTH CAROLINA  
SESSION 2017

H

D

HOUSE BILL 528  
PROPOSED COMMITTEE SUBSTITUTE H528-CSML-4 [v.3]

04/10/2017 03:52:48 PM

Short Title: Traffic Impact Analysis Time Frame.

(Public)

Sponsors:

Referred to:

March 30, 2017

1 A BILL TO BE ENTITLED  
2 AN ACT TO PROVIDE A TIME FRAME IN WHICH THE DEPARTMENT OF  
3 TRANSPORTATION MUST MAKE A DECISION ON A TRAFFIC IMPACT  
4 ANALYSIS.

5 The General Assembly of North Carolina enacts:

6 SECTION 1. Article 7 of Chapter 136 of the General Statutes is amended by  
7 adding a new section to read:

8 "§ 136-93.1A. Time frame for reviewing and making a decision on traffic impact  
9 analyses.

10 (a) Required Time Frames. – The following time frames apply to the Department's  
11 process for reviewing and making a decision on a traffic impact analysis:

12 (1) The Department shall communicate the scope of the traffic impact analysis  
13 to the applicant no later than 10 business days from the day the Department  
14 receives the scope proposed by the applicant.

15 (2) The Department shall review and make a decision as to the completeness of  
16 the traffic impact analysis no later than 20 business days from the day the  
17 Department receives the traffic impact analysis. Failure of the Department to  
18 meet the time frame set forth in this subdivision shall result in the traffic  
19 impact analysis being deemed complete.

20 (b) Calculation. – The following rules apply when calculating the time frames set forth  
21 in subsection (a) of this section:

22 (1) The period of a time in which a local government or local transportation  
23 planning organization reviews and provides feedback shall be included.

24 (2) The period of time in which the Department awaits a response from an  
25 applicant shall not be included.

26 (c) Basis for Rejection. – The Department shall not reject a traffic impact analysis on  
27 the basis that the applicant has failed to include information in a traffic impact analysis that is  
28 outside the scope established under subdivision (1) of subsection (a) of this section for that  
29 traffic impact analysis. When the Department rejects a traffic impact analysis, the Department  
30 shall provide the applicant written notice specifically setting forth the reason for rejection.

31 (d) Effect of Rejection. – The time frames set forth in subsection (a) of this section shall  
32 reset upon rejection of a traffic impact analysis. The Department may authorize an applicant to  
33 reuse the scope approved for a rejected traffic impact analysis if the applicant is submitting a  
34 revised traffic impact analysis. The Department shall notify the applicant as to whether the  
35 original scope may be used no later than five business days from the day the Department





1 receives notice from the applicant that the applicant plans to submit a revised traffic impact  
2 analysis.

3 (e) Appeal. – An applicant may appeal a rejection of a traffic impact analysis by  
4 providing written notice of appeal to the Chief Engineer no later than five business days from  
5 the day the applicant receives the written notice required under subsection (c) of this section.  
6 No later than five business days from the day the Chief Engineer receives the written notice of  
7 appeal, the Chief Engineer shall either affirm or overturn the rejection being appealed. If the  
8 rejection being appealed is overturned, the traffic impact analysis that was the subject of the  
9 appeal shall be deemed complete. The Chief Engineer shall provide the appealing party with  
10 written notice of the Chief Engineer's decision, specifically setting forth the reason if the  
11 rejection being appealed is affirmed. A decision by the Chief Engineer shall be final and not  
12 subject to further appeal.

13 (f) Criteria. – The Department shall develop and use criteria for determining the scope  
14 of a traffic impact analysis and the completeness of a traffic impact analysis. The Department  
15 shall post the criteria on its Web site. Prior to amending the criteria, the Department shall  
16 consult with a working group that consists of engineers, local government representatives, local  
17 transportation planning organization representatives, and other interested stakeholders  
18 identified by the Department. The Department shall provide at least 90 days' notice prior to the  
19 effective date of any amendments to the criteria. The notice required under this subsection may  
20 be satisfied by publishing the proposed amendments on the Department's Web site.

21 (g) Report. – Beginning October 1, and annually thereafter, the Department shall  
22 provide to the chairs of the Joint Legislative Transportation Oversight Committee a report on  
23 the number of times the Department failed during the year preceding the report to meet the time  
24 frame set in subdivision (1) of subsection (a) of this section, including reasoning for each  
25 failure."

26 **SECTION 2.** The Department of Transportation shall commence development of  
27 the appeals process required under G.S. 136-93.1A(e), as enacted by Section 1 of this act.

28 **SECTION 3.** Section 1 of this act becomes effective October 1, 2017, and applies  
29 to proposed scopes and traffic impact analyses submitted on or after that date. The remainder of  
30 this act is effective when it becomes law.



## HOUSE BILL 528: Traffic Impact Analysis Time Frame.

2017-2018 General Assembly

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<b>Committee:</b>	House Transportation. If favorable, re-refer to State and Local Government II	<b>Date:</b>	April 11, 2017
<b>Introduced by:</b>	Reps. Millis, Torbett	<b>Prepared by:</b>	Luke Gillenwater
<b>Analysis of:</b>	PCS to First Edition H528-CSML-4		Staff Attorney

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**OVERVIEW:** *The Proposed Committee Substitute to House Bill 528 removes driveway permits from the scope of the bill, specifies what occurs when the Department of Transportation (DOT) rejects a traffic impact analysis (TIA), directs DOT to develop an appeals process for applicants to appeal a rejected TIA, and revises the effective date of the act.*

**CURRENT LAW:** Rules and regulations of DOT and local ordinances require the completion and submission of a TIA to provide information on the projected traffic that is expected from a proposed development. Currently, there is no uniformity in when the establishment of a scope for a TIA or the review of a TIA must be completed.

**BILL ANALYSIS:** The Proposed Committee Substitute to House Bill 528 does the following:

- Requires DOT to communicate the scope of a TIA to an applicant within 10 business days from the day DOT receives the proposed scope.
- Requires DOT to review and make a decision as to the completeness of a TIA within 20 business days from the day DOT receives the TIA. Failure to meet this time frame results in the TIA being deemed complete.
- Provides that the period of time in which a local government or local transportation planning committee reviews and provides feedback is to be included in computing the required time frames.
- Provides that DOT shall not reject a TIA on the basis that the TIA fails to include information outside of the established scope.
- Provides that DOT must provide written notice to an applicant specifying the basis for rejecting a TIA.
- Provides that the time frames reset upon the rejection of a TIA.
- Authorizes an applicant to appeal a TIA rejection to the Chief Engineer. The appeal must be in writing and submitted to the Chief Engineer within 5 business days from the day the applicant receives the notice of rejection. The Chief Engineer must make his or her decision on the appeal no later than 5 business days from the day he or she receives the notice of appeal.
- Requires DOT to develop and use criteria for determining the scope and completeness of a TIA.

Kory Goldsmith  
Director



Legislative Drafting  
919-733-6660



# House PCS 528

*Page 2*

- Requires DOT to annually report on October 1 the number of times DOT failed to meet the time frame for communicating the scope of a TIA in the year preceding the report, including reasoning for each failure.

**EFFECTIVE DATE:** Section 1 of the act becomes effective October 1, 2017, and applies to proposed scopes and traffic impact analyses submitted on or after that date. The remainder of the act is effective when it becomes law.



NORTH CAROLINA GENERAL ASSEMBLY  
AMENDMENT  
House Bill 528

AMENDMENT NO. \_\_\_\_\_  
(to be filled in by  
Principal Clerk)

H528-AML-3 [v.1]

Page 1 of 1

Amends Title [NO]  
PCS

Date 04/11/ 2017

Representative Torbert

1 moves to amend the PCS on page 1, lines 19-20, by inserting between the lines the following:  
2       "(3) The Department shall review and make a decision as to the issuance of a  
3       traffic impact analysis no later than 20 business days from the day the traffic  
4       impact analysis is determined or deemed to be complete in accordance with  
5       subdivision (2) of this subsection or subsection (e) of this section. Failure of  
6       the Department to meet the time frame set forth in this subdivision shall  
7       result in the traffic impact analysis being deemed approved."  
8  
9

approval  
or  
rejection

SIGNED

John A. Torbert  
Amendment Sponsor

SIGNED

\_\_\_\_\_  
Committee Chair if Senate Committee Amendment

ADOPTED

FAILED

TABLED



\* H 5 2 8 - A M L - 3 - V - 1 \*



## VISITOR REGISTRATION SHEET

House Comm. on Transportation

04/11/17

Name of Committee

Date \_\_\_\_\_

VISITORS: PLEASE SIGN IN BELOW AND RETURN TO COMMITTEE CLERK

NAME \_\_\_\_\_

FIRM OR AGENCY AND ADDRESS

Reyna Walters-Hagen

*[Signature]*

Orlando Consulting

Misc





## VISITOR REGISTRATION SHEET

House Comm. on Transportation

04/11/17

Name of Committee

Date

VISITORS: PLEASE SIGN IN BELOW AND RETURN TO COMMITTEE CLERK

NAME

FIRM OR AGENCY AND ADDRESS

Jaz Tunnell	Suber
Phoebe Landon	MWLC
Seth Palmer	NCAR
John McMillan	MFS
J. Brown	NC AEC
Aisha Babood	PPAB
John Howard	MFS
Will Morgan	MFS
David Crawford	AIA NC
Carson Hume	MVA
Tim Minn	NCHBA





## VISITOR REGISTRATION SHEET

House Comm. on Transportation

04/11/17

Name of Committee

Date

VISITORS: PLEASE SIGN IN BELOW AND RETURN TO COMMITTEE CLERK

NAME

FIRM OR AGENCY AND ADDRESS

Kathy Kirby	DP
Susan Vich	Duke Energy
Penny Smith	SOG
Richard Taylor	NC 911 Board
Brad Salmer	JPS
Brady Allen	NCTCC
Karen Waddell	NCLM
Erin Wynia	NCLM
Amber Harris	NCAAC
Trey Falcon	AT&T
Britta Allen	NC TCC
John Banks	With Gravelle Hart



## VISITOR REGISTRATION SHEET

House Comm. on Transportation

04/11/17

Name of Committee

Date

VISITORS: PLEASE SIGN IN BELOW AND RETURN TO COMMITTEE CLERK

NAME

FIRM OR AGENCY AND ADDRESS

Denise Heckaday

American Cancer Society

Carrie Klamot

American Cancer Society

Courtney Lefebvre

AMERICAN Cancer Society

Madison M



## VISITOR REGISTRATION SHEET

House Comm. on Transportation

04/11/17

Name of Committee

Date

VISITORS: PLEASE SIGN IN BELOW AND RETURN TO COMMITTEE CLERK

NAME

FIRM OR AGENCY AND ADDRESS

Daryl Norris	Stormwater Association of North Carolina
CHAD HOWARD	NC Society of Surveyors
Christy DOT	NCSS
Dennis Burco	MUDC
Mark Brown	AAAE
Sam Bridges	Town of Garner
Tim Bowes	NCSS
CHRIS DILLON	WAM
Joy Adams	NC DOT
MIKE HOLDER	NC DOT
Kevin Lacy	NC DOT





## VISITOR REGISTRATION SHEET

House Comm. on Transportation

04/11/17

Name of Committee

Date

VISITORS: PLEASE SIGN IN BELOW AND RETURN TO COMMITTEE CLERK

NAME

FIRM OR AGENCY AND ADDRESS

W. H. Polk	NC DPS / NCEM
Lisa Kirby	City of Greenville
Cassie Garin	Sienna Club
Dan Crawford	NCLCV
A. Chase	KMA
Gary Harris	NC PCM
Rose Williams	NCLM
Sarah Collins	NCLM
Morgan Sims Allyssa France Lauren Parnish Michelle Fisher Angela Crain	American Cancer Society
Kimberly Alexander-Bratcher	American Cancer Society
Mona Leta Carr	CAN-Volunteer



**House Committee on Transportation  
Wednesday, April 19, 2017 at 12:00 PM  
Room 1228/1327 of the Legislative Building**

**MINUTES**

The House Committee on Transportation met at 12:00 PM on April 19, 2017 in Room 1228/1327 of the Legislative Building. Representatives Adams, Beasley, Belk, Blackwell, Boles, Brawley, Bumgardner, Carney, Corbin, Faircloth, Ford, Fraley, Goodman, C. Graham, Grange, Hastings, Hunter, Iler, Brenden Jones, Presnell, B. Richardson, Stone, Strickland, Torbett, Willingham, and Wray attended.

Representative Kelly E. Hastings, Chair, presided.

HB 118 U.S. Army Special Forces Registration Plate. (Representatives Setzer, Henson, Destin Hall, Blust); and HB 219 Transportation Megaproject Funding. (Representative Torbett); were pulled from the meeting's agenda.

The following bills were considered:

**HB 287 Red Light Cameras/Hope Mills & Spring Lake. (Representatives Lucas, Szoka, W. Richardson, Floyd)**

The PCS on HB 287 was before the Committee, Representative Lucas spoke to the bill. Chairman Shepard was recognized for a motion to favorably report the PCS, unfavorable to the original, with a serial referral to the Finance Committee. The motion carried.

**HB 592 "Kick Cancer for Kids" Special Plate. (Representative Hurley)**

Representative Hurley spoke to the bill. Vice-Chairwoman Carney was recognized for a motion to report favorably, with a serial referral to the Finance Committee. The motion carried.

**HB 617 Clarify Sale of Antique & Specialty Vehicles. (Representatives Ross, Hurley, Boles, Torbett)**

Representative Ross spoke to the bill. Chairman Shepard moved to report favorably, which passed.

**HB 619 Clarify Motor Vehicle Dealer Laws. (Representatives Brawley, Ross, Johnson, Clampitt)**

The Committee heard the PCS for HB 619. Representative Brawley spoke to the bill. Chairman Iler was recognized for a motion to report favorably to the PCS, unfavorable to the original. The motion carried.

**HB 220 State Infrastructure Bank Revisions. (Representative Torbett)**



The PCS for HB 220 was before the Committee. Representative Torbett spoke to the bill. Representatives Bumgardner, Blackwell, Fraley, Carney, Iler, Adams, Presnell, Beasley asked questions, which were answered by Representative Torbett and Legislative Analysis staff present. Vice-Chairwoman Carney was recognized for a motion to report favorably to the PCS, unfavorable to the original, with a serial referral to the Finance Committee. The motion carried.

**HB 421 Clarify HUT & Improve Vehicle Titling Process. (Representatives Shepard, Torbett, Iler)**

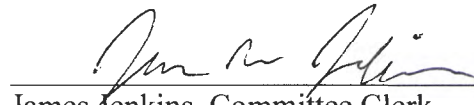
Chairman Shepard spoke to the bill. Chairman Iler asked a question. Representative Goodman was recognized for a motion to report HB 421 favorably, with a serial referral to the Finance Committee.

The meeting adjourned at 12:52 PM.



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Representative Kelly E. Hastings, Chair  
Presiding



---

James Jenkins, Committee Clerk





**NORTH CAROLINA HOUSE OF REPRESENTATIVES  
COMMITTEE MEETING NOTICE  
AND  
BILL SPONSOR NOTIFICATION  
2017-2018 SESSION**

You are hereby notified that the **House Committee on Transportation** will meet as follows:

**DAY & DATE:** Wednesday, April 19, 2017  
**TIME:** 12:00 PM  
**LOCATION:** 1228/1327 LB

The following bills will be considered:

<b>BILL NO.</b>	<b>SHORT TITLE</b>	<b>SPONSOR</b>
<u>HB 118</u>	Various Special License Plates.	Representative Setzer Representative Henson Representative Destin Hall Representative Blust Representative Torbett Representative Lucas Representative Szoka Representative W. Richardson Representative Floyd Representative Hurley Representative Ross Representative Hurley Representative Boles Representative Torbett Representative Brawley Representative Ross Representative Johnson Representative Clappitt Representative Torbett Representative Shepard Representative Torbett Representative Iler
<u>HB 219</u> <u>HB 287</u>	Transportation Megaproject Funding. Red Light Cameras/Hope Mills & Spring Lake.	
<u>HB 592</u> <u>HB 617</u>	"Kick Cancer for Kids" Special Plate. Clarify Sale of Antique & Specialty Vehicles.	
<u>HB 619</u>	Clarify Motor Vehicle Dealer Laws.	
<u>HB 220</u> <u>HB 421</u>	State Infrastructure Bank Revisions. Clarify HUT & Improve Vehicle Titling Process.	



Respectfully,

Representative Kelly E. Hastings, Co-Chair  
Representative Frank Iler, Co-Chair  
Representative Phil Shepard, Co-Chair  
Representative John A. Torbett, Co-Chair

I hereby certify this notice was filed by the committee assistant at the following offices at 12:29 PM on Monday, June 26, 2017.

\_\_\_\_ Principal Clerk  
\_\_\_\_ Reading Clerk – House Chamber

James Jenkins (Committee Assistant)



**House Committee on Transportation  
Wednesday, April 19, 2017, 12:00 PM  
1228/1327 Legislative Building**

**AGENDA**

**Welcome and Opening Remarks**

**Introduction of Pages**

**Bills**

<b>BILL NO.</b>	<b>SHORT TITLE</b>	<b>SPONSOR</b>
HB 118	U.S. Army Special Forces Registration Plate.	Representative Setzer Representative Henson Representative Destin Hall Representative Blust
HB 219	Transportation Megaproject Funding.	Representative Torbett
HB 287	Red Light Cameras/Hope Mills & Spring Lake.	Representative Lucas Representative Szoka Representative W. Richardson Representative Floyd
HB 592	"Kick Cancer for Kids" Special Plate.	Representative Hurley
HB 617	Clarify Sale of Antique & Specialty Vehicles.	Representative Ross Representative Hurley Representative Boles Representative Torbett
HB 619	Clarify Motor Vehicle Dealer Laws.	Representative Brawley Representative Ross Representative Johnson Representative Clampitt
HB 220	State Infrastructure Bank Revisions.	Representative Torbett
HB 421	Clarify HUT & Improve Vehicle Titling Process.	Representative Shepard Representative Torbett Representative Iler

**Adjournment**





**NORTH CAROLINA GENERAL ASSEMBLY  
HOUSE OF REPRESENTATIVES**

**TRANSPORTATION COMMITTEE REPORT**

**Representative Kelly E. Hastings, Co-Chair**

**Representative Frank Iler, Co-Chair**

**Representative Phil Shepard, Co-Chair**

**Representative John A. Torbett, Co-Chair**

**FAVORABLE**

**HB 617**

Clarify Sale of Antique & Specialty Vehicles.

Draft Number: None

Serial Referral: None

Recommended Referral: None

Long Title Amended: No

Floor Manager: Ross

**FAVORABLE AND RE-REFERRED**

**HB 592**

"Kick Cancer for Kids" Special Plate.

Draft Number: None

**Serial Referral: FINANCE**

Recommended Referral: None

Long Title Amended: No

Floor Manager: Hurley

TOTAL REPORTED: 2



\* C M R 2 2 4 - V - 1 \*



**NORTH CAROLINA GENERAL ASSEMBLY  
HOUSE OF REPRESENTATIVES**

**TRANSPORTATION COMMITTEE REPORT**

**Representative Kelly E. Hastings, Co-Chair**

**Representative Frank Iler, Co-Chair**

**Representative Phil Shepard, Co-Chair**

**Representative John A. Torbett, Co-Chair**

**FAVORABLE AND RE-REFERRED**

HB 421 Clarify HUT & Improve Vehicle Titling Process.  
Draft Number: None  
**Serial Referral:** **FINANCE**  
Recommended Referral: None  
Long Title Amended: No  
Floor Manager: Shepard

**FAVORABLE COM SUB , UNFAVORABLE ORIGINAL BILL**

HB 619 Clarify Motor Vehicle Dealer Laws.  
Draft Number: H619-PCS30354-SU-13  
Serial Referral: None  
Recommended Referral: None  
Long Title Amended: No  
Floor Manager: Brawley

**FAVORABLE COM SUB , UNFAVORABLE ORIGINAL BILL AND RE-REFERRED**

HB 220 State Infrastructure Bank Revisions.  
Draft Number: H220-PCS40495-SU-14  
**Serial Referral:** **FINANCE**  
Recommended Referral: None  
Long Title Amended: No  
Floor Manager: Torbett

HB 287 Red Light Cameras/Hope Mills & Spring Lake.  
Draft Number: H287-PCS40498-RW-19  
**Serial Referral:** **FINANCE**  
Recommended Referral: None  
Long Title Amended: No  
Floor Manager: Lucas

TOTAL REPORTED: 4



\* C M R 2 3 5 - V - 1 \*



GENERAL ASSEMBLY OF NORTH CAROLINA  
SESSION 2017

H

D

HOUSE BILL 118  
PROPOSED COMMITTEE SUBSTITUTE H118-CSSUF-9 [v.1]

03/09/2017 09:21:07 AM

Short Title: U.S. Army Special Forces Reg Plate/Fees.

(Public)

Sponsors:

Referred to:

February 16, 2017

A BILL TO BE ENTITLED  
AN ACT TO AUTHORIZE THE DIVISION OF MOTOR VEHICLES TO PRODUCE A  
UNITED STATES ARMY SPECIAL FORCES SPECIAL REGISTRATION PLATE, AND  
TO ELIMINATE THE SPECIAL LICENSE PLATE FEE FOR DISTINGUISHED FLYING  
CROSS AND AIR MEDAL RECIPIENT SPECIAL REGISTRATION PLATES.

The General Assembly of North Carolina enacts:

**SECTION 1.** G.S. 20-79.4(b) reads as rewritten:

"(b) Types. – The Division shall issue the following types of special registration plates:

...

(1) United States Army Special Forces. – Issuable to a member or veteran of the United States Army Special Forces. The plate shall bear the name "United States Army Special Forces" and the insignia of the United States Army Special Forces. The plate authorized by this subdivision is not subject to the provisions of G.S. 20-79.3A."

...."

**SECTION 2.** G.S. 20-79.7(a1) reads as rewritten:

"(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

...

Active Member of the National Guard

None

Air Medal Recipient

None

...

100% Disabled Veteran

None

Distinguished Flying Cross

None

Ex-Prisoner of War

None

....

Silver Star Recipient

None

United States Army Special Forces

None

All Other Special Plates

\$10.00."

**SECTION 3.** The Revisor of Statutes is authorized to alphabetize, number, and renumber the special registration plates listed in G.S. 20-79.4(b) to ensure that all the special registration plates are listed in alphabetical order and numbered accordingly.

**SECTION 4.** This act becomes effective July 1, 2017.









## HOUSE BILL 118: U.S. Army Special Forces Reg Plate/Fees.

2017-2018 General Assembly

<b>Committee:</b>	House Transportation. If favorable, re-refer to Finance	<b>Date:</b>	April 19, 2017
<b>Introduced by:</b>	Reps. Setzer, Henson, Destin Hall, Blust	<b>Prepared by:</b>	Wendy Ray
<b>Analysis of:</b>	PCS to First Edition H118-CSSUf-9		Staff Attorney

**OVERVIEW:** *The Proposed Committee Substitute for House Bill 118 would:*

- *Authorize a United States Army Special Forces special registration plate with no fee in addition to the regular registration plate fee.*
- *Eliminate the additional special registration plate fee for the Air Medal Recipient and Distinguished Flying Cross plates.*

**CURRENT LAW:** North Carolina offers a number of special registration plates. As a general rule, the fee for a special registration plate is the regular vehicle registration fee of \$36 plus a \$10 special registration plate fee. The following military service related plates are issued without the additional special registration plate fee:

- Active Member of the National Guard
- Bronze Star Combat Recipient
- Bronze Star Recipient
- Combat Veteran
- 100% Disabled Veteran
- Ex-Prisoner of War
- Gold Star Lapel Button
- Legion of Merit
- Legion of Valor
- Military Veteran
- Military Wartime Veteran
- Partially Disabled Veteran
- Pearl Harbor Survivor
- Purple Heart Recipient
- Silver Star Recipient

The Air Medal Recipient and Distinguished Flying Cross special registration plates are currently authorized with the additional \$10 fee.

**BILL ANALYSIS:** The PCS for House Bill 118 would authorize a new United States Army Special Forces registration plate. If authorized, the plate would bear the name "United States Army Special Forces" and the insignia of the United States Army Special Forces, and it would be issuable to a member or veteran of the United States Army Special Forces. The plate would not be subject to the special plate

Karen Cochrane-Brown  
Director



Legislative Analysis  
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# House PCS 118

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development process or require a minimum number of applications before it would be produced. The fee for the plate would be the regular registration fee of \$36 with no additional special registration plate fee.

The PCS would also eliminate the additional \$10 special plate fee for the existing Air Medal Recipient and Distinguished Flying Cross plates, so the fee for those plates would just be the regular registration fee of \$36.

**EFFECTIVE DATE:** The act would become effective July 1, 2017.

GENERAL ASSEMBLY OF NORTH CAROLINA  
SESSION 2017

H

1

HOUSE BILL 219

Short Title: Transportation Megaproject Funding.

(Public)

Sponsors: Representative Torbett.

*For a complete list of sponsors, refer to the North Carolina General Assembly web site.*

Referred to: Transportation, if favorable, Finance

March 2, 2017

A BILL TO BE ENTITLED

AN ACT TO ESTABLISH A MEGAPROJECT FUND TO FUND HIGHER-COST AND  
LARGER-SCALE TRANSPORTATION PROJECTS, AS RECOMMENDED BY THE  
HOUSE SELECT COMMITTEE ON STRATEGIC TRANSPORTATION PLANNING AND  
LONG TERM FUNDING SOLUTIONS.

The General Assembly of North Carolina enacts:

**SECTION 1.** Establishment of the Megaproject Fund. – Chapter 136 of the General  
Statutes is amended by adding a new Article to read:

"Article 14C.

"Megaproject Fund.

**"§ 136-189.12. Creation of the Megaproject Fund.**

(a) An account designated as the Megaproject Fund is hereby created within the Highway  
Trust Fund. The Megaproject Fund consists of revenue from appropriations or transfers by the  
General Assembly.

(b) The amounts deposited to the Megaproject Fund shall be used as provided in this  
Article, notwithstanding any provision of Article 14B of this Chapter to the contrary. The  
provisions of Article 14B of this Chapter shall not apply to the application of the Megaproject  
Fund.

**"§ 136-189.13. Use of the Megaproject Fund.**

The Department of Transportation shall use the Megaproject Fund to fund transportation  
projects, selected by a workgroup overseen by the Department, of statewide or regional  
significance that exceed two hundred million dollars (\$200,000,000) in total project cost. The  
workgroup selecting projects under this section shall establish project selection criteria based on  
the provisions of this Article.

**"§ 136-189.14. Reports by the Department of Transportation.**

The Department of Transportation shall develop, and update annually, a report containing a  
completion schedule for all projects to be funded from the Megaproject Fund, including the  
selection criteria and reasoning used for each project. The annual update shall indicate the  
projects, or portions thereof, that were completed during the preceding fiscal year, any changes in  
the original completion schedules, and the reasons for the changes. The report shall also include  
the Department's anticipated schedule for future projects. The Department shall submit the report  
and the annual updates to the Joint Legislative Transportation Oversight Committee by November  
1 of each year."

**SECTION 2.** Exclusion from Transportation Investment Strategy Formula. –  
G.S. 136-189.11(b) is amended by adding a new subdivision to read:





"(b) Funds Excluded From Formula. – The following funds are not subject to this section:

...  
(11) Funds appropriated or transferred to the Megaproject Fund, in accordance with Article 14C of this Chapter."

**SECTION 3.(a)** Establishment of Workgroup and Megaproject Selection Criteria. – The Department of Transportation shall establish a workgroup for the purposes of developing megaproject selection criteria and selecting projects in accordance with G.S. 136-189.13, as enacted by Section 1 of this act. The megaproject selection criteria shall:

- (1) Address large-scale, significant transportation needs of the State.
- (2) Provide for interstate and intrastate connectivity between urban and rural areas and between rural areas.
- (3) Encourage economic development in both urban and rural areas of the State.
- (4) Improve existing major highway corridors by increasing capacity and relieving congestion.
- (5) Provide for infrastructure improvements and rail and highway connectivity to the State ports.
- (6) Encourage delivery of projects in the most effective, efficient, and expeditious manner.

**SECTION 3.(b)** Membership. – The workgroup shall consist of the following members:

- (1) A representative from the workgroup established under G.S. 136-189.11(h).
- (2) A representative from the North Carolina Association of Municipal Planning Organizations.
- (3) A representative from the North Carolina Association of Rural Planning Organizations.
- (4) A representative from the North Carolina League of Municipalities.
- (5) A representative from the North Carolina Association of County Commissioners.
- (6) A representative from the North Carolina Metropolitan Mayors Coalition.
- (7) A representative from the North Carolina Council of Regional Governments.

**SECTION 3.(c)** Selection of Members; Cochairs. – The Department of Transportation shall select the members listed in subsection (b) of this section. The cochairs of the workgroup shall be the members listed in subdivisions (2) and (3) of subsection (b) of this section.

**SECTION 3.(d)** Meetings. – The Department of Transportation shall establish and convene the workgroup required under this section within 30 days of the effective date of this section. Within the three-month period from the date the workgroup is convened, the workgroup shall hold at least three meetings. One meeting shall set forth the goals and objectives of the workgroup, a second meeting shall discuss the progress made in meeting its goals and objectives, and a third meeting shall present the outcomes achieved from the workgroup process, including a presentation on the selection criteria established by the workgroup. Additional meetings shall be on the call of the cochairs. Each member may be represented by a designee, who shall have the same voting powers as the member. The workgroup shall meet in offices provided by the Department of Transportation. In addition, the Department of Transportation shall provide the necessary secretarial and clerical staff and supplies to help the workgroup accomplish its goals and objectives.

**SECTION 3.(e)** Quorum. – A quorum of the workgroup shall consist of a majority of the workgroup's total membership.

**SECTION 3.(f)** Reports. – No later than 45 days from the date the workgroup is convened, the workgroup shall provide a report to the Joint Legislative Transportation Oversight Committee on its progress in creating the megaproject selection criteria. Prior to the end of the three-month period from the date the workgroup is convened, the workgroup shall provide a report

1 to the Joint Legislative Transportation Oversight Committee on the megaproject selection criteria  
2 created by the workgroup.

3 **SECTION 4.** Effective Date. – Sections 3 and 4 of this act are effective when they  
4 become law. The remainder of this act becomes effective July 1, 2017.







# HOUSE BILL 219: Transportation Megaproject Funding.

2017-2018 General Assembly

<b>Committee:</b>	House Transportation. If favorable, re-refer to Finance	<b>Date:</b>	April 19, 2017
<b>Introduced by:</b>	Rep. Torbett	<b>Prepared by:</b>	Giles Perry
<b>Analysis of:</b>	First Edition		Staff Attorney

**OVERVIEW:** *House Bill 219 establishes a Megaproject Fund to fund higher cost and larger scale transportation projects.*

## CURRENT LAW:

In 2013, the General Assembly enacted the Strategic Transportation Investments Act, known as STI, which created a Transportation Investment Strategy Formula for funding State transportation projects. The Act funds projects in three categories: Statewide, Regional, and Divisional.

- Statewide category projects are ranked based 100% on data from multiple criteria.
- Regional category projects are ranked based 70% on data from multiple criteria, and 30% on local input (Division Engineer, MPO and RPO input).
- Divisional category projects are ranked based 50% on data, and 50% on local input (Division Engineer, MPO and RPO input).

**BILL ANALYSIS:** House Bill 219 makes the following changes:

### Section 1 of the bill:

- Creates a Megaproject Fund within the Highway Trust Fund.
- Provides that the Megaproject Fund would consist of appropriations or transfers made by the General Assembly to the Fund.
- Directs DOT to use funds in the Megaproject Fund to fund transportation projects, of statewide or regional significance that exceed two hundred million dollars (\$200,000,000) in total project cost. The projects would be selected by a workgroup overseen by DOT, using project selection criteria established pursuant to Section 3 of this bill.
- Directs DOT to shall develop, and update annually, a report containing a completion schedule for all projects to be funded from the Megaproject Fund, the selection criteria, and DOT's anticipated schedule for future projects. The Department is required to submit the report to the Joint Legislative Transportation Oversight Committee by November 1 of each year.

**Section 2** of the bill amends the Strategic Transportation Investment Act formula to exclude funds appropriated or transferred to the Megaproject Fund.

**Section 3** of the bill directs DOT to establish a workgroup for the purposes of developing megaproject selection criteria, and selecting projects using the criteria.

Karen Cochrane-Brown  
Director



Legislative Analysis  
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# House Bill 219

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The Megaproject Fund selection criteria must do the following:

- Address large scale, significant transportation needs of the State.
- Provide for interstate and intrastate connectivity between urban and rural areas and between rural areas.
- Encourage economic development in both urban and rural areas of the State.
- Improve existing major highway corridors by increasing capacity and relieving congestion.
- Provide for infrastructure improvements and rail and highway connectivity to the State ports.
- Encourage delivery of projects in the most effective, efficient, and expeditious manner.

In addition, Section 3 of the bill:

- Provides for workgroup membership meeting times, and meeting frequency.
- Requires, with 45 days of its initial convening, for the workgroup to provide a report to the Joint Legislative Transportation Oversight Committee on its progress in creating the megaproject selection criteria.
- Requires, within 3 months of the workgroup's initial convening, for it to provide a report to the Joint Legislative Transportation Oversight Committee on the megaproject selection criteria it has developed.

**EFFECTIVE DATE:** Sections 3 and 4 of this act are effective when they become law. The remainder of this act becomes effective July 1, 2017.

**BACKGROUND:** House Bill 219 was recommended by the House Select Committee on Strategic Transportation Planning and Long Term Funding Solutions.

GENERAL ASSEMBLY OF NORTH CAROLINA  
SESSION 2017

H

D

HOUSE BILL 287  
PROPOSED COMMITTEE SUBSTITUTE H287-CSRW-19 [v.2]

04/18/2017 09:32:25 AM

Short Title: Red Light Cameras/Hope Mills & Spring Lake.

(Local)

Sponsors:

Referred to:

March 9, 2017

1 A BILL TO BE ENTITLED  
2 AN ACT TO MAKE CHANGES TO THE LAW GOVERNING RED LIGHT CAMERAS IN  
3 THE TOWNS OF HOPE MILLS AND SPRING LAKE.

4 The General Assembly of North Carolina enacts:

5 **SECTION 1.** G.S. 160A-300.1(d) reads as rewritten:

6 "(d) This section applies only to the Cities of Albemarle, Charlotte, Durham,  
7 Fayetteville, Greensboro, Greenville, High Point, Locust, Lumberton, Newton, Rocky Mount,  
8 and Wilmington, to the Towns of Chapel Hill, Cornelius, Hope Mills, Huntersville, Matthews,  
9 Nags Head, Pineville, and Spring Lake, and to the municipalities in Union County."

10 **SECTION 2.** Section 3 of S.L. 2007-341, as amended by Section 1 of S.L.  
11 2016-64, reads as rewritten:

12 "**SECTION 3.** Section 1 of this act applies to the Cities of Albemarle, Charlotte, Durham,  
13 Fayetteville, Greenville, Locust, and Rocky Mount. Mount, the Towns of Hope Mills and Spring  
14 Lake, and to the municipalities in Union County."

15 **SECTION 3.** G.S. 160A-300.1(c), as amended by S.L. 2007-341, is amended by  
16 adding a new subdivision to read:

17 "(4a) A municipality enacting an ordinance implementing a traffic control  
18 photographic system may enter into a contract with a contractor for the  
19 lease, lease-purchase, or purchase of the system. The municipality may enter  
20 into only one contract for the lease, lease-purchase, or purchase of the  
21 system, and the duration of the contract may be for no more than 60 months.  
22 After the period specified in the contract has expired, the system shall either  
23 be the property of the municipality or be removed and returned to the  
24 contractor."

25 **SECTION 4.** G.S. 160A-300.1(c)(2), as amended by S.L. 2007-341, reads as  
26 rewritten:

27 "(2) A violation detected by a traffic control photographic system shall be  
28 deemed a noncriminal violation for which a civil penalty of ~~seventy-five~~  
29 ~~dollars (\$75.00)~~ one hundred dollars (\$100.00) shall be assessed, and for  
30 which no points authorized by G.S. 20-16(c) shall be assigned to the owner  
31 or driver of the vehicle nor insurance points as authorized by  
32 G.S. 58-36-65."

33 **SECTION 5.(a)** The Town of Hope Mills and the Cumberland County Board of  
34 Education may enter into an interlocal agreement necessary and proper to effectuate the  
35 purpose and intent of G.S. 160A-300.1 and this act. Any agreement entered into pursuant to  
36 this section may include provisions on cost-sharing and reimbursement that the Cumberland



1 County Board of Education and the Town of Hope Mills freely and voluntarily agree to for the  
2 purpose of effectuating the provisions of G.S. 160A-300.1 and this act.

3 **SECTION 5.(b)** The Town of Spring Lake and the Cumberland County Board of  
4 Education may enter into an interlocal agreement necessary and proper to effectuate the  
5 purpose and intent of G.S. 160A-300.1 and this act. Any agreement entered into pursuant to  
6 this section may include provisions on cost-sharing and reimbursement that the Cumberland  
7 County Board of Education and the Town of Spring Lake freely and voluntarily agree to for the  
8 purpose of effectuating the provisions of G.S. 160A-300.1 and this act.

9 **SECTION 6.** This act applies only to the Towns of Hope Mills and Spring Lake  
10 and the Cumberland County Board of Education.

11 **SECTION 7.** Section 4 of this act becomes effective October 1, 2017, and applies  
12 to violations committed on or after that date. The remainder of this act becomes effective July  
13 1, 2017.





# HOUSE BILL 287: Red Light Cameras/Hope Mills & Spring Lake.

2017-2018 General Assembly

<b>Committee:</b>	House Transportation. If favorable, re-refer to Finance	<b>Date:</b>	April 19, 2017
<b>Introduced by:</b>	Reps. Lucas, Szoka, W. Richardson, Floyd	<b>Prepared by:</b>	Giles Perry
<b>Analysis of:</b>	PCS to First Edition H287-CSRW-19		Staff Attorney

**OVERVIEW:** *House Bill 287 (proposed committee substitute) authorizes the Town of Hope Mills to use cameras to identify and penalize persons who violate the red light statute, and it makes changes to the Town of Spring Lake's existing authorization to use red light cameras. Both Towns are located in Cumberland County. The City of Fayetteville currently has this authority.*

*The PCS adds Section 1, a technical correction.*

**CURRENT LAW:** G.S. 160A-300.1 authorizes more than 20 municipalities<sup>1</sup> to use traffic control photographic systems to enforce the State law<sup>2</sup> prohibiting a driver from entering an intersection when a traffic light is emitting a steady red signal. The camera must meet standards set by the Department of Transportation, and appropriate warning signs must be conspicuously posted not more than 300 feet from the location of the red light camera system. The duration of the yellow light change interval at the intersection where a camera is used must be no less than the yellow light change interval duration specified on the traffic signal plan of record signed and sealed by a professional engineer and must be in compliance with the Manual on Uniform Traffic Control Devices.

S.L. 2007-341<sup>3</sup> amended G.S. 160A-300.1 to address constitutional issues raised by the North Carolina Court of Appeals in *Shavitz v. City of High Point*, 177 N.C. App. 465 (2006). Under G.S. 160A-300.1, as amended by S.L. 2007-341, a violation detected by a red light camera is a noncriminal violation for which a civil penalty of \$50<sup>4</sup>, \$75<sup>5</sup>, or \$100<sup>6</sup> is assessed, depending on the municipality; no points or insurance points are assigned to the owner or driver of the vehicle. The owner of the vehicle must either pay the civil penalty or challenge<sup>7</sup> the assessment within 30 days after the date the citation is served or mailed. If the owner fails to respond to the citation within the time allowed, the civil penalty is increased to \$100 and the right to contest the citation is forfeited.

<sup>1</sup> Cities of Albemarle, Charlotte, Durham, Fayetteville, Greensboro, Greenville, High Point, Locust, Lumberton, Newton, Rocky Mount, and Wilmington; the Towns of Chapel Hill, Cornelius, Huntersville, Matthews, Nags Head, Pineville, and Spring Lake; and to the municipalities in Union County. A separate session law authorizes use of red light cameras in Wake County municipalities, and in Concord.

<sup>2</sup> G.S. 20-158.

<sup>3</sup> The changes made to G.S. 160A-300.1 by S.L. 2007-341 apply to the Cities of Albemarle, Charlotte, Durham, Fayetteville, Greenville (see S.L. 2016-64), Locust, and Rocky Mount, and to the municipalities in Union County.

<sup>4</sup> The authorized penalty is \$50 in all municipalities except those listed in Note 4 and 5 below.

<sup>5</sup> The authorized penalty is \$75 in Albemarle, Charlotte, Durham, Locust, and Rocky Mount, and to the municipalities in Union County.

<sup>6</sup> The authorized penalty is \$100 in Fayetteville and Greenville.

<sup>7</sup> A municipality is required to establish a nonjudicial administrative hearing process to allow the citation and penalty to be contested.

Karen Cochrane-Brown  
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# House PCS 287

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The clear proceeds of the penalty must be paid to the local school board, subject only to deductions for the costs of producing and mailing citation notices to the vehicle owners, and those costs cannot exceed 10% of the civil penalty assessed. A municipality may assess a collection assistance fee, not to exceed 20% of the civil penalty assessed, if the civil penalty has not been paid within 30 days after a second notice.

**BILL ANALYSIS:** House Bill 287 would amend the existing local authority for the Town of Spring Lake to use a red light camera system to include the changes made by S.L. 2007-341 and it would authorize the Town of Hope Mills to use a red light camera system, consistent with the law as amended by S.L. 2007-341.

In addition to the general authority granted to these two towns under G.S. 160A-300.1, as amended by S.L. 2007-341, the bill would do the following<sup>8</sup>:

- Provide that the Towns of Hope Mills and Spring Lake may enter into a contract with a contractor for the lease, lease purchase, or purchase of a traffic control photographic system. They may enter into only one contract, and the duration of the contract may be for no more than 60 months. After the period specified in the contract has expired, the system shall either be the property of the town, or the system shall be removed and returned to the contractor.
- Increase the authorized civil penalty for an initial citation from \$50 to \$100 for Spring Lake<sup>9</sup>, and authorize Hope Mills to impose a \$100 civil penalty for an initial citation. The bill would not change the \$100 penalty that would normally apply upon a second notice of the violation. Thus, the civil penalty amount would not increase if it remains unpaid after 30 days.
- Authorize the Towns of Hope Mills and Spring Lake to enter into an interlocal agreement with the Cumberland County School Board to carry out the purposes of the Act. The agreement may include provisions on sharing the cost of operating the red light camera system. The 2006 Court of Appeals decision<sup>10</sup> held that the deduction of the operating costs from the proceeds of the civil penalty was a violation of Article IX, Section 7 of the State Constitution, which requires the clear proceeds of a penalty be remitted to the county school board. To address that holding, the bill authorizes the school board to voluntarily agree, through an interlocal agreement, to pay all or a portion of the operating costs of the system.

**EFFECTIVE DATE:** The act becomes effective July 1, 2017, except for the increase in the penalty, which becomes effective October 1, 2017.

*Cindy Avrette substantially contributed to this summary.*

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<sup>8</sup> The General Assembly has enacted similar legislation that incorporates these changes for the following cities: Fayetteville, S.L. 2014-84, and Greenville, S.L. 2016-64.

<sup>9</sup> See G.S. 160A-300.1(c)(2), Section 3 of S.L. 2007-341, and Sections 2 and 4 of this act.

<sup>10</sup> The City of High Point filed a Petition for Discretionary Review with the North Carolina Supreme Court, but the Court denied the petition on June 28, 2007.

GENERAL ASSEMBLY OF NORTH CAROLINA  
SESSION 2017

H

1

HOUSE BILL 592

Short Title: "Kick Cancer for Kids" Special Plate.

(Public)

Sponsors: Representative Hurley.

*For a complete list of sponsors, refer to the North Carolina General Assembly web site.*

Referred to: Transportation, if favorable, Finance

April 6, 2017

A BILL TO BE ENTITLED  
AN ACT TO AUTHORIZE THE DIVISION OF MOTOR VEHICLES TO PRODUCE A  
"KICK CANCER FOR KIDS" SPECIAL REGISTRATION PLATE.

The General Assembly of North Carolina enacts:

**SECTION 1.** G.S. 20-79.4(b) reads as rewritten:

"(b) Types. – The Division shall issue the following types of special registration plates:

...

Q Kick Cancer for Kids. – Issuable to the registered owner of a motor vehicle in accordance with G.S. 20-81.12. The plate shall bear the words "Kick Cancer for Kids" and a representation of a gold ribbon with children's handprints surrounding the ribbon.

...."

**SECTION 2.** 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

...

In God We Trust

\$30.00

Kick Cancer for Kids

\$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 (a) of this section among the Special Registration Plate Account (SRPA), the Collegiate and Cultural Attraction Plate Account (CCAPA), the Clean Water Management Trust Fund (CWMTF), which is established under G.S. 113A-253, and the Parks and Recreation Trust Fund, which is established under G.S. 113-44.15, as follows:

Special Plate

SRPA

CCAPA

CWMTF

PRTE

...

Kick Cancer for Kids

\$10

\$20

0

0

Kids First

\$10

\$15

0

0

...."

**SECTION 3.** G.S. 20-81.12 reads as rewritten:



1 "§ 20-81.12. Collegiate insignia plates and certain other special plates.

2 ...

3 (b155) Kick Cancer for Kids. – The applicable requirements of G.S. 20-79.3A shall be met  
4 before the Kick Cancer for Kids plate may be developed. The Division shall transfer quarterly  
5 the money in the Collegiate and Cultural Attraction Plate Account derived from the sale of  
6 Kick Cancer for Kids plates as follows:

7 (1) Fifty percent (50%) to The Children's Oncology Group Foundation to be  
8 used to provide support for the mission and goals of the Foundation.

9 (2) Fifty percent (50%) to Riley's Army, Inc., to be used to provide support to  
10 children with cancer and their families.

11 ...."

12 **SECTION 4.** The Revisor of Statutes is authorized to alphabetize, number, and  
13 renumber the special registration plates listed in G.S. 20-79.4(b) to ensure that all the special  
14 registration plates are listed in alphabetical order and numbered accordingly.

15 **SECTION 5.** This act becomes effective July 1, 2017.





## HOUSE BILL 592: "Kick Cancer for Kids" Special Plate.

2017-2018 General Assembly

<b>Committee:</b>	House Transportation. If favorable, re-refer to Finance	<b>Date:</b>	April 19, 2017
<b>Introduced by:</b>	Rep. Hurley	<b>Prepared by:</b>	Wendy Ray
<b>Analysis of:</b>	First Edition		Staff Attorney

**OVERVIEW:** House Bill 592 would authorize the "Kick Cancer for Kids" special registration plate.

**CURRENT LAW:** North Carolina offers a number of special registration plates. Upon application and payment of the required registration fees, a person may obtain from the Division of Motor Vehicles a special registration plate for a motor vehicle registered in that person's name if the person qualifies for the plate. The issuance of most authorized plates is contingent upon the receipt by the Division of at least 300 applications for the particular plate, or 500 applications for full-color background plates.

As a general rule, the fee for a special registration plate is the regular vehicle registration fee plus a \$10 special registration plate fee. The \$10 special registration plate fee is credited to the Special Registration Plate Account. After deducting the cost of the plates from this account, \$1.3 million is appropriated to provide operating assistance for Visitor Centers. The remaining revenue in the account is transferred quarterly to the Department of Transportation for highway beautification (50%) and the Highway Fund for the Roadside Vegetation Management Program (50%). The cost of some special plates includes a fee in addition to the \$10 special registration plate fee. In those instances, the first \$10 goes to the special registration plate fund and the remainder is transferred quarterly to designated beneficiaries.

In 2014, the General Assembly enacted legislation creating a new development process for special registration plates, which requires the organization desiring the plate to submit the required number of paid applications to the Division before legislation is introduced to authorize the plate. The Division is required to submit a report to the General Assembly each year identifying applicants who have met the plate development requirements and are eligible for legislative consideration. The organization applying for the Kick Cancer for Kids plate has completed the process and submitted the required number of paid applications and draft artwork. This plate was included in the Division's report to the General Assembly of special registration plates to be authorized in the 2017 Legislative Session.

**BILL ANALYSIS:** House Bill 592 would authorize the "Kick Cancer for Kids" special registration plate. The organization has completed the plate development process and submitted the required number of paid applications to be eligible for authorization. If authorized, the plate would bear the words "Kick Cancer for Kids" and a representation of a gold ribbon with children's handprints surrounding the ribbon on a First in Flight background. The fee for the plate would be the regular registration fee plus \$30, with \$10 going to the Special Registration Plate Account and the additional \$20 divided equally between The Children's Oncology Group Foundation to provide support for the mission and goals of the Foundation and Riley's Army, Inc. to provide support to children with cancer and their families.

**EFFECTIVE DATE:** The act would become effective July 1, 2017.

Karen Cochrane-Brown  
Director



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GENERAL ASSEMBLY OF NORTH CAROLINA  
SESSION 2017

H

1

HOUSE BILL 617

Short Title: Clarify Sale of Antique & Specialty Vehicles.

(Public)

Sponsors: Representatives Ross, Hurley, Boles, and Torbett (Primary Sponsors).

*For a complete list of sponsors, refer to the North Carolina General Assembly web site.*

Referred to: Transportation

April 10, 2017

A BILL TO BE ENTITLED  
AN ACT TO CLARIFY THE REQUIREMENTS THAT MUST BE MET TO OBTAIN A  
TEMPORARY SUPPLEMENTAL LICENSE FOR THE SALE OF ANTIQUE MOTOR  
VEHICLES AND SPECIALTY MOTOR VEHICLES AND TO EXPAND THE  
DEFINITION OF A "SPECIALTY MOTOR VEHICLE."

The General Assembly of North Carolina enacts:

SECTION 1. G.S. 20-292.1 reads as rewritten:

"§ 20-292.1. Supplemental temporary license for sale of antique and specialty vehicles.

Any dealer licensed as a motor vehicle dealer under this Article may apply to the  
Commissioner and receive, at no additional charge, a supplemental temporary license  
authorizing the off-premises sales of antique motor vehicles and specialty motor vehicles for a  
period not to exceed 10 consecutive calendar days. To obtain a temporary supplemental license  
for the off-premises sale of antique motor vehicles and specialty motor vehicles, the applicant  
~~shall~~ shall meet all of the following requirements:

- (1) Be licensed as a motor vehicle dealer under this ~~Article~~ Article and have and  
maintain a surety bond in the amount of fifty thousand dollars (\$50,000)  
from a surety company licensed to do business in North Carolina.
- (2) Notify the applicable local office of the ~~Division~~ Division, at least 60 days in  
advance, of the specific dates and location for which the license is requested.
- (3) Display a sign at the licensed location ~~clearly identifying the dealer~~, posted in  
a conspicuous location that allows the public to clearly identify the dealer.
- (4) Keep and maintain the records required for the sale of motor vehicles under  
this Article.
- (5) Provide staff to work at the temporary location for the duration of the  
off-premises sale.
- (6) Meet any local government permitting requirements.
- (7) Have written permission from the property owner to sell at the location.
- (8) Have a minimum of three salespersons licensed under this Article on site at  
the time of the off-premises sale.
- (9) Advertise the event as an "antique" or "collectors" vehicle sale.

For purposes of this section, the term "antique motor vehicle" shall mean any motor vehicle  
for private use manufactured at least 25 years prior to the current model year, and the term  
"specialty motor vehicle" shall mean any model or series of motor vehicle for private use  
manufactured at least (i) three years prior to the current model year of which no more than  
5,000 vehicles were sold within the United States during the model year the vehicle was





~~manufactured.~~ manufactured or (ii) at least 10 years prior to the current model year of which no more than 15,000 vehicles were sold within the United States during the model year the vehicle was manufactured.

This section does not apply to a nonselling motor vehicle show or public display of new motor vehicles."

**SECTION 2.** This act is effective when it becomes law and applies to applications for licenses received on or after that date.



# HOUSE BILL 617: Clarify Sale of Antique & Specialty Vehicles.

2017-2018 General Assembly

<b>Committee:</b>	House Transportation	<b>Date:</b>	April 19, 2017
<b>Introduced by:</b>	Reps. Ross, Hurley, Boles, Torbett	<b>Prepared by:</b>	Howard Marsilio
<b>Analysis of:</b>	First Edition		Committee Counsel

**OVERVIEW:** *House Bill 617 would clarify, and add requirements, for motor vehicle dealers to obtain a supplemental temporary license to sell antique and specialty motor vehicles off premises, and would expand the definition for specialty motor vehicles.*

**CURRENT LAW:** Article 12 of Chapter 20 regulates motor vehicle distributors and dealers. G.S. 20-287 requires that motor vehicle dealers obtain a license. Generally, a license holder must sell vehicles in an established salesroom, with limited exceptions.

G.S. 20-292.1 allows a motor vehicle dealer to apply for a supplemental temporary license authorizing the off-premises sale of an "antique motor vehicle" or "specialty motor vehicle" for a limited time-period (10-days). Currently an applicant is required to:

- (1) Be licensed as a motor vehicle dealer under this Article.
- (2) Notify the applicable local office of the Division of the specific dates and location for which the license is requested.
- (3) Display a sign at the licensed location clearly identifying the dealer.
- (4) Keep and maintain the records required for the sale of motor vehicles under this Article.
- (5) Provide staff to work at the temporary location for the duration of the off-premises sale.
- (6) Meet any local government permitting requirements.
- (7) Have written permission from the property owner to sell at the location.

An "antique motor vehicle" is a motor vehicle manufactured at least 25 years prior to the current model year. A "specialty motor vehicle" is a motor vehicle manufactured 3 years prior to the current model year, of which 5000 vehicles or less were sold in that model year in the United States.

**BILL ANALYSIS:** House Bill 617 would clarify that a motor vehicle dealer, applying for a supplemental license to sell an antique or specialty motor vehicle, would need to meet all the requirements in G.S. 20-292.1 and the following additional requirements:

- Obtain a \$50,000 surety bond.
- Notify the Division of Motor Vehicles at least 60 days in advance of the event.
- Display a sign that clearly identifies the dealer in a conspicuous place.
- Have three salespersons licensed under the Article at the site of the off-premises sale.
- Advertise the event as an "antique" or "collectors" vehicle sale.

In addition, House Bill 617 would expand the definition of "specialty motor vehicle" to include a motor vehicle manufactured 10 years prior to the current model year, of which 15,000 or less were sold that model year in the United States.

Karen Cochrane-Brown  
Director



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# House Bill 617

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**EFFECTIVE DATE:** This act would become effective when it becomes law and would apply to licenses received on or after that date.

GENERAL ASSEMBLY OF NORTH CAROLINA  
SESSION 2017

H

D

HOUSE BILL 619  
PROPOSED COMMITTEE SUBSTITUTE H619-CSSU-13 [v.2]

04/18/2017 06:38:03 PM

Short Title: Clarify Motor Vehicle Dealer Laws.

(Public)

Sponsors:

Referred to:

April 10, 2017

A BILL TO BE ENTITLED  
AN ACT TO CLARIFY MOTOR VEHICLE DEALERS AND MANUFACTURERS  
LICENSING LAWS.

The General Assembly of North Carolina enacts:

SECTION 1. G.S. 20-288(a1)(2) reads as rewritten:

"(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 six-hour course approved by the Division 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 ~~20 miles or less from~~ 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."

SECTION 2. G.S. 20-305 is amended by adding a new subdivision to read:

"(50) To require, coerce, or attempt to coerce, any new motor vehicle dealer located in this State to change location of its dealership, or to make any substantial alterations to its dealership premises or facilities, if the dealer (i) has changed the location of its dealership or made substantial alterations to its dealership premises or facilities within the preceding 10 years at a cost of more than one hundred thousand dollars (\$100,000) over this 10-year period and (ii) the change in location or alteration was made at the request of, or with the knowledge, acquiescence, or approval of, the manufacturer, factory branch, distributor, or distributor branch. For any dealer that did not change the location of its dealership or make substantial alterations to its dealership premises or facilities within the preceding 10 years at a cost of more than one hundred thousand dollars (\$100,000), the dealer's obligation to change location of its dealership, or to make any substantial alteration to its



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dealership premises or facilities, at the request of a manufacturer, factory branch, distributor, or distributor branch, or to satisfy a requirement or condition of an incentive program sponsored by a manufacturer, factory branch, distributor, or distributor branch, shall be governed by the applicable provisions of subdivisions (4), (11), (12), (25), (30), (32), and (42) of this section."

SECTION 3. G.S. 20-305.1 reads as rewritten:

**"§ 20-305.1. Automobile dealer warranty and recall obligations.**

(a) Each motor vehicle manufacturer, factory branch, distributor or distributor branch, shall specify in writing to each of its motor vehicle dealers licensed in this State the dealer's obligations for preparation, ~~delivery and warranty~~ delivery, warranty, and recall service on its products, including any service performed under a maintenance plan, extended warranty, certified pre-owned warranty, or service contract issued by or through the manufacturer, factory branch, distributor, distributor branch, or any person or entity contracted or otherwise affiliated with the manufacturer, factory branch, distributor, or distributor branch. The disclosure required under this subsection shall include the schedule of compensation to be paid ~~such~~ the dealers for parts, work, and service in connection with ~~warranty~~ preparation, delivery, warranty, and recall service, and any services performed by the dealers under any warranty, maintenance plan, extended warranty, certified pre-owned warranty, or service contract issued by or through the manufacturer, factory branch, distributor, distributor branch, or any person or entity contracted or otherwise affiliated with the manufacturer, factory branch, distributor, or distributor branch, and the time allowances for the performance of ~~such~~ the work and service. In no event shall ~~such~~ the schedule of compensation fail to include reasonable compensation for diagnostic work and associated administrative requirements as well as repair service and labor. Time allowances for the performance of ~~warranty~~ preparation, delivery, warranty, and recall work and ~~services~~ service, and any services performed by the dealers under any warranty, maintenance plan, extended warranty, certified pre-owned warranty, or service contract issued by or through the manufacturer, factory branch, distributor, distributor branch, or any person or entity contracted or otherwise affiliated with the manufacturer, factory branch, distributor, or distributor branch, shall be reasonable and adequate for the work to be performed. The compensation ~~which must be paid~~ under this section ~~must~~ shall be reasonable, provided, however, that under no circumstances ~~may~~ shall the reasonable compensation under this section be in an amount less than the dealer's current retail labor rate and the amount charged to retail customers for the manufacturer's or distributor's original parts for nonwarranty work of like kind, provided ~~such~~ the amount is competitive with the retail rates charged for parts and labor by other franchised dealers within the dealer's market.

...

(a3) If a manufacturer or distributor furnishes a part or component to a dealer, at reduced or no cost, to use in performing repairs under a recall, campaign service action, or warranty repair, the manufacturer or distributor shall compensate the dealer for the part or component in the same manner as warranty parts compensation under this section by compensating the dealer on the basis of the dealer's average markup on the cost for the part or component as listed in the manufacturer's or distributor's price schedule less the cost for the part or component.

...

(b) Notwithstanding the terms of any franchise agreement, it is unlawful for any motor vehicle manufacturer, factory branch, distributor, or distributor branch to fail to perform any of its warranty or recall obligations with respect to a motor vehicle, to fail to fully compensate its motor vehicle dealers licensed in this State for warranty and recall parts ~~other than parts used to repair the living facilities of recreational vehicles,~~ at the prevailing retail rate according to the factors in subsection (a) of this section, or, in service in accordance with the schedule of compensation provided the dealer pursuant to subsection (a) ~~above,~~ of this section, or to



1 otherwise recover all or any portion of its costs for compensating its motor vehicle dealers  
2 licensed in this State for warranty or recall parts and service either by reduction in the amount  
3 due to the dealer, or by separate charge, surcharge, or other imposition, and to fail to indemnify  
4 and hold harmless its franchised dealers licensed in this State against any judgment for  
5 damages or settlements agreed to by the manufacturer, including, but not limited to, court costs  
6 and reasonable attorneys' fees of the motor vehicle dealer, arising out of complaints, claims or  
7 lawsuits including, but not limited to, strict liability, negligence, misrepresentation, express or  
8 implied warranty, or rescission or revocation of acceptance of the sale of a motor vehicle as  
9 defined in G.S. 25-2-608, to the extent that the judgment or settlement relates to the alleged  
10 defective negligent manufacture, assembly or design of new motor vehicles, parts or  
11 accessories or other functions by the manufacturer, factory branch, distributor or distributor  
12 branch, beyond the control of the dealer. It is unlawful for any manufacturer, factory branch,  
13 distributor, or distributor branch, that manufactures or distributes recreational vehicles to fail to  
14 fully compensate its dealers located in this State in accordance with this section for warranty  
15 work performed by the dealers related to all parts of the vehicle, including labor and parts used  
16 to repair the living facilities of the vehicle and any equipment, appliances, and other options  
17 included by the manufacturer, factory branch, distributor, or distributor branch in the purchase  
18 price paid by the dealer. Any audit for warranty or recall parts or service  
19 compensation, including compensation for any service performed under any  
20 warranty, maintenance plan, extended warranty, certified pre-owned warranty, or service  
21 contract issued by or through the manufacturer, factory branch, distributor, distributor branch,  
22 or any person or entity contracted or otherwise affiliated with the manufacturer, factory branch,  
23 distributor, or distributor branch, shall only be for the 12-month period immediately following  
24 the date of the payment of the claim by the manufacturer, factory branch, distributor, or  
25 distributor branch. Any audit for sales incentives, service incentives, rebates, or other forms of  
26 incentive compensation shall only be for the 12-month period immediately following the date  
27 of the payment of the claim by the manufacturer, factory branch, distributor, or distributor  
28 branch pursuant to a sales incentives program, service incentives program, rebate program, or  
29 other form of incentive compensation program. Provided, however, these limitations shall not  
30 be effective in the case of fraudulent claims.

31 ...  
32 (c) In the event there is a dispute between the manufacturer, factory branch, distributor,  
33 or distributor branch, and the dealer with respect to any matter referred to in subsection (a), (b),  
34 (b1), (b2), (b3), or (d) of this section, either party may petition the Commissioner in writing,  
35 within 30 days after either party has given written notice of the dispute to the other, for a  
36 hearing on the subject and the decision of the Commissioner shall be binding on the parties,  
37 subject to rights of judicial review and appeal as provided in Chapter 150B of the General  
38 Statutes; provided, however, that nothing contained herein shall give the Commissioner any  
39 authority as to the content of any manufacturer's or distributor's warranty. Upon the filing of a  
40 petition before the Commissioner under this subsection, any chargeback to or any payment  
41 required of a dealer by a manufacturer relating to warranty or recall parts or service  
42 compensation, including compensation paid to a dealer for any services performed under any  
43 warranty, maintenance plan, extended warranty, certified pre-owned warranty, or service  
44 contract issued by or through the manufacturer, factory branch, distributor, distributor branch,  
45 or any person or entity contracted or otherwise affiliated with the manufacturer, factory branch,  
46 distributor, or distributor branch, or to sales incentives, service incentives, rebates, other forms  
47 of incentive compensation, or the withholding or chargeback of other compensation or support  
48 that a dealer would otherwise be eligible to receive, shall be stayed during the pendency  
49 of the determination by the Commissioner.



(h) Right to Return Unnecessary Parts or Accessories. – Notwithstanding the terms of any franchise agreement, it is unlawful for any motor vehicle manufacturer, factory branch, distributor, or distributor branch to deny a franchised new motor vehicle dealer the right to return any part or accessory that the dealer has not sold after 15 months where the part or accessory was not obtained through a specific order initiated by the franchised new motor vehicle dealer, but instead was specified for, sold to, and shipped to the dealer pursuant to an automated ordering system, provided that ~~such~~the part or accessory is in the condition required for return to the manufacturer, factory branch, distributor, or distributor branch and the dealer returns the part within 60 days of it becoming eligible under this subsection. For purposes of this subsection, an "automated ordering system" shall be a computerized system required by the manufacturer that automatically specifies parts and accessories for sale and shipment to the dealer without specific order thereof initiated by the dealer. The manufacturer, factory branch, distributor, or distributor branch shall not charge a restocking or handling fee for any part or accessory being returned under this subsection."

SECTION 4. G.S. 20-305.5 reads as rewritten:

"§ 20-305.5. Sections 20-305, subdivisions (4) through (28), and ~~20-305.4~~20-305.2 to ~~20-305.4~~ not applicable to certain manufacturers and dealers.

The provisions of G.S. 20-305(4) through G.S. 20-305(28) and ~~20-305.4~~20-305.2 to 20-305.4 shall not apply to manufacturers of, or dealers in, mobile or manufactured type housing or recreational trailers."

SECTION 5. G.S. 20-305.2 reads as rewritten:

"§ 20-305.2. Unfair methods of competition.

...

(b) Subsection (a) of this section does not apply to manufacturers or distributors of trailers or semitrailers that are not recreational vehicles as defined in G.S. 20-4.01.

(b1) It is unlawful for any motor vehicle manufacturer, factory branch, distributor, or distributor branch that has any franchised motor vehicles dealers in this State to, directly or indirectly, or through any parent, subsidiary, affiliate, or other related entity, own any ownership interest in, operate, or control any entity in this State that leases or rents motor vehicles to the general public in competition with any of its franchised dealers located in this State."

...."

SECTION 6. G.S. 20-305.7(b) reads as rewritten:

"(b) No manufacturer, factory branch, distributor, distributor branch, dealer management computer system vendor, or any third party acting on behalf of any manufacturer, factory branch, distributor, distributor branch, or dealer management computer system vendor may access or utilize customer or prospect information maintained in a dealer management computer system utilized by a motor vehicle dealer located in this State for purposes of soliciting any such customer or prospect on behalf of, or directing such customer or prospect to, any other dealer. The limitations in this subsection do not apply ~~to~~to any of the following:

(1) A customer that requests a reference to another ~~dealership;~~dealership.

(2) A customer that moves more than 60 miles away from the dealer whose data was ~~accessed;~~accessed.

(3) Customer or prospect information that was provided to the dealer by the manufacturer, factory branch, distributor, or distributor ~~branch;~~ branch.

...

No manufacturer, factory branch, distributor, distributor branch, dealer management computer system vendor, or any third party acting on behalf of any manufacturer, factory branch, distributor, distributor branch, or dealer management computer system vendor, may provide access to customer or dealership information maintained in a dealer management computer system utilized by a motor vehicle dealer located in this State, without first obtaining the



1 dealer's prior express written consent, revocable by the dealer upon five business days written  
2 notice, to provide such access. Prior to obtaining said consent and prior to entering into an  
3 initial contract or renewal of a contract with a dealer located in this State, the manufacturer,  
4 factory branch, distributor, distributor branch, dealer management computer system vendor, or  
5 any third party acting on behalf of, or through any manufacturer, factory branch, distributor,  
6 distributor branch, or dealer management computer system vendor shall provide to the dealer a  
7 written list of all specific third parties to whom any data obtained from the dealer has actually  
8 been provided within the 12-month period ending November 1 of the prior year. The list shall  
9 further describe the scope and specific fields of the data provided. In addition to the initial list,  
10 a dealer management computer system vendor or any third party acting on behalf of, or through  
11 a dealer management computer system vendor shall provide to the dealer an annual list of each  
12 and every third party to whom said data is actually being provided on November 1 of  
13 each year and each and every third party to whom said data ~~has~~was actually ~~been~~ provided in  
14 the preceding 12 months ~~and describe~~ and, for each and every third party identified, the list shall  
15 detail the scope and specific fields of the data provided to the third party during the  
16 12-month period. Such list shall be provided to the dealer by January 1 of each year. The lists  
17 required under this subsection of the third parties to whom any data obtained from the dealer  
18 has actually been provided shall be specific to each affected dealer and it shall be insufficient  
19 and unlawful for the provider of this information to furnish any dealer a list of third parties who  
20 could or may have received any of the affected dealer's data, as the information required to be  
21 provided under this subsection requires the provider of this information to state the identity and  
22 other specified information of each and every third party to whom the data was actually  
23 provided during the relevant period of time. It shall be unlawful for any third party to whom  
24 any of the dealer's data has been provided to pass on or charge the dealer any fee, cost, or  
25 surcharge, any part of which is intended to reimburse the third party for charges or fees paid by  
26 the third party to access the dealer's data. Any dealer management computer system vendor's  
27 contract that directly relates to the transfer or accessing of dealer or dealer customer  
28 information must conspicuously state, "NOTICE TO DEALER: THIS AGREEMENT  
29 RELATES TO THE TRANSFER AND ACCESSING OF CONFIDENTIAL INFORMATION  
30 AND CONSUMER RELATED DATA". Such consent does not change any such person's  
31 obligations to comply with the terms of this section and any additional State or federal laws  
32 (and any rules or regulations promulgated thereunder) applicable to them with respect to such  
33 access. In addition, no dealer management computer system vendor may refuse to provide a  
34 dealer management computer system to a motor vehicle dealer located in this State if the dealer  
35 refuses to provide any consent under this subsection. The rights conferred under this subsection  
36 on a motor vehicle dealer are not waivable, and may not be modified by any contract or  
37 agreement."

38 **SECTION 7.** Article 3 of Chapter 20 of the General Statutes is amended by adding  
39 a new section to read:

40 **"§ 20-101.3. Conspicuous disclosure of dealer shop and other service-related fees.**

41 (a) Requirement. – A motor vehicle dealer shall not charge shop fees in conjunction  
42 with service work performed by the dealer, or other discretionary fees relating to environmental  
43 or regulatory compliance, record retention, or other costs incurred by the dealer in conjunction  
44 with service work performed by the dealer, whether or not the fees are attributable to or  
45 includes the dealer's internal overhead or profit, unless the dealer complies with both of the  
46 following requirements:

- 47 (1) The dealer shall post a conspicuous notice in the service area of the  
48 dealership measuring at least 24 inches on each side informing customers  
49 that fees regulated by this section may or will be charged and that customers  
50 should inquire of dealership personnel if they would like to know the type  
51 and amount or basis of the fees charged by the dealer.

1           (2)   The total amount of all fees regulated by this section shall be disclosed on  
2               the customer's repair order or repair invoice. Nothing in this subdivision  
3               shall be construed as requiring a dealer to list separately each fee charged by  
4               the dealer.

5           (b)   Discretion. – Notwithstanding any provision of law to the contrary, a dealer is not  
6               required to charge a shop or other service-related fee regulated under this section, and may  
7               reduce the amount of any or all fees charged.

8               **SECTION 8.** If any provision of this act or its application is held invalid, the  
9               invalidity does not affect other provisions or applications of this act that can be given effect  
10              without the invalid provisions or application, and to this end the provisions of this act are  
11              severable.

12              **SECTION 9.** Sections 1 through 6 of this act are effective when it becomes law,  
13              and apply to all current and future franchises and other agreements in existence between any  
14              new motor vehicle dealer located in this State and a manufacturer or distributor as of the  
15              effective date of this act. Section 7 of this act becomes effective January 1, 2018, and applies to  
16              fees charged on or after that date. The remainder of this act is effective when it becomes law.





# HOUSE BILL 619: Clarify Motor Vehicle Dealer Laws.

2017-2018 General Assembly

**Committee:** House Transportation  
**Introduced by:** Reps. Brawley, Ross, Johnson, Clampitt  
**Analysis of:** PCS to First Edition  
H619-CSSU-13

**Date:** April 19, 2017  
**Prepared by:** Wendy Ray  
Staff Attorney

**OVERVIEW:** *The Proposed Committee Substitute for House Bill 619 makes changes to North Carolina's Motor Vehicle Dealers and Manufacturers Licensing Law.*

**BILL ANALYSIS:** The PCS for House Bill 619 makes the following changes to motor vehicle dealer and manufacturer licensing laws:

Section 1 amends an exemption from continuing education requirements applicable to used motor vehicle dealers for individuals also licensed as new motor vehicle dealers. They are currently exempt if they operate an established showroom within 20 miles of the showroom for which a used motor vehicle dealer license is sought. Section 1 extends the distance from 20 miles to 30 miles.

Section 2 adds a provision making it unlawful for a manufacturer to require a dealer to change locations or make substantial alterations to its dealership facilities if the dealer has changed locations or made substantial alterations to the dealership within the preceding ten years at a cost of more than \$100,000 at the request of, or with the knowledge or approval of, the manufacturer.

Section 3 clarifies that existing requirements regarding dealer warranty obligations and compensation apply to recall service and service performed under maintenance plans, extended warranties, certified pre-owned warranties, and service contracts issued by the manufacturer.

It also requires the dealer to be compensated on the basis of the dealer's average markup on the cost of parts for parts provided by the manufacturer at a reduced cost under a warranty or recall.

It also provides that warranty obligations and compensation requirements apply to repair of the living facilities of recreational vehicles.

Section 4 clarifies that the requirements of G.S. 20-305.1 regarding dealer warranty and recall obligations apply to manufacturers and dealers of non-motorized recreational trailers.

Section 5 makes it unlawful for a manufacturer to own or operate an entity in this State that leases or rents motor vehicles to the public in competition with any of its franchised dealers located in the State.

Section 6 strengthens existing provisions protecting dealership customer data by clarifying that manufacturers or dealer management computer system vendors must provide dealers with detailed lists of each and every third party to whom dealer data has been provided, along with the scope and specific fields of data provided to the third party.

Section 7 prohibits a dealer from charging shop fees and other service-related fees unless the dealer informs customers of the fees by posting a conspicuous notice of the fees in the service area of the dealership **and** disclosing the total amount of the fees on the customer's repair order or invoice.

Karen Cochrane-Brown  
Director



Legislative Analysis  
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# House PCS 619

Page 2

Section 8 is a severability clause that provides that if any part of the act is found to be invalid, the remaining provisions are still in effect.

**EFFECTIVE DATE:** Sections 1 through 6 of the act are effective when the act becomes law and apply to all current and future agreements between new motor vehicle dealers and manufacturers or distributors. Section 7, pertaining to shop fees and other service-related fees, becomes effective January 1, 2018, and applies to fees charged on or after that date. The remainder of the act is effective when it becomes law.

GENERAL ASSEMBLY OF NORTH CAROLINA  
SESSION 2017

H

D

HOUSE BILL 220  
PROPOSED COMMITTEE SUBSTITUTE H220-CSSU-14 [v.1]

04/18/2017 03:57:05 PM

Short Title: State Infrastructure Bank Revisions.

(Public)

Sponsors:

Referred to:

March 2, 2017

A BILL TO BE ENTITLED  
AN ACT TO EXPAND THE PURPOSES FOR WHICH FUNDS FROM THE STATE  
INFRASTRUCTURE BANK MAY BE USED AND TO CREATE AN OVERSIGHT  
BOARD FOR THE STATE INFRASTRUCTURE BANK, AS RECOMMENDED BY  
THE HOUSE SELECT COMMITTEE ON STRATEGIC TRANSPORTATION  
PLANNING AND LONG TERM FUNDING SOLUTIONS.

The General Assembly of North Carolina enacts:

**SECTION 1.** Chapter 136 of the General Statutes is amended by adding a new  
Article to read:

"Article 21.

"State Infrastructure Bank.

**"§ 136-277. Creation of the State Infrastructure Bank.**

(a) Creation. – The Department of Transportation shall have such powers as are necessary to establish, administer, and receive federal funds for a transportation infrastructure banking program authorized by the Intermodal Surface Transportation Efficiency Act of 1991, Pub. L. 102-240, as amended, the National Highway System Designation Act of 1995, Pub. L. 104-59, as amended, and any other federal law authorizing and governing the use of federal funds for a transportation infrastructure banking program.

(b) Federal Financial Assistance. – The Department is authorized to apply for, receive, administer, and comply with all conditions and requirements related to federal financial assistance necessary to fund the infrastructure banking program.

(c) Use of Funds; Conditions and Repayment. – Except as otherwise prohibited under federal law, the infrastructure banking program established under subsection (a) of this section may utilize available federal and State funds for the purpose of providing loans or other financial assistance to governmental units, including toll authorities, to finance the costs of transportation projects, including aviation projects. Loans or other financial assistance provided under this subsection shall be subject to repayment and conditioned upon the establishment of any security and the payment of any fees and interest rates deemed necessary by the Department. Governmental units may apply for loans and execute debt instruments payable to the State in order to obtain loans or other financial assistance provided for in this subsection. The Department shall require that applicants pledge as security for the obligations revenues derived from operation of the benefited facilities or systems, other sources of revenue, or their faith and credit, or any combination thereof. The faith and credit of the governmental units shall not be pledged or be deemed to have been pledged unless the requirements of Article 4 of Chapter 159 of the General Statutes have been met. The Department is authorized to apply a



\* H 2 2 0 - C S S U - 1 4 \*



1 municipality's share of funds allocated under G.S. 136-41.1 or G.S. 136-44.20 as necessary to  
2 ensure repayment of funds advanced under this subsection.

3 (d) Account; Nonreversion of Funds. – The Department shall establish jointly, with the  
4 State Treasurer, a separate infrastructure banking account with necessary fiscal controls and  
5 accounting procedures. Funds credited to this account shall not revert, and interest and other  
6 investment income shall accrue to the account and may be used to provide loans and other  
7 financial assistance as provided under this section.

8 (e) Rules. – The Department may establish such rules and policies as are necessary to  
9 establish and administer the infrastructure banking program.

10 (f) Effect on Transportation Investment Strategy Formula. – The infrastructure banking  
11 program authorized under this section shall not modify the formula for the distribution of funds  
12 established by G.S. 136-189.11.

13 (g) Debt Instruments. – The State Treasurer, with the assistance of the Local  
14 Government Commission, shall develop and adopt appropriate debt instruments for use under  
15 this section. The Local Government Commission shall develop and adopt appropriate  
16 procedures for the delivery of debt instruments to the State without any public bidding therefor.

17 (h) Review and Approval of Loans. – The State Infrastructure Bank Oversight Board  
18 established in G.S. 136-278 shall review and approve all proposed loans and other financial  
19 assistance to applicants under this section. In addition, the Local Government Commission  
20 shall review and approve proposed loans to applicants under this section pursuant to the  
21 provisions of Articles 4 and 5 of Chapter 159 of the General Statutes, as if the issuance of  
22 bonds was proposed, so far as those provisions are applicable.

23 (i) Outstanding Debt. – Loans authorized by this section shall be outstanding debt for  
24 the purpose of Article 10 of Chapter 159 of the General Statutes.

25 **"§ 136-278. Establishment of State Infrastructure Bank Oversight Board.**

26 (a) Establishment. – The State Infrastructure Bank Oversight Board (Board) is  
27 established and shall be responsible for reviewing and approving loans or other financial  
28 assistance provided under G.S. 136-277.

29 (b) Members. – The Board shall consist of the following voting members:

30 (1) The Secretary of the Department of Transportation.

31 (2) The Secretary of the Department of Commerce.

32 (3) The State Treasurer.

33 (4) The State Auditor.

34 (5) The State Budget Officer.

35 (c) Terms. – The members set forth in subsection (b) of this section shall serve terms  
36 coinciding with their respective offices.

37 (d) Officers. – The Board shall elect from its members a chair and vice-chair of the  
38 Board.

39 (e) Meetings. – The Board shall meet on the call of the chair or any two members but  
40 shall meet at least once every six months. Each member may be represented by a designee, who  
41 shall have the same voting powers as the member. The Board shall meet in offices provided by  
42 the Department of Transportation. In addition, the Department of Transportation shall provide  
43 the necessary secretarial and clerical staff and supplies to help the Board accomplish its  
44 objectives.

45 (f) Guidelines. – The Board shall develop guidelines, consistent with the requirements  
46 of G.S. 136-277, for reviewing and approving loans or other financial assistance provided  
47 under G.S. 136-277. The Board shall publish the guidelines established under this subsection  
48 on the Board's Web site, or, if the Board does not have its own Web site, on the Department of  
49 Transportation's Web site.

50 (g) Quorum. – A quorum of the Board shall consist of a majority of the Board's total  
51 membership.

1       (h)     Reports. – The Board shall report on its activities quarterly to the Joint Legislative  
2     Commission on Governmental Operations and the Joint Legislative Transportation Oversight  
3     Committee.

4       (i)     Compensation. – Members shall serve without compensation but may receive travel  
5     and subsistence in accordance with G.S. 138-6."

6             **SECTION 2.** G.S. 136-18(12a) is repealed.

7             **SECTION 3.** Section 1 of this act becomes effective July 1, 2017, and applies to  
8     loans and other financial assistance applied for on or after that date. The remainder of this act  
9     becomes effective July 1, 2017.







## HOUSE BILL 220: State Infrastructure Bank Revisions.

2017-2018 General Assembly

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<b>Committee:</b>	House Transportation. If favorable, re-refer to Finance	<b>Date:</b>	April 19, 2017
<b>Introduced by:</b>	Rep. Torbett	<b>Prepared by:</b>	Wendy Ray
<b>Analysis of:</b>	PCS to First Edition H220-CSSU-14		Staff Attorney

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**OVERVIEW:** *The Proposed Committee Substitute for House Bill 220 would repeal the current authorization for a transportation infrastructure banking program under the powers of the Department of Transportation and enact a new Article establishing the State Infrastructure Bank to provide financial assistance for transportation projects. The PCS would also establish a State Infrastructure Bank Oversight Board responsible for reviewing and approving loans or other financial assistance provided by the Bank.*

**CURRENT LAW:** Under G.S. 136-18(12a), the Department of Transportation has the authority to establish, and receive federal funds for, a transportation infrastructure banking program under the Intermodal Surface Transportation Efficiency Act of 1991 and the National Highway System Designation Act of 1995. The infrastructure banking program established by the Department may utilize federal and State funds for the purpose of providing loans or other financial assistance to governmental units to finance the costs of transportation projects authorized by the two federal acts.

**BILL ANALYSIS:** The PCS for House Bill 220 would repeal the current authorization for a transportation infrastructure banking program under G.S. 136-18 and reauthorize the Department to establish a State Infrastructure Bank under a new Article 21 in Chapter 136. The requirements set out are almost identical to the current authorization, except:

- The PCS would allow the program to provide financial assistance for any type of transportation project, whereas the current authorization limits the program to providing financial assistance for transportation projects authorized by the two referenced federal aid acts.
- The PCS would require that all proposed loans and other financial assistance to applicants be reviewed and approved by a State Infrastructure Bank Oversight Board, which would also be established in the PCS.

The PCS would establish the State Infrastructure Oversight Board to develop and publish guidelines for reviewing and approving loans and other financial assistance, to be responsible for reviewing and approving loans and other financial assistance provided under the program, and to report on its activities quarterly to the Joint Legislative Commission on Governmental Operations and the Joint Legislative Transportation Oversight Committee. The Board would be made up of the following five voting members: the Secretary of the Department of Transportation, the Secretary of the Department of Commerce, the State Treasurer, the State Auditor, and the State Budget Officer.

**EFFECTIVE DATE:** The act would be effective July 1, 2017, and would apply to loans and other financial assistance applied for on or after that date.

Karen Cochrane-Brown  
Director



Legislative Analysis  
Division  
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# House PCS 220

*Page 2*

**BACKGROUND:** This bill is a recommendation of the House Select Committee on Strategic Transportation Planning and Long Term Funding Solutions. The Committee recommended that the General Assembly consider enactment of legislation to expand the purposes for which funds from the State infrastructure bank may be used, and to create an oversight board for the State infrastructure bank.

GENERAL ASSEMBLY OF NORTH CAROLINA  
SESSION 2017

H

1

HOUSE BILL 421

Short Title: Clarify HUT & Improve Vehicle Titling Process.

(Public)

Sponsors: Representatives Shepard, Torbett, and Iler (Primary Sponsors).

*For a complete list of sponsors, refer to the North Carolina General Assembly web site.*

Referred to: Transportation, if favorable, Finance

March 22, 2017

A BILL TO BE ENTITLED

AN ACT TO CLARIFY THE APPLICATION OF THE HIGHWAY USE TAX TO  
OUT-OF-STATE VEHICLES TITLED IN THIS STATE AND TO IMPROVE THE  
VEHICLE TITLING PROCESS BY ELIMINATING DUPLICATIVE REQUIREMENTS.

The General Assembly of North Carolina enacts:

**SECTION 1.** G.S. 105-187.6 is amended by adding a new subsection to read:

"(d) Exemption Limitation. – The full exemptions set out in subsection (a) of this section, except for those set out in subdivisions (2), (9), and (10) of subsection (a) of this section, do not apply to a certificate of title issued for a motor vehicle titled in another state at the time of the transfer. The partial exemptions set out in subsection (b) of this section do not apply to a certificate of title issued for a motor vehicle titled in another state at the time of the transfer."

**SECTION 2.(a)** G.S. 20-52(a)(4), (5), and (6) are repealed.

**SECTION 2.(b)** G.S. 20-52(a) is amended by adding a new subdivision to read:

"(7) A statement that the owner has proof of financial responsibility, as required by Article 9A or Article 13 of this Chapter."

**SECTION 2.(c)** G.S. 58-2-164(b) reads as rewritten:

"(b) It shall be a Class 3 misdemeanor for any person who, with the intent to deceive an insurer, does any of the following:

- (1) Presents or causes to be presented a written or oral statement in support of an application for issuance of or amendment to a policy of auto ~~insurance or for vehicle registration pursuant to G.S. 20-52(a)(4) and (a)(5), insurance,~~ knowing that the application contains false or misleading information that states the applicant is an eligible risk when the applicant is not an eligible risk.
- (2) Assists, abets, solicits, or conspires with another person to prepare or make any written or oral statement that is intended to be presented to an insurer in connection with or in support of an application for issuance of or amendment to a policy of auto ~~insurance or for vehicle registration pursuant to G.S. 20-52(a)(4) and (a)(5), insurance,~~ if the person knows that the statement contains false or misleading information that states the applicant is an eligible risk when the applicant is not an eligible risk.

In addition to any other penalties authorized by law, a violation of this subsection may be punishable by a fine of not more than one thousand dollars (\$1,000) for each violation."





1           **SECTION 3.** Section 2 of this act becomes effective July 1, 2017. The remainder  
2 of this act is effective when it becomes law.



## HOUSE BILL 421: Clarify HUT & Improve Vehicle Titling Process.

2017-2018 General Assembly

<b>Committee:</b>	House Transportation. If favorable, re-refer to Finance	<b>Date:</b>	April 19, 2017
<b>Introduced by:</b>	Reps. Shepard, Torbett, Iler	<b>Prepared by:</b>	Howard Marsilio
<b>Analysis of:</b>	First Edition		Committee Counsel

**OVERVIEW:** *House Bill 421 would clarify that certain highway use tax (HUT) exemptions related to motor vehicle title transfers do not apply to vehicles titled in another state at the time of the transfer to a North Carolina title. It would also remove redundant requirements for motor vehicle title applications.*

[As introduced, this bill was identical to S326, as introduced by Sens. Tillman, Meredith, which is currently in Senate Judiciary.]

**CURRENT LAW:** G.S. 105-187.6 lists the HUT exemptions related to transfers of motor vehicle titles.

G.S. 20-52 requires that an owner of a vehicle subject to registration must apply to the Division of Motor Vehicles for a certificate of title, registration plate, and registration card for the vehicle. Subsection (a) of this section lists the required information for an application for registration and certificate of title. Currently, subdivisions (4) through (6) of this subsection relate to "eligible risk" information (for insurance purposes).

G.S. 58-2-164(b) creates criminal offenses related to providing false or misleading insurance information in applications for certificates of title pursuant to G.S. 20-52(a)(4) and (5), or participating in the same.

### BILL ANALYSIS:

**Section 1** of the bill would clarify that full exemptions, or partial exemptions, set out in G.S. 105-187.6, do not apply to motor vehicles titled previously in another state and that are now being titled in North Carolina.

The bill would not affect the following categories of title transfers, and they will remain exempted from the highway use tax:

- Motor vehicles transferred to either a manufacturer, or a motor vehicle retailer for the purpose of resale.
- Motor vehicles transferred to a volunteer fire department or volunteer rescue squad meeting certain criteria.
- Motor vehicles transferred to a State agency from a unit of local government, volunteer fire department, or volunteer rescue squad to enable the State agency to transfer the vehicle to another unit of local government, volunteer fire department, or volunteer rescue squad.

Karen Cochrane-Brown  
Director



Legislative Analysis  
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# House Bill 421

*Page 2*

**Section 2.(a)** of the bill to would repeal G.S. 20-52 subdivisions (4) through (6), as they are duplicative of the requirement of G.S. 20-309 that requires proof of financial responsibility prior to and during the registration of a motor vehicle.

**Section 2.(b)** would require a statement that the owner has proof of financial responsibility, as already required by law, in their application for registration and certificate of title.

**Section 2.(c)** would make conforming changes, by deleting cross-references to statutes that this bill would repeal.

**EFFECTIVE DATE:** Section 2 of this act would become effective July 1, 2017, and the remainder of this act would become effective when it becomes law.

## 1. SUMMARY

### 1.1 Program Overview

- The red-light safety camera program began in July 2015.
- Red-light safety cameras are at 8 intersections, with a total of 10 cameras.

#### 1.1.1 WHEN IS RED-LIGHT RUNNING HAPPENING?

- The worst time for running violations is between the hours of 4 p.m. and 5 p.m.
- Friday is the day of the week when most red-light running violations occur.

#### 1.1.2 WHO IS RUNNING THE RED LIGHT?

- 53 percent of violations are issued to Fayetteville residents since the program's inception.

#### 1.1.3 PUBLIC SAFETY BENEFIT

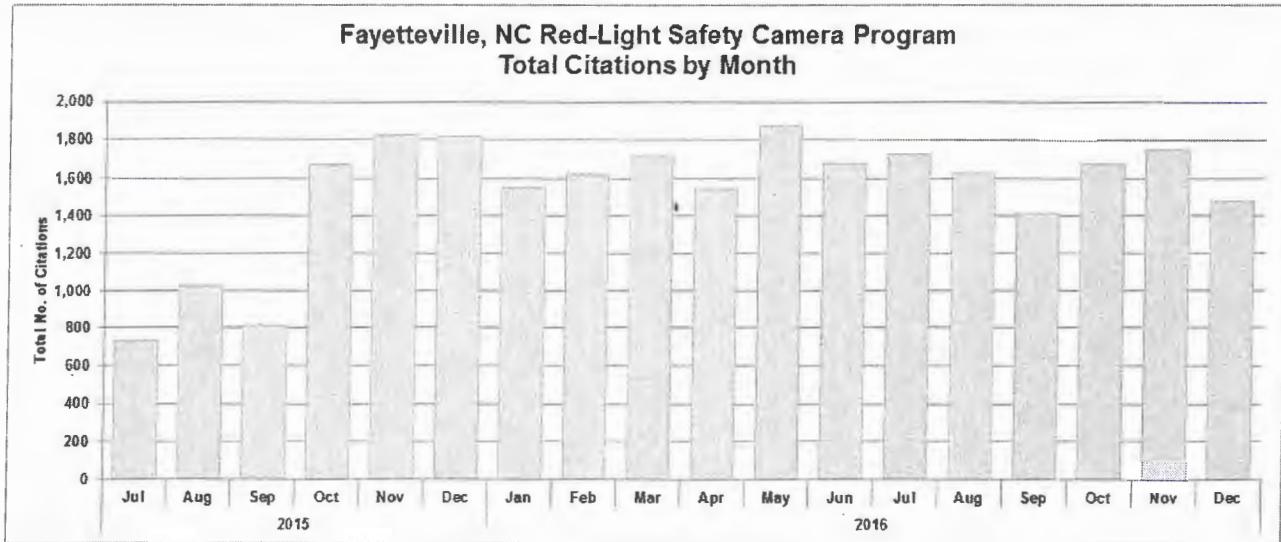
- Most red-light runners in Fayetteville do not get a second ticket. The community's recidivism rate is 4%, which means 96% of all violators who receive a ticket and pay it do not violate again. This low rate of repeat behavior, tracked from program inception through December 2016, indicates a change in driver behavior to stop on red.



## 2. VIOLATIONS OVERVIEW

### 2.1 Total Violations

Fayetteville began its Red-Light Safety Camera Program in July 2015 with 4 cameras at 3 intersections. Now, the program has 10 cameras at 8 intersections.

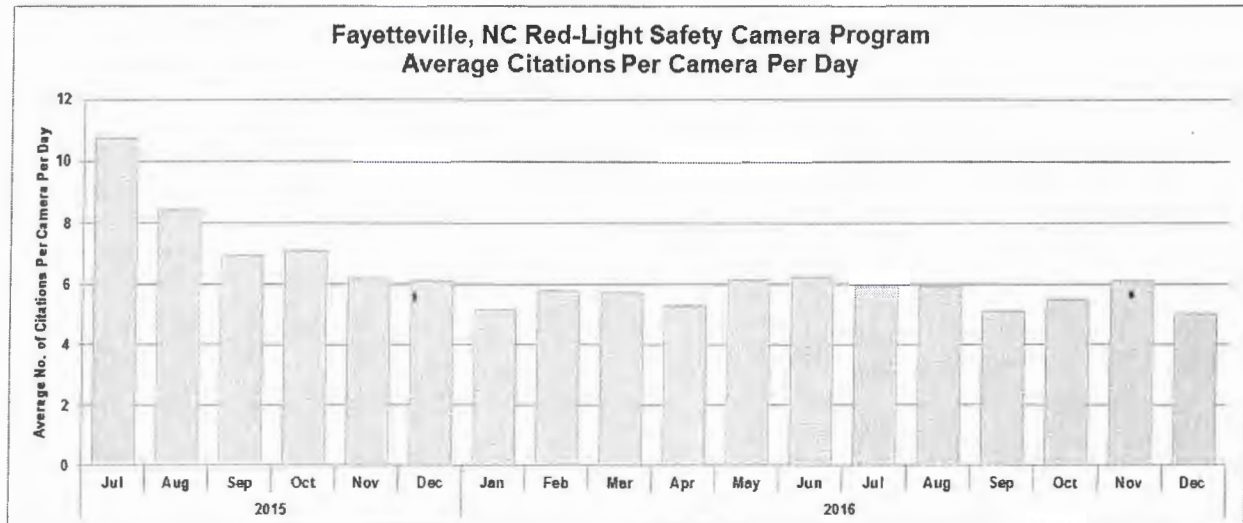






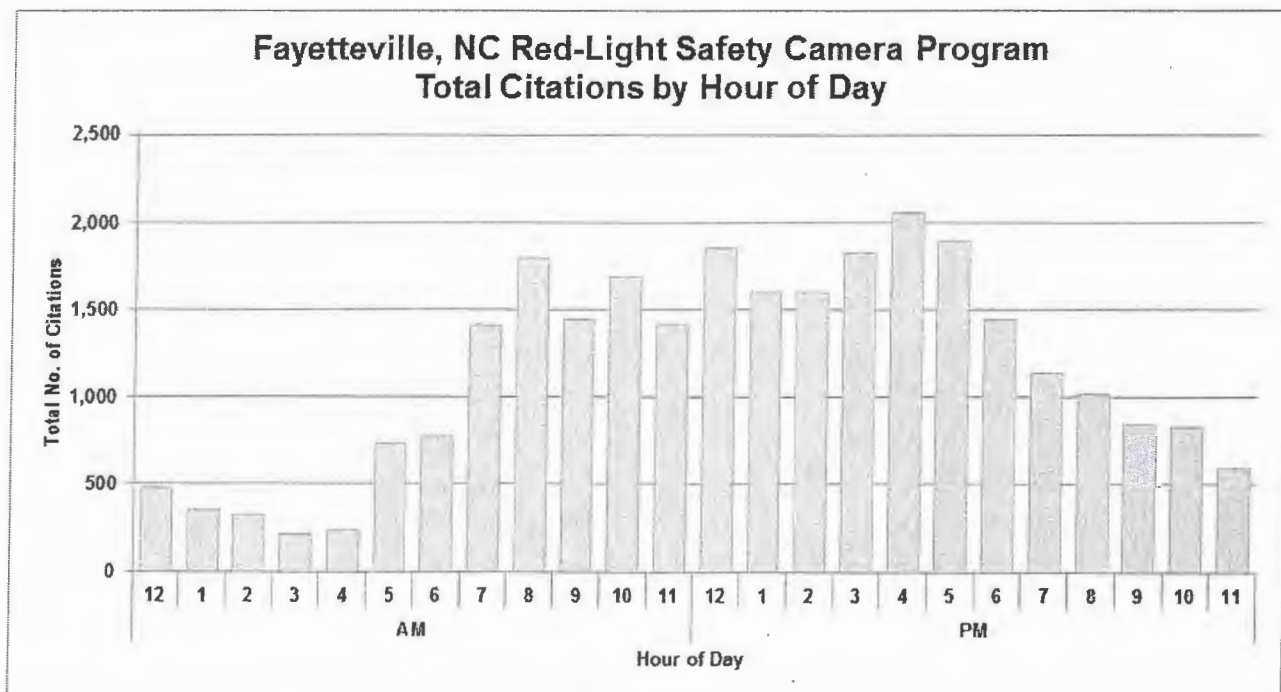
## 2.2 Average Violations Per Camera Per Day

Since program inception, the program has reduced red-light running violations by more than half. Currently, the program averages five red-light running violations per camera per day.



## 2.3 Total Violations by Time of Day

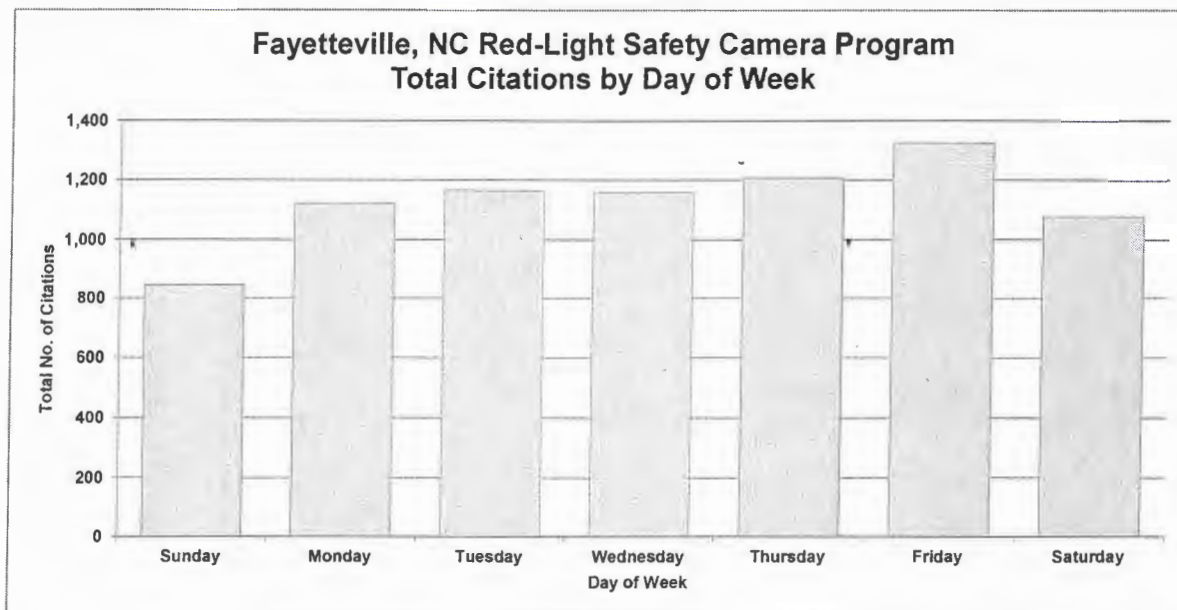
When looking at total violations by time of day, the most dangerous hours for red-light running is 3 p.m. through 5 p.m. 40 percent of violations occurred before noon and 60 percent of violations occurred after noon.





## 2.4 Total Violations by Day of the Week

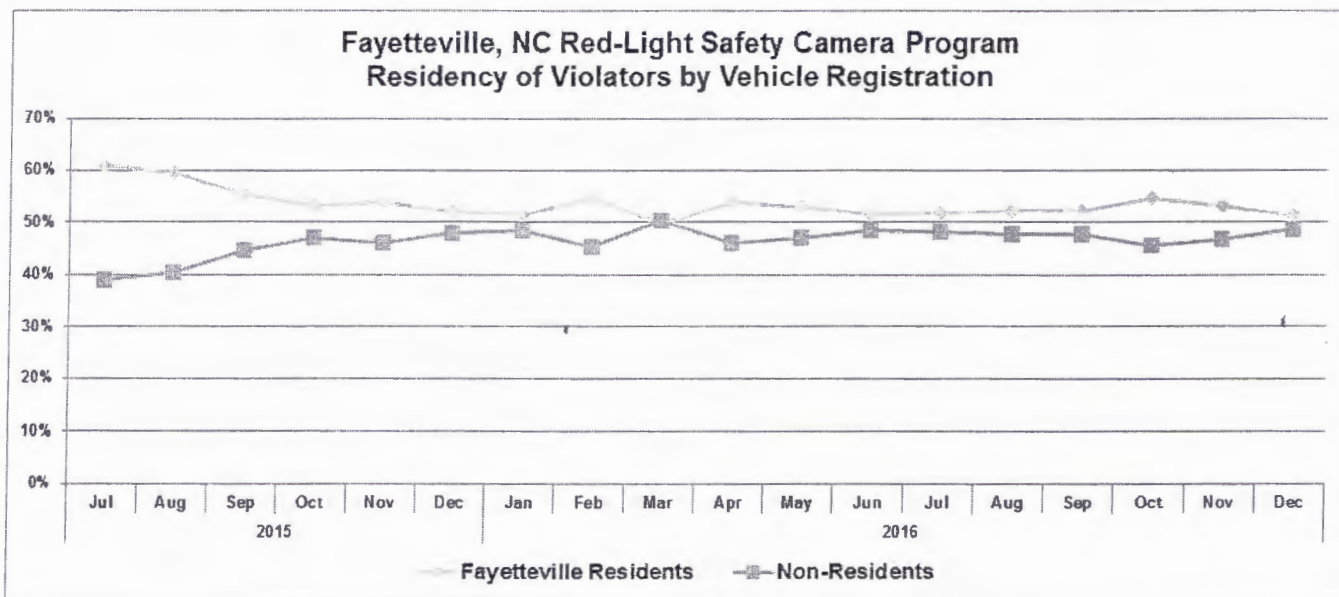
When looking at the total number of violations by day of the week, the day with the most violations is Friday, accounting for 18 percent of all violations. The weekdays account for 75 percent of total violations.





## 2.5 Violations by Fayetteville Residents

Vehicles registered in Fayetteville are the recipients of 55 percent of all violations issued since the program's start.



\*Zip Codes Used for Residency: 28314, 28304, 28302, 28312, 28303, 28306, 28307, 28311, 28301, 28305, 28309, 28308, 37334.

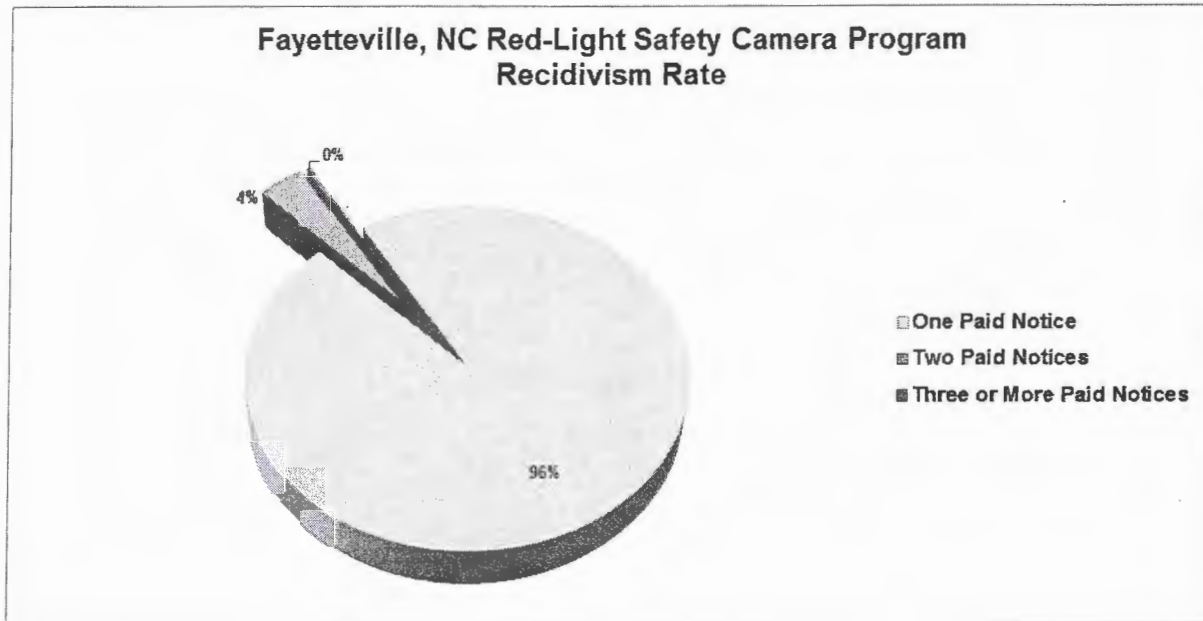
Top 5 Violator Cities	
City	% of Violations
Fayetteville	55%
Raeford	6%
Hope Mills	4%
Spring Lake	2%
Fort Bragg	2%





## 2.6 Repeat Violators

Repeat violations are low in Fayetteville, indicating the safety camera program is successful in changing driver behavior. The community's recidivism rate is 4% percent, which means 96% percent of all violators who receive a ticket and pay it do not get another violation. This low rate of repeat behavior, dating from program inception through December 2016, indicates a change in driver behavior for the better.





### 3. PROGRAM FOOTAGE: THE DANGERS OF RED-LIGHT RUNNING

Shocking new video footage showing the dangers of red-light running is available for viewing and for use as a public service announcement. The video from red-light safety cameras can be used to alert motorists across the state of North Carolina about the need for continued intersection safety enforcement and increased driver attention.

Videos, which can be viewed on the City of Fayetteville's Facebook page here:

<https://www.facebook.com/cityoffayettevillegovernment/> or the City website here:

[www.bethebadge.com](http://www.bethebadge.com), serve as a reminder for all drivers about the need to obey the law and stop on red.

View more red-light running videos at [www.YouTube.com/ATSRoadSafety](http://www.YouTube.com/ATSRoadSafety).

Fayetteville's Red-Light Safety Camera Program has brought a public safety value that extends beyond the intersection. On at least 40 occasions, the police have requested red-light safety camera videos to investigate collisions, robberies and serious crimes including hit-and-run collisions and various other police investigations. When a video has been used to reconstruct a traffic crash scene or provide another view of unrelated incidents at intersections, the police have reduced operating costs and provided a benefit to taxpayers.



Committee Sergeants at Arms

NAME OF COMMITTEE House Committee on Transportation

DATE: 4/19/2017 Room: 1228/1327

House Sgt-At Arms:

1. Name: David Leighton

2. Name: Joe Crook

3. Name: Russell Salisbury

4. Name: \_\_\_\_\_

5. Name: \_\_\_\_\_

Senate Sgt-At Arms:

1. Name: \_\_\_\_\_

2. Name: \_\_\_\_\_

3. Name: \_\_\_\_\_

4. Name: \_\_\_\_\_

5. Name: \_\_\_\_\_





## VISITOR REGISTRATION SHEET

House Committee on Transportation

4/19/2017

Name of Committee

Date

VISITORS: PLEASE SIGN IN BELOW AND RETURN TO COMMITTEE CLERK

NAME

FIRM OR AGENCY AND ADDRESS

<i>[Signature]</i>	NCDOT
Henry Jones	AAM
<i>[Signature]</i>	WNCB
Alap Miller	AIAGA
Gary Wheeler	Towing & Recovery Prof of N.C.
Sam McEles	McEles Consulting
Joy Hicker	NCDOT
MATT Nies	NCDOT
Hope Mayhew	NCDOT/DMV
<i>[Signature]</i>	LPA's & other
John Mera #1	DANA Tree



## VISITOR REGISTRATION SHEET

House Committee on Transportation

4/19/2017


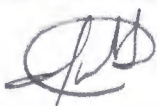
Name of Committee

Date

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NAME

FIRM OR AGENCY AND ADDRESS

Paul Sherrin	NCFB
Jake Cashion	NCC
	CAA
	SIA
Kelley King	OP
Gerry Cohen	NM
Harry Johnson	N/C
Lexi Arthur	NURMA
Jillian Totman	MWC LLC
Andy Chase	KMA
CS Hollis	CSH



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House Committee on Transportation

4/19/2017

Name of Committee

Date

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FIRM OR AGENCY AND ADDRESS

Preyanka Makadia	NCAFP
Ed Stumph	BP
The Merc	CGA
Flint Benson	SEANC
Mathew Babcock	PPAB
Carson Thorne	MVA
Chadwick Davis	Speakers Office
Chris Broughton	MWC
David Taylor	CoR
Matt Oubler	NCCGEM
Wade Wilson	Intern, McGrady





## VISITOR REGISTRATION SHEET

House Committee on Transportation

4/19/2017

Name of Committee

Date

VISITORS: PLEASE SIGN IN BELOW AND RETURN TO COMMITTEE CLERK

NAME

FIRM OR AGENCY AND ADDRESS

Donna Boone	NCDOT / DMV
Sherry Ra	NCDOT / DMV
Tonya Horton	TSS
Amanda Donovan	KTS
Rick Zechini	Williams Muller
Robb Lamm	FZA
MM Asbric	SELC
Erin Wynia	NCLM
Tony McEwen	City of Wilmington
Dave Hume	SA.



## VISITOR REGISTRATION SHEET

House Committee on Transportation

Name of Committee

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Date \_\_\_\_\_

VISITORS: PLEASE SIGN IN BELOW AND RETURN TO COMMITTEE CLERK

NAME \_\_\_\_\_

FIRM OR AGENCY AND ADDRESS

Frank Bray

NCMHA

Lisa Martin

Cap-Adm.



**House Committee on Transportation  
Monday, April 24, 2017 at 1:00 PM  
Room 643 of the Legislative Office Building**

**MINUTES**

The House Committee on Transportation met at 1:00 PM on April 24, 2017 in Room 643 of the Legislative Office Building. Representatives Adams, Alexander, Arp, Beasley, Belk, Blackwell, Boles, Brawley, Bumgardner, Carney, Cleveland, Corbin, Faircloth, Ford, Fraley, Goodman, C. Graham, Grange, Duane Hall, Hunter, Iler, McGrady, McNeill, Presnell, B. Richardson, W. Richardson, Speciale, Stone, Strickland, Torbett, R. Turner, Willingham, and Wray attended.

Representative John A. Torbett, Chair, presided.

The following bills were considered:

**HB 91 Require Safety Helmets/Under 21. (Representatives Torbett, Speciale)**  
Representative Iler motioned the PCS be brought before committee, Representative Torbett explained the bill, there was discussion on the bill, Representative Speciale motioned for unfavorable to original bill, favorable to the PCS, with a referral to Insurance. The bill passed.

**HB 326 Military College Plates/Reduce Applications. (Representatives G. Martin, Dollar)**  
Representative Martin explained the bill, there was discussion on the bill, Representative Cleveland motioned for favorable report with a referral to Finance. The bill passed.

**HB 469 Regulation of Fully Autonomous Vehicles. (Representatives Shepard, Torbett)**  
Representative Iler motioned the PCS be brought before committee, Representative Torbett explained the bill, there was discussion on the bill, Representative Speciale motioned for unfavorable to original bill, favorable to the PCS, with a referral to Judiciary I. The bill passed.

**HB 629 Amend Funeral Procession Law. (Representatives Alexander, Hunter, Boles)**  
Representative Alexander explained the bill, there was discussion on the bill, Representative Carney motioned for a favorable report with a referral to Judiciary III. The bill passed.

**HB 710 Private Parking/Immobilization Device. (Representatives Jordan, Setzer)**  
Representative Jordan explained the bill, there was discussion on the bill, Representative Torbett motioned for a favorable report with a referral to Judiciary III. The bill passed.





**HB 732 Household Goods Carrier Revisions. (Representative McNeill)**

Representative Torbett motioned the PCS be brought before committee, Representative McNeill explained the bill, there was discussion on the bill, Representative Speciale motioned for unfavorable to original bill, favorable to the PCS, with a referral to Judiciary I. The bill passed.

**HB 827 Use of Passing Lane/Increased Penalty. (Representatives Duane Hall, Bradford, Hardister, Murphy)** Representative Torbett motioned the PCS be brought before committee, Representative Hall explained the bill, there was discussion on the bill, Representative Cleveland motioned for unfavorable to original bill, favorable to the PCS, with a referral to Judiciary I. The bill passed.

**HB 636 Sale of Salvage Vehicle/No Inspection. (Representatives J. Bell, Brenden Jones)** Representative Bell explained the bill, there was discussion on the bill, Representative Cleveland motioned for a favorable report. The bill passed.

**HB 660 Drivers License/Reciprocity W/Foreign Nation. (Representative Boles)**

Representative Torbett motioned the PCS be brought before committee, Representative Boles explained the bill, there was discussion on the bill, Representative Iler motioned for unfavorable to original bill, favorable to the PCS. The bill passed.

**HB 716 CMVs/Use of Platoons. (Representative Torbett)**

Representative Torbett explained the bill, there was discussion on the bill, Representative Speciale motioned for a favorable report. The bill passed.

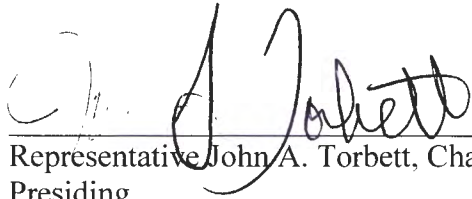
**HB 802 Exempt Motorcoach Manufacturer & Distributor. (Representatives Hardister, Faircloth, Blust, Brockman)** Representative Hardister explained the bill, there was discussion on the bill, Representative Cleveland motioned for a favorable report. The bill passed.

**HB 844 DOT/Traffic Signal Oversight. (Representatives Adams, Malone, Torbett)** Representative Adams explained the bill, there was discussion on the bill, Representative Richardson motioned for a favorable report. The bill passed.

**HB 833 Driver Education Oversight/Lane Departure. (Representatives Johnson, Torbett, Howard, Horn)** Representative Torbett motioned the PCS be brought before committee, Representative Johnson explained the bill, there was discussion on the bill, Representative Cleveland motioned for unfavorable to original bill, favorable to the PCS. The bill passed.



The meeting adjourned at 2:45P.M..



---

Representative John A. Torbett, Chair  
Presiding



---

Viddia Torbett, Committee Clerk



**NORTH CAROLINA HOUSE OF REPRESENTATIVES  
COMMITTEE MEETING NOTICE  
AND  
BILL SPONSOR NOTIFICATION  
2017-2018 SESSION**

You are hereby notified that the **House Committee on Transportation** will meet as follows:

**DAY & DATE:** Monday, April 24, 2017  
**TIME:** 1:00 PM  
**LOCATION:** 643 LOB  
**COMMENTS:** Representative Torbett Will Chair  
**THIS WILL BE A TWO HOUR COMMITTEE MEETING**

The following bills will be considered:

<b>BILL NO.</b>	<b>SHORT TITLE</b>	<b>SPONSOR</b>
<u>HB 91</u>	Require Safety Helmets/Under 21.	Representative Torbett
		Representative Speciale
<u>HB 326</u>	Military College Plates/Reduce Applications.	Representative G. Martin
<u>HB 469</u>	Regulation of Fully Autonomous Vehicles.	Representative Dollar
<u>HB 629</u>	Amend Funeral Procession Law.	Representative Shepard
		Representative Torbett
		Representative Alexander
		Representative Hunter
<u>HB 710</u>	Private Parking/Immobilization Device.	Representative Boles
		Representative Jordan
<u>HB 732</u>	Household Goods Carrier Revisions.	Representative Setzer
<u>HB 827</u>	Use of Passing Lane/Increased Penalty.	Representative McNeill
		Representative Duane Hall
		Representative Bradford
		Representative Hardister
		Representative Murphy
<u>HB 636</u>	Sale of Salvage Vehicle/No Inspection.	Representative J. Bell
		Representative Brenden Jones
<u>HB 660</u>	Drivers License/Reciprocity W/Foreign Nation.	Representative Boles
<u>HB 716</u>	CMVs/Use of Platoons.	Representative Torbett
<u>HB 802</u>	Exempt Motorcoach Manufacturer & Distributor.	Representative Hardister
		Representative Faircloth
		Representative Blust
		Representative Brockman
<u>HB 844</u>	DOT/Traffic Signal Oversight.	Representative Adams
		Representative Malone
		Representative Torbett





Respectfully,

Representative Kelly E. Hastings, Co-Chair  
Representative Frank Iler, Co-Chair  
Representative Phil Shepard, Co-Chair  
Representative John A. Torbett, Co-Chair

I hereby certify this notice was filed by the committee assistant at the following offices at 12:51 PM on Thursday, April 20, 2017.

\_\_\_\_ Principal Clerk  
\_\_\_\_ Reading Clerk – House Chamber

Viddia Torbett (Committee Assistant)



**House Committee on Transportation**  
**Monday, April 24, 2017, 1:00 PM**  
**643 Legislative Office Building**

**AGENDA**

**Welcome and Opening Remarks**

**Introduction of Pages**

**Bills**

<b>BILL NO.</b>	<b>SHORT TITLE</b>	<b>SPONSOR</b>
HB 91	Require Safety Helmets/Under 21.	Representative Torbett
		Representative Speciale
HB 326	Military College Plates/Reduce Applications.	Representative G. Martin
HB 469	Regulation of Fully Autonomous Vehicles.	Representative Dollar
		Representative Shepard
HB 629	Amend Funeral Procession Law.	Representative Torbett
		Representative Alexander
		Representative Hunter
HB 710	Private Parking/Immobilization Device.	Representative Boles
		Representative Jordan
HB 732	Household Goods Carrier Revisions.	Representative Setzer
HB 827	Use of Passing Lane/Increased Penalty.	Representative McNeill
		Representative Duane Hall
		Representative Bradford
		Representative Hardister
		Representative Murphy
HB 636	Sale of Salvage Vehicle/No Inspection.	Representative J. Bell
		Representative Brenden Jones
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		Representative Faircloth
		Representative Blust
		Representative Brockman
HB 844	DOT/Traffic Signal Oversight.	Representative Adams
		Representative Malone
		Representative Torbett
HB 833	Driver Education Oversight/Lane Departure.	Representative Johnson
		Representative Torbett
		Representative Howard
		Representative Horn



**NORTH CAROLINA GENERAL ASSEMBLY  
HOUSE OF REPRESENTATIVES**

**TRANSPORTATION COMMITTEE REPORT**

**Representative Kelly E. Hastings, Co-Chair**

**Representative Frank Iler, Co-Chair**

**Representative Phil Shepard, Co-Chair**

**Representative John A. Torbett, Co-Chair**

**FAVORABLE**

HB    636	Sale of Salvage Vehicle/No Inspection. Draft Number:                None Serial Referral:              None Recommended Referral:    None Long Title Amended:       No Floor Manager:              J. Bell
HB    716	CMVs/Use of Platoons. Draft Number:                None Serial Referral:              None Recommended Referral:    None Long Title Amended:       No Floor Manager:              Torbett
HB    802	Exempt Motorcoach Manufacturer & Distributor. Draft Number:                None Serial Referral:              None Recommended Referral:    None Long Title Amended:       No Floor Manager:              Hardister
HB    844	DOT/Traffic Signal Oversight. Draft Number:                None Serial Referral:              None Recommended Referral:    None Long Title Amended:       No Floor Manager:              Adams

**FAVORABLE AND RE-REFERRED**

HB    326	Military College Plates/Reduce Applications. Draft Number:                None <b>Serial Referral:              FINANCE</b> Recommended Referral:    None Long Title Amended:       No Floor Manager:              G. Martin
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HB 629

Amend Funeral Procession Law.

Draft Number: None

**Serial Referral:** JUDICIARY III

Recommended Referral: None

Long Title Amended: No

Floor Manager: Alexander

TOTAL REPORTED: 6



\* C M R 2 9 4 - V - 1 \*



**NORTH CAROLINA GENERAL ASSEMBLY  
HOUSE OF REPRESENTATIVES**

**TRANSPORTATION COMMITTEE REPORT**

**Representative Kelly E. Hastings, Co-Chair  
Representative Frank Iler, Co-Chair  
Representative Phil Shepard, Co-Chair  
Representative John A. Torbett, Co-Chair**

**FAVORABLE COM SUB , UNFAVORABLE ORIGINAL BILL**

HB 660 Drivers License/Reciprocity W/Foreign Nation.  
Draft Number: H660-PCS30381-RW-21  
Serial Referral: None  
Recommended Referral: None  
Long Title Amended: Yes  
Floor Manager: Boles

**FAVORABLE COM SUB , UNFAVORABLE ORIGINAL BILL AND RE-REFERRED**

HB 91 Require Safety Helmets/Under 21.  
Draft Number: H91-PCS30379-SU-17  
**Serial Referral: INSURANCE**  
Recommended Referral: None  
Long Title Amended: No  
Floor Manager: Torbett

HB 732 Household Goods Carrier Revisions.  
Draft Number: H732-PCS10313-SU-18  
**Serial Referral: JUDICIARY I**  
Recommended Referral: None  
Long Title Amended: Yes  
Floor Manager: McNeill

TOTAL REPORTED: 3





GENERAL ASSEMBLY OF NORTH CAROLINA  
SESSION 2017

H

D

HOUSE BILL 660  
PROPOSED COMMITTEE SUBSTITUTE H660-PCS30381-RW-21

Short Title: Drivers License/Reciprocity W/Foreign Nation.

(Public)

Sponsors:

Referred to:

April 11, 2017

1 A BILL TO BE ENTITLED  
2 AN ACT TO CLARIFY THAT THE COMMISSIONER OF MOTOR VEHICLES OF  
3 NORTH CAROLINA MAY RECOGNIZE DRIVERS LICENSES ISSUED BY FOREIGN  
4 NATIONS IN SPECIFIED CIRCUMSTANCES.

5 The General Assembly of North Carolina enacts:

6 SECTION 1. Chapter 20 of the General Statutes is amended by adding a new  
7 Article to read:

8 "Article 1D.

9 "Drivers License Reciprocity.

10 "§ 20-4.35. Reciprocity.

11 The Commissioner of Motor Vehicles is authorized to recognize foreign-issued  
12 noncommercial drivers licenses as valid in this State for the sole purpose of operation of  
13 noncommercial vehicles by persons who are legally present in this State if the Commissioner  
14 finds that the standards for issuance of drivers licenses by the foreign nation substantially  
15 comply with the standards established by law in this State and that this State's drivers licenses  
16 are also recognized as valid for the purpose of noncommercial operation of vehicles in that  
17 nation. At least 30 days prior to making a determination of reciprocal recognition under this  
18 section, the Commissioner shall notify the Joint Legislative Transportation Oversight  
19 Committee. After making a determination of reciprocal recognition as authorized by this  
20 section, the Division shall provide notice of the reciprocal recognition on its Web site."

21 SECTION 2. This act is effective when it becomes law.



\* H 6 6 0 - P C S 3 0 3 8 1 - R W - 2 1 \*







NORTH CAROLINA GENERAL ASSEMBLY  
AMENDMENT  
House Bill 660

AMENDMENT NO. \_\_\_\_\_  
(to be filled in by  
Principal Clerk)

H660-ARW-16 [v.3]

Page 1 of 1

Amends Title [NO]  
First Edition

Date \_\_\_\_\_, 2017

Representative \_\_\_\_\_

1 moves to amend the bill on page 1, lines 6-21, by rewriting those lines to read:

2  
3 "Article 1D.  
4 Drivers License Reciprocity.

5 "**§ 20-4.35. Reciprocity.**

6 The Commissioner of Motor Vehicles is authorized to recognize foreign-issued non-  
7 commercial drivers licenses as valid in this State for the sole purpose of operation of non-  
8 commercial vehicles by persons who are legally present in this State, if the Commissioner finds  
9 that the standards for issuance of drivers licenses by the foreign nation substantially comply  
10 with the standards established by law in this State, and that this State' driver's licenses are also  
11 recognized as valid for the purpose of non-commercial operation of vehicles in that nation. At  
12 least thirty days prior to making a determination of reciprocal recognition under this section,  
13 the Commissioner shall notify the Joint Legislative Transportation Oversight Committee. After  
14 making a determination of reciprocal recognition as authorized by this section, the Division  
15 shall provide notice of the reciprocal recognition on its web site."  
16  
17  
18  
19

SIGNED \_\_\_\_\_

Amendment Sponsor

SIGNED \_\_\_\_\_

Committee Chair if Senate Committee Amendment

ADOPTED \_\_\_\_\_

FAILED \_\_\_\_\_

TABLED \_\_\_\_\_



\* H 6 6 0 - A R W - 1 6 - V - 3 \*





GENERAL ASSEMBLY OF NORTH CAROLINA  
SESSION 2017

H

D

HOUSE BILL 91  
PROPOSED COMMITTEE SUBSTITUTE H91-PCS30379-SU-17

Short Title: Require Safety Helmets/Under 21.

(Public)

Sponsors:

Referred to:

February 15, 2017

A BILL TO BE ENTITLED  
AN ACT TO REVISE THE MOTOR VEHICLE LAWS TO PROVIDE CERTAIN  
EXCEPTIONS TO THE REQUIREMENT THAT ALL OPERATORS AND  
PASSENGERS ON MOTORCYCLES OR MOPEDS WEAR A SAFETY HELMET AND  
TO REMOVE THE ASSESSMENT OF COURT COSTS FROM THE PENALTIES  
APPLIED TO PERSONS FOUND GUILTY OF A HELMET USE INFRACTION.

The General Assembly of North Carolina enacts:

**SECTION 1.** G.S. 20-140.4 reads as rewritten:

**"§ 20-140.4. Special provisions for motorcycles and mopeds.**

(a) No person shall operate a motorcycle or moped upon a highway or public vehicular area:

- (1) When the number of persons upon such motorcycle or moped, including the operator, shall exceed the number of persons which it was designed to carry.
- (2) ~~Unless~~ Unless, except as provided in subsections (a1) and (a2) of this section, the operator and all passengers thereon wear on their heads, with a retention strap properly secured, safety helmets of a type that complies with Federal Motor Vehicle Safety Standard (FMVSS) 218. This subdivision shall not apply to an operator of, or any passengers within, an autocycle that has completely enclosed seating.

(a1) A person 21 years of age or older may operate a motorcycle without wearing a safety helmet if (i) the operator held a motorcycle license or motorcycle endorsement for more than 12 months or (ii) the operator has successfully completed the course of instruction offered by the Motorcycle Safety Instruction Program authorized in G.S. 115D-72 or its equivalent as determined by the Commissioner, but in no case may a person operate a motorcycle without wearing a safety helmet unless the operator is covered by an insurance policy providing for at least ten thousand dollars (\$10,000) in medical benefits for injuries incurred as a result of a crash while operating or riding on a motorcycle.

(a2) A person 21 years of age or older may ride upon a motorcycle as a passenger without wearing a safety helmet if the operator is allowed to operate a motorcycle without a helmet pursuant to subsection (a1) of this section and the person is covered by an insurance policy providing for at least ten thousand dollars (\$10,000) in medical benefits for injuries incurred as a result of a crash while riding on a motorcycle.

(b) Violation of any provision of this section shall not be considered negligence per se or contributory negligence per se in any civil action.

(c) Any person convicted of violating this section shall have committed an infraction and shall pay a penalty of ~~twenty-five dollars and fifty cents (\$25.50) plus the following court~~



\* H 9 1 - P C S 3 0 3 7 9 - S U - 1 7 \*

1 ~~costs: the General Court of Justice fee provided for in G.S. 7A-304(a)(4), the telephone~~  
2 ~~facilities fee provided for in G.S. 7A-304(a)(2a), and the law enforcement training and~~  
3 ~~certification fee provided for in G.S. 7A-304(a)(3b). twenty-five dollars (\$25.00) but shall not~~  
4 ~~be assessed any court costs.~~ Conviction of an infraction under this section has no other  
5 consequence.

6 ...."

7 **SECTION 2.** This act becomes effective October 1, 2017, and applies to violations  
8 occurring on or after that date.

GENERAL ASSEMBLY OF NORTH CAROLINA  
SESSION 2017

H

D

HOUSE BILL 732  
PROPOSED COMMITTEE SUBSTITUTE H732-PCS10313-SU-18

Short Title: Household Goods Carrier Revisions.

(Public)

Sponsors:

Referred to:

April 13, 2017

1 A BILL TO BE ENTITLED  
2 AN ACT TO CLARIFY THAT AN INTRASTATE HOUSEHOLD GOODS CARRIER  
3 SHALL NOT ATTEMPT TO OPERATE UPON A ROAD WITHIN THIS STATE  
4 WITHOUT MEETING CERTAIN REQUIREMENTS, TO EXPAND THE TYPES OF  
5 LAW ENFORCEMENT THAT MAY ENFORCE THE LAWS GOVERNING AN  
6 INTRASTATE HOUSEHOLD GOODS CARRIER, AND TO AUTHORIZE THE  
7 UTILITIES COMMISSION TO SHARE CRIMINAL HISTORY RECORD CHECK  
8 INFORMATION WITH THE PUBLIC STAFF.

9 The General Assembly of North Carolina enacts:

10 SECTION 1. G.S. 20-398 reads as rewritten:

11 "§ 20-398. Household goods carrier; marking or identification of vehicles.

12 (a) No carrier shall operate or attempt to operate any motor vehicle upon a highway,  
13 public street, or public vehicular area within the State in the transportation of household goods  
14 for compensation unless the name or trade name and the North Carolina number assigned to the  
15 carrier by the North Carolina Utilities Commission appear on each side of the vehicle in letters  
16 and figures not less than three inches high. The North Carolina number assigned to the carrier  
17 shall also be placed on the rear left upper quadrant of the vehicle in letters and figures not less  
18 than three inches high. In case of a tractor-trailer unit, the side markings must be on the tractor  
19 and the rear markings must be on the trailer. The markings required may be printed on the  
20 vehicle or on durable placards securely fastened on the vehicle.

21 ...  
22 (e) Notwithstanding any provision of G.S. 20-383 to the contrary, any law enforcement  
23 officer with territorial jurisdiction may enforce the provisions of this section."

24 SECTION 2. G.S. 62-280.1 reads as rewritten:

25 "§ 62-280.1. False representation of household goods carrier certificate unlawful.

26 ...  
27 (b) Any person who violates subsection (a) of this ~~section~~ section or who aids and abets  
28 another person in violating subsection (a) of this section shall be guilty of a Class 3  
29 misdemeanor and punished only by a fine of not more than five hundred dollars (\$500.00) for  
30 the first offense and not more than two thousand dollars (\$2,000) for any subsequent offense.

31 ...  
32 (d) Notwithstanding any provision of G.S. 20-383 to the contrary, any law enforcement  
33 officer with territorial jurisdiction may enforce the provisions of this section."

34 SECTION 3. G.S. 143B-963 reads as rewritten:

35 "§ 143B-963. Criminal history record checks of applicants for and current holders of  
36 certificate to transport household goods.





(a) The Department of Public Safety may provide to the Utilities Commission from the State and National Repositories of Criminal Histories the criminal history of any applicant for or current holder of a certificate to transport household goods. Along with the request, the Commission shall provide to the Department of Public Safety the fingerprints of the applicant or current holder, a form signed by the applicant or current holder consenting to the criminal history record check and use of fingerprints and other identifying information required by the State and National Repositories of Criminal Histories, and any additional information required by the Department of Public Safety. The applicant's or current holder's fingerprints shall be forwarded to the State Bureau of Investigation for a search of the State's criminal history record file, and the State Bureau of Investigation shall forward a set of fingerprints to the Federal Bureau of Investigation for a national criminal history record check. The Utilities Commission shall keep all information obtained pursuant to this section confidential. The Department of Public Safety may charge a fee to offset the cost incurred by it to conduct a criminal history record check under this section. The fee shall not exceed the actual cost of locating, editing, researching, and retrieving the information. The Department of Public Safety shall send a copy of the results of the criminal history record checks directly to the Utilities Commission Chief Clerk.

(b) The Utilities Commission may provide the information obtained pursuant to this section to the Public Staff for the purpose of participating in proceedings before the Commission. The Public Staff shall keep all information obtained pursuant to this section confidential."

**SECTION 4.** Sections 1 and 2 of this act become effective December 1, 2017, and apply to violations committed on or after that date. The remainder of this act is effective when it becomes law.

**NORTH CAROLINA GENERAL ASSEMBLY  
HOUSE OF REPRESENTATIVES**

**TRANSPORTATION COMMITTEE REPORT**

**Representative Kelly E. Hastings, Co-Chair  
Representative Frank Iler, Co-Chair  
Representative Phil Shepard, Co-Chair  
Representative John A. Torbett, Co-Chair**

**FAVORABLE COM SUB , UNFAVORABLE ORIGINAL BILL AND RE-REFERRED**

**HB 469**

Regulation of Fully Autonomous Vehicles.

Draft Number: H469-PCS30387-BG-19

**Serial Referral: JUDICIARY I**

Recommended Referral: None

Long Title Amended: No

Floor Manager: Shepard

**HB 827**

Use of Passing Lane/Increased Penalty.

Draft Number: H827-PCS40536-BG-16

**Serial Referral: JUDICIARY I**

Recommended Referral: None

Long Title Amended: No

Floor Manager: Duane Hall

**TOTAL REPORTED: 2**



★ C M R 3 1 3 - V - 1 ★



GENERAL ASSEMBLY OF NORTH CAROLINA  
SESSION 2017

H

D

HOUSE BILL 469  
PROPOSED COMMITTEE SUBSTITUTE H469-PCS30387-BG-19

Short Title: Regulation of Fully Autonomous Vehicles.

(Public)

Sponsors:

Referred to:

March 27, 2017

A BILL TO BE ENTITLED  
AN ACT TO REGULATE THE OPERATION OF FULLY AUTONOMOUS MOTOR  
VEHICLES ON THE PUBLIC HIGHWAYS OF THIS STATE.

The General Assembly of North Carolina enacts:

**SECTION 1.** G.S. 20-4.01(25) reads as rewritten:

"(25) Operator. – A person (i) in actual physical control of a vehicle which is in motion or which has the engine ~~running~~ running or (ii) who causes a fully autonomous vehicle, as defined in G.S. 20-399, to move with the automated driving system, as defined in G.S. 20-399, engaged. The terms "operator" and "driver" and their cognates are synonymous."

**SECTION 2.** G.S. 20-8 reads as rewritten:

**"§ 20-8. Persons exempt from license.**

The following are exempt from license hereunder:

...

(8) A fully autonomous vehicle with the automatic driving system engaged or the operator of a fully autonomous vehicle with the automated driving system engaged. For purposes of this subdivision, the terms "automated driving system" and "fully autonomous vehicle" are as defined in G.S. 20-399."

**SECTION 3.** G.S. 20-49(4) reads as rewritten:

**"§ 20-49. Police authority of Division.**

The Commissioner and such officers and inspectors of the Division as he shall designate and all members of the Highway Patrol and law enforcement officers of the Department of Public Safety shall have the power:

...

(4) When on duty, upon reasonable belief that any vehicle is being operated in violation of any provision of this Article or of any other law regulating the operation of vehicles to require the driver thereof to stop and exhibit his driver's license and the registration card issued for the vehicle, and submit to an inspection of such vehicle, the registration plates and registration card thereon or to an inspection and test of the equipment of such vehicle. For a fully autonomous vehicle, as defined in G.S. 20-399, in which the automated driving system, as defined in G.S. 20-399, is engaged and operating the vehicle, the requirement under this subdivision to exhibit the registration card for the vehicle shall be satisfied if the registration card is in the vehicle,



\* H 4 6 9 - P C S 3 0 3 8 7 - B G - 1 9 \*

or available electronically, and readily available to be inspected by an officer or inspector."

**SECTION 4.** G.S. 20-57 reads as rewritten:

**"§ 20-57. Division to issue certificate of title and registration card.**

...

(b) The registration card shall be delivered to the owner and shall contain upon the face thereof the name and address of the owner, space for the owner's signature, the registration number assigned to the vehicle, and a description of the vehicle as determined by the Commissioner, provided that if there are more than two owners the Division may show only two owners on the registration card and indicate that additional owners exist by placing after the names listed "et al." For a fully autonomous vehicle, as defined in G.S. 20-399, the registration card shall also contain upon the face thereof the information required under G.S. 20-400(a)(5). An owner may obtain a copy of a registration card issued in the owner's name by applying to the Division for a copy and paying the fee set in G.S. 20-85.

(c) Every such registration card shall at all times be carried in the vehicle to which it refers or in the vehicle to which transfer is being effected, as provided by G.S. 20-64 at the time of its operation, and such registration card shall be displayed upon demand of any peace officer or any officer of the Division: Provided, however, any person charged with failing to so carry such registration card shall not be convicted if ~~he~~the person produces in court a registration card theretofore issued to ~~him~~the person and valid at the time of ~~his~~the person's arrest: Provided further, that in case of a transfer of a license plate from one vehicle to another under the provisions of G.S. 20-72, evidence of application for transfer shall be carried in the vehicle in lieu of the registration card. For a fully autonomous vehicle, as defined in G.S. 20-399, in which the automated driving system, as defined in G.S. 20-399, is engaged and operating the vehicle, the requirement under this subdivision to display upon demand the registration card for the vehicle shall be satisfied if the registration card is in the vehicle, or available electronically, and readily available to be inspected by an officer.

...."

**SECTION 5.** G.S. 20-135.2A reads as rewritten:

**"§ 20-135.2A. Seat belt use mandatory.**

...

(c) This section shall not apply to any of the following:

...

(9) An automated driving system, as defined in G.S. 20-399, engaged and operating a fully autonomous vehicle, as defined in G.S. 20-399.

...."

**SECTION 6.** G.S. 20-135.2B reads as rewritten:

**"§ 20-135.2B. Transporting children under 16 years of age in open bed or open cargo area of a vehicle prohibited; exceptions.**

(a) ~~The~~Except as otherwise provided in this subsection, the operator of a vehicle having an open bed or open cargo area shall ensure that no child under 16 years of age is transported in the bed or cargo area of that vehicle. For a fully autonomous vehicle, as defined in G.S. 20-399, in which the automated driving system, as defined in G.S. 20-399, is engaged and operating the vehicle, the parent or legal guardian of the child is responsible for ensuring compliance with this subsection. An open bed or open cargo area is a bed or cargo area without permanent overhead restraining construction.

...."

**SECTION 7.** G.S. 20-137.1 reads as rewritten:

**"§ 20-137.1. Child restraint systems required.**

(a) ~~Every~~Except as otherwise provided in this subsection, every driver who is transporting one or more passengers of less than 16 years of age shall have all such passengers



properly secured in a child passenger restraint system or seat belt which meets federal standards applicable at the time of its manufacture. For a fully autonomous vehicle in which the automated driving system is engaged and operating the vehicle, the parent or legal guardian of a passenger of less than 16 years of age shall be responsible for ensuring the passenger is properly secured in accordance with this section. For purposes of this section, the terms "automated driving system" and "fully autonomous vehicle" are as defined in G.S. 20-399.

...

(c) Any ~~driver~~ person found responsible for a violation of this section may be punished by a penalty not to exceed twenty-five dollars (\$25.00), even when more than one child less than 16 years of age was not properly secured in a restraint system. No ~~driver~~ person charged under this section for failure to have a child under eight years of age properly secured in a restraint system shall be convicted if ~~he~~ the person produces at the time of ~~his~~ the person's trial proof satisfactory to the court that ~~he~~ the person has subsequently acquired an approved child passenger restraint system for a vehicle in which the child is normally transported.

(d) A violation of this section shall have all of the following consequences:

- (1) ~~Two~~ Except for a parent or legal guardian responsible for a passenger in a fully autonomous vehicle in which the automated driving system is engaged and operating the vehicle, two drivers license points shall be assessed pursuant to G.S. 20-16.
- (2) No insurance points shall be assessed.
- (3) The violation shall not constitute negligence per se or contributory negligence per se.
- (4) The violation shall not be evidence of negligence or contributory negligence."

SECTION 8. G.S. 20-163 reads as rewritten:

**"§ 20-163. Unattended motor vehicles.**

No person driving or in charge of a motor vehicle shall permit it to stand unattended on a public highway or public vehicular area without first stopping the engine, effectively setting the brake thereon and, when standing upon any grade, turning the front wheels to the curb or side of the highway. This section does not apply to a fully autonomous vehicle, as defined in G.S. 20-399, in which the automated driving system, as defined in G.S. 20-399, is engaged and operating the vehicle."

SECTION 9. G.S. 20-166 reads as rewritten:

**"§ 20-166. Duty to stop in event of a crash; furnishing information or assistance to injured person, etc.; persons assisting exempt from civil liability.**

...

(c3) An automated driving system engaged and operating a fully autonomous vehicle shall be deemed to comply with the requirements of subsections (a) through (c1) of this section if the vehicle remains on the scene of the crash and the vehicle, or the person responsible for the vehicle, promptly contacts the appropriate law enforcement agency and communicates the information required under the applicable subsection. The owner of a vehicle subject to this subsection shall be responsible for any violation of a provision of this section committed by the vehicle. For purposes of this section, the terms "automated driving system" and "fully autonomous vehicle" are as defined in G.S. 20-399.

...

(e) ~~The~~ Except for the owner of a fully autonomous vehicle subject to subsection (c3) of this section, the Division of Motor Vehicles shall revoke the drivers license of a person convicted of violating subsection (a) or (a1) of this section for a period of one year, unless the court makes a finding that a longer period of revocation is appropriate under the circumstances of the case. If the court makes this finding, the Division of Motor Vehicles shall revoke that person's drivers license for two years. Upon a first conviction only for a violation of subsection



(a1) of this section, a trial judge may allow limited driving privileges in the manner set forth in G.S. 20-179.3(b)(2) during any period of time during which the drivers license is revoked."

SECTION 10. G.S. 20-166.1 reads as rewritten:

**"§ 20-166.1. Reports and investigations required in event of accident.**

...

(c1) Fully Autonomous Vehicles. – An automated driving system engaged and operating a fully autonomous vehicle shall be deemed to comply with the requirements of subsections (a) through (c) of this section if the vehicle remains on the scene of the crash and the vehicle, or the person responsible for the vehicle, promptly contacts the appropriate law enforcement agency and communicates the information required under the applicable subsection. The owner of a vehicle subject to this subsection shall be responsible for any violation of a provision of this section committed by the vehicle. For purposes of this section, the terms "automated driving system" and "fully autonomous vehicle" are as defined in G.S. 20-399.

...."

SECTION 11. Chapter 20 of the General Statutes is amended by adding a new Article to read:

"Article 17.

"Regulation of Fully Autonomous Vehicles.

**"§ 20-399. Definitions.**

The following definitions apply in this Article:

- (1) Automated driving system. – The hardware and software that are collectively capable of performing the entire dynamic driving task on a sustained basis, regardless of whether it is limited to a specific operational design domain.
- (2) Dynamic driving task. – All of the real-time operational and tactical functions required to operate a vehicle in on-road traffic, excluding strategic functions such as trip scheduling and the selection of destinations and waypoints, but including all of the following:
  - a. Lateral vehicle motion control via steering.
  - b. Longitudinal motion control via acceleration and deceleration.
  - c. Monitoring the driving environment via object and event detection, recognition, classification, and response preparation.
  - d. Object and event response execution.
  - e. Maneuver planning.
  - f. Enhancing conspicuity via lighting, signaling, and gesturing.
- (3) Fully autonomous vehicle. – A motor vehicle equipped with an automated driving system that has the capability to perform all aspects of the dynamic driving task without a human driver and will not at any time require that a driver assume any portion of the dynamic driving task. If equipment that allows an occupant to steer the vehicle or take over any of the dynamic driving task are installed, they must be stowed in such a manner that a passenger cannot assume control of the vehicle.
- (4) Minimal risk condition. – A low-risk operating mode in which a fully autonomous vehicle operating without a human driver achieves a reasonably safe state, such as bringing the vehicle to a complete stop, upon experiencing a failure of the vehicle's automated driving system that renders the vehicle unable to perform the entire dynamic driving task.
- (5) Semi-autonomous vehicle. – A motor vehicle that is equipped with features that can assume one or more components of the dynamic driving task and meet any of the following:

- 1                   a.     May require a human driver to perform portions or all of the dynamic
- 2                         driving task at any time.
- 3                   b.     A fully autonomous vehicle with equipment installed in such a
- 4                         manner that allows an occupant to steer the vehicle or take over any
- 5                         of the dynamic driving task.

6     **"§ 20-400. Regulation of fully autonomous vehicles.**

7         (a)     Operation. – A fully autonomous vehicle may be operated with the automated  
8         driving system engaged without a human driver present in the vehicle, if the vehicle meets all  
9         of the following requirements:

- 10               (1)     Unless an exemption has been granted under applicable State or federal law,  
11                         the vehicle is (i) capable of being operated in compliance with Articles 3,  
12                         3A, 7, and 13 of this Chapter and (ii) has been, at the time of its  
13                         manufacture, certified by the manufacturer as being in compliance with  
14                         applicable federal motor vehicle safety standards.
- 15               (2)     The vehicle has the capability to meet the requirements of G.S. 20-166(c3)  
16                         and G.S. 20-166.1(c1).
- 17               (3)     The vehicle can achieve a minimal risk condition.
- 18               (4)     The vehicle is covered by a motor vehicle liability policy meeting the  
19                         applicable requirements of G.S. 20-279.21.
- 20               (5)     The vehicle is registered in accordance with Part 3 of Article 3 of this  
21                         Chapter, and, if registered in this State, the vehicle shall be identified on the  
22                         registration as a fully autonomous vehicle.

23         (b)     Preemption. – No local government shall enact any local law or ordinance with  
24         regards to the regulation of motor vehicles with an automated driving system and their  
25         operation, except for vehicle-related regulation specifically authorized in Chapter 153A and  
26         Chapter 160A of the General Statutes.

27     **"§ 20-401. Non-fully autonomous vehicles.**

28         Nothing in this Subchapter shall be construed to affect, alter, or amend the ability to operate  
29         a vehicle with an automated driving system that is not a fully autonomous vehicle."

30         **SECTION 12.** This act becomes effective December 1, 2017, and applies to  
31         offenses committed on or after that date. Prosecutions for offenses committed before the  
32         effective date of this act are not abated or affected by this act, and the statutes that would be  
33         applicable but for this act remain applicable to those prosecutions.







NORTH CAROLINA GENERAL ASSEMBLY  
AMENDMENT  
House Bill 469\*

H469-ABG-6 [v.2]

AMENDMENT NO. \_\_\_\_\_  
(to be filled in by  
Principal Clerk)

Page 1 of 1

Amends Title [NO]  
H469-CSBG-19

Date \_\_\_\_\_, 2017

Representative Torbett

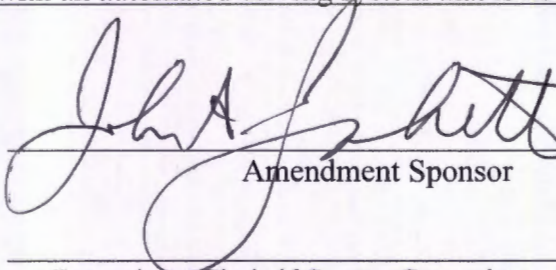
1 moves to amend the bill on page 5, line 23 through line 29, by rewriting those lines to read:

2 "(b) Preemption. – No local government shall enact any local law or ordinance with  
3 regards to the regulation of motor vehicles with an automated driving system and their  
4 operation, except for vehicle-related regulation specifically authorized in Chapter 153A and  
5 Chapter 160A of the General Statutes.

6 "§ 20-401. Non-fully autonomous vehicles.

7 Nothing in this subchapter shall be construed to affect, alter, or amend the ability to operate  
8 a vehicle with an automated driving system that is not a fully autonomous vehicle."

SIGNED

  
Amendment Sponsor

SIGNED

\_\_\_\_\_  
Committee Chair if Senate Committee Amendment

ADOPTED \_\_\_\_\_ FAILED \_\_\_\_\_ TABLED \_\_\_\_\_



\* H 4 6 9 - A B G - 6 - V - 2 \*





GENERAL ASSEMBLY OF NORTH CAROLINA  
SESSION 2017

H

D

HOUSE BILL 827  
PROPOSED COMMITTEE SUBSTITUTE H827-PCS40536-BG-16

Short Title: Use of Passing Lane/Increased Penalty.

(Public)

Sponsors:

Referred to:

April 13, 2017

1 A BILL TO BE ENTITLED  
2 AN ACT TO EXPAND THE PROHIBITION ON OPERATING A MOTOR VEHICLE IN  
3 THE LEFTMOST TRAVEL LANE OF A CONTROLLED-ACCESS OR PARTIALLY  
4 CONTROLLED-ACCESS HIGHWAY AT LESS THAN THE SPEED LIMIT OR WHEN  
5 IMPEDING THE STEADY FLOW OF TRAFFIC AND TO INCREASE THE  
6 MONETARY PENALTY FOR COMMITTING A VIOLATION OF THAT  
7 PROHIBITION.

8 The General Assembly of North Carolina enacts:

9 SECTION 1. G.S. 20-146 reads as rewritten:

10 "§ 20-146. Drive on right side of highway; exceptions.

11 ...  
12 (b) Upon all ~~highways-controlled-access and partially controlled-access highways, any~~  
13 ~~vehicle proceeding at less than the legal maximum speed limit impeding the steady flow of~~  
14 ~~traffic shall be driven in the right hand lane then available for thru traffic, or as close as~~  
15 ~~practicable to the right hand curb or edge of the highway, except when overtaking and passing~~  
16 ~~another vehicle proceeding in the same direction or when preparing for a left turn a lane other~~  
17 ~~than the inside lane next to the centerline or median of a multilane highway then available for~~  
18 ~~thru traffic, except when overtaking and passing another vehicle proceeding in the same~~  
19 ~~direction or when making a left turn. A person who violates this subsection is guilty of an~~  
20 ~~infraction punishable by a fine of two hundred dollars (\$200.00). For purposes of this~~  
21 ~~subsection, a person is "impeding the steady flow of traffic" if the person knows or reasonably~~  
22 ~~should know that he or she is being overtaken from the rear by a vehicle traveling at a higher~~  
23 ~~rate of speed.~~

24 ...  
25 (e) ~~Notwithstanding any other provisions of this section, when appropriate signs have~~  
26 ~~been posted, it shall be unlawful for any person to operate a motor vehicle over and upon the~~  
27 ~~inside lane, next to the median of any dual lane highway at a speed less than the posted speed~~  
28 ~~limit when the operation of said motor vehicle over and upon said inside lane shall impede the~~  
29 ~~steady flow of traffic except when preparing for a left turn. "Appropriate signs" as used herein~~  
30 ~~shall be construed as including "Slower Traffic Keep Right" or designations of similar import."~~

31 SECTION 2. Notwithstanding G.S. 143C-5-2, there is appropriated from the  
32 Highway Fund to the Division of Motor Vehicles of the Department of Transportation the sum  
33 of fifty thousand dollars (\$50,000) in nonrecurring funds for the 2017-2018 fiscal year to be  
34 used to provide education to the public on compliance with G.S. 20-146, as amended by  
35 Section 1 of this act.





1           **SECTION 3.** G.S. 20-146(b), as amended by Section 1 of this act, shall be  
2 enforced by warning ticket only until November 30, 2018.

3           **SECTION 4.** This act becomes effective December 1, 2017, and applies to  
4 offenses committed on or after that date.



NORTH CAROLINA GENERAL ASSEMBLY  
AMENDMENT  
House Bill 827\*

AMENDMENT NO. \_\_\_\_\_  
(to be filled in by  
Principal Clerk)

H827-AML-4 [v.3]

Page 1 of 1

Amends Title [NO]  
H827-CSBG-16

Date \_\_\_\_\_, 2017

Representative Duane Hall

1 moves to amend the bill on page 1, lines 30-31, by rewriting the lines to read:

2 "SECTION 2. Notwithstanding G.S. 143C-5-2, there is appropriated from the  
3 Highway Fund to the Division of Motor Vehicles of the Department of Transportation the sum  
4 of fifty thousand dollars (\$50,000) in nonrecurring funds for the 2017-2018 fiscal year to be  
5 used to provide education to the public on compliance with G.S. 20-146, as amended by  
6 Section 1 of this act.

7 SECTION 3. G.S. 20-146(b), as amended by Section 1 of this act, shall be  
8 enforced by warning ticket only until November 30, 2018.

9 SECTION 4. This act becomes effective December 1, 2017, and applies to  
10 offenses committed on or after that date."

SIGNED

Amendment Sponsor

SIGNED

Committee Chair if Senate Committee Amendment

ADOPTED

FAILED

TABLED



\* H 8 2 7 - A M L - 4 - V - 3 \*



NORTH CAROLINA GENERAL ASSEMBLY AMENDMENT

(Please type or use ballpoint pen)

EDITION No. \_\_\_\_\_

H. B. No. 827

DATE \_\_\_\_\_

S. B. No. \_\_\_\_\_

Amendment No. \_\_\_\_\_

(to be filled in by  
Principal Clerk)

COMMITTEE SUBSTITUTE \_\_\_\_\_

Rep. ) Special  
Sen. )

1 moves to amend the bill on page 1, line 13

2 ( ) WHICH CHANGES THE TITLE

3 by rewriting the line to read:

4  
5 "vehicle proceeding at less than the  
6 legal maximum speed limit  
7 impeding the steady flow of"

9 \_\_\_\_\_

10 \_\_\_\_\_

11 \_\_\_\_\_

12 \_\_\_\_\_

13 \_\_\_\_\_

14 \_\_\_\_\_

15 \_\_\_\_\_

16 \_\_\_\_\_

17 \_\_\_\_\_

18 \_\_\_\_\_

19 \_\_\_\_\_

SIGNED 

ADOPTED \_\_\_\_\_ FAILED \_\_\_\_\_ TABLED \_\_\_\_\_

PRINCIPAL CLERK'S OFFICE (FOR ENGROSSMENT)





**NORTH CAROLINA GENERAL ASSEMBLY  
HOUSE OF REPRESENTATIVES**

**TRANSPORTATION COMMITTEE REPORT**

**Representative Kelly E. Hastings, Co-Chair**

**Representative Frank Iler, Co-Chair**

**Representative Phil Shepard, Co-Chair**

**Representative John A. Torbett, Co-Chair**

**FAVORABLE COM SUB , UNFAVORABLE ORIGINAL BILL**

**HB 833**

Driver Education Oversight.

Draft Number: H833-PCS40538-SU-21

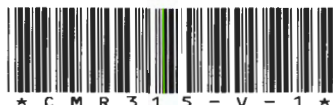
Serial Referral: None

Recommended Referral: None

Long Title Amended: Yes

Floor Manager: Johnson

TOTAL REPORTED: 1



★ C M R 3 1 5 - V - 1 ★





GENERAL ASSEMBLY OF NORTH CAROLINA  
SESSION 2017

H

D

HOUSE BILL 833  
PROPOSED COMMITTEE SUBSTITUTE H833-PCS40538-SU-21

Short Title: Driver Education Oversight/Lane Departure.

(Public)

Sponsors:

Referred to:

April 13, 2017

A BILL TO BE ENTITLED  
AN ACT TO STRENGTHEN THE OVERSIGHT AND ACCOUNTABILITY FOR THE  
DELIVERY OF THE STATE'S DRIVER EDUCATION PROGRAM AND TO DIRECT  
THE DEPARTMENT OF PUBLIC INSTRUCTION TO STUDY THE ADVISABILITY  
OF ADDING LANE DEPARTURE TO THE ACTUAL DRIVING PORTION OF THE  
DRIVER EDUCATION CURRICULUM.

Whereas, motor vehicle crashes are the leading cause of deaths in individuals 15-20 years old in the United States; and

Whereas, North Carolina has a very diverse driving public, yet the younger driver population is overrepresented in fatal and serious injury crashes; and

Whereas, in 2013, in North Carolina, there were 111 fatalities and 255 serious injuries from vehicle crashes involving younger drivers in the age range of 16-19 years old; and

Whereas, although North Carolina's teen accident and fatality rates have declined since the implementation of graduated driver licensing, teen drivers 16-19 years old are still three times more likely than drivers 20 years old and over to be in a fatal crash; and

Whereas, in May 2015, the National Highway Traffic Safety Administration issued a report entitled "State of North Carolina: Technical Assessment of the Driver Education Program," in which a finding was made that the State needs to improve oversight to ensure uniform quality of instruction; and

Whereas, since a majority of North Carolina teens participate in a driver education program, it is imperative to the safety and well-being of those teens that the State provide adequate oversight of local driver education programs to ensure the delivery of effective and high-quality driver training to prevent future teen injuries and deaths related to motor vehicle crashes; Now, therefore,

The General Assembly of North Carolina enacts:

**SECTION 1.** G.S. 115C-105.25(b)(11) reads as rewritten:

"(11) No funds shall be transferred into or out of the driver education allotment ~~category~~ category, except that funds may only be transferred out of the driver education allotment category for the purpose of supporting driver education in other local school administrative units."

**SECTION 2.** G.S. 115C-215 reads as rewritten:

**"§ 115C-215. Administration of driver education program by the Department of Public Instruction.** ~~Instruction, Office of Driver Education Services.~~

(a) In accordance with criteria and standards approved by the State Board of Education, the State Superintendent of Public Instruction shall organize and administer a standardized program of driver education through the Office of Driver Education Services established under



\* H 8 3 3 - P C S 4 0 5 3 8 - S U - 2 1 \*

subsection (a1) of this section to be offered at the public high schools of this State for all physically and mentally qualified persons who (i) are older than 14 years and six months, (ii) are approved by the principal of the school, pursuant to rules adopted by the State Board of Education, (iii) are enrolled in a public or private high school within the State or are receiving instruction through a home school as provided by Part 3 of Article 39 of Chapter 115C of the General Statutes, and (iv) have not previously enrolled in the program. The driver education program shall be for the purpose of reducing student driver traffic accidents by making available public education to all students on driver safety and training. The State Board of Education shall use for this purpose all funds appropriated to it for this purpose and may use all other funds that become available for its use for this purpose.

(a1) There is established an Office of Driver Education Services within the Department of Public Instruction. The Office shall be staffed by a full-time director and other professional, administrative, technical, and clerical personnel as may be necessary to assist the Office in carrying out its powers and duties, including at least the following:

- (1) Leading the statewide program and developing a three-year strategic plan consistent with subsection (c1) of this section for the driver education program.
- (2) Assuring the implementation of a standard curriculum for the program and the periodic update and revision of the standard curriculum.
- (3) Maintaining an advisory committee consisting of school and State employees of the Department of Transportation, Division of Motor Vehicles, and the Department of Public Instruction and other stakeholders in driver education.
- (4) Verifying the accuracy of local school administrative unit cost and other data required to be in compliance with State Board policy and State law, including accounting for any local revenues and fees imposed by the units and any entities that local boards of education contract with for delivery of the driver education program.
- (5) Developing a Web-based system to allow local school administrative units to report required data and for the Office to make data and reports available to the public.
- (6) Publishing on its Web site an annual report of expenditures on driver education for the prior school year by purpose and object code for each local school administrative unit. The report shall be published by January 15 of each year, with the initial report published by January 15, 2018, on expenditures made in the 2016-2017 school year.
- (7) Providing driver education instructor resources for program improvement and technical assistance for local school administrative units contracting with public or private entities to provide the driver education program.
- (8) Identifying and sharing best practices among local school administrative units.
- (9) Conducting an annual performance evaluation of the driver education performance statewide and separately for each local school administrative unit and any entities that local boards of education contract with for delivery of the driver education program. The Office shall collect and compile data on student driver outcomes. The data shall be compiled, without disclosure of personally identifiable information of students and driving instructors, to enable numerical performance comparisons among high schools and any entities that local boards of education contract with for delivery of the driver education program. Comparative data shall be maintained on the number of students (i) participating in driver education, (ii) certified as eligible or



certified with a high school diploma or its equivalent, and (iii) for certified students, success on the level two provisional license phase and level three full provisional license phase administered by the Division of Motor Vehicles. The data shall allow comparison of traffic accidents, accidents with associated injuries, and accidents with associated fatalities for graduated license drivers by individual years of age from 15 years old to 20 years old who participated in driver education and individuals who did not from that same age population. The evaluation shall include any corrective actions or additional assistance planned by local school administrative units based on evaluation data. The Office shall notify the General Assembly in accordance with G.S. 120-29.5, the Fiscal Research Division, and the Program Evaluation Division of the availability of the annual report for the prior school year on its Web site, beginning with an initial report published by January 15, 2020, and every January 15 annually thereafter.

...

(e) ~~The State Board of Education shall establish and implement a strategic plan for the driver education program. At a minimum, the strategic plan shall consist of goals and performance indicators, including the number of program participants as compared to the number of persons projected to be eligible to participate in the program, the implementation of a standard curriculum for the program, expenditures for the program, and the success rate of program participants in receiving a drivers license as reported by the Division of Motor Vehicles. The strategic plan shall also outline specific roles and duties of an advisory committee consisting of employees of the Division of Motor Vehicles and the Department of Public Instruction and other stakeholders in driver education.~~

(c1) By January 15, 2018, and every three years thereafter, the State Board of Education shall review the strategic plan developed by the Office of Driver Education Services for the driver education program. At a minimum, the strategic plan shall consist of the following:

- (1) The goals, strengths, accomplishments, and measurable indicators used for tracking the success of the driver education program.
- (2) Program areas in need of improvement, causes of any limitations or challenges to the program, and strategies to improve the program.
- (3) Action steps planned for each year of the three-year period of the plan.
- (4) For subsequent plans, a comparison of planned to actual accomplishment of goals and measurable performance stated in the previous strategic plan.

(c2) Local school administrative units shall report to the Office of Driver Education Services each year on driver education training offered in the unit in accordance with G.S. 115C-216, with at least the following information:

- (1) A description of how the driver education program is delivered, including whether the program is offered directly by the local school administrative unit or through a contract with an outside provider and how the vehicles used for driver training are provided and maintained.
- (2) All data required for the evaluations under subsection (a1) of this section.
- (3) Materials used for instruction of the standardized driver education curriculum.
- (4) The role of parents and legal guardians in driver education instruction and the results of a survey regarding instruction delivery administered to a parent or legal guardian upon completion of the training by each student.
- (5) Local assessments and evaluations used to determine quality and success of the driver education program.
- (6) Information on the driving records of driver education instructors as deemed necessary by the Office.

1       (c3)    The Department of Public Instruction may withhold up to five percent (5%) of the  
2   State funds allocated to a local school administrative unit for driver education until the unit  
3   reports the information required by subsection (c2) of this section.

4       ...

5       (e)    The State Board of Education shall adopt rules to permit local boards of education  
6   to enter contracts with public or private entities to provide a program of driver education at  
7   public high schools. The Office of Driver Education Services shall provide local boards of  
8   education with technical assistance to develop and implement a competitive selection process  
9   for contracting with other public or private entities to include request for proposals and a model  
10   contract with necessary terms and conditions. All driver education instructors shall meet the  
11   requirements established by the State Board of Education; provided, however, driver education  
12   instructors shall not be required to hold teacher certificates.

13       (f)    The clear proceeds of the newly established motor vehicle registration late fee  
14   charged pursuant to G.S. 20-88.03, as enacted by S.L. 2015-241, shall be used to provide a  
15   dedicated source of revenue for the drivers education program administered by the Department  
16   of Public ~~Instruction~~ Instruction, Office of Driver Education Services, in accordance with this  
17   section and shall be appropriated by the General Assembly for this purpose for the 2016-2017  
18   fiscal year and subsequent fiscal years thereafter. Of the funds appropriated under this  
19   subsection each fiscal year, the Department may use up to two percent (2%) of those funds for  
20   the direct costs of statewide program administration."

21       **SECTION 3.** G.S. 20-88.1 is amended by adding a new subsection to read:

22       "(e)    The Division shall provide the Department of Public Instruction, Office of Driver  
23   Education Services, any data on student drivers, to the extent allowable under State and federal  
24   law, as part of the evaluation requirement under G.S. 115C-215."

25       **SECTION 4.** By January 15, 2018, the Office of Driver Education Services and the  
26   Division of Motor Vehicles shall develop an implementation plan to provide for the transfer  
27   and collection of data on student drivers available through the Division as part of the evaluation  
28   requirement under G.S. 115C-215, as amended by this act.

29       **SECTION 5.** The Office of Driver Education Services shall submit a report  
30   electronically to the Joint Legislative Education Oversight Committee, the Fiscal Research  
31   Division, and the Program Evaluation Division by October 15, 2017, describing any actions  
32   taken by the Office in response to the requirements of this act, as well as the findings included  
33   in the Program Evaluation Division's report to the Joint Legislative Program Evaluation  
34   Oversight Committee, *Performance Measurement and Monitoring Would Strengthen*  
35   *Accountability of North Carolina's Driver Education Program*, March 19, 2014, and the  
36   recommendations from the National Highway Traffic Safety Administration's Technical  
37   Assessment of the Driver Education Program for the State of North Carolina from May 2015.

38       **SECTION 6.** Study. – The Department of Public Instruction, in coordination with  
39   the Department of Transportation, shall study and make recommendations regarding whether to  
40   add lane departure to the actual driving portion of the driver education curriculum. The study  
41   shall include, but not be limited to, a review and analysis of all of the following:

- 42       (1)    The advisability of adding an element to the driver education curriculum that  
43       would allow students participating in the actual driving portion of the course  
44       to experience lane departure and learn to avoid overcorrection. This would  
45       involve taking the wheels of the vehicle off the paved road and onto the  
46       shoulder and then safely returning the vehicle to the paved road.
- 47       (2)    The practicality of teaching students to respond to situations of lane  
48       departure during the actual driving portion of the driver education course,  
49       including the probability of finding sufficient, convenient locations to safely  
50       practice this maneuver.

(3) Data regarding fatalities and injuries associated with lane departure and overcorrection.

(4) Any liability that may attach to the instructor, the school, the local school administrative unit, or the State, by adding this element to the driver education curriculum.

(5) Any other matter the Department deems relevant to the study.

The Department of Public Instruction shall ensure that at least one representative from the North Carolina Driver and Traffic Safety Education Association, one instructor employed by a private driving school, and one public school teacher who is certified in driver education is involved in the study.

**SECTION 7.** Report. – The Department of Public Instruction shall report its findings and recommendations, including any legislative proposals, to the Joint Legislative Education Oversight Committee no later than March 1, 2018.

**SECTION 8.** Sections 1 through 5 of this act become effective July 1, 2017. The remainder of this act is effective when it becomes law.





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# HOUSE BILL 91: Require Safety Helmets/Under 21.

2017-2018 General Assembly

<b>Committee:</b>	House Transportation. If favorable, re-refer to Insurance. If favorable, re-refer to Finance	<b>Date:</b>	April 24, 2017
<b>Introduced by:</b>	Reps. Torbett, Speciale	<b>Prepared by:</b>	Wendy Ray
<b>Analysis of:</b>	PCS to First Edition H91-CSSU-17		Staff Attorney

**OVERVIEW:** *The Proposed Committee Substitute for House Bill 91 would allow operators of motorcycles and passengers not to wear helmets under certain circumstances and would remove court costs as a penalty for violating the helmet requirement.*

*The PCS reduces the penalty for violation from \$25.50 to an even \$25.00.*

**CURRENT LAW:** It is unlawful for a person to operate a motorcycle or moped upon a highway or public vehicular area unless the operator and all passengers are wearing helmets. A violation of the helmet requirement is an infraction with a penalty of \$25.50 plus court costs.

**BILL ANALYSIS:** The PCS for House Bill 91 would create exceptions to the helmet requirement for some operators of and passengers riding on motorcycles.

**Operators.** An operator, 21 years of age or older, would not be required to wear a helmet if:

- He or she held a motorcycle license or endorsement for more than 12 months, or
- Successfully completed the Motorcycle Safety Instruction Program or its equivalent as determined by the Commissioner of Insurance.

However, under no circumstances, would an operator be allowed to drive a motorcycle without a helmet unless he or she was covered by an insurance policy providing at least \$10,000 in medical benefits for injuries resulting from a motorcycle crash.

**Passengers.** A passenger, 21 years of age or older, would not be required to wear a helmet if the operator meets the above requirements and the passenger is covered by a policy of insurance that would provide at least \$10,000 in medical benefits for injuries resulting from a motorcycle crash.

**Penalty for a Violation.** A person that commits a violation of the helmet requirement would be guilty of an infraction which is defined in G.S. 14-3.1 as a noncriminal violation. The person would have to pay a penalty of \$25.00, but no court costs.

**EFFECTIVE DATE:** The act would become effective October 1, 2017, and apply to violations occurring on or after that date.

Karen Cochrane-Brown  
Director



Legislative Analysis  
Division  
919-733-2578



GENERAL ASSEMBLY OF NORTH CAROLINA  
SESSION 2017

H

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HOUSE BILL 91  
PROPOSED COMMITTEE SUBSTITUTE H91-CSSU-17 [v.1]

04/21/2017 04:25:26 PM

Short Title: Require Safety Helmets/Under 21.

(Public)

Sponsors:

Referred to:

February 15, 2017

A BILL TO BE ENTITLED

AN ACT TO REVISE THE MOTOR VEHICLE LAWS TO PROVIDE CERTAIN EXCEPTIONS TO THE REQUIREMENT THAT ALL OPERATORS AND PASSENGERS ON MOTORCYCLES OR MOPEDS WEAR A SAFETY HELMET AND TO REMOVE THE ASSESSMENT OF COURT COSTS FROM THE PENALTIES APPLIED TO PERSONS FOUND GUILTY OF A HELMET USE INFRACTION.

The General Assembly of North Carolina enacts:

**SECTION 1.** G.S. 20-140.4 reads as rewritten:

**"§ 20-140.4. Special provisions for motorcycles and mopeds.**

(a) No person shall operate a motorcycle or moped upon a highway or public vehicular area:

- (1) When the number of persons upon such motorcycle or moped, including the operator, shall exceed the number of persons which it was designed to carry.
- (2) ~~Unless~~ Unless, except as provided in subsections (a1) and (a2) of this section, the operator and all passengers thereon wear on their heads, with a retention strap properly secured, safety helmets of a type that complies with Federal Motor Vehicle Safety Standard (FMVSS) 218. This subdivision shall not apply to an operator of, or any passengers within, an autocyte that has completely enclosed seating.

(a1) A person 21 years of age or older may operate a motorcycle without wearing a safety helmet if (i) the operator held a motorcycle license or motorcycle endorsement for more than 12 months or (ii) the operator has successfully completed the course of instruction offered by the Motorcycle Safety Instruction Program authorized in G.S. 115D-72 or its equivalent as determined by the Commissioner, but in no case may a person operate a motorcycle without wearing a safety helmet unless the operator is covered by an insurance policy providing for at least ten thousand dollars (\$10,000) in medical benefits for injuries incurred as a result of a crash while operating or riding on a motorcycle.

(a2) A person 21 years of age or older may ride upon a motorcycle as a passenger without wearing a safety helmet if the operator is allowed to operate a motorcycle without a helmet pursuant to subsection (a1) of this section and the person is covered by an insurance policy providing for at least ten thousand dollars (\$10,000) in medical benefits for injuries incurred as a result of a crash while riding on a motorcycle.

(b) Violation of any provision of this section shall not be considered negligence per se or contributory negligence per se in any civil action.

(c) Any person convicted of violating this section shall have committed an infraction and shall pay a penalty of ~~twenty-five dollars and fifty cents (\$25.50) plus the following court~~



\* H 9 1 - C S S U - 1 7 \*



1 ~~costs: the General Court of Justice fee provided for in G.S. 7A-304(a)(4), the telephone~~  
2 ~~facilities fee provided for in G.S. 7A-304(a)(2a), and the law enforcement training and~~  
3 ~~certification fee provided for in G.S. 7A-304(a)(3b). twenty-five dollars (\$25.00) but shall not~~  
4 ~~be assessed any court costs.~~ Conviction of an infraction under this section has no other  
5 consequence.

6 ...."

7         **SECTION 2.** This act becomes effective October 1, 2017, and applies to violations  
8 occurring on or after that date.







## HOUSE BILL 326: Military College Plates/Reduce Applications.

2017-2018 General Assembly

<b>Committee:</b>	House Transportation. If favorable, re-refer to Finance	<b>Date:</b>	April 24, 2017
<b>Introduced by:</b>	Reps. G. Martin, Dollar	<b>Prepared by:</b>	Wendy Ray
<b>Analysis of:</b>	First Edition		Staff Attorney

**OVERVIEW:** *House Bill 326 would reduce the number of applications required from 300 to 100 before the Division of Motor Vehicles would develop a collegiate insignia special registration plate for a public military college or university.*

**CURRENT LAW:** North Carolina offers a number of special registration plates. Upon application and payment of the required registration fees, a person may obtain from the Division of Motor Vehicles a special registration plate for a motor vehicle registered in that person's name if the person qualifies for the plate. The issuance of most authorized plates is contingent upon the receipt by the Division of at least 300 applications for the particular plate, or 500 applications for full-color background plates.

G.S. 20-81.12(a) provides an authorization for a category of special plates representing colleges and universities. The Division must receive at least 300 applications for a particular college or university to produce a collegiate insignia plate pursuant to this authorization.

**BILL ANALYSIS:** House Bill 326 would reduce the minimum number of applications required to produce a collegiate insignia plate for a public military college or university from 300 to 100.

**EFFECTIVE DATE:** The act would be effective when it becomes law.

Karen Cochrane-Brown  
Director



Legislative Analysis  
Division  
919-733-2578



GENERAL ASSEMBLY OF NORTH CAROLINA  
SESSION 2017

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HOUSE BILL 326

Short Title: Military College Plates/Reduce Applications. (Public)

Sponsors: Representatives G. Martin and Dollar (Primary Sponsors).

*For a complete list of sponsors, refer to the North Carolina General Assembly web site.*

Referred to: Transportation, if favorable, Finance

March 14, 2017

A BILL TO BE ENTITLED

AN ACT TO REDUCE THE NUMBER OF APPLICATIONS THAT MUST BE RECEIVED BY  
THE DIVISION OF MOTOR VEHICLES BEFORE A COLLEGIATE INSIGNIA SPECIAL  
REGISTRATION PLATE MAY BE DEVELOPED FOR A PUBLIC MILITARY COLLEGE  
OR UNIVERSITY.

The General Assembly of North Carolina enacts:

**SECTION 1.** G.S. 20-81.12(a) reads as rewritten:

"(a) Collegiate Insignia Plates. – ~~The~~ Except for a collegiate insignia plate for a public  
military college or university, the Division must receive 300 or more applications for a collegiate  
insignia license plate for a college or university before a collegiate license plate may be developed.  
For a collegiate insignia license plate for a public military college or university, the Division must  
receive 100 or more applications before a collegiate license plate may be developed. The color,  
design, and material for the plate must be approved by both the Division and the alumni or  
alumnae association of the appropriate college or university. The Division must transfer quarterly  
the money in the Collegiate and Cultural Attraction Plate Account derived from the sale of  
in-State collegiate insignia plates to the Board of Governors of The University of North Carolina  
for in-State, public colleges and universities and to the respective board of trustees for in-State,  
private colleges and universities in proportion to the number of collegiate plates sold representing  
that institution for use for academic enhancement."

**SECTION 2.** This act is effective when it becomes law.







## HOUSE BILL 469: Regulation of Fully Autonomous Vehicles.

2017-2018 General Assembly

<b>Committee:</b>	House Transportation. If favorable, re-refer to Judiciary I	<b>Date:</b>	April 24, 2017
<b>Introduced by:</b>	Reps. Shepard, Torbett	<b>Prepared by:</b>	Howard Marsilio
<b>Analysis of:</b>	PCS to First Edition H469-CSBG-19		Committee Counsel

**OVERVIEW:** *The Proposed Committee Substitute (PCS) for House Bill 469 would create a new Article 17 in Chapter 20, which would regulate fully autonomous vehicles, and would make various changes to the motor vehicle laws to account for the operation of fully autonomous vehicles.*

*The PCS, in Section 1, clarifies the definition of "operator" of a motor vehicle. Section 11, modifies the definition of "fully autonomous vehicle," adds a definition for semi-autonomous vehicle, clarifies that the preemption of local government autonomous vehicle regulations would not include regulations specifically authorized pursuant to Chapter 153A (Counties) and Chapter 160A (Municipalities) of the General Statutes, and adds language concerning the applicability of existing laws to semi-autonomous vehicles.*

[As introduced, this bill was identical to S337, as introduced by Sens. Meredith, J. Davis, McInnis, which is currently in Senate Rules and Operations of the Senate.]

### CURRENT LAW:

G.S. 20-4.01(25) currently defines "operator" as a person in actual physical control the vehicle.

G.S. 20-8 lists persons exempt from the drivers license requirement.

G.S. 20-49 lists the powers and the police authority of DMV inspectors, Highway Patrol, and DPS law enforcement officers as they relate to motor vehicle operation and enforcement of the laws. Subsection (4) of this section provides the limited power to require a driver to exhibit his drivers license and registration card in connection with investigating violations.

G.S. 20-57 relates to the issuance, delivery, and information on certificates of title and registration cards. Subsection (b) describes what specific information a registration card must display. Subsection (c) describes the requirements related to registration cards.

G.S. 20-135.2A relates to the seat belt requirement for occupants of a moving motor vehicle.

G.S. 20-135.2B generally prohibits, and requires the operator of a vehicle to ensure that children less than 16 years of age are not transported in the open bed or the cargo area of a vehicle.

G.S. 20-137.1 requires a driver transporting a child less than 16 years of age to wear seat belt or child restraint system, and sets forth the consequences for a violation of this requirement.

G.S. 20-163 requires unattended vehicles on a public highway or vehicular area to have the engine off with the brakes set, and wheels turned appropriately (if on a grade).

Karen Cochrane-Brown  
Director



Legislative Analysis  
Division  
919-733-2578





# House PCS 469

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G.S. 20-166 relates to a driver's duty to stop, furnish information, and assist injured persons in the event of a crash, and sets forth the consequences for a violation of these requirements.

G.S. 20-166.1 relates to a driver's duty to report "reportable accidents", and the required investigation and reporting of "reportable accidents".

## **BILL ANALYSIS:**

**Section 1** of this bill would expand the definition of a vehicle operator to include the operation of a fully autonomous driving vehicle to move.

**Section 2** of this bill would exempt a fully autonomous vehicle, or an operator of a fully autonomous vehicle with the automatic driving system engaged, from the driver's license requirement.

**Section 3** of this bill would allow for a fully autonomous vehicle to be in compliance with the requirement to show a registration card to law enforcement when requested, by having the card within the vehicle, or available electronically, and readily available to be inspected by an officer or inspector.

**Section 4** of this bill would require that the registration card of a fully autonomous vehicle indicate that it is a fully autonomous vehicle. It would also add that leaving the registration card within the fully autonomous vehicle, or available electronically, and readily available to be inspected by an officer or inspector would satisfy the requirement that registration cards be carried within the vehicle and available for inspection by law enforcement.

**Section 5** of this bill would exempt an automated driving system from the seat belt requirement of State law.

**Section 6** of this bill would require that a parent or legal guardian be responsible for ensuring that children less than 16 years old are not transported in the bed or cargo area of a fully autonomous vehicle.

**Section 7** of this bill would exempt a parent or legal guardian found responsible for a violation of the child restraint law in a fully autonomous vehicle from the otherwise applicable two driver's license points for the violation.

**Section 8** of this bill would exempt a fully autonomous vehicle from the requirements related to unattended motor vehicles.

**Section 9** of this bill would allow an automated driving system to comply with the duty to stop in the event of a crash, if the fully autonomous vehicle remains at a crash scene and the vehicle, or the operator, promptly contacts the appropriate law enforcement agency with required information. This section would clarify that an owner of the vehicle would be responsible for any violation of this requirement, but the owner would not be subject to loss of their driver's license for a violation.

**Section 10** of this bill would allow an automated driving system to comply with G.S. 20-166.1 if the fully autonomous vehicle remains at the crash scene and the vehicle, or the operator, promptly contacts the appropriate law enforcement agency with required information. This section would also clarify that an owner of the vehicle would be responsible for any violation of G.S. 20-166.1.

**Section 11** of this bill would enact a new Article 17 in Chapter 20, which would regulate fully autonomous vehicles, and include definitions, operation requirements, and a local government preemption provision.

**EFFECTIVE DATE:** This act would become effective December 1, 2017, and would apply to offenses committed on or after that date. Prosecutions for offenses committed before the effective date of this act would not be abated or affected by this act, and the statutes that would be applicable but for this act would remain applicable to those prosecutions.



GENERAL ASSEMBLY OF NORTH CAROLINA  
SESSION 2017

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HOUSE BILL 469  
PROPOSED COMMITTEE SUBSTITUTE H469-CSBG-19 [v.7]

04/23/2017 01:22:28 PM

Short Title: Regulation of Fully Autonomous Vehicles.

(Public)

Sponsors:

Referred to:

March 27, 2017

1 A BILL TO BE ENTITLED  
2 AN ACT TO REGULATE THE OPERATION OF FULLY AUTONOMOUS MOTOR  
3 VEHICLES ON THE PUBLIC HIGHWAYS OF THIS STATE.

4 The General Assembly of North Carolina enacts:

5 **SECTION 1.** G.S. 20-4.01(25) reads as rewritten:

6 "(25) Operator. – A person (i) in actual physical control of a vehicle which is in  
7 motion or which has the engine ~~running~~ running or (ii) who causes a fully  
8 autonomous vehicle, as defined in G.S. 20-399, to move with the automated  
9 driving system, as defined in G.S. 20-399, engaged. The terms "operator"  
10 and "driver" and their cognates are synonymous."

11 **SECTION 2.** G.S. 20-8 reads as rewritten:

12 **"§ 20-8. Persons exempt from license.**

13 The following are exempt from license hereunder:

14 ...

15 (8) A fully autonomous vehicle with the automatic driving system engaged, or  
16 the operator of a fully autonomous vehicle with the automated driving  
17 system engaged. For purposes of this subdivision, the terms "automated  
18 driving system" and "fully autonomous vehicle" are as defined in  
19 G.S. 20-399."

20 **SECTION 3.** G.S. 20-49(4) reads as rewritten:

21 **"§ 20-49. Police authority of Division.**

22 The Commissioner and such officers and inspectors of the Division as he shall designate  
23 and all members of the Highway Patrol and law enforcement officers of the Department of  
24 Public Safety shall have the power:

25 ...

26 (4) When on duty, upon reasonable belief that any vehicle is being operated in  
27 violation of any provision of this Article or of any other law regulating the  
28 operation of vehicles to require the driver thereof to stop and exhibit his  
29 driver's license and the registration card issued for the vehicle, and submit to  
30 an inspection of such vehicle, the registration plates and registration card  
31 thereon or to an inspection and test of the equipment of such vehicle. For a  
32 fully autonomous vehicle, as defined in G.S. 20-399, in which the automated  
33 driving system, as defined in G.S. 20-399, is engaged and operating the  
34 vehicle, the requirement under this subdivision to exhibit the registration  
35 card for the vehicle shall be satisfied if the registration card is in the vehicle,







1 or available electronically, and readily available to be inspected by an officer  
2 or inspector."

3 **SECTION 4.** G.S. 20-57 reads as rewritten:

4 **"§ 20-57. Division to issue certificate of title and registration card.**

5 ...

6 (b) The registration card shall be delivered to the owner and shall contain upon the face  
7 thereof the name and address of the owner, space for the owner's signature, the registration  
8 number assigned to the vehicle, and a description of the vehicle as determined by the  
9 Commissioner, provided that if there are more than two owners the Division may show only  
10 two owners on the registration card and indicate that additional owners exist by placing after  
11 the names listed "et al." For a fully autonomous vehicle, as defined in G.S. 20-399, the  
12 registration card shall also contain upon the face thereof the information required under  
13 G.S. 20-400(a)(5). An owner may obtain a copy of a registration card issued in the owner's  
14 name by applying to the Division for a copy and paying the fee set in G.S. 20-85.

15 (c) Every such registration card shall at all times be carried in the vehicle to which it  
16 refers or in the vehicle to which transfer is being effected, as provided by G.S. 20-64 at the time  
17 of its operation, and such registration card shall be displayed upon demand of any peace officer  
18 or any officer of the Division: Provided, however, any person charged with failing to so carry  
19 such registration card shall not be convicted if ~~he~~the person produces in court a registration  
20 card theretofore issued to ~~him~~the person and valid at the time of ~~his~~the person's arrest: Provided  
21 further, that in case of a transfer of a license plate from one vehicle to another under the  
22 provisions of G.S. 20-72, evidence of application for transfer shall be carried in the vehicle in  
23 lieu of the registration card. For a fully autonomous vehicle, as defined in G.S. 20-399, in  
24 which the automated driving system, as defined in G.S. 20-399, is engaged and operating the  
25 vehicle, the requirement under this subdivision to display upon demand the registration card for  
26 the vehicle shall be satisfied if the registration card is in the vehicle, or available electronically,  
27 and readily available to be inspected by an officer.

28 ...."

29 **SECTION 5.** G.S. 20-135.2A reads as rewritten:

30 **"§ 20-135.2A. Seat belt use mandatory.**

31 ...

32 (c) This section shall not apply to any of the following:

33 ...

34 (9) An automated driving system, as defined in G.S. 20-399, engaged and  
35 operating a fully autonomous vehicle, as defined in G.S. 20-399.

36 ...."

37 **SECTION 6.** G.S. 20-135.2B reads as rewritten:

38 **"§ 20-135.2B. Transporting children under 16 years of age in open bed or open cargo**  
39 **area of a vehicle prohibited; exceptions.**

40 (a) ~~The~~Except as otherwise provided in this subsection, the operator of a vehicle having  
41 an open bed or open cargo area shall ensure that no child under 16 years of age is transported in  
42 the bed or cargo area of that vehicle. For a fully autonomous vehicle, as defined in G.S. 20-399,  
43 in which the automated driving system, as defined in G.S. 20-399, is engaged and operating the  
44 vehicle, the parent or legal guardian of the child is responsible for ensuring compliance with  
45 this subsection. An open bed or open cargo area is a bed or cargo area without permanent  
46 overhead restraining construction.

47 ...."

48 **SECTION 7.** G.S. 20-137.1 reads as rewritten:

49 **"§ 20-137.1. Child restraint systems required.**

50 (a) ~~Every~~Except as otherwise provided in this subsection, every driver who is  
51 transporting one or more passengers of less than 16 years of age shall have all such passengers





properly secured in a child passenger restraint system or seat belt which meets federal standards applicable at the time of its manufacture. For a fully autonomous vehicle in which the automated driving system is engaged and operating the vehicle, the parent or legal guardian of a passenger of less than 16 years of age shall be responsible for ensuring the passenger is properly secured in accordance with this section. For purposes of this section, the terms "automated driving system" and "fully autonomous vehicle" are as defined in G.S. 20-399.

...

(c) Any ~~driver~~ person found responsible for a violation of this section may be punished by a penalty not to exceed twenty-five dollars (\$25.00), even when more than one child less than 16 years of age was not properly secured in a restraint system. No ~~driver~~ person charged under this section for failure to have a child under eight years of age properly secured in a restraint system shall be convicted if ~~he~~ the person produces at the time of ~~his~~ the person's trial proof satisfactory to the court that ~~he~~ the person has subsequently acquired an approved child passenger restraint system for a vehicle in which the child is normally transported.

(d) A violation of this section shall have all of the following consequences:

- (1) ~~Two~~ Except for a parent or legal guardian responsible for a passenger in a fully autonomous vehicle in which the automated driving system is engaged and operating the vehicle, two drivers license points shall be assessed pursuant to G.S. 20-16.
- (2) No insurance points shall be assessed.
- (3) The violation shall not constitute negligence per se or contributory negligence per se.
- (4) The violation shall not be evidence of negligence or contributory negligence."

SECTION 8. G.S. 20-163 reads as rewritten:

**"§ 20-163. Unattended motor vehicles.**

No person driving or in charge of a motor vehicle shall permit it to stand unattended on a public highway or public vehicular area without first stopping the engine, effectively setting the brake thereon and, when standing upon any grade, turning the front wheels to the curb or side of the highway. This section does not apply to a fully autonomous vehicle, as defined in G.S. 20-399, in which the automated driving system, as defined in G.S. 20-399, is engaged and operating the vehicle.

SECTION 9. G.S. 20-166 reads as rewritten:

**"§ 20-166. Duty to stop in event of a crash; furnishing information or assistance to injured person, etc.; persons assisting exempt from civil liability.**

...

(c3) An automated driving system engaged and operating a fully autonomous vehicle shall be deemed to comply with the requirements of subsections (a) through (c1) of this section if the vehicle remains on the scene of the crash and the vehicle, or the person responsible for the vehicle, promptly contacts the appropriate law enforcement agency and communicates the information required under the applicable subsection. The owner of a vehicle subject to this subsection shall be responsible for any violation of a provision of this section committed by the vehicle. For purposes of this section, the terms "automated driving system" and "fully autonomous vehicle" are as defined in G.S. 20-399.

...

(e) ~~The~~ Except for the owner of a fully autonomous vehicle subject to subsection (c3) of this section, the Division of Motor Vehicles shall revoke the drivers license of a person convicted of violating subsection (a) or (a1) of this section for a period of one year, unless the court makes a finding that a longer period of revocation is appropriate under the circumstances of the case. If the court makes this finding, the Division of Motor Vehicles shall revoke that person's drivers license for two years. Upon a first conviction only for a violation of subsection





(a1) of this section, a trial judge may allow limited driving privileges in the manner set forth in G.S. 20-179.3(b)(2) during any period of time during which the drivers license is revoked."

SECTION 10. G.S. 20-166.1 reads as rewritten:

"§ 20-166.1. Reports and investigations required in event of accident.

...

(c1) Fully Autonomous Vehicles. – An automated driving system engaged and operating a fully autonomous vehicle shall be deemed to comply with the requirements of subsections (a) through (c) of this section if the vehicle remains on the scene of the crash and the vehicle, or the person responsible for the vehicle, promptly contacts the appropriate law enforcement agency and communicates the information required under the applicable subsection. The owner of a vehicle subject to this subsection shall be responsible for any violation of a provision of this section committed by the vehicle. For purposes of this section, the terms "automated driving system" and "fully autonomous vehicle" are as defined in G.S. 20-399.

...."

SECTION 11. Chapter 20 of the General Statutes is amended by adding a new Article to read:

"Article 17.

"Regulation of Fully Autonomous Vehicles.

"§ 20-399. Definitions.

The following definitions apply in this Article:

- (1) Automated driving system. – The hardware and software that are collectively capable of performing the entire dynamic driving task on a sustained basis, regardless of whether it is limited to a specific operational design domain.
- (2) Dynamic driving task. – All of the real-time operational and tactical functions required to operate a vehicle in on-road traffic, excluding strategic functions such as trip scheduling and the selection of destinations and waypoints, but including all of the following:
  - a. Lateral vehicle motion control via steering.
  - b. Longitudinal motion control via acceleration and deceleration.
  - c. Monitoring the driving environment via object and event detection, recognition, classification, and response preparation.
  - d. Object and event response execution.
  - e. Maneuver planning.
  - f. Enhancing conspicuity via lighting, signaling, and gesturing.
- (3) Fully autonomous vehicle. – A motor vehicle equipped with an automated driving system that has the capability to perform all aspects of the dynamic driving task without a human driver and will not at any time require that a driver assume any portion of the dynamic driving task. If equipment that allows an occupant to steer the vehicle or take over any of the dynamic driving task are installed, they must be stowed in such a manner that a passenger cannot assume control of the vehicle.
- (4) Minimal risk condition. – A low-risk operating mode in which a fully autonomous vehicle operating without a human driver achieves a reasonably safe state, such as bringing the vehicle to a complete stop, upon experiencing a failure of the vehicle's automated driving system that renders the vehicle unable to perform the entire dynamic driving task.
- (5) Semi-autonomous vehicle. - A motor vehicle that is equipped with features that can assume one or more components of the dynamic driving task and meet any of the following:



- 1                   a.     May require a human driver to perform portions or all of the dynamic  
2                         driving task at any time.  
3                   b.     A fully autonomous vehicle with equipment installed in such a  
4                         manner that allows an occupant to steer the vehicle or take over any  
5                         of the dynamic driving task.

6     **"§ 20-400. Regulation of fully autonomous vehicles.**

7         (a)     Operation. – A fully autonomous vehicle may be operated with the automated  
8         driving system engaged without a human driver present in the vehicle, if the vehicle meets all  
9         of the following requirements:

- 10               (1)     Unless an exemption has been granted under applicable State or federal law,  
11                         the vehicle is (i) capable of being operated in compliance with Articles 3,  
12                         3A, 7, and 13 of this Chapter and (ii) has been, at the time of its  
13                         manufacture, certified by the manufacturer as being in compliance with  
14                         applicable federal motor vehicle safety standards.  
15               (2)     The vehicle has the capability to meet the requirements of G.S. 20-166(c3)  
16                         and G.S. 20-166.1(c1).  
17               (3)     The vehicle can achieve a minimal risk condition.  
18               (4)     The vehicle is covered by a motor vehicle liability policy meeting the  
19                         applicable requirements of G.S. 20-279.21.  
20               (5)     The vehicle is registered in accordance with Part 3 of Article 3 of this  
21                         Chapter, and, if registered in this State, the vehicle shall be identified on the  
22                         registration as a fully autonomous vehicle.

23         (b)     Preemption. – No local government shall enact any local law or ordinance with  
24         regards to the regulation of fully autonomous vehicles and their operation, except for vehicle-  
25         related regulation specifically authorized in Chapter 153A and Chapter 160A of the General  
26         Statutes.

27     **"§ 20-401. Semi-autonomous vehicles.**

28         A semi-autonomous vehicle shall be subject to the laws applicable to the operation of a  
29         motor vehicle that does not have any autonomous features."

30         **SECTION 12.** This act becomes effective December 1, 2017, and applies to  
31 offenses committed on or after that date. Prosecutions for offenses committed before the  
32 effective date of this act are not abated or affected by this act, and the statutes that would be  
33 applicable but for this act remain applicable to those prosecutions.







# HOUSE BILL 629: Amend Funeral Procession Law.

2017-2018 General Assembly

<b>Committee:</b>	House Transportation. If favorable, re-refer to Judiciary III	<b>Date:</b>	April 24, 2017
<b>Introduced by:</b>	Reps. Alexander, Hunter, Boles	<b>Prepared by:</b>	Giles Perry
<b>Analysis of:</b>	First Edition		Staff Attorney

**OVERVIEW:** *House Bill 629 makes changes to State law regulating funeral processions.*

**CURRENT LAW:** Current law on funeral processions provides that:

- Vehicles in funeral processions must use headlamps, and hazard lights, if available.
- The operator of the lead vehicle in a funeral procession must comply with traffic control signals, or the direction of the funeral director or a law enforcement officer.
- An entire funeral procession may proceed through an intersection without stopping, if the lead vehicle entered the intersection in compliance with the signal or direction of law enforcement, *except that* the operator of any vehicle in the procession must exercise reasonable care towards any other vehicles on the highway.

## BILL ANALYSIS:

House Bill 629 changes the law on funeral processions as follows:

- Applies the definitions of "funeral director" and "funeral establishment" used in Board of Funeral Service licensing statutes to the funeral procession statute.
- Provides that a funeral procession has the right-of-way at intersections regardless of traffic control signs or signals, except for emergency or law enforcement vehicles, or unless directed otherwise by law enforcement.
- Provides that a funeral establishment must register with DMV in order to use its own lead vehicle, for a one-time fee of \$100.00, credited to the Highway Fund. A violation of this requirement would be an infraction punishable by a fine of \$250.00. Violation of this provision would not constitute negligence per se.
- Deletes prior law allowing local government funeral procession ordinance to supersede State law.
- Protects a funeral director, funeral establishment, or any of its employees or agents from liability for death, personal injury, or property damage related to action or inaction of an operator of a vehicle in a funeral procession if:
  - the funeral procession was operating in accordance with the provisions of the funeral procession law.
  - the funeral procession would have been operating in accordance with the provisions of the funeral procession law, but for a negligent act or omission in the operation of a vehicle in the funeral procession, excluding those of the funeral establishment, or any of their employees or agents.

**EFFECTIVE DATE:** December 1, 2017.

Karen Cochrane-Brown  
Director



Legislative Analysis  
Division  
919-733-2578



GENERAL ASSEMBLY OF NORTH CAROLINA  
SESSION 2017

H

1

HOUSE BILL 629

Short Title: Amend Funeral Procession Law.

(Public)

Sponsors: Representatives Alexander, Hunter, and Boles (Primary Sponsors).

*For a complete list of sponsors, refer to the North Carolina General Assembly web site.*

Referred to: Transportation, if favorable, Judiciary III

April 10, 2017

A BILL TO BE ENTITLED

AN ACT TO ALLOW FUNERAL PROCESSIONS TO HAVE THE RIGHT-OF-WAY AT INTERSECTIONS REGARDLESS OF TRAFFIC CONTROL SIGNS OR SIGNALS AND TO PROVIDE IMMUNITY TO THE FUNERAL DIRECTOR OR FUNERAL ESTABLISHMENT FOR ANY DEATH, PERSONAL INJURY, OR PROPERTY DAMAGE CAUSED BY THE ACTION OR INACTION OF A PERSON OPERATING A VEHICLE IN A FUNERAL PROCESSION.

The General Assembly of North Carolina enacts:

**SECTION 1.** G.S. 20-157.1 reads as rewritten:

**"§ 20-157.1. Funeral processions.**

(a) ~~As used in this section,~~ The following definitions apply in this section:

(1) Funeral director. – Defined in G.S. 90-210.20(g).

(2) Funeral establishment. – Defined in G.S. 90-210.20(h). For purposes of this section, this term includes funeral homes.

(3) ~~"funeral procession"~~ Funeral procession. – ~~means two~~ Two or more vehicles accompanying the remains of a deceased person, or traveling to the church, chapel, or other location at which the funeral services are to be held, in which the lead vehicle is either a State or local law enforcement vehicle, other vehicle designated by a law enforcement officer or the funeral director, or the lead vehicle displays a flashing amber or purple light, sign, pennant, flag, or other insignia furnished by a funeral ~~home~~ establishment indicating a funeral procession.

(b) Each vehicle in the funeral procession shall be operated with its headlights illuminated, if so equipped, and its hazard warning signal lamps illuminated, if so equipped.

(c) ~~The operator of the lead vehicle in a funeral procession shall comply with all traffic control signals, but when~~ When the lead vehicle in a funeral procession has lawfully progressed across an intersection in accordance with the traffic control sign or signal, or when directed to do so by a law enforcement officer or a designee of a law enforcement officer or the funeral director, or when the lead vehicle is a law enforcement vehicle which progresses across the intersection while giving appropriate warning by light or siren, intersection, all vehicles in the funeral procession may proceed through the intersection without stopping, except that the operator of each vehicle shall exercise reasonable care towards any other vehicle or pedestrian on the highway stopping. The operator of any vehicle in a funeral procession shall exercise reasonable care toward any other vehicle or pedestrian on the highway when participating in a funeral procession. An operator of a vehicle that is not part of the funeral procession shall not







1 join the funeral procession for the purpose of securing the right-of-way granted by this  
2 subsection.

3 (d) Operators of vehicles in a funeral procession shall drive on the right-hand side of the  
4 roadway and shall follow the vehicle ahead as closely as reasonable and prudent having due  
5 regard for speed and existing conditions.

6 ~~(e) Operators of vehicles in a funeral procession shall yield the right-of-way~~ A funeral  
7 procession shall have the right-of-way at intersections regardless of traffic control signs or  
8 signals, except that the operator of any vehicle in a funeral procession shall (i) yield the  
9 right-of-way to law enforcement vehicles, fire protection vehicles, rescue vehicles, ambulances,  
10 and other emergency vehicles giving appropriate warning signals by light or siren and shall (ii)  
11 yield the right-of-way when directed to do so by a law enforcement officer.

12 (f) Operators of vehicles in a funeral procession shall proceed at the posted minimum  
13 speed, except that the operator of such vehicle shall exercise reasonable care having due regard  
14 for speed and existing conditions.

15 (g) The operator of a vehicle proceeding in the opposite direction as a funeral  
16 procession may yield to the funeral procession. If the operator chooses to yield to the  
17 procession, the operator must do so by reducing speed, or by stopping completely off the  
18 roadway when meeting the procession or while the procession passes, so that operators of other  
19 vehicles proceeding in the opposite direction of the procession can continue to travel without  
20 leaving their lane of traffic.

21 (h) The operator of a vehicle proceeding in the same direction as a funeral procession  
22 shall not pass or attempt to pass the funeral procession, except that the operator of such a  
23 vehicle may pass a funeral procession when the highway has been marked for two or more  
24 lanes of moving traffic in the same direction of the funeral procession.

25 (i) An operator of a vehicle shall not knowingly drive between vehicles in a funeral  
26 procession by crossing their path unless directed to do so by a person authorized to direct  
27 traffic. When a funeral procession is proceeding through a steady or strobe-beam stoplight  
28 emitting a red light as permitted by ~~subsection (e),~~ subsections (c) and (e) of this section, an  
29 operator of a vehicle that is not in the funeral procession shall not enter the intersection  
30 knowing a funeral procession is in progress, even if facing a steady or strobe-beam stoplight  
31 emitting a green light, unless the operator can do so safely without crossing the path of the  
32 funeral procession.

33 (j) Nothing in this section shall be construed to prevent State or local law enforcement  
34 officers from escorting funeral processions in law enforcement vehicles.

35 (j1) A funeral establishment may only use a lead vehicle in a funeral procession that is  
36 not a State or local law enforcement vehicle upon registering with the Division and paying a fee  
37 to the Division of one hundred dollars (\$100.00). The registration required under this  
38 subsection shall include a description of each vehicle that will be used by the funeral  
39 establishment as a lead vehicle in a funeral procession and any additional information requested  
40 by the Division. The registration required under this subsection shall be in a form prescribed  
41 and furnished by the Division and may be submitted to the Division electronically. The  
42 registration required under this subsection does not expire, but a funeral establishment shall  
43 amend its registration prior to using a vehicle not described in its initial registration. The  
44 Division shall not charge an additional fee for an amendment provided in accordance with this  
45 subsection. A violation of this subsection is an infraction punishable by a fine of two hundred  
46 fifty dollars (\$250.00). Violation of this subsection shall not constitute negligence per se. Fees  
47 collected under this subsection shall be credited to the Highway Fund.

48 (k) A violation of this section shall not constitute negligence per se.

49 ~~(A) To the extent that a local government unit's ordinance is in direct conflict with any~~  
50 ~~part of this statute, the ordinance shall control and prevail over the conflicting part.~~





1 (m) A violation of this section shall not be considered a moving violation for purposes  
2 of G.S. 58-36-65 or G.S. 58-36-75.

3 (n) A funeral director, funeral establishment, or any of their employees or agents shall  
4 not be liable for any death, personal injury, or property damage resulting from, caused by, or  
5 arising from any action or inaction of an operator of a vehicle in a funeral procession if (i) the  
6 funeral procession was operating in accordance with the provisions of this section or (ii) the  
7 funeral procession would have been operating in accordance with the provisions of this section  
8 but for a negligent act or omission in the operation of one or more vehicles in the funeral  
9 procession, provided that this limited grant of immunity shall not apply if the death, personal  
10 injury, or property damage arose from a negligent act or omission in the operation of a vehicle  
11 operated by the funeral director, funeral establishment, or any of their employees or agents. The  
12 operator of a vehicle in a funeral procession shall not be deemed to be an agent of the funeral  
13 director or funeral establishment unless such operator is either of the following:

14 (1) An employee of the funeral director or funeral establishment and acting in  
15 the course of his or her employment.

16 (2) An independent contractor retained by the funeral director or funeral  
17 establishment and performing services for the funeral director, funeral  
18 establishment, or funeral home."

19 **SECTION 2.** G.S. 20-157.1(n), as enacted by Section 1 of this act, becomes  
20 effective December 1, 2017, and applies to death, personal injury, or property damage  
21 occurring on or after that date. G.S. 20-157.1(c), (e), and (i), as amended by Section 1 of this  
22 act, become effective December 1, 2017, and apply to offenses committed on or after that date.  
23 G.S. 20-157.1(j1), as enacted by Section 1 of this act, becomes effective December 1, 2017,  
24 and applies to funeral processions held on or after that date. The remainder of this act becomes  
25 effective December 1, 2017.





# HOUSE BILL 710: Private Parking/Immobilization Device.

2017-2018 General Assembly

<b>Committee:</b>	House Transportation. If favorable, re-refer to Judiciary III	<b>Date:</b>	April 24, 2017
<b>Introduced by:</b>	Reps. Jordan, Setzer	<b>Prepared by:</b>	Howard Marsilio
<b>Analysis of:</b>	PCS to First Edition H710-CSBG-18		Committee Counsel

**OVERVIEW:** *The Proposed Committee Substitute (PCS) for House Bill 710 would authorize immobilization companies to use immobilization devices on vehicles unlawfully parked in a privately owned or leased parking space, and would create criminal offenses for unlawful parking and tampering or removing immobilization devices.*

*The PCS changes the effective date to December 1, 2017.*

## CURRENT LAW:

G.S. 14-401.9 makes it unlawful for any person other than the owner or lessee of a privately owned or leased parking space to park in that space without express permission of the owner or lessee. The private parking lot or leased space must be clearly posted with signs displaying the name of the lessee or owner as required by this section (Class 3 misdemeanor with a fine not to exceed \$10.00).

G.S. 20-219.2 makes it unlawful for any person other than the owner or lessee of a privately owned or leased parking space to park in that space without express permission of the owner or lessee. This section further authorizes and sets forth the requirements, and restrictions, for the towing of unlawfully parked vehicles pursuant to this section. The private parking lot or leased space must be clearly posted with signs displaying the name of the lessee or owner, and displaying the name and phone number of the towing and storage company. (Infraction with a fine of \$150.00). This section only applies to the listed counties and municipalities in subsection (c) of this section.

There are no laws specifically related to immobilization device usage on unlawfully parked vehicles in privately owned or leased parking spaces.

## BILL ANALYSIS:

This bill would create a new section, G.S. 20-219.5, Removal of unauthorized vehicles from private lots, which would:

- Define the terms "immobilization company" and "immobilization device";
- Make it unlawful to park in a privately owned or leased parking space without consent if clearly posted with a signs displaying the name of the lessee or owner, and displaying the name and phone number of the immobilization company;
- Authorize an "immobilization company" to use an "immobilization device" upon the written request of the parking space owner or lessee, on a vehicle unlawfully parked pursuant to this section;

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Director



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# House PCS 710

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- Require the registered owner to have the immobilization device removed from the vehicle;
- Shield the "immobilization company" from liability for damages related to the installation or removal of the device;
- Clarify that a person intentionally or negligently damaging a "immobilization device" may be liable for damages;
- Create an infraction for:
  - Unlawfully parking pursuant to subsection (b) of this section (with a fine not to exceed \$100.00); and
  - Tampering or removing an immobilization device attached to a vehicle pursuant to subsection (d) of this section (with a fine not to exceed \$100.00).
- Create a Class 1 misdemeanor for tampering or removing an immobilization device attached to a vehicle to the extent that the device is unusable for its primary purpose or otherwise prevents the company from further using the device;
- Prohibit a local government from passing any law or ordinance regulating the immobilization of vehicles parked in a privately owned or leased parking space or lot.

**EFFECTIVE DATE:** This act would become effective December 1, 2017 and would apply to offenses committed on or after that date.





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SESSION 2017

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HOUSE BILL 710  
PROPOSED COMMITTEE SUBSTITUTE H710-CSBG-18 [v.1]

04/21/2017 10:14:45 AM

Short Title: Private Parking/Immobilization Device.

(Public)

Sponsors:

Referred to:

April 11, 2017

A BILL TO BE ENTITLED  
AN ACT TO AUTHORIZE THE USE OF IMMOBILIZATION DEVICES ON VEHICLES  
UNLAWFULLY PARKED IN PRIVATELY OWNED OR LEASED PARKING LOTS  
OR SPACES.

The General Assembly of North Carolina enacts:

**SECTION 1.** Article 7 of Chapter 20 of the General Statutes is amended by adding  
a new section to read:

**"§ 20-219.5. Immobilization of unauthorized vehicles in private lots.**

(a) Definitions. – The following definitions apply in this section:

(1) Immobilization company. – A person or company engaged in the business of  
attaching immobilization devices to vehicles.

(2) Immobilization device. – A device attached to the wheel or wheels of a  
vehicle for the purpose of preventing the vehicle from being moved from a  
parking space or lot until the device is removed by the immobilization  
company that attached the device to the vehicle. This term includes wheel  
locks, wheel clamps, and wheel boots.

(b) Unlawful Parking. – It shall be unlawful for any person other than the owner or  
lessee of a privately owned or leased parking space to park any vehicle in the private parking  
space without the express permission of the owner or lessee of the space if the private parking  
lot is clearly designated as private by a sign no smaller than 24 inches by 24 inches prominently  
displayed at all entrances to the parking lot, displaying the current name and current phone  
number of the immobilization company, and, if individually owned or leased, the parking lot or  
spaces within the lot are clearly marked by signs setting forth the name of each individual  
lessee or owner.

(c) Immobilization Authority. – A vehicle parked in a privately owned parking space in  
violation of subsection (b) of this section may be immobilized in the space upon the written  
request of the parking space owner or lessee and the registered owner of the vehicle shall  
become liable for removal of the immobilization device. Except as otherwise provided in this  
subsection, any person who attaches a mobilization device pursuant to this section shall not be  
liable for damages for the installation, removal, or installation and removal, of the  
immobilization device to the owner, lienholder, or other person legally entitled to the  
possession of the vehicle immobilized. Any person who intentionally or negligently damages a  
vehicle while installing or removing the immobilization device may be liable for damages.

(d) Tampering or Removal. – It shall be unlawful for any person other than the  
immobilization company that attached the immobilization device to remove or otherwise  
tamper with an immobilization device attached to a vehicle in accordance with this section.





1       (e) Penalties. – The following penalties apply to violations of this section:

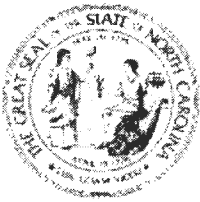
2           (1) Except as provided in subdivision (2) of this subsection, a person who  
3               commits a violation of subsection (b) or (d) of this section is guilty of an  
4               infraction punishable by a fine of not more than one hundred dollars  
5               (\$100.00).

6           (2) A person who violates subsection (d) of this section and causes damage to  
7               the immobilization device to the extent that the device is unusable for its  
8               primary purpose, or otherwise prevents the immobilization company from  
9               further using the device, is guilty of a Class 1 misdemeanor.

10       (f) Local Ordinance. – Notwithstanding any other provision of law, no local  
11       government may pass an ordinance regulating the immobilization of vehicles unlawfully  
12       parked in privately owned or leased parking spaces or lots."

13       **SECTION 2.** This act becomes effective December 1, 2017, and applies to  
14       offenses committed on or after that date.





## HOUSE BILL 732: Household Goods Carrier Revisions.

2017-2018 General Assembly

<b>Committee:</b>	House Transportation. If favorable, re-refer to Judiciary I	<b>Date:</b>	April 24, 2017
<b>Introduced by:</b>	Rep. McNeill	<b>Prepared by:</b>	Wendy Ray
<b>Analysis of:</b>	PCS to First Edition H732-CSSU-18		Staff Attorney

**OVERVIEW:** *The Proposed Committee Substitute for House Bill 732 would make the following changes to the law regarding carriers of household goods:*

- *Specify that attempt to operate a motor vehicle to transport household goods without the proper vehicle markings is unlawful.*
- *Specify that aiding and abetting a person in falsely representing that they are authorized to operate as a carrier of household goods is unlawful.*
- *Authorize any law enforcement officer with territorial jurisdiction to enforce provisions prohibiting operating a vehicle to transport household goods without proper vehicle markings or falsely representing that a person is authorized to operate as a carrier of household goods.*
- *Authorize the Utilities Commission to share background check information on applicants and holders of certificates to transport household goods with the Public Staff, who participate in the certification and disciplinary proceedings for those individuals.*

**CURRENT LAW:** Under G.S. 20-382.1, a motor carrier that hauls household goods for compensation must register its operations with the State by obtaining a certificate of authority from the North Carolina Utilities Commission. The Commission is required to conduct criminal history record checks of applicants and current holders of a certificate.

G.S. 20-398 prohibits carriers of household goods from operating on public roads for compensation without proper markings on the vehicle. The statute requires that the carrier's name and the number assigned by the Utilities Commission appear on each side of the vehicle, with the number also on the rear of the vehicle, in letters and figures at least three inches high. G.S. 62-280.1 prohibits a person who does not have a certificate of authority from falsely representing to the public that he or she is authorized to operate as a carrier of household goods. Violation of either prohibition is a Class 3 misdemeanor, punishable only by a fine of not more than \$500 for a first offense and not more than \$2,000 for a subsequent offense. The Utilities Commission may also assess a civil penalty of up to \$5,000 for a violation of either prohibition.

Under G.S. 20-383, only designated inspectors, officers, and personnel of the Department of Public Safety have authority to enforce these provisions.

**BILL ANALYSIS:** The PCS for House Bill 732 would amend the law pertaining to carriers of household goods by specifying that it is unlawful to attempt to operate a motor vehicle as a carrier of household goods without the proper vehicle markings or to aid and abet a person in falsely representing

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## House PCS 732

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to the public that he or she is an authorized carrier of household goods. Both offenses would be Class 3 misdemeanors, the same as the underlying offense, punishable only by a fine of not more than \$500 for a first offense and not more than \$2,000 for a subsequent offense.

The PCS would also give any law enforcement officer with territorial jurisdiction, not just officers of the Department of Public Safety, the authority to enforce the provisions prohibiting operating on the highway without proper markings and falsely representing the authority to transport household goods.

The PCS would also authorize the Utilities Commission to provide information obtained as part of a criminal background check on applicants and current holders of certificates to the Public Staff, since the Public Staff participates in the certification and discipline proceedings for carriers of household goods. The Public Staff would have to keep any information obtained from the background check confidential.

**EFFECTIVE DATE:** Provisions of the act regarding unlawful operation of a vehicle transporting household goods and false representation of certification to move household goods and enforcement of those provisions are effective December 1, 2017, and apply to violations committed on or after that date. The remainder of the act would be effective when it becomes law.



GENERAL ASSEMBLY OF NORTH CAROLINA  
SESSION 2017

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D

HOUSE BILL 732  
PROPOSED COMMITTEE SUBSTITUTE H732-CSSU-18 [v.1]

04/21/2017 05:19:12 PM

Short Title: Household Goods Carrier Revisions.

(Public)

Sponsors:

Referred to:

April 13, 2017

1 A BILL TO BE ENTITLED  
2 AN ACT TO CLARIFY THAT AN INTRASTATE HOUSEHOLD GOODS CARRIER  
3 SHALL NOT ATTEMPT TO OPERATE UPON A ROAD WITHIN THIS STATE  
4 WITHOUT MEETING CERTAIN REQUIREMENTS, TO EXPAND THE TYPES OF  
5 LAW ENFORCEMENT THAT MAY ENFORCE THE LAWS GOVERNING AN  
6 INTRASTATE HOUSEHOLD GOODS CARRIER, AND TO AUTHORIZE THE  
7 UTILITIES COMMISSION TO SHARE CRIMINAL HISTORY RECORD CHECK  
8 INFORMATION WITH THE PUBLIC STAFF.

9 The General Assembly of North Carolina enacts:

10 SECTION 1. G.S. 20-398 reads as rewritten:

11 "§ 20-398. Household goods carrier; marking or identification of vehicles.

12 (a) No carrier shall operate or attempt to operate any motor vehicle upon a highway,  
13 public street, or public vehicular area within the State in the transportation of household goods  
14 for compensation unless the name or trade name and the North Carolina number assigned to the  
15 carrier by the North Carolina Utilities Commission appear on each side of the vehicle in letters  
16 and figures not less than three inches high. The North Carolina number assigned to the carrier  
17 shall also be placed on the rear left upper quadrant of the vehicle in letters and figures not less  
18 than three inches high. In case of a tractor-trailer unit, the side markings must be on the tractor  
19 and the rear markings must be on the trailer. The markings required may be printed on the  
20 vehicle or on durable placards securely fastened on the vehicle.

21 ...

22 (e) Notwithstanding any provision of G.S. 20-383 to the contrary, any law enforcement  
23 officer with territorial jurisdiction may enforce the provisions of this section."

24 SECTION 2. G.S. 62-280.1 reads as rewritten:

25 "§ 62-280.1. False representation of household goods carrier certificate unlawful.

26 ...

27 (b) Any person who violates subsection (a) of this ~~section~~ section, or who aids and abets  
28 another person in violating subsection (a) of this section, shall be guilty of a Class 3  
29 misdemeanor and punished only by a fine of not more than five hundred dollars (\$500.00) for  
30 the first offense and not more than two thousand dollars (\$2,000) for any subsequent offense.

31 ...

32 (d) Notwithstanding any provision of G.S. 20-383 to the contrary, any law enforcement  
33 officer with territorial jurisdiction may enforce the provisions of this section."

34 SECTION 3. G.S. 143B-963 reads as rewritten:

35 "§ 143B-963. Criminal history record checks of applicants for and current holders of  
36 certificate to transport household goods.





1       (a)     The Department of Public Safety may provide to the Utilities Commission from the  
2 State and National Repositories of Criminal Histories the criminal history of any applicant for  
3 or current holder of a certificate to transport household goods. Along with the request, the  
4 Commission shall provide to the Department of Public Safety the fingerprints of the applicant  
5 or current holder, a form signed by the applicant or current holder consenting to the criminal  
6 history record check and use of fingerprints and other identifying information required by the  
7 State and National Repositories of Criminal Histories, and any additional information required  
8 by the Department of Public Safety. The applicant's or current holder's fingerprints shall be  
9 forwarded to the State Bureau of Investigation for a search of the State's criminal history record  
10 file, and the State Bureau of Investigation shall forward a set of fingerprints to the Federal  
11 Bureau of Investigation for a national criminal history record check. The Utilities Commission  
12 shall keep all information obtained pursuant to this section confidential. The Department of  
13 Public Safety may charge a fee to offset the cost incurred by it to conduct a criminal history  
14 record check under this section. The fee shall not exceed the actual cost of locating, editing,  
15 researching, and retrieving the information. The Department of Public Safety shall send a copy  
16 of the results of the criminal history record checks directly to the Utilities Commission Chief  
17 Clerk.

18       (b)     The Utilities Commission may provide the information obtained pursuant to this  
19 section to the Public Staff for the purpose of participating in proceedings before the  
20 Commission. The Public Staff shall keep all information obtained pursuant to this section  
21 confidential."

22       **SECTION 4.** Sections 1 and 2 of this act become effective December 1, 2017, and  
23 apply to violations committed on or after that date. The remainder of this act is effective when  
24 it becomes law.







## HOUSE BILL 827: Use of Passing Lane/Increased Penalty.

2017-2018 General Assembly

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<b>Committee:</b>	House Transportation. If favorable, re-refer to Judiciary I	<b>Date:</b>	April 24, 2017
<b>Introduced by:</b>	Reps. Duane Hall, Bradford Hardister, Murphy	<b>Prepared by:</b>	Howard Marsilio Committee Counsel
<b>Analysis of:</b>	PCS to First Edition H827-CSBG-16		

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**OVERVIEW:** *The Proposed Committee Substitute (PCS) for House Bill 827 would prohibit operating a motor vehicle in the inside travel lane on a controlled-access or partially controlled-access highway at less than the maximum speed limit or while impeding traffic, and provide that a violation is an infraction with a \$200 penalty.*

*The PCS adds the phrase "then available for through traffic" on Page 1, Line 17 after the word "highway" to account for a driver's inability to merge right.*

### CURRENT LAW:

G.S. 20-146 contains the general requirements, and exceptions, that vehicles travel on the right side of the highway.

G.S. 20-146(b) requires vehicles on all highways, driving at less than the legal maximum speed, to drive in an available right hand lane or as close as practicable to the right hand curb or edge of the highway. This requirement does not apply when overtaking a vehicle or when preparing to turn left.

G.S. 20-146(e) prohibits driving in the inside lane at less than the maximum speed while impeding the steady flow of traffic, on a highway posted with an appropriate sign, such as a sign indicating that "Slower Traffic Keep Right."

### BILL ANALYSIS:

House Bill 827 (PCS) would:

- Clarify that the offense only applies to controlled-access and partially controlled-access highways.
- Prohibit driving less than the maximum speed limit or impeding the steady flow of traffic in the inside lane, except when overtaking and passing another vehicle. A violation would be an infraction, and would include a fine of two hundred dollars (\$200.00).
- Define the phrase "impeding the steady flow of traffic" as a person that knows or reasonably should know they are being overtaken from the rear by a vehicle traveling at a higher rate of speed.
- Remove G.S. 20-146(e) as codified, and remove any sign posting requirement for this offense.

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Director



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919-733-2578



## House PCS 827

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**EFFECTIVE DATE:** This act would become effective December 1, 2017 and would apply to offenses committed on or after that date.



GENERAL ASSEMBLY OF NORTH CAROLINA  
SESSION 2017

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D

HOUSE BILL 827  
PROPOSED COMMITTEE SUBSTITUTE H827-CSBG-16 [v.1]

04/21/2017 09:40:58 AM

Short Title: Use of Passing Lane/Increased Penalty.

(Public)

Sponsors:

Referred to:

April 13, 2017

1 A BILL TO BE ENTITLED  
2 AN ACT TO EXPAND THE PROHIBITION ON OPERATING A MOTOR VEHICLE IN  
3 THE LEFTMOST TRAVEL LANE OF A CONTROLLED-ACCESS OR PARTIALLY  
4 CONTROLLED-ACCESS HIGHWAY AT LESS THAN THE SPEED LIMIT OR WHEN  
5 IMPEDING THE STEADY FLOW OF TRAFFIC AND TO INCREASE THE  
6 MONETARY PENALTY FOR COMMITTING A VIOLATION OF THAT  
7 PROHIBITION.  
8 The General Assembly of North Carolina enacts:  
9 SECTION 1. G.S. 20-146 reads as rewritten:  
10 "§ 20-146. Drive on right side of highway; exceptions.  
11 ...  
12 (b) Upon all ~~highways~~ controlled-access and partially controlled-access highways, any  
13 vehicle proceeding at less than the legal maximum speed limit or impeding the steady flow of  
14 traffic shall be driven in the right hand lane then available for thru traffic, or as close as  
15 practicable to the right hand curb or edge of the highway, except when overtaking and passing  
16 another vehicle proceeding in the same direction or when preparing for a left turn a lane other  
17 than the inside lane next to the centerline or median of a multilane highway then available for  
18 thru traffic, except when overtaking and passing another vehicle proceeding in the same  
19 direction or when making a left turn. A person who violates this subsection is guilty of an  
20 infraction punishable by a fine of two hundred dollars (\$200.00). For purposes of this  
21 subsection, a person is "impeding the steady flow of traffic" if the person knows or reasonably  
22 should know that he or she is being overtaken from the rear by a vehicle traveling at a higher  
23 rate of speed.  
24 ...  
25 (c) ~~Notwithstanding any other provisions of this section, when appropriate signs have~~  
26 ~~been posted, it shall be unlawful for any person to operate a motor vehicle over and upon the~~  
27 ~~inside lane, next to the median of any dual lane highway at a speed less than the posted speed~~  
28 ~~limit when the operation of said motor vehicle over and upon said inside lane shall impede the~~  
29 ~~steady flow of traffic except when preparing for a left turn. "Appropriate signs" as used herein~~  
30 ~~shall be construed as including "Slower Traffic Keep Right" or designations of similar import."~~  
31 SECTION 2. This act becomes effective December 1, 2017, and applies to  
32 offenses committed on or after that date.









## HOUSE BILL 636: Sale of Salvage Vehicle/No Inspection.

2017-2018 General Assembly

<b>Committee:</b>	House Transportation	<b>Date:</b>	April 24, 2017
<b>Introduced by:</b>	Reps. J. Bell, Brenden Jones	<b>Prepared by:</b>	Giles Perry
<b>Analysis of:</b>	First Edition		Staff Attorney

**OVERVIEW:** *House Bill 636 exempts used salvage vehicles from safety or emissions inspection if: no repairs were made to the vehicle after issuance of the salvage certificate of title; and the dealer discloses in writing that no inspection was performed.*

### CURRENT LAW:

Article 3A of Chapter 20 of the General Statutes sets out the requirements for motor vehicle safety and emissions inspection.

G.S. 20-4.01(33)d. defines a "Salvage motor vehicle" as *"Any motor vehicle damaged by collision or other occurrence to the extent that the cost of repairs to the vehicle and rendering the vehicle safe for use on the public streets and highways would exceed seventy five percent (75%) of its fair retail market value, whether or not the motor vehicle has been declared a total loss by an insurer. Repairs shall include the cost of parts and labor. Fair market retail values shall be as found in the NADA Pricing Guide Book or other publications approved by the Commissioner."*

**BILL ANALYSIS:** House Bill 636 exempts from safety or emission inspection used salvage vehicles sold by a motor vehicle dealer if: no repairs were made to the vehicle after issuance of the salvage certificate of title; and the dealer discloses in writing that no inspection was performed.

**EFFECTIVE DATE:** This act is effective when it becomes law.

Karen Cochrane-Brown  
Director



Legislative Analysis  
Division  
919-733-2578



GENERAL ASSEMBLY OF NORTH CAROLINA  
SESSION 2017

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HOUSE BILL 636

Short Title: Sale of Salvage Vehicle/No Inspection. (Public)

Sponsors: Representatives J. Bell and Brenden Jones (Primary Sponsors).  
*For a complete list of sponsors, refer to the North Carolina General Assembly web site.*

Referred to: Regulatory Reform

April 10, 2017

1 A BILL TO BE ENTITLED  
2 AN ACT TO AMEND THE INSPECTION REQUIREMENTS FOR USED VEHICLES  
3 SOLD BY DEALERS ON A SALVAGE CERTIFICATE OF TITLE.

4 The General Assembly of North Carolina enacts:

5 SECTION 1. G.S. 20-183.4C(a) reads as rewritten:

6 "(a) Inspection. – A vehicle that is subject to a safety inspection, an emissions  
7 inspection, or both must be inspected as follows:

8 ...  
9 (2) ~~A~~Except as otherwise provided in this subdivision, a used vehicle must be  
10 inspected before it is offered for sale at retail in this State by a dealer. Upon  
11 purchase, a receipt approved by the Division must be provided to the new  
12 owner certifying compliance. A dealer may sell, without inspection, a used  
13 vehicle issued a salvage certificate of title in accordance with the provisions  
14 of this Chapter if (i) no repairs have been made to the vehicle after issuance  
15 of the salvage certificate of title and (ii) the dealer discloses in writing on a  
16 form approved by the Division that no inspection has been performed.

17 ...."

18 SECTION 2. This act is effective when it becomes law and applies to used  
19 vehicles sold on or after that date.





GENERAL ASSEMBLY OF NORTH CAROLINA  
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1

HOUSE BILL 660

Short Title: Drivers License/Reciprocity W/Foreign Nation.

(Public)

Sponsors: Representative Boles.

*For a complete list of sponsors, refer to the North Carolina General Assembly web site.*

Referred to: Transportation

April 11, 2017

A BILL TO BE ENTITLED

AN ACT TO CLARIFY THAT THE COMMISSIONER OF MOTOR VEHICLES OF  
NORTH CAROLINA MAY ENTER INTO MOTOR VEHICLE REGISTRATION AND  
LICENSING RECIPROCITY AGREEMENTS WITH FOREIGN NATIONS.

The General Assembly of North Carolina enacts:

**SECTION 1.** G.S. 20-4.4 reads as rewritten:

"(a) The Commissioner may enter into an agreement or arrangement for ~~interstate or~~  
~~intrastate~~ motor vehicle operations with the duly authorized representatives of another  
jurisdiction, granting to vehicles or to owners of vehicles which are properly registered or  
licensed in such jurisdiction and for which evidence of compliance is supplied, benefits,  
privileges and exemptions from the payment, wholly or partially, of any taxes, fees, or other  
charges imposed upon such vehicles or owners with respect to the operation or ownership of  
such vehicles under the laws of this State. Such an agreement or arrangement shall provide that  
vehicles properly registered or licensed in this State when operated upon highways of such  
other jurisdiction shall receive exemptions, benefits and privileges of a similar kind or to a  
similar degree as are extended to vehicles properly registered or licensed in such jurisdiction  
when operated in this State. Each such agreement or arrangement shall, in the judgment of the  
Commissioner, be in the best interest of this State and the citizens thereof and shall be fair and  
equitable to this State and the citizens thereof, and all of the same shall be determined on the  
basis and recognition of the benefits which accrue to the economy of this State from the  
uninterrupted flow of commerce."

**SECTION 2.** This act is effective when it becomes law.



\* H 6 6 0 - V - 1 \*







## HOUSE BILL 716: CMVs/Use of Platoons.

2017-2018 General Assembly

**Committee:** House Transportation  
**Introduced by:** Rep. Torbett  
**Analysis of:** First Edition

**Date:** April 24, 2017  
**Prepared by:** Howard Marsilio  
Committee Counsel

**OVERVIEW:** *House Bill 716 would exempt a nonleading commercial motor vehicle traveling in a platoon from the requirement that vehicles following another vehicle leave sufficient space between them.*

**CURRENT LAW:** G.S. 20-152(a) requires a driver of a motor vehicle to keep a reasonable and prudent distance between vehicles when driving considering the speed of others, traffic, and highway conditions.

G.S. 20-152(b) requires a motor vehicle following another motor vehicle to leave sufficient space for a overtaking vehicle to merge without danger, if conditions permit. This subsection does not apply to funeral processions.

**BILL ANALYSIS:** This bill would add a subsection (c) to G.S. 20-152 exempting nonleading commercial motor vehicles traveling in a platoon, unified through an electronically interconnected braking system, from the spacing restrictions in subsection (a) and subsection (b).

**EFFECTIVE DATE:** This act would become effective July 1, 2017. Prosecutions for offenses committed before the effective date of this act are not abated or affected by this act, and the statutes that would be applicable but for this act remain applicable to those prosecutions.

Karen Cochrane-Brown  
Director



Legislative Analysis  
Division  
919-733-2578



GENERAL ASSEMBLY OF NORTH CAROLINA  
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HOUSE BILL 716

Short Title: CMVs/Use of Platoons.

(Public)

Sponsors: Representative Torbett.

*For a complete list of sponsors, refer to the North Carolina General Assembly web site.*

Referred to: Transportation

April 11, 2017

A BILL TO BE ENTITLED

AN ACT TO PROVIDE THAT THE LAWS REGULATING THE DISTANCE BETWEEN  
MOTOR VEHICLES TRAVELING ON THE ROAD DO NOT APPLY TO ANY  
NONLEADING COMMERCIAL MOTOR VEHICLE TRAVELING WITHIN A  
PLATOON.

The General Assembly of North Carolina enacts:

**SECTION 1.** G.S. 20-152 reads as rewritten:

**"§ 20-152. Following too closely.**

(a) The driver of a motor vehicle shall not follow another vehicle more closely than is reasonable and prudent, having due regard for the speed of such vehicles and the traffic upon and the condition of the highway.

(b) The driver of any motor vehicle traveling upon a highway outside of a business or residential district and following another motor vehicle shall, whenever conditions permit, leave sufficient space so that an overtaking vehicle may enter and occupy such space without danger, except that this shall not prevent a motor vehicle from overtaking and passing another motor vehicle. This provision shall not apply to funeral processions.

(c) Subsections (a) and (b) of this section shall not apply to the driver of any nonleading commercial motor vehicle traveling in a platoon with other commercial motor vehicles. For purposes of this subsection, the term "platoon" means a group of individual commercial motor vehicles traveling in a unified manner through the use of an electronically interconnected braking system."

**SECTION 2.** This act becomes effective July 1, 2017. Prosecutions for offenses committed before the effective date of this act are not abated or affected by this act, and the statutes that would be applicable but for this act remain applicable to those prosecutions.







## HOUSE BILL 802: Exempt Motorcoach Manufacturer & Distributor.

2017-2018 General Assembly

<b>Committee:</b>	House Transportation	<b>Date:</b>	April 24, 2017
<b>Introduced by:</b>	Reps. Hardister, Faircloth, Blust, Brockman	<b>Prepared by:</b>	Wendy Ray
<b>Analysis of:</b>	First Edition		Staff Attorney

**OVERVIEW:** *House Bill 802 would exempt manufacturers and distributors of motorcoaches from the prohibition on owning, operating, or controlling a motor vehicle dealership in this State.*

**CURRENT LAW:** The unfair methods of competition statute in the Motor Vehicle Dealers and Manufacturers Licensing Law (G.S. 20-305.2) provides that it is unlawful for any motor vehicle manufacturer, factory branch, distributor, distributor branch, or subsidiary thereof, to directly or indirectly through any subsidiary or affiliated entity, own any ownership interest in, operate, or control any motor vehicle dealership in this State. Under current law, there is an exemption to this prohibition for manufacturers or distributors of trailers or semitrailers that are not recreational vehicles.

**BILL ANALYSIS:** House Bill 802 would exempt manufacturers and distributors of motorcoaches from the prohibition on owning, operating, or controlling any motor vehicle dealership in North Carolina.

The bill would define "motorcoach" as a commercial bus designed or used to transport passengers for compensation with (i) a gross vehicle weight rating of at least 26,000 pounds; (ii) a seating capacity of 16 or more designated positions, including the driver; and (iii) no fewer than two rows of passenger seats rearward of the driver's seating position that are forward facing or can be converted to forward facing without the use of tools.

**EFFECTIVE DATE:** The act would be effective when it becomes law.

Karen Cochrane-Brown  
Director



Legislative Analysis  
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919-733-2578





GENERAL ASSEMBLY OF NORTH CAROLINA  
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HOUSE BILL 802

Short Title: Exempt Motorcoach Manufacturer & Distributor. (Public)

Sponsors: Representatives Hardister, Faircloth, Blust, and Brockman (Primary Sponsors).  
*For a complete list of sponsors, refer to the North Carolina General Assembly web site.*

Referred to: Transportation

April 13, 2017

1 A BILL TO BE ENTITLED  
2 AN ACT TO EXEMPT MANUFACTURERS AND DISTRIBUTORS OF  
3 MOTORCOACHES FROM THE PROHIBITION ON OWNING, OPERATING, OR  
4 CONTROLLING A MOTOR VEHICLE DEALERSHIP IN THIS STATE.  
5 The General Assembly of North Carolina enacts:  
6 **SECTION 1.** G.S. 20-286 is amended by adding a new subdivision to read:  
7 "(9a) Motorcoach. – A commercial bus designed or used to transport passengers  
8 for compensation with (i) a gross vehicle weight rating of at least 26,000  
9 pounds; (ii) a seating capacity of 16 or more designated positions, including  
10 the driver; and (iii) no fewer than two rows of passenger seats rearward of  
11 the driver's seating position that are forward-facing or can be converted to  
12 forward-facing without the use of tools."  
13 **SECTION 2.** G.S. 20-305.2(b) reads as rewritten:  
14 "(b) Subsection (a) of this section does not apply to manufacturers or distributors of (i)  
15 trailers or semitrailers that are not recreational vehicles as defined in ~~G.S. 20-4.01~~ G.S. 20-4.01  
16 or (ii) motorcoaches."  
17 **SECTION 3.** This act is effective when it becomes law.







## HOUSE BILL 844: DOT/Traffic Signal Oversight.

2017-2018 General Assembly

<b>Committee:</b>	House Transportation	<b>Date:</b>	April 24, 2017
<b>Introduced by:</b>	Reps. Adams, Malone, Torbett	<b>Prepared by:</b>	Giles Perry
<b>Analysis of:</b>	First Edition		Staff Attorney

**OVERVIEW:** *House Bill 844 amends the powers of the Department of Transportation (DOT) to grant them authority and supervision over electronic traffic signals and other electronic traffic control devices on the public highways, roads, and streets of the State.*

**CURRENT LAW:** Current G.S. 136-30 provides the following:

- "State Highway System. – The Department of Transportation may number and mark highways in the State highway system. All traffic signs and other traffic control devices placed on a highway in the State highway system must conform to the Uniform Manual. The Department of Transportation shall have the power to control all signs within the right of way of highways in the State highway system. The Department of Transportation may erect signs directing persons to roads and places of importance."*
- "Municipal Street System. – All traffic signs and other traffic control devices placed on a municipal street system street must conform to the appearance criteria of the Uniform Manual. All traffic control devices placed on a highway that is within the corporate limits of a municipality but is part of the State highway system must be approved by the Department of Transportation."*

**BILL ANALYSIS:** House Bill 844 amends the powers of DOT to:

- Give to DOT the authority and supervision over electronic traffic signals and other electronic traffic control devices on the public highways, roads, and streets of the State.
- Direct DOT to develop and publish on its Web site standards that must be met when operating electronic traffic signals and other electronic traffic control devices.
- Provide that if DOT determines that a local government is not operating electronic traffic signals and other electronic traffic control devices in accordance with the standards established under this act, DOT shall notify the local government in writing and specify what standard or standards are not being met.
- Provides that if the local government fails to take corrective action within 60 days of receiving notice from the DOT, DOT shall assume control over the operation of the electronic traffic signal or electronic traffic control device, and DOT shall maintain control over the operation until the local government demonstrates to the satisfaction of DOT the ability to operate the electronic traffic signal or electronic traffic control device in accordance with the standards established under this act.

Karen Cochrane-Brown  
Director



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# House Bill 844

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- Provides that if DOT assumes control of the operation of an electronic traffic signal or electronic traffic control device, the local government shall reimburse DOT for any costs incurred by DOT during its control of the operation.
- Provides that DOT shall commence development of the standards required.

**EFFECTIVE DATE:** Section 1 of this act becomes effective October 1, 2017. The remainder of this act is effective when it becomes law.





GENERAL ASSEMBLY OF NORTH CAROLINA  
SESSION 2017

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1

HOUSE BILL 844

Short Title: DOT/Traffic Signal Oversight.

(Public)

Sponsors: Representatives Adams, Malone, and Torbett (Primary Sponsors).

*For a complete list of sponsors, refer to the North Carolina General Assembly web site.*

Referred to: Transportation

April 13, 2017

1 A BILL TO BE ENTITLED  
2 AN ACT TO PROVIDE THE DEPARTMENT OF TRANSPORTATION WITH  
3 AUTHORITY AND SUPERVISION OVER ELECTRONIC TRAFFIC SIGNALS AND  
4 OTHER ELECTRONIC TRAFFIC CONTROL DEVICES ON THE PUBLIC  
5 HIGHWAYS, ROADS, AND STREETS OF THIS STATE.

6 The General Assembly of North Carolina enacts:

7 **SECTION 1.** G.S. 136-18 is amended by adding a new subdivision to read:

8 "(46) The authority and supervision over electronic traffic signals and other  
9 electronic traffic control devices on the public highways, roads, and streets  
10 of this State. The Department shall develop and publish on its Web site  
11 standards that must be met when operating electronic traffic signals and  
12 other electronic traffic control devices. If the Department determines that a  
13 local government is not operating electronic traffic signals and other  
14 electronic traffic control devices in accordance with the standards  
15 established under this subdivision, the Department shall notify the local  
16 government in writing and specify what standard or standards are not being  
17 met. If the local government fails to take corrective action within 60 days of  
18 receiving notice from the Department, the Department shall assume control  
19 over the operation of the electronic traffic signal or electronic traffic control  
20 device, and the Department shall maintain control over the operation until  
21 the local government demonstrates to the satisfaction of the Department the  
22 ability to operate the electronic traffic signal or electronic traffic control  
23 device in accordance with the standards established under this subdivision. If  
24 the Department assumes control of the operation of an electronic traffic  
25 signal or electronic traffic control device, the local government shall  
26 reimburse the Department for any costs incurred by the Department during  
27 its control of the operation."

28 **SECTION 2.** The Department of Transportation shall commence development of  
29 the standards required under G.S. 136-18(46), as enacted by this act.

30 **SECTION 3.** Section 1 of this act becomes effective October 1, 2017. The  
31 remainder of this act is effective when it becomes law.







# HOUSE BILL 833: Driver Education Oversight/Lane Departure.

2017-2018 General Assembly

<b>Committee:</b>	House Transportation	<b>Date:</b>	April 24, 2017
<b>Introduced by:</b>	Reps. Johnson, Torbett, Howard, Horn	<b>Prepared by:</b>	Giles Perry
<b>Analysis of:</b>	PCS to First Edition H833-CSRW-20		Staff Attorney

**OVERVIEW:** *House Bill 833 (proposed committee substitute) would establish an Office of Driver Education Services to administer the driver education program in the Department of Public Instruction (DPI).*

*The PCS adds Sections 6 and 7, which would direct the Department of Public Instruction to study the advisability of adding lane departure to the actual driving portion of the driver education curriculum. This language is also included in House Bill 553.*

**CURRENT LAW:** G.S. 115C-105.15(b)(11) provides that fund may not be transferred into the driver education allotment category.

G.S. 115C-215 establishes the State Board of Education's (SBOE) administration of driver education as follows:

- The SBOE establishes standards for driver education, and implements a strategic plan for the program that includes goals and performance indicators.
- The Superintendent of Public Instruction organizes and administers a program of driver education for public high schools for qualified persons.
- The SBOE adopts rules to allow local boards of education to contract to provide driver education.
- Fees from the motor vehicle registration late fee are dedicated revenue for the driver education program.

**BILL ANALYSIS:** HB 833 (PCS) would make the following changes:

**Section 1:** Allow funds to be transferred out of the driver education allotment category for the sole purpose of supporting driver education in other local school administrative units.

**Section 2:** Establish an Office of Driver Education Services (ODES), staffed by a full-time director and other personnel as necessary, to administer the driver education program in the Department of Public Instruction (DPI). Responsibilities would include the following:

- Developing a 3 year strategic plan for the driver education program in lieu of the SBOE strategic plan. This plan would be reviewed January 15, 2018 and every 3 years thereafter by the SBOE.
- Assuring implementation of a standard curriculum.
- Maintaining an advisory committee of stakeholders.

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# House PCS 833

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- Verifying accuracy of local school administrative unit (LEA) cost and other data, and developing a Web based system for reporting.
- Publishing an annual report of expenditures on driver education by LEAs.
- Providing driver education instructor resources, and identifying and sharing best practices.
- Conducting an annual performance evaluation of the driver education program that allows numerical performance comparisons among entities providing driver education.
- LEAs would be required to report annually on specific criteria to the ODES on the driver education training program. DPI could withhold up to 5% of State funds for driver education from an LEA until the report was submitted.
- ODES would provide technical assistance to local boards of education to develop and implement a competitive selection process for contracting to provide driver education services.
- Up to 2% of fees from the motor vehicle registration late fee appropriated for driver education could be used by DPI to support the direct costs of statewide program administration.

**Sections 3 and 4:** The Division of Motor Vehicles would be required to provide ODES data on student drivers to the extent permitted by State and federal law for evaluation purposes. A plan for transfer and collection of this data would be developed by January 15, 2018.

**Section 5:** The ODES would submit a report to the Joint Legislative Education Oversight Committee, the Fiscal Research Division, and the Program Evaluation Division by October 15, 2017, describing actions taken in response to the requirements of HB 833, as well as the findings included in the Program Evaluation Division's report, *Performance Measurement and Monitoring Would Strengthen Accountability of North Carolina's Driver Education Program*, and the recommendations from the National Highway Traffic Safety Administration's Technical Assessment of the Driver Education Program for the State of North Carolina from May 2015.

**Section 6 and 7:** Directs the Department of Public Instruction to study the advisability of adding lane departure to the actual driving portion of the driver education curriculum.

**EFFECTIVE DATE:** Sections 1 through 5 of this act would become effective July 1, 2017. The remainder of this act would become effective when it becomes law.

*Kara McCraw of the Legislative Analysis Division substantially contributed to this summary.*





GENERAL ASSEMBLY OF NORTH CAROLINA  
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D

HOUSE BILL 833  
PROPOSED COMMITTEE SUBSTITUTE H833-CSRW-20 [v.1]

04/23/2017 12:57:25 PM

Short Title: Driver Education Oversight/Lane Departure.

(Public)

Sponsors:

Referred to:

April 13, 2017

1 A BILL TO BE ENTITLED  
2 AN ACT TO STRENGTHEN THE OVERSIGHT AND ACCOUNTABILITY FOR THE  
3 DELIVERY OF THE STATE'S DRIVER EDUCATION PROGRAM, AND TO DIRECT  
4 THE DEPARTMENT OF PUBLIC INSTRUCTION TO STUDY THE ADVISABILITY  
5 OF ADDING LANE DEPARTURE TO THE ACTUAL DRIVING PORTION OF THE  
6 DRIVER EDUCATION CURRICULUM.

7 Whereas, motor vehicle crashes are the leading cause of deaths in individuals 15-20  
8 years old in the United States; and

9 Whereas, North Carolina has a very diverse driving public, yet the younger driver  
10 population is overrepresented in fatal and serious-injury crashes; and

11 Whereas, in 2013, in North Carolina, there were 111 fatalities and 255 serious  
12 injuries from vehicle crashes involving younger drivers in the age range of 16-19 years old; and

13 Whereas, although North Carolina's teen accident and fatality rates have declined  
14 since the implementation of graduated driver licensing, teen drivers 16-19 years old are still  
15 three times more likely than drivers 20 years old and over to be in a fatal crash; and

16 Whereas, in May 2015, the National Highway Traffic Safety Administration issued  
17 a report entitled "State of North Carolina: Technical Assessment of the Driver Education  
18 Program," in which a finding was made that the State needs to improve oversight to ensure  
19 uniform quality of instruction; and

20 Whereas, since a majority of North Carolina teens participate in a driver education  
21 program, it is imperative to the safety and well-being of those teens that the State provide  
22 adequate oversight of local driver education programs to ensure the delivery of effective and  
23 high-quality driver training to prevent future teen injuries and deaths related to motor vehicle  
24 crashes; Now, therefore,

25 The General Assembly of North Carolina enacts:

26 **SECTION 1.** G.S. 115C-105.25(b)(11) reads as rewritten:

27 "(11) No funds shall be transferred into or out of the driver education allotment  
28 ~~category.~~category, except that funds may only be transferred out of the  
29 driver education allotment category for the purpose of supporting driver  
30 education in other local school administrative units."

31 **SECTION 2.** G.S. 115C-215 reads as rewritten:

32 **"§ 115C-215. Administration of driver education program by the Department of Public**  
33 **Instruction.**~~Instruction~~, **Office of Driver Education Services.**

34 (a) In accordance with criteria and standards approved by the State Board of Education,  
35 the State Superintendent of Public Instruction shall organize and administer a standardized  
36 program of driver education through the Office of Driver Education Services established under





subsection (a1) of this section to be offered at the public high schools of this State for all physically and mentally qualified persons who (i) are older than 14 years and six months, (ii) are approved by the principal of the school, pursuant to rules adopted by the State Board of Education, (iii) are enrolled in a public or private high school within the State or are receiving instruction through a home school as provided by Part 3 of Article 39 of Chapter 115C of the General Statutes, and (iv) have not previously enrolled in the program. The driver education program shall be for the purpose of reducing student driver traffic accidents by making available public education to all students on driver safety and training. The State Board of Education shall use for this purpose all funds appropriated to it for this purpose and may use all other funds that become available for its use for this purpose.

(a1) There is established an Office of Driver Education Services within the Department of Public Instruction. The Office shall be staffed by a full-time director and other professional, administrative, technical, and clerical personnel as may be necessary to assist the Office in carrying out its powers and duties, including at least the following:

- (1) Leading the statewide program and developing a three-year strategic plan consistent with subsection (c1) of this section for the driver education program.
- (2) Assuring the implementation of a standard curriculum for the program and the periodic update and revision of the standard curriculum.
- (3) Maintaining an advisory committee consisting of school and State employees of the Department of Transportation, Division of Motor Vehicles, and the Department of Public Instruction and other stakeholders in driver education.
- (4) Verifying the accuracy of local school administrative unit cost and other data required to be in compliance with State Board policy and State law, including accounting for any local revenues and fees imposed by the units and any entities that local boards of education contract with for delivery of the driver education program.
- (5) Developing a Web-based system to allow local school administrative units to report required data and for the Office to make data and reports available to the public.
- (6) Publishing on its Web site an annual report of expenditures on driver education for the prior school year by purpose and object code for each local school administrative unit. The report shall be published by January 15 of each year, with the initial report published by January 15, 2018, on expenditures made in the 2016-2017 school year.
- (7) Providing driver education instructor resources for program improvement and technical assistance for local school administrative units contracting with public or private entities to provide the driver education program.
- (8) Identifying and sharing best practices among local school administrative units.
- (9) Conducting an annual performance evaluation of the driver education performance statewide and separately for each local school administrative unit and any entities that local boards of education contract with for delivery of the driver education program. The Office shall collect and compile data on student driver outcomes. The data shall be compiled, without disclosure of personally identifiable information of students and driving instructors, to enable numerical performance comparisons among high schools and any entities that local boards of education contract with for delivery of the driver education program. Comparative data shall be maintained on the number of students (i) participating in driver education, (ii) certified as eligible or





certified with a high school diploma or its equivalent, and (iii) for certified students, success on the level two provisional license phase and level three full provisional license phase administered by the Division of Motor Vehicles. The data shall allow comparison of traffic accidents, accidents with associated injuries, and accidents with associated fatalities for graduated license drivers by individual years of age from 15 years old to 20 years old who participated in driver education and individuals who did not from that same age population. The evaluation shall include any corrective actions or additional assistance planned by local school administrative units based on evaluation data. The Office shall notify the General Assembly in accordance with G.S. 120-29.5, the Fiscal Research Division, and the Program Evaluation Division of the availability of the annual report for the prior school year on its Web site, beginning with an initial report published by January 15, 2020, and every January 15 annually thereafter.

...

(e) ~~The State Board of Education shall establish and implement a strategic plan for the driver education program. At a minimum, the strategic plan shall consist of goals and performance indicators, including the number of program participants as compared to the number of persons projected to be eligible to participate in the program, the implementation of a standard curriculum for the program, expenditures for the program, and the success rate of program participants in receiving a drivers license as reported by the Division of Motor Vehicles. The strategic plan shall also outline specific roles and duties of an advisory committee consisting of employees of the Division of Motor Vehicles and the Department of Public Instruction and other stakeholders in driver education.~~

(c1) By January 15, 2018, and every three years thereafter, the State Board of Education shall review the strategic plan developed by the Office of Driver Education Services for the driver education program. At a minimum, the strategic plan shall consist of the following:

- (1) The goals, strengths, accomplishments, and measurable indicators used for tracking the success of the driver education program.
- (2) Program areas in need of improvement, causes of any limitations or challenges to the program, and strategies to improve the program.
- (3) Action steps planned for each year of the three-year period of the plan.
- (4) For subsequent plans, a comparison of planned to actual accomplishment of goals and measurable performance stated in the previous strategic plan.

(c2) Local school administrative units shall report to the Office of Driver Education Services each year on driver education training offered in the unit in accordance with G.S. 115C-216, with at least the following information:

- (1) A description of how the driver education program is delivered, including whether the program is offered directly by the local school administrative unit or through a contract with an outside provider and how the vehicles used for driver training are provided and maintained.
- (2) All data required for the evaluations under subsection (a1) of this section.
- (3) Materials used for instruction of the standardized driver education curriculum.
- (4) The role of parents and legal guardians in driver education instruction and the results of a survey regarding instruction delivery administered to a parent or legal guardian upon completion of the training by each student.
- (5) Local assessments and evaluations used to determine quality and success of the driver education program.
- (6) Information on the driving records of driver education instructors as deemed necessary by the Office.





1       (c3) The Department of Public Instruction may withhold up to five percent (5%) of the  
2 State funds allocated to a local school administrative unit for driver education until the unit  
3 reports the information required by subsection (c2) of this section.

4       ...

5       (e) The State Board of Education shall adopt rules to permit local boards of education  
6 to enter contracts with public or private entities to provide a program of driver education at  
7 public high schools. The Office of Driver Education Services shall provide local boards of  
8 education with technical assistance to develop and implement a competitive selection process  
9 for contracting with other public or private entities to include request for proposals and a model  
10 contract with necessary terms and conditions. All driver education instructors shall meet the  
11 requirements established by the State Board of Education; provided, however, driver education  
12 instructors shall not be required to hold teacher certificates.

13       (f) The clear proceeds of the newly established motor vehicle registration late fee  
14 charged pursuant to G.S. 20-88.03, as enacted by S.L. 2015-241, shall be used to provide a  
15 dedicated source of revenue for the drivers education program administered by the Department  
16 of Public ~~Instruction~~ Instruction, Office of Driver Education Services, in accordance with this  
17 section and shall be appropriated by the General Assembly for this purpose for the 2016-2017  
18 fiscal year and subsequent fiscal years thereafter. Of the funds appropriated under this  
19 subsection each fiscal year, the Department may use up to two percent (2%) of those funds for  
20 the direct costs of statewide program administration."

21       **SECTION 3.** G.S. 20-88.1 is amended by adding a new subsection to read:

22       "(e) The Division shall provide the Department of Public Instruction, Office of Driver  
23 Education Services, any data on student drivers, to the extent allowable under State and federal  
24 law, as part of the evaluation requirement under G.S. 115C-215."

25       **SECTION 4.** By January 15, 2018, the Office of Driver Education Services and the  
26 Division of Motor Vehicles shall develop an implementation plan to provide for the transfer  
27 and collection of data on student drivers available through the Division as part of the evaluation  
28 requirement under G.S. 115C-215, as amended by this act.

29       **SECTION 5.** The Office of Driver Education Services shall submit a report  
30 electronically to the Joint Legislative Education Oversight Committee, the Fiscal Research  
31 Division, and the Program Evaluation Division by October 15, 2017, describing any actions  
32 taken by the Office in response to the requirements of this act, as well as the findings included  
33 in the Program Evaluation Division's report to the Joint Legislative Program Evaluation  
34 Oversight Committee, *Performance Measurement and Monitoring Would Strengthen*  
35 *Accountability of North Carolina's Driver Education Program*, March 19, 2014, and the  
36 recommendations from the National Highway Traffic Safety Administration's Technical  
37 Assessment of the Driver Education Program for the State of North Carolina from May 2015.

38       **SECTION 6.** Study. – The Department of Public Instruction, in coordination with  
39 the Department of Transportation, shall study and make recommendations regarding whether to  
40 add lane departure to the actual driving portion of the driver education curriculum. The study  
41 shall include, but not be limited to, a review and analysis of all of the following:

- 42       (1) The advisability of adding an element to the driver education curriculum that  
43       would allow students participating in the actual driving portion of the course  
44       to experience lane departure and learn to avoid overcorrection. This would  
45       involve taking the wheels of the vehicle off the paved road and onto the  
46       shoulder and then safely returning the vehicle to the paved road.
- 47       (2) The practicality of teaching students to respond to situations of lane  
48       departure during the actual driving portion of the driver education course,  
49       including the probability of finding sufficient, convenient locations to safely  
50       practice this maneuver.



1 (3) Data regarding fatalities and injuries associated with lane departure and  
2 overcorrection.

3 (4) Any liability that may attach to the instructor, the school, the local school  
4 administrative unit, or the State, by adding this element to the driver  
5 education curriculum.

6 (5) Any other matter the Department deems relevant to the study.

7 The Department of Public Instruction shall ensure that at least one representative  
8 from the North Carolina Driver and Traffic Safety Education Association, one instructor  
9 employed by a private driving school, and one public school teacher who is certified in driver  
10 education is involved in the study.

11 **SECTION 7.** Report. – The Department of Public Instruction shall report its  
12 findings and recommendations, including any legislative proposals, to the Joint Legislative  
13 Education Oversight Committee no later than March 1, 2018.

14 **SECTION 8.** Sections 1 through 5 of this act become effective July 1, 2017. The  
15 remainder of this act is effective when it becomes law.



## VISITOR REGISTRATION SHEET

House Comm. on Transportation

04/24/17

Name of Committee

Date

VISITORS: PLEASE SIGN IN BELOW AND RETURN TO COMMITTEE CLERK

NAME

FIRM OR AGENCY AND ADDRESS

Steward Wilson	NKHSO
John Carlson	NCC
Lauree Chavro	Walt Lueck
Wendy Kelly	Foris Carolina
John Polinski	NCAAA
McNeil Chestnut	PLNZ
ATK	MNC
JEFF BARNHART	MWC
Nick Zabriskie	Uber
Demi Burke	new
Johny Perkins	Perkins Law





## VISITOR REGISTRATION SHEET

House Comm. on Transportation

04/24/17

Name of Committee

Date

VISITORS: PLEASE SIGN IN BELOW AND RETURN TO COMMITTEE CLERK

NAME

FIRM OR AGENCY AND ADDRESS

Rachel Benli	RBLA
Tim Mink	NCHBA
Eric Hemming	FMA
Harry LIGHTSEY	GENEAC MOTORS
The M	CGA
Jeremy Law	OTG
HOLLY HEATH-SHEPARD	CHAIR, NC BRAIN INJURY ADVISORY COUNCIL
Frank Morris	UPS
Rian Menwald	WM
Fred Bone	Bone : Asso.
Brad Salmon	UPS



## VISITOR REGISTRATION SHEET

House Comm. on Transportation

04/24/17

Name of Committee

Date

VISITORS: PLEASE SIGN IN BELOW AND RETURN TO COMMITTEE CLERK

NAME

FIRM OR AGENCY AND ADDRESS

Beth Corbin	Rep. Kevin Corbin's wife Franklin NC
Amanda Donovan	KTS
Tonya Horton	TSS
Greg Lademann	Rep. Hall
Nate Thye	Rep. Boles
Jay Stem	MCAA



## VISITOR REGISTRATION SHEET

House Comm. on Transportation

Name of Committee

04/24/17

Date \_\_\_\_\_

VISITORS: PLEASE SIGN IN BELOW AND RETURN TO COMMITTEE CLERK

NAME \_\_\_\_\_

FIRM OR AGENCY AND ADDRESS

Ken Melton

K. M. A.

Резанец

PLA





## VISITOR REGISTRATION SHEET

House Comm. on Transportation

04/24/17

Name of Committee

Date

VISITORS: PLEASE SIGN IN BELOW AND RETURN TO COMMITTEE CLERK

NAME

FIRM OR AGENCY AND ADDRESS

Harry Ford	MWC
Jamie Lassiter	Conf of Clerks
John McAllister	ME + S
LT McGinnis	DHHS
Mia D. Bailey	Charter Comm.
Susan Vile	Duke E
Betsy Bailey	CAGC
David Crawford	AIA NO
Elizabeth Biser	Brooks Pierce



## VISITOR REGISTRATION SHEET

House Comm. on Transportation

04/24/17

Name of Committee

Date

VISITORS: PLEASE SIGN IN BELOW AND RETURN TO COMMITTEE CLERK

NAME

FIRM OR AGENCY AND ADDRESS

2 Jun	LPA's RANC - NCMA
M. Benson	RANC
Sub	SA
Ruby Brandon	NC DPS
K. W. Lee	NC DPS
Christina Cress	NCBFS
Catherine E Lee	NCBFS
Henry M Lancaster	LCA
Sarah Wolfe	MWC
Phoebe Landon	MWC
Sillian Torman	MWelle



## VISITOR REGISTRATION SHEET

House Comm. on Transportation

04/24/17

Name of Committee

Date

VISITORS: PLEASE SIGN IN BELOW AND RETURN TO COMMITTEE CLERK

NAME

FIRM OR AGENCY AND ADDRESS

CHARLIE BOONE

CPA/ABATE OF NC

KEVIN LACY

NCDOT

Joy Hill

NCDOT

Chris Ayers

PSNCHC

Dianne Downey

PSNCHC

Robert Sparks

Daily Bulletin

Sherry Lee

NC DMV/ DOT

Hope Morgan

NC PMV/ DOT

Rodney Cleam

NCDMV/ DOT

Donna Beebe

NCDMV/ DOT

Robert Sawyer

NC DMV/ DOT





**House Committee on Transportation  
Tuesday, April 25, 2017 at 11:00 AM  
Room 643 of the Legislative Office Building**

**MINUTES**

The House Committee on Transportation met at 11:00 AM on April 25, 2017 in Room 643 of the Legislative Office Building. Representatives Adams, Arp, Beasley, Belk, Bumgardner, Carney, Cleveland, Corbin, Ford, Fraley, Goodman, C. Graham, Grange, Hastings, Hunter, Iler, McNeill, R. Moore, Presnell, B. Richardson, Shepard, Speciale, Steinburg, Torbett, R. Turner, Willingham, and Wray attended.

Representative Iler, presided.

The following bills were considered:


**HB 653 Report/Car Accident Caused by Seizure or Coma. (Representatives Dobson, Dollar, Torbett)**

Representative Dobson was recognized to explain the bill. Chairman Iler made a motion to bring the PCS before the committee. The motion carried. After discussion, Representative Speciale was recognized for a motion favorable to the PCS, unfavorable to the original bill with a re-referral to Judiciary III. The motion carried.

**HB 710 Private Parking/Immobilization Device. (Representatives Jordan, Setzer)**

Representative Jordan was recognized to explain the bill. Representative Iler made a motion to bring the PCS before the committee. The motion carried. Rose Vaughn Williams with the NC League of Municipalities was recognized to answer questions from the committee. After discussion, Representative Torbett was recognized for a motion to give the PCS a favorable report, unfavorable to the original bill with a re-referral to Judiciary III. The motion carried.

The meeting adjourned at 11:45.

  
\_\_\_\_\_  
Iler  
Presiding

  
\_\_\_\_\_  
Carla Langdon, Committee Clerk



**NORTH CAROLINA GENERAL ASSEMBLY  
HOUSE OF REPRESENTATIVES**

**TRANSPORTATION COMMITTEE REPORT**

**Representative Kelly E. Hastings, Co-Chair**

**Representative Frank Iler, Co-Chair**

**Representative Phil Shepard, Co-Chair**

**Representative John A. Torbett, Co-Chair**

**FAVORABLE COM SUB , UNFAVORABLE ORIGINAL BILL AND RE-REFERRED**

**HB 653**

Report/Car Accident Caused by Seizure or Coma.

Draft Number: H653-PCS40547-SU-20

**Serial Referral:** **JUDICIARY III**

Recommended Referral: None

Long Title Amended: Yes

Floor Manager: Dobson

**HB 710**

Private Parking/Immobilization Device.

Draft Number: H710-PCS30402-BG-18

**Serial Referral:** **JUDICIARY III**

Recommended Referral: None

Long Title Amended: No

Floor Manager: Jordan

**TOTAL REPORTED: 2**



\* C M R 3 3 6 - V - 1 \*



Corrected #1: Remove HB 863

**NORTH CAROLINA HOUSE OF REPRESENTATIVES  
COMMITTEE MEETING NOTICE  
AND  
BILL SPONSOR NOTIFICATION  
2017-2018 SESSION**

You are hereby notified that the **House Committee on Transportation** will meet as follows:

**DAY & DATE:** Tuesday, April 25, 2017

**TIME:** 11:00 AM

**LOCATION:** 643 LOB

The following bills will be considered:

<b>BILL NO.</b>	<b>SHORT TITLE</b>	<b>SPONSOR</b>
<u>HB 653</u>	Report/Car Accident Caused by Seizure or Coma.	Representative Dobson Representative Dollar Representative Torbett
<u>HB 710</u>	Private Parking/Immobilization Device.	Representative Jordan Representative Setzer

Respectfully,

Representative Kelly E. Hastings, Co-Chair  
Representative Frank Iler, Co-Chair  
Representative Phil Shepard, Co-Chair  
Representative John A. Torbett, Co-Chair

I hereby certify this notice was filed by the committee assistant at the following offices at 9:35 AM on Tuesday, April 25, 2017.

\_\_\_\_ Principal Clerk  
\_\_\_\_ Reading Clerk – House Chamber

Carla Langdon (Committee Assistant)





**House Committee on Transportation  
Tuesday, April 25, 2017, 11:00 AM  
643 Legislative Office Building**

**AGENDA**

**Welcome and Opening Remarks**

**Introduction of Pages**

**Bills**

<b>BILL NO.</b>	<b>SHORT TITLE</b>	<b>SPONSOR</b>
HB 653	Report/Car Accident Caused by Seizure or Coma.	Representative Dobson Representative Dollar Representative Torbett
HB 710	Private Parking/Immobilization Device.	Representative Jordan Representative Setzer

**Adjournment**

⋮

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⋮

GENERAL ASSEMBLY OF NORTH CAROLINA  
SESSION 2017

H

1

HOUSE BILL 653

Short Title: Report/Car Accident Caused by Seizure or Coma. (Public)

Sponsors: Representatives Dobson, Dollar, and Torbett (Primary Sponsors).  
*For a complete list of sponsors, refer to the North Carolina General Assembly web site.*

Referred to: Transportation, if favorable, Judiciary III

April 11, 2017

A BILL TO BE ENTITLED  
AN ACT TO REQUIRE ACCIDENT REPORTS TO INCLUDE INFORMATION AS TO  
WHETHER AN ACCIDENT WAS CAUSED BY A DRIVER SUFFERING AN  
EPILEPTIC SEIZURE OR DIABETIC COMA AND TO REQUIRE THE DIVISION OF  
MOTOR VEHICLES TO EVALUATE WHETHER THE DRIVER CAN SAFELY  
OPERATE A MOTOR VEHICLE AFTER RECEIVING THE REPORT.

The General Assembly of North Carolina enacts:

SECTION 1. G.S. 20-166.1 reads as rewritten:

"§ 20-166.1. Reports and investigations required in event of accident.

...

(h) Forms. – The Division shall provide forms or procedures for submitting crash data to persons required to make reports under this section and the reports shall be made in a format approved by the Commissioner. The following information shall be included about a reportable crash:

- (1) The cause of the crash. If a person submitting a report required under this section knows that a crash was caused as the result of a driver suffering a seizure or diabetic coma, the person shall specifically set forth this information, including the name of the driver in the report.
- (2) The conditions existing at the time of the crash.
- (3) The persons and vehicles involved, except that the name and address of a minor child involved in a school bus crash who is a passenger on a school bus may only be disclosed to (i) the local board of education, (ii) the State Board of Education, (iii) the parent or guardian of the child, (iv) an insurance company investigating a claim arising out of the crash, (v) an attorney representing a person involved in the crash, and (vi) law enforcement officials investigating the crash. As used in this subdivision, school bus also includes a school activity bus as defined by G.S. 20-4.01(27).
- (4) Whether the vehicle has been seized and is subject to forfeiture under G.S. 20-28.2.

(i) Effect of Report. – A report of an accident made under this section by a person who is not a law enforcement officer is without prejudice, is for the use of the Division, and shall not be used in any manner as evidence, or for any other purpose in any trial, civil or criminal, arising out of the accident. Any other report of an accident made under this section may be used in any manner as evidence, or for any other purpose, in any trial, civil or criminal, as permitted



\* H 6 5 3 - V - 1 \*

1 under the rules of evidence. At the demand of a court, the Division must give the court a  
2 properly executed certificate stating that a particular accident report has or has not been filed  
3 with the Division solely to prove a compliance with this section.

4 (i1) Effect of Report Involving Medical Condition. – If a report of an accident under this  
5 section includes information in accordance with subdivision (1) of subsection (h) of this section  
6 that an accident was the result of a driver suffering a seizure or diabetic coma, the Division  
7 shall (i) evaluate whether the medical condition affects the driver's ability to safely operate a  
8 motor vehicle and (ii) suspend the drivers license of the driver pending completion of the  
9 evaluation. If the Division determines that the medical condition does not affect the driver's  
10 ability to safely operate a motor vehicle, the Division shall restore the drivers license of the  
11 driver at no cost to the driver. If the Division determines that the medical condition does affect  
12 the driver's ability to safely operate a motor vehicle, the Division shall cancel the drivers  
13 license of the driver in accordance with G.S. 20-15(a)(4). Upon cancellation, the driver may  
14 appeal the decision of the Division or seek issuance of a new restricted or unrestricted driver's  
15 license, in accordance with the process set forth in G.S. 20-9(g).

16 (i2) Public Record. – The reports made under this section by persons who are not law  
17 enforcement officers or medical examiners are not public records. The reports made under this  
18 section by law enforcement officers and medical examiners are public records and are open to  
19 inspection by the general public at all reasonable times. The Division must give a certified copy  
20 of one of these reports to a member of the general public who requests a copy and pays the fee  
21 set in G.S. 20-42.

22 ...."

23 **SECTION 2.** This act becomes effective October 1, 2017, and applies to accidents  
24 occurring on or after that date.



GENERAL ASSEMBLY OF NORTH CAROLINA  
SESSION 2017

H

D

HOUSE BILL 653  
PROPOSED COMMITTEE SUBSTITUTE H653-CSSU-20 [v.1]

04/24/2017 8:13:13 PM

Short Title: Report/Car Accident Caused by Seizure or Coma.

(Public)

Sponsors:

Referred to:

April 11, 2017

A BILL TO BE ENTITLED  
AN ACT TO REQUIRE ACCIDENT REPORTS TO INCLUDE INFORMATION AS TO  
WHETHER AN ACCIDENT WAS CAUSED BY A DRIVER SUFFERING AN  
EPILEPTIC SEIZURE OR A HYPOGLYCEMIC INCIDENT AND TO REQUIRE THE  
DIVISION OF MOTOR VEHICLES TO EVALUATE WHETHER THE DRIVER CAN  
SAFELY OPERATE A MOTOR VEHICLE AFTER RECEIVING THE REPORT.

The General Assembly of North Carolina enacts:

SECTION 1. G.S. 20-166.1 reads as rewritten:

"§ 20-166.1. Reports and investigations required in event of accident.

...

(h) Forms. – The Division shall provide forms or procedures for submitting crash data to persons required to make reports under this section and the reports shall be made in a format approved by the Commissioner. The following information shall be included about a reportable crash:

- (1) The cause of the crash. If a person submitting a report required under this section knows that a crash was caused as the result of a driver suffering a seizure or a hypoglycemic incident, the person shall specifically set forth this information, including the name of the driver in the report.
- (2) The conditions existing at the time of the crash.
- (3) The persons and vehicles involved, except that the name and address of a minor child involved in a school bus crash who is a passenger on a school bus may only be disclosed to (i) the local board of education, (ii) the State Board of Education, (iii) the parent or guardian of the child, (iv) an insurance company investigating a claim arising out of the crash, (v) an attorney representing a person involved in the crash, and (vi) law enforcement officials investigating the crash. As used in this subdivision, school bus also includes a school activity bus as defined by G.S. 20-4.01(27).
- (4) Whether the vehicle has been seized and is subject to forfeiture under G.S. 20-28.2.

(i) Effect of Report. – A report of an accident made under this section by a person who is not a law enforcement officer is without prejudice, is for the use of the Division, and shall not be used in any manner as evidence, or for any other purpose in any trial, civil or criminal, arising out of the accident. Any other report of an accident made under this section may be used in any manner as evidence, or for any other purpose, in any trial, civil or criminal, as permitted under the rules of evidence. At the demand of a court, the Division must give the court a





1 properly executed certificate stating that a particular accident report has or has not been filed  
2 with the Division solely to prove a compliance with this section.

3 (i1) Effect of Report Involving Medical Condition. – If a report of an accident under this  
4 section includes information in accordance with subdivision (1) of subsection (h) of this section  
5 that an accident was the result of a driver suffering a seizure or a hypoglycemic incident, the  
6 Division shall evaluate whether the medical condition affects the driver's ability to safely  
7 operate a motor vehicle. If the Division determines that the medical condition affects the  
8 drivers ability to safely operate a motor vehicle, the Division shall cancel the drivers license of  
9 the driver in accordance with G.S. 20-15(a)(4). Upon cancellation, the driver may appeal the  
10 decision of the Division or seek issuance of a new restricted or unrestricted driver's license, in  
11 accordance with the process set forth in G.S. 20-9(g).

12 (i2) Public Record. – The reports made under this section by persons who are not law  
13 enforcement officers or medical examiners are not public records. The reports made under this  
14 section by law enforcement officers and medical examiners are public records and are open to  
15 inspection by the general public at all reasonable times. The Division must give a certified copy  
16 of one of these reports to a member of the general public who requests a copy and pays the fee  
17 set in G.S. 20-42.

18 ...."

19 **SECTION 2.** This act becomes effective October 1, 2017, and applies to accidents  
20 occurring on or after that date.



# HOUSE BILL 653: Report/Car Accident Caused by Seizure or Coma.

2017-2018 General Assembly

<b>Committee:</b>	House Transportation. If favorable, re-refer to Judiciary III	<b>Date:</b>	April 25, 2017
<b>Introduced by:</b>	Reps. Dobson, Dollar, Torbett	<b>Prepared by:</b>	Wendy Ray
<b>Analysis of:</b>	PCS to First Edition H653-CSSU-20		Staff Attorney

**OVERVIEW:** *The Proposed Committee Substitute for House Bill 653 would make the following changes to the law regarding motor vehicle accident reports:*

- *If the accident was the result of a driver suffering a seizure or hypoglycemic incident, that information would have to be included in the report.*
- *If the Division receives a report that an accident was caused by a driver suffering a seizure or hypoglycemic incident, the Division would be required to conduct a medical evaluation of the driver.*
- *If the medical evaluation triggered by the report results in a determination that the medical condition affects the driver's ability to safely operate a motor vehicle, the Division would be required to cancel the driver's license.*

**CURRENT LAW:** G.S. 20-166.1 requires law enforcement to investigate reportable accidents and make a written report to be forwarded to the Division of Motor Vehicles.

**BILL ANALYSIS:** The PCS for House Bill 653 would require that, if a reportable accident was caused by a driver as a result of the driver suffering a seizure or a hypoglycemic incident, that information must be included in the report. Upon receiving the report, the Division would be required to evaluate whether the medical condition affects the driver's ability to safely operate a vehicle. If the Division determines that it does affect the driver's ability to safely operate a vehicle, the Division would be required to cancel the driver's license. If the license is cancelled, the driver would be able to appeal the decision or seek issuance of a new restricted or unrestricted license.

**EFFECTIVE DATE:** The act would become effective October 1, 2017, and would apply to accidents occurring on or after that date.

Karen Cochrane-Brown  
Director



Legislative Analysis  
Division  
919-733-2578

bill analysis was prepared by the nonpartisan legislative staff for the use of legislators in their deliberations and does not constitute an official statement of legislative intent.



GENERAL ASSEMBLY OF NORTH CAROLINA  
SESSION 2017

H

1

HOUSE BILL 710\*

Short Title: Private Parking/Immobilization Device.

(Public)

Sponsors: Representatives Jordan and Setzer (Primary Sponsors).

*For a complete list of sponsors, refer to the North Carolina General Assembly web site.*

Referred to: Transportation, if favorable, Judiciary III

April 11, 2017

A BILL TO BE ENTITLED  
AN ACT TO AUTHORIZE THE USE OF IMMOBILIZATION DEVICES ON VEHICLES  
UNLAWFULLY PARKED IN PRIVATELY OWNED OR LEASED PARKING LOTS  
OR SPACES.

The General Assembly of North Carolina enacts:

**SECTION 1.** Article 7 of Chapter 20 of the General Statutes is amended by adding a new section to read:

**"§ 20-219.5. Immobilization of unauthorized vehicles in private lots.**

(a) Definitions. – The following definitions apply in this section:

(1) Immobilization company. – A person or company engaged in the business of attaching immobilization devices to vehicles.

(2) Immobilization device. – A device attached to the wheel or wheels of a vehicle for the purpose of preventing the vehicle from being moved from a parking space or lot until the device is removed by the immobilization company that attached the device to the vehicle. This term includes wheel locks, wheel clamps, and wheel boots.

(b) Unlawful Parking. – It shall be unlawful for any person other than the owner or lessee of a privately owned or leased parking space to park any vehicle in the private parking space without the express permission of the owner or lessee of the space if the private parking lot is clearly designated as private by a sign no smaller than 24 inches by 24 inches prominently displayed at all entrances to the parking lot, displaying the current name and current phone number of the immobilization company, and, if individually owned or leased, the parking lot or spaces within the lot are clearly marked by signs setting forth the name of each individual lessee or owner.

(c) Immobilization Authority. – A vehicle parked in a privately owned parking space in violation of subsection (b) of this section may be immobilized in the space upon the written request of the parking space owner or lessee and the registered owner of the vehicle shall become liable for removal of the immobilization device. Except as otherwise provided in this subsection, any person who attaches a mobilization device pursuant to this section shall not be liable for damages for the installation, removal, or installation and removal, of the immobilization device to the owner, lienholder, or other person legally entitled to the possession of the vehicle immobilized. Any person who intentionally or negligently damages a vehicle while installing or removing the immobilization device may be liable for damages.





1     (d) Tampering or Removal. – It shall be unlawful for any person other than the  
2     immobilization company that attached the immobilization device to remove or otherwise  
3     tamper with an immobilization device attached to a vehicle in accordance with this section.

4     (e) Penalties. – The following penalties apply to violations of this section:

5         (1) Except as provided in subdivision (2) of this subsection, a person who  
6         commits a violation of subsection (b) or (d) of this section is guilty of an  
7         infraction punishable by a fine of not more than one hundred dollars  
8         (\$100.00).

9         (2) A person who violates subsection (d) of this section and causes damage to  
10        the immobilization device to the extent that the device is unusable for its  
11        primary purpose, or otherwise prevents the immobilization company from  
12        further using the device, is guilty of a Class 1 misdemeanor.

13     (f) Local Ordinance. – Notwithstanding any other provision of law, no local  
14     government may pass an ordinance regulating the immobilization of vehicles unlawfully  
15     parked in privately owned or leased parking spaces or lots."

16         **SECTION 2.** This act becomes effective July 1, 2017.

GENERAL ASSEMBLY OF NORTH CAROLINA

SESSION 2017

H

D

HOUSE BILL 710

PROPOSED COMMITTEE SUBSTITUTE H710-CSBG-18 [v.1]

04/21/2017 10:14:45 AM

Short Title: Private Parking/Immobilization Device.

(Public)

Sponsors:

Referred to:

April 11, 2017

1 A BILL TO BE ENTITLED  
2 AN ACT TO AUTHORIZE THE USE OF IMMOBILIZATION DEVICES ON VEHICLES  
3 UNLAWFULLY PARKED IN PRIVATELY OWNED OR LEASED PARKING LOTS  
4 OR SPACES.

5 The General Assembly of North Carolina enacts:

6 **SECTION 1.** Article 7 of Chapter 20 of the General Statutes is amended by adding  
7 a new section to read:

8 **"§ 20-219.5. Immobilization of unauthorized vehicles in private lots.**

9 (a) Definitions. – The following definitions apply in this section:

10 (1) Immobilization company. – A person or company engaged in the business of  
11 attaching immobilization devices to vehicles.

12 (2) Immobilization device. – A device attached to the wheel or wheels of a  
13 vehicle for the purpose of preventing the vehicle from being moved from a  
14 parking space or lot until the device is removed by the immobilization  
15 company that attached the device to the vehicle. This term includes wheel  
16 locks, wheel clamps, and wheel boots.

17 (b) Unlawful Parking. – It shall be unlawful for any person other than the owner or  
18 lessee of a privately owned or leased parking space to park any vehicle in the private parking  
19 space without the express permission of the owner or lessee of the space if the private parking  
20 lot is clearly designated as private by a sign no smaller than 24 inches by 24 inches prominently  
21 displayed at all entrances to the parking lot, displaying the current name and current phone  
22 number of the immobilization company, and, if individually owned or leased, the parking lot or  
23 spaces within the lot are clearly marked by signs setting forth the name of each individual  
24 lessee or owner.

25 (c) Immobilization Authority. – A vehicle parked in a privately owned parking space in  
26 violation of subsection (b) of this section may be immobilized in the space upon the written  
27 request of the parking space owner or lessee and the registered owner of the vehicle shall  
28 become liable for removal of the immobilization device. Except as otherwise provided in this  
29 subsection, any person who attaches a mobilization device pursuant to this section shall not be  
30 liable for damages for the installation, removal, or installation and removal, of the  
31 immobilization device to the owner, lienholder, or other person legally entitled to the  
32 possession of the vehicle immobilized. Any person who intentionally or negligently damages a  
33 vehicle while installing or removing the immobilization device may be liable for damages.

34 (d) Tampering or Removal. – It shall be unlawful for any person other than the  
35 immobilization company that attached the immobilization device to remove or otherwise  
36 tamper with an immobilization device attached to a vehicle in accordance with this section.



\* H 7 1 0 - C S B G - 1 8 \*



1       (e) Penalties. – The following penalties apply to violations of this section:

2           (1) Except as provided in subdivision (2) of this subsection, a person who  
3               commits a violation of subsection (b) or (d) of this section is guilty of an  
4               infraction punishable by a fine of not more than one hundred dollars  
5               (\$100.00).

6           (2) A person who violates subsection (d) of this section and causes damage to  
7               the immobilization device to the extent that the device is unusable for its  
8               primary purpose, or otherwise prevents the immobilization company from  
9               further using the device, is guilty of a Class 1 misdemeanor.

10       (f) Local Ordinance. – Notwithstanding any other provision of law, no local  
11       government may pass an ordinance regulating the immobilization of vehicles unlawfully  
12       parked in privately owned or leased parking spaces or lots."

13           **SECTION 2.** This act becomes effective December 1, 2017, and applies to  
14       offenses committed on or after that date.



# HOUSE BILL 710: Private Parking/Immobilization Device.

2017-2018 General Assembly

<b>Committee:</b>	House Transportation. If favorable, re-refer to Judiciary III	<b>Date:</b>	April 25, 2017
<b>Introduced by:</b>	Reps. Jordan, Setzer	<b>Prepared by:</b>	Howard Marsilio
<b>Analysis of:</b>	PCS to First Edition H710-CSBG-18		Committee Counsel

**OVERVIEW:** *The Proposed Committee Substitute (PCS) for House Bill 710 would authorize immobilization companies to use immobilization devices on vehicles unlawfully parked in a privately owned or leased parking space, and would create criminal offenses for unlawful parking and tampering or removing immobilization devices.*

*The PCS changes the effective date to December 1, 2017.*

## CURRENT LAW:

G.S. 14-401.9 makes it unlawful for any person other than the owner or lessee of a privately owned or leased parking space to park in that space without express permission of the owner or lessee. The private parking lot or leased space must be clearly posted with signs displaying the name of the lessee or owner as required by this section (Class 3 misdemeanor with a fine not to exceed \$10.00).

G.S. 20-219.2 makes it unlawful for any person other than the owner or lessee of a privately owned or leased parking space to park in that space without express permission of the owner or lessee. This section further authorizes and sets forth the requirements, and restrictions, for the towing of unlawfully parked vehicles pursuant to this section. The private parking lot or leased space must be clearly posted with signs displaying the name of the lessee or owner, and displaying the name and phone number of the towing and storage company. (Infraction with a fine of \$150.00). This section only applies to the listed counties and municipalities in subsection (c) of this section.

There are no laws specifically related to immobilization device usage on unlawfully parked vehicles in privately owned or leased parking spaces.

## BILL ANALYSIS:

This bill would create a new section, G.S. 20-219.5, Removal of unauthorized vehicles from private lots, which would:

- Define the terms "immobilization company" and "immobilization device";
- Make it unlawful to park in a privately owned or leased parking space without consent if clearly posted with a signs displaying the name of the lessee or owner, and displaying the name and phone number of the immobilization company;
- Authorize an "immobilization company" to use an "immobilization device" upon the written request of the parking space owner or lessee, on a vehicle unlawfully parked pursuant to this section;

Karen Cochrane-Brown  
Director



Legislative Analysis  
Division  
919-733-2578

Bill analysis was prepared by the nonpartisan legislative staff for the use of legislators in their deliberations and does not constitute an official statement of legislative intent.

# House PCS 710

Page 2

- Require the registered owner to have the immobilization device removed from the vehicle;
- Shield the "immobilization company" from liability for damages related to the installation or removal of the device;
- Clarify that a person intentionally or negligently damaging a "immobilization device" may be liable for damages;
- Create an infraction for:
  - Unlawfully parking pursuant to subsection (b) of this section (with a fine not to exceed \$100.00); and
  - Tampering or removing an immobilization device attached to a vehicle pursuant to subsection (d) of this section (with a fine not to exceed \$100.00).
- Create a Class 1 misdemeanor for tampering or removing an immobilization device attached to a vehicle to the extent that the device is unusable for its primary purpose or otherwise prevents the company from further using the device;
- Prohibit a local government from passing any law or ordinance regulating the immobilization of vehicles parked in a privately owned or leased parking space or lot.

**EFFECTIVE DATE:** This act would become effective December 1, 2017 and would apply to offenses committed on or after that date.

# VISITOR REGISTRATION SHEET

Transporatation

4/25/2017

Name of Committee

Date

**VISITORS: PLEASE SIGN IN BELOW AND RETURN TO COMMITTEE CLERK**

NAME

FIRM OR AGENCY AND ADDRESS

Rhaegen Jackson	Focus Carolina
Tim Minin	NCLBA
Emma Shelby	Policy Group
Brian Huffer	SOG
Michael Houser	THC6
Phoebe Landon	HWC
Katy Kiyosaki	JP
Chris Wall	PG
John Morrow	Policy Group
Julie Robinson	Robinson Consulting Group
Nathan Boland	PPAB
Rose Williams	NCLM



# VISITOR REGISTRATION SHEET

Transportation

4/25/2017

Name of Committee

Date

**VISITORS: PLEASE SIGN IN BELOW AND RETURN TO COMMITTEE CLERK**

NAME

FIRM OR AGENCY AND ADDRESS

Matt S. ...	PARC
Jimmy	HPA's. RANK & NCMA
John West	NCI CH
Sue Ann Forrest	NCMS
Matthew Herr	DRNC
Brian Mldmont	NCSEA
Marge Foreman	NUAE
Joy Hirsch	NC DOT
Hope Maynard	NC DMV
Jonathan Pinger	NC DMV





**House Committee on Transportation  
Tuesday, June 20, 2017 at 11:00 AM  
Room 643 of the Legislative Office Building**

**MINUTES**

The House Committee on Transportation met at 11:00 AM on June 20, 2017 in Room 643 of the Legislative Office Building. Representatives Adams, Alexander, Beasley, Belk, Blackwell, Bumgardner, Carney, Cleveland, Corbin, Ford, Fraley, Goodman, C. Graham, Grange, Duane Hall, Hastings, Hunter, Iler, McGrady, McNeill, R. Moore, Presnell, B. Richardson, W. Richardson, Shepard, Speciale, Stone, Strickland, Torbett, R. Turner, Willingham, and Wray attended.

Representative Kelly E. Hastings, Chair, presided.

The following bills were considered:

**SB 413 Clarify Motor Vehicle Dealer Laws. (Senator B. Jackson)**

Sen. Brent Jackson was recognized to speak to the bill. Rep. Rodney Moore moved for a favorable report to the PCS, unfavorable to the original, and the motion carried.

**SB 3 DOT/DMV Changes. (Senators Rabon, Harrington)**

Sen. Davis was recognized to speak to the bill. Rep. Shepard submitted an amendment to the bill. Reps. Moore and Bobbie Richardson asked questions to the amendment sponsor. Rep. Stone moved to adopt the amendment, and the motion carried. Rep. Cleveland submitted an amendment, and Rep. Torbett asked a question. The amendment was adopted. Rep. Cleveland submitted a second amendment, responded to a question by Rep. Bobbie Richardson, and the amendment was adopted. Rep. Bumgardner moved for a favorable report to the PCS as amended, unfavorable to the original, and the motion carried.

**SB 391 Ferry Transportation Authority. (Senator Rabon)**

Rep. Iler spoke to the bill. Charles Paul, owner of a ferry, barge, and parking system was recognized for a public comment. Rep. Cleveland asked a question to which Mr. Paul responded. Rep. Torbett asked a question. Rep. Iler moved for a favorable report with a serial referral to Finance, and the motion carried.

**SB 182 Prohibit Use of Light Bars on Motor Vehicles. (Senator McInnis)**

Sen. McInnis was recognized to speak to the bill. Rep. Shepard proposed an amendment, which was adopted. Reps. Speciale, Graham asked questions to the bill sponsor. Rep. Goodman moved for a favorable report, with the amendment rolled into a PCS, and the motion carried.

**SB 510 Surplus Equipment Auctions. (Senators Meredith, Tucker)**



Sen. Meredith was recognized to speak to the bill. Rep. Cleveland distributed a handout to the committee regarding analysis of the present bill. Reps. Moore, Cleveland, Speciale asked questions. Robert Riddle, Director of Equipment Surplus for the Department of Administration, was recognized to respond to questions. Mark Rogers, member of the auction industry, was recognized for public comment. Reps. Bobbie Richardson, Hall, Moore, William Richardson, Presnell, Shepard, Stone, and Carney were recognized for questions. Sen. McInnis was recognized to speak to the bill. Rep. Stone moved for a favorable report with a serial referral to State and Local Government II, and the motion carried.

**SB 160 Handicap Parking Privilege Certification. (Senators Brock, Meredith, Hise)**

Sen. Brock spoke to the bill, and Rep. Bumgardner moved for a favorable report to the PCS, unfavorable to the original, and the motion carried.

The meeting adjourned at 11:56 AM.



Representative Kelly E. Hastings, Chair  
Presiding



James Jenkins, Committee Clerk



Corrected #1: Added SB 413

**NORTH CAROLINA HOUSE OF REPRESENTATIVES  
COMMITTEE MEETING NOTICE  
AND  
BILL SPONSOR NOTIFICATION  
2017-2018 SESSION**

You are hereby notified that the **House Committee on Transportation** will meet as follows:

**DAY & DATE:** Tuesday, June 20, 2017  
**TIME:** 11:00 AM  
**LOCATION:** 643 LOB  
**COMMENTS:** Chairman Hastings presiding.

The following bills will be considered:

<b>BILL NO.</b>	<b>SHORT TITLE</b>	<b>SPONSOR</b>
<u>SB 3</u>	DOT/DMV Changes.	Senator Rabon Senator Harrington
<u>SB 391</u>	Ferry Transportation Authority.	Senator Rabon
<u>SB 182</u>	Prohibit Use of Light Bars on Motor Vehicles.	Senator McInnis
<u>SB 510</u>	Surplus Equipment Auctions.	Senator Meredith Senator Tucker
<u>SB 160</u>	Handicap Parking Privilege Certification.	Senator Brock Senator Meredith Senator Hise
<u>SB 413</u>	Clarify Motor Vehicle Dealer Laws.	Senator B. Jackson





Respectfully,

Representative Kelly E. Hastings, Co-Chair  
Representative Frank Iler, Co-Chair  
Representative Phil Shepard, Co-Chair  
Representative John A. Torbett, Co-Chair

I hereby certify this notice was filed by the committee assistant at the following offices at 12:33 PM on Monday, June 26, 2017.

\_\_\_ Principal Clerk  
\_\_\_ Reading Clerk – House Chamber

James Jenkins (Committee Assistant)



**House Committee on Transportation  
Tuesday, June 20, 2017, 11:00 AM  
643 Legislative Office Building**

**AGENDA**

**Welcome and Opening Remarks**

**Introduction of Pages**

**Bills**

<b>BILL NO.</b>	<b>SHORT TITLE</b>	<b>SPONSOR</b>
SB 3	DOT/DMV Changes. *PCS	Senator Rabon Senator Harrington
SB 391	Ferry Transportation Authority. *referral to Finance	Senator Rabon
SB 182	Prohibit Use of Light Bars on Motor Vehicles.	Senator McInnis
SB 510	Surplus Equipment Auctions. *referral to State and Local Gov. II	Senator Meredith Senator Tucker
SB 160	Handicap Parking Privilege Certification. *PCS	Senator Brock Senator Meredith Senator Hise
SB 413	Clarify Motor Vehicle Dealer Laws. *PCS	Senator B. Jackson

**Adjournment**



**NORTH CAROLINA GENERAL ASSEMBLY  
HOUSE OF REPRESENTATIVES**

**TRANSPORTATION COMMITTEE REPORT**

**Representative Kelly E. Hastings, Co-Chair**

**Representative Frank Iler, Co-Chair**

**Representative Phil Shepard, Co-Chair**

**Representative John A. Torbett, Co-Chair**

**FAVORABLE AND RE-REFERRED**

SB 391 (CS#2)

Ferry Transportation Authority.

Draft Number: None

**Serial Referral:** FINANCE

Recommended Referral: None

Long Title Amended: No

Floor Manager: Iler

TOTAL REPORTED: 1



\* C M R 5 3 7 - V - 1 \*





**NORTH CAROLINA GENERAL ASSEMBLY  
HOUSE OF REPRESENTATIVES**

**TRANSPORTATION COMMITTEE REPORT**

**Representative Kelly E. Hastings, Co-Chair**

**Representative Frank Iler, Co-Chair**

**Representative Phil Shepard, Co-Chair**

**Representative John A. Torbett, Co-Chair**

**FAVORABLE AND RE-REFERRED**

SB 510 Surplus Equipment Auctions.  
Draft Number: None  
Serial Referral: STATE AND LOCAL  
GOVERNMENT II  
Recommended Referral: None  
Long Title Amended: No  
Floor Manager: Shepard

**FAVORABLE HOUSE COM SUB, UNFAVORABLE ORIGINAL BILL**

SB 160 Handicap Parking Privilege Certification.  
Draft Number: S160-PCS45453-SU-32  
Serial Referral: None  
Recommended Referral: None  
Long Title Amended: Yes  
Floor Manager: Dobson

SB 182 Prohibit Use of Light Bars on Motor Vehicles.  
Draft Number: S182-PCS45452-BG-26  
Serial Referral: None  
Recommended Referral: None  
Long Title Amended: No  
Floor Manager: To be determined *Shepard*

**FAVORABLE HOUSE COM SUB, UNFAVORABLE SENATE COM SUB**

SB 413 (CS#1) Clarify Motor Vehicle Dealer Laws.  
Draft Number: S413-PCS15222-SU-30  
Serial Referral: None  
Recommended Referral: None  
Long Title Amended: No  
Floor Manager: To be determined



★ C M R 5 4 8 - V - 1 ★



FAVORABLE HOUSE COM SUB, UNFAVORABLE SENATE COM SUB NO. 2

SB 3 (CS#2)

DOT/DMV Changes.

Draft Number: S3-PCS45455-RW-28

Serial Referral: None

Recommended Referral: None

Long Title Amended: No

Floor Manager: To be determined *Shepard*

TOTAL REPORTED: 5



\* C M R 5 4 8 - V - 1 \*



GENERAL ASSEMBLY OF NORTH CAROLINA  
SESSION 2017

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SENATE BILL 413  
Commerce and Insurance Committee Substitute Adopted 4/20/17  
PROPOSED HOUSE COMMITTEE SUBSTITUTE S413-CSSU-30 [v.7]  
06/19/2017 08:36:32 PM

Short Title: Clarify Motor Vehicle Dealer Laws.

(Public)

Sponsors:

Referred to:

March 29, 2017

1 A BILL TO BE ENTITLED  
2 AN ACT TO CLARIFY MOTOR VEHICLE DEALERS AND MANUFACTURERS  
3 LICENSING LAWS.

4 The General Assembly of North Carolina enacts:

5 **SECTION 1.** G.S. 20-288(a1)(2) reads as rewritten:

6 "(2) Proof that the applicant, within the last 12 months, has completed a 12-hour  
7 licensing course approved by the Division if the applicant is seeking an  
8 initial license and a six-hour course approved by the Division if the applicant  
9 is seeking a renewal license. The requirements of this subdivision do not  
10 apply to a used motor vehicle dealer the primary business of which is the  
11 sale of salvage vehicles on behalf of insurers or to a manufactured home  
12 dealer licensed under G.S. 143-143.11 who complies with the continuing  
13 education requirements of G.S. 143-143.11B. The requirement of this  
14 subdivision does not apply to persons age 62 or older as of July 1, 2002, who  
15 are seeking a renewal license. This subdivision also does not apply to an  
16 applicant who holds a license as a new motor vehicle dealer as defined in  
17 G.S. 20-286(13) and operates from an established showroom ~~20 miles or less~~  
18 ~~from~~ located in an area within a radius of 30 miles around the location of the  
19 established showroom for which the applicant seeks a used motor vehicle  
20 dealer license. An applicant who also holds a license as a new motor vehicle  
21 dealer may designate a representative to complete the licensing course  
22 required by this subdivision."

23 **SECTION 2.** G.S. 20-305(30) reads as rewritten:

24 "(30) To vary the price charged to any of its franchised new motor vehicle dealers  
25 located in this State for new motor vehicles based on the dealer's purchase of  
26 new facilities, supplies, tools, equipment, or other merchandise from the  
27 manufacturer, the dealer's relocation, remodeling, repair, or renovation of  
28 existing dealerships or construction of a new facility, the dealer's  
29 participation in training programs sponsored, endorsed, or recommended by  
30 the manufacturer, whether or not the dealer is dualled with one or more other  
31 line makes of new motor vehicles, or the dealer's sales penetration. Except as  
32 provided in this subdivision, it shall be unlawful for any manufacturer,  
33 factory branch, distributor, or distributor branch, or any field representative,  
34 officer, agent, or any representative whatsoever of any of them to vary the  
35 price charged to any of its franchised new motor vehicle dealers located in





1 this State for new motor vehicles based on the dealer's sales volume, the  
2 dealer's level of sales or customer service satisfaction, the dealer's purchase  
3 of advertising materials, signage, nondiagnostic computer hardware or  
4 software, communications devices, or furnishings, or the dealer's  
5 participation in used motor vehicle inspection or certification programs  
6 sponsored or endorsed by the manufacturer.

7 The price of the vehicle, for purposes of this subdivision shall include  
8 the manufacturer's use of rebates, credits, or other consideration that has the  
9 effect of causing a variance in the price of new motor vehicles offered to its  
10 franchised dealers located in the State.

11 Notwithstanding the foregoing, nothing in this subdivision shall be  
12 deemed to preclude a manufacturer from establishing sales contests or  
13 promotions that provide or award dealers or consumers rebates or incentives;  
14 provided, however, that the manufacturer complies with all of the following  
15 conditions:

16 a. With respect to manufacturer to consumer rebates and incentives, the  
17 manufacturer's criteria for determining eligibility shall:

- 18 1. Permit all of the manufacturer's franchised new motor vehicle  
19 dealers in this State to offer the rebate or incentive; and
- 20 2. Be uniformly applied and administered to all eligible  
21 consumers.

22 b. With respect to manufacturer to dealer rebates and incentives, the  
23 rebate or incentive program shall:

- 24 1. Be based solely on the dealer's actual or reasonably  
25 anticipated sales volume or on a uniform per vehicle sold or  
26 leased basis;
- 27 2. Be uniformly available, applied, and administered to all of the  
28 manufacturer's franchised new motor vehicle dealers in this  
29 State; and
- 30 3. Provide that any of the manufacturer's franchised new motor  
31 vehicle dealers in this State may, upon written request, obtain  
32 the method or formula used by the manufacturer in  
33 establishing the sales volumes for receiving the rebates or  
34 incentives and the specific calculations for determining the  
35 required sales volumes of the inquiring dealer and any of the  
36 manufacturer's other franchised new motor vehicle dealers  
37 located within 75 miles of the inquiring dealer.

38 Nothing contained in this subdivision shall prohibit a manufacturer from  
39 providing assistance or encouragement to a franchised dealer to remodel,  
40 renovate, recondition, or relocate the dealer's existing facilities, provided that  
41 this assistance, encouragement, or rewards are not determined on a per  
42 vehicle basis.

43 It is unlawful for any manufacturer to charge or include the cost of any  
44 program or policy prohibited under this subdivision in the price of new  
45 motor vehicles that the manufacturer sells to its franchised dealers or  
46 purchasers located in this State.

47 In the event that as of October 1, 1999, a manufacturer was operating a  
48 program that varied the price charged to its franchised dealers in this State in  
49 a manner that would violate this subdivision, or had in effect a documented  
50 policy that had been conveyed to its franchised dealers in this State and that  
51 varied the price charged to its franchised dealers in this State in a manner

1 that would violate this subdivision, it shall be lawful for that program or  
2 policy, including amendments to that program or policy that are consistent  
3 with the purpose and provisions of the existing program or policy, or a  
4 program or policy similar thereto implemented after October 1, 1999, to  
5 continue in effect as to the manufacturer's franchised dealers located in this  
6 State until June 30, ~~2018~~2022.

7 In the event that as of June 30, 2001, a manufacturer was operating a  
8 program that varied the price charged to its franchised dealers in this State in  
9 a manner that would violate this subdivision, or had in effect a documented  
10 policy that had been conveyed to its franchised dealers in this State and that  
11 varied the price charged to its franchised dealers in this State in a manner  
12 that would violate this subdivision, and the program or policy was  
13 implemented in this State subsequent to October 1, 1999, and prior to June  
14 30, 2001, and provided that the program or policy is in compliance with this  
15 subdivision as it existed as of June 30, 2001, it shall be lawful for that  
16 program or policy, including amendments to that program or policy that  
17 comply with this subdivision as it existed as of June 30, 2001, to continue in  
18 effect as to the manufacturer's franchised dealers located in this State until  
19 June 30, ~~2018~~2022.

20 Any manufacturer shall be required to pay or otherwise compensate any  
21 franchise dealer who has earned the right to receive payment or other  
22 compensation under a program in accordance with the manufacturer's  
23 program or policy.

24 The provisions of this subdivision shall not be applicable to multiple or  
25 repeated sales of new motor vehicles made by a new motor vehicle dealer to  
26 a single purchaser under a bona fide fleet sales policy of a manufacturer,  
27 factory branch, distributor, or distributor branch."

28 **SECTION 3.** G.S. 20-305.1(b) reads as rewritten:

29 "(b) Notwithstanding the terms of any franchise agreement, it is unlawful for any motor  
30 vehicle manufacturer, factory branch, distributor, or distributor branch to fail to perform any of  
31 its warranty obligations with respect to a motor vehicle, to fail to fully compensate its motor  
32 vehicle dealers licensed in this State for warranty parts ~~other than parts used to repair the living~~  
33 ~~facilities of recreational vehicles, other than parts used to repair the living facilities of~~  
34 recreational vehicles, including motor homes, travel trailers, fifth-wheel trailers, camping  
35 trailers, and truck campers as defined in G.S. 20-4.01(32b), at the prevailing retail rate  
36 according to the factors in subsection (a) of this section, or, in service in accordance with the  
37 schedule of compensation provided the dealer pursuant to subsection (a) above, or to otherwise  
38 recover all or any portion of its costs for compensating its motor vehicle dealers licensed in this  
39 State for warranty parts and service either by reduction in the amount due to the dealer, or by  
40 separate charge, surcharge, or other imposition, and to fail to indemnify and hold harmless its  
41 franchised dealers licensed in this State against any judgment for damages or settlements  
42 agreed to by the manufacturer, including, but not limited to, court costs and reasonable  
43 attorneys' fees of the motor vehicle dealer, arising out of complaints, claims or lawsuits  
44 including, but not limited to, strict liability, negligence, misrepresentation, express or implied  
45 warranty, or rescission or revocation of acceptance of the sale of a motor vehicle as defined in  
46 G.S. 25-2-608, to the extent that the judgment or settlement relates to the alleged defective  
47 negligent manufacture, assembly or design of new motor vehicles, parts or accessories or other  
48 functions by the manufacturer, factory branch, distributor or distributor branch, beyond the  
49 control of the dealer. Any audit for warranty parts or service compensation shall only be for the  
50 12-month period immediately following the date of the payment of the claim by the  
51 manufacturer, factory branch, distributor, or distributor branch. Any audit for sales incentives,



1 service incentives, rebates, or other forms of incentive compensation shall only be for the  
2 12-month period immediately following the date of the payment of the claim by the  
3 manufacturer, factory branch, distributor, or distributor branch pursuant to a sales incentives  
4 program, service incentives program, rebate program, or other form of incentive compensation  
5 program. Provided, however, these limitations shall not be effective in the case of fraudulent  
6 claims."

7 SECTION 4. G.S. 20-305.5 reads as rewritten:

8 "~~§ 20-305.5. Sections 20-305, subdivisions (4) through (28), and 20-305.1 to 20-305.4 not~~  
9 ~~applicable to certain manufacturers and dealers.~~ Recreational Vehicle  
10 Manufacturer Warranty Recall Obligations.

11 (a) ~~The provisions of G.S. 20-305(4) through G.S. 20-305(28) and 20-305.1 to 20-305.4~~  
12 ~~shall not apply to manufacturers of, or dealers in, mobile or manufactured type housing or~~  
13 ~~recreational trailers. It is unlawful for any manufacturer, factory branch, distributor, or~~  
14 ~~distributor branch that manufactures or distributes recreational vehicles to fail to fully~~  
15 ~~compensate its dealers located in this State in accordance with this section for warranty or~~  
16 ~~recall work performed by the dealers related to the living facilities of the vehicle, including all~~  
17 ~~labor and parts used to repair such living facilities and any equipment, plumbing, appliances,~~  
18 ~~and other options included by the manufacturer, factory branch, distributor, or distributor~~  
19 ~~branch in the purchase price paid by the dealer for the vehicle. For purposes of this section, the~~  
20 ~~term "recreational vehicle" includes motor homes, travel trailers, fifth-wheel trailers, camping~~  
21 ~~trailers and truck campers as defined by G.S. 4.01(32b). With respect to those portions of the~~  
22 ~~living facilities of recreational vehicles and any equipment, plumbing, appliances, and other~~  
23 ~~options that are part of such living facilities and that are included by the recreational vehicle~~  
24 ~~manufacturer, factory branch, distributor, or distributor branch in the purchase price paid by the~~  
25 ~~dealer for the vehicle, the term "warrantor" shall mean any manufacturer or distributor of such~~  
26 ~~living facilities or any equipment, plumbing, appliances, and other options that are part of such~~  
27 ~~living facilities that offers a warranty in writing to either the recreational vehicle dealer or to~~  
28 ~~the ultimate purchaser of the recreational vehicle. The term "warrantor" does not include a~~  
29 ~~person that provides a service contract, mechanical or other insurance, or an extended warranty~~  
30 ~~sold for separate consideration by a dealer or other person not controlled by a warrantor.~~  
31 ~~Notwithstanding the terms or conditions of any contract or agreement, it is unlawful for any~~  
32 ~~recreational vehicle manufacturer, factory branch, distributor or distributor branch to fail to~~  
33 ~~fully and timely compensate any of its franchised recreational vehicle dealers located in this~~  
34 ~~State in accordance with this section for all parts and labor used by such franchised dealers in~~  
35 ~~making warranty or recall repairs to such living facilities of recreational vehicles, including~~  
36 ~~any equipment, plumbing, appliances, and other options included by the recreational vehicle~~  
37 ~~manufacturer, factory branch, distributor, or distributor branch in the purchase price paid by the~~  
38 ~~dealer for the vehicle, to the extent that the individual components of such living facilities are~~  
39 ~~not separately warranted by the manufacturers or distributors of such components.~~  
40 ~~Notwithstanding the terms or conditions of any warranty, contract or agreement, it is unlawful~~  
41 ~~for any warrantor, as defined in this subdivision, to fail to fully and timely compensate any~~  
42 ~~franchised recreational vehicle dealer located in this State in accordance with this section for all~~  
43 ~~parts and labor used by such franchised recreational vehicle dealer in making warranty or recall~~  
44 ~~repairs to any component parts of the living facilities of recreational vehicles manufactured or~~  
45 ~~distributed by such warrantor, including any equipment, plumbing, appliances, and other~~  
46 ~~options included by a recreational vehicle manufacturer, factory branch, distributor, or~~  
47 ~~distributor branch in the purchase price paid by the dealer for the vehicle.~~

48 (b) Each warrantor as defined in this subdivision and each recreational vehicle  
49 manufacturer, factory branch distributor and distributor branch that sells or distributes  
50 recreational vehicles in this State shall specify in writing to each recreational vehicle dealer  
51 licensed in this State who sells products manufactured or distributed by such warrantor or such



1 recreational vehicle manufacturer, factory branch distributor or distributor branch, the  
2 recreational vehicle dealer's obligations for preparation, delivery and warranty and recall  
3 service on its products, the schedule of compensation to be paid such dealers for parts, work,  
4 and service in connection with warranty or recall service, and the time allowances for the  
5 performance of such work and service. In no event shall such schedule of compensation fail to  
6 include reasonable compensation for diagnostic work and associated administrative  
7 requirements as well as repair service, labor and transportation provided by the dealer to  
8 transport a recreational vehicle to and from a location at which the repairs can be made.  
9 Provided, however, that with respect to reimbursement for a recreational vehicle dealer's  
10 transportation expenses, the dealer is required to obtain the prior written authorization of the  
11 affected warrantor before incurring any transportation expenses, which authorization shall not  
12 be unreasonably denied by the warrantor, and provided further that any such request for  
13 transportation reimbursement must be denied by the warrantor within 5 business days of the  
14 warrantor's receipt of the dealer's request for reimbursement or the request shall be deemed  
15 authorized and allowed. Time allowances for the performance of warranty work and service  
16 shall be reasonable and adequate for the work to be performed. The compensation which must  
17 be paid under this section must be reasonable, provided, however, that under no circumstances  
18 may the reasonable compensation under this section be in an amount less than the recreational  
19 vehicle dealer's current retail labor rate for nonwarranty work of like kind, provided such  
20 amount is competitive with the retail rates charged for parts and labor by other franchised  
21 recreational dealers within the dealer's market.

22 (c) A warrantor may not require a dealer to establish the rate customarily charged by  
23 the recreational vehicle dealer for labor by an unduly burdensome or time-consuming method  
24 or by requiring information that is unduly burdensome or time consuming to provide,  
25 including, but not limited to, part-by-part or transaction-by-transaction calculations.

26 (d) For any part, equipment, plumbing system or device, or appliance or option, a  
27 warrantor shall reimburse the dealer the cost of the part, equipment, plumbing system or  
28 device, appliance or option, plus a minimum of a thirty percent (30%) handling charge and pay  
29 the cost, if any, of freight to return the part, equipment, appliance or option to the warrantor.

30 (e) If a warrantor furnishes a part or component to a dealer, at reduced or no cost, to use  
31 in performing repairs under a warranty or recall repair, the warrantor shall compensate the  
32 dealer for the part or component in the same manner as warranty parts compensation under this  
33 section, by compensating the dealer on the basis of a thirty percent (30%) handling charge for  
34 the part or component as listed in the warrantor's price schedule less the cost for the part or  
35 component.

36 (f) Notwithstanding the terms of any warranty, contract or agreement, all claims made  
37 by recreational dealers pursuant to this section for compensation for delivery, preparation,  
38 warranty and recall work and transportation costs, including labor, parts, and other expenses,  
39 shall be paid by the affected warrantor within 30 days after receipt of claim from the dealer.  
40 When any claim is disapproved, the dealer shall be notified in writing of the grounds for  
41 disapproval. Any claim not specifically disapproved in writing within 30 days after receipt shall  
42 be considered approved and payment is due immediately. No claim which has been approved  
43 and paid may be charged back to the dealer unless it can be shown that the claim was false or  
44 fraudulent, that the repairs were not properly made or were unnecessary to correct the defective  
45 condition, or the dealer failed to reasonably substantiate the claim either in accordance with the  
46 manufacturer's reasonable written procedures or by other reasonable means. A warrantor shall  
47 not deny a claim or reduce the amount to be reimbursed to the dealer as long as the dealer has  
48 provided reasonably sufficient documentation that the dealer: (i) made a good faith attempt to  
49 perform the work in compliance with the written policies and procedures of the warrantor; and  
50 (ii) actually performed the work.



1       Notwithstanding the foregoing, a warrantor shall not fail to fully compensate a dealer for  
2       warranty or recall work or make any chargeback to the dealer's account based on the dealer's  
3       failure to comply with the warrantor's claim documentation procedure or procedures unless  
4       both of the following requirements have been met:

5               (1)     The dealer has, within the previous 12 months, failed to comply with the  
6                       same specific claim documentation procedure or procedures.

7               (2)     The warrantor has, within the previous 12 months, provided a written  
8                       warning to the dealer by certified United States mail, return receipt  
9                       requested, identifying the specific claim documentation procedure or  
10                      procedures violated by the dealer.

11       (g)     Every recreational vehicle manufacturer, factory branch, distributor, or distributor  
12       branch that manufactures or distributes recreational vehicles for sale in this State shall  
13       designate at least one of its employees knowledgeable in warranty administration who shall be  
14       the designated warranty contact person with whom its franchised dealers licensed in this State  
15       can communicate to assist them in filing and getting paid on warranty claims related to all  
16       component parts of all recreational vehicles such recreational vehicle manufacturer, factory  
17       branch, distributor, or distributor branch sells or distributes in this State. Each recreational  
18       vehicle manufacturer, factory branch, distributor, or distributor branch shall promptly notify, in  
19       writing, all of its franchised recreational vehicle dealers licensed in this State, the  
20       Commissioner, and the North Carolina Automobile Dealers Association, Incorporated of the  
21       identity and contact information of the designated warranty contact person and any changes in  
22       this information. A recreational vehicle manufacturer or distributor that represents multiple  
23       suppliers or multiple line-makes of vehicles shall be permitted to designate a single individual  
24       as the designated warranty contact person for all such suppliers and line-makes of vehicles  
25       represented by such recreational vehicle manufacturer or distributor.

26       (h)     It shall be unlawful for any warrantor or for any recreational vehicle manufacturer,  
27       factory branch, distributor, or distributor branch to recover or attempt to recover all or any  
28       portion of its costs for compensating recreational vehicle dealers licensed in this State for  
29       warranty or recall parts and service either by reduction in the amount due to the dealer, or by  
30       separate charge, surcharge, or other imposition.

31       (i)     It shall be unlawful for any recreational vehicle manufacturer, factory branch,  
32       distributor, or distributor branch to fail to indemnify and hold harmless its franchised dealers  
33       licensed in this State against any judgment for damages or settlements agreed to by the  
34       manufacturer, including, but not limited to, court costs and reasonable attorneys' fees of the  
35       recreational vehicle dealer, arising out of complaints, claims or lawsuits including, but not  
36       limited to, strict liability, negligence, misrepresentation, express or implied warranty, or  
37       rescission or revocation of acceptance of the sale of a vehicle as defined in G.S. 25-2-608, to  
38       the extent that the judgment or settlement relates to the alleged defective or negligent  
39       manufacture, assembly or design of new recreational vehicles, parts or accessories or other  
40       functions by the manufacturer, factory branch, distributor, or distributor branch beyond the  
41       control of the dealer. It shall be unlawful for any warrantor to fail to indemnify and hold  
42       harmless any recreational vehicle dealer located in this State who sold one or more products  
43       warranted by such warrantor against any judgment for damages or settlements agreed to by the  
44       warrantor, including, but not limited to, court costs and reasonable attorneys' fees of the  
45       recreational vehicle dealer, arising out of complaints, claims or lawsuits including, but not  
46       limited to, strict liability, negligence, misrepresentation, express or implied warranty, or  
47       rescission or revocation of acceptance of the sale of a vehicle or vehicle part, component, or  
48       accessory, as defined in G.S. 25-2-608, to the extent that the judgment or settlement relates to  
49       the alleged defective or negligent manufacture, assembly or design of a product warranted by  
50       the warrantor or other functions of the warrantor beyond the control of the dealer. Any audit for  
51       warranty or recall parts or service compensation shall only be for the 12-month period



1 immediately following the date of the payment of the claim by the manufacturer, factory  
2 branch, distributor, distributor branch, or warrantor. Any audit for sales incentives, service  
3 incentives, rebates, or other forms of incentive compensation shall only be for the 12-month  
4 period immediately following the date of the payment of the claim by the manufacturer, factory  
5 branch, distributor, distributor branch, or warrantor. Provided, however, these limitations shall  
6 not be effective in the case of fraudulent claims.

7 (j) It shall be unlawful for any warrantor or for any recreational vehicle manufacturer,  
8 factory branch, distributor, or distributor branch to direct or encourage any owner or purchaser  
9 of a recreational vehicle to have warranty or recall service work or other repairs on a  
10 recreational vehicle made by a repair facility other than either the franchised dealer that sold the  
11 vehicle owner the recreational vehicle or the franchised dealer closest in proximity to such  
12 recreational vehicle owner or purchaser, provided that the recreational vehicle dealer who sold  
13 the vehicle to the owner or purchaser or who is located in closest proximity to such recreational  
14 vehicle owner or purchaser has sufficiently trained personnel and the necessary tools and  
15 equipment to make the required repairs to the vehicle, has not expressly stated in writing its  
16 desire to have the repairs made elsewhere, and is willing to make the repairs within a  
17 reasonable period of time after the necessary parts have been supplied to the dealer.

18 (k) In the event there is a dispute between a recreational vehicle dealer and a warrantor  
19 or a recreational vehicle manufacturer, factory branch, distributor, or distributor branch, with  
20 relating to any matter referred to in this section, either party may petition the Commissioner in  
21 writing, within 30 days after either party has given written notice of the dispute to the other, for  
22 a hearing on the subject and the decision of the Commissioner shall be binding on the parties,  
23 subject to rights of judicial review and appeal as provided in Chapter 150B of the General  
24 Statutes; provided, however, that nothing contained herein shall give the Commissioner any  
25 authority as to the content of any warrantor's warranty. Upon the filing of a petition before the  
26 Commissioner under this subsection, any chargeback to or any payment required of a  
27 recreational vehicle dealer by a warrantor or by a recreational vehicle manufacturer, factory  
28 branch, distributor, or distributor branch relating to warranty or recall parts or service  
29 compensation, or to sales incentives, service incentives, rebates, other forms of incentive  
30 compensation, or the withholding or chargeback of other compensation or support that a dealer  
31 would otherwise be eligible to receive, shall be stayed during the pendency of the  
32 determination by the Commissioner.

33 (l) The provisions of G.S. 20-305(4) through G.S. 20-305(28) and 20-305.2 to 20-305.4  
34 shall not apply to manufacturers of, or dealers in mobile or manufactured type housing or who  
35 sell or distribute only non-motorized recreational trailers; provided however, that unless  
36 specifically exempted, each of these provisions shall be applicable to all recreational vehicle  
37 manufacturers, factory branches, distributors, and distributor branches who sell or distribute  
38 any motorized recreational vehicles in this State. The provisions of G.S. 20-305.1 shall not  
39 apply to manufacturers of, or dealers in mobile or manufactured type housing.

40 (m) To the extent not expressly inconsistent with the provisions of this section, all of the  
41 terms and provisions of G.S. 20-305.1 shall be applicable to recreational vehicle dealers and to  
42 recreational vehicle manufacturers, factory branches, distributors, and distributor branches  
43 under this section. For purposes of this section and Article 12 of Chapter 20 of the General  
44 Statutes of North Carolina, the relationship between a recreational vehicle manufacturer or  
45 recreational vehicle distributor, on the one part, and a recreational vehicle dealer that is located  
46 within this State, on the other part, pursuant to which the recreational vehicle dealer purchases  
47 and resells new recreational vehicles from the recreational vehicle manufacturer or recreational  
48 vehicle distributor, shall be considered a "franchise", as this term is defined in G.S. 20-286(8a),  
49 whether or not the rights and responsibilities of the parties have been delineated in a written  
50 agreement or contract."



1           **SECTION 5.** Article 3 of Chapter 20 of the General Statutes is amended by adding  
2 a new section to read:

3 **"§ 20-101.3. Conspicuous disclosure of dealer shop and other service-related fees.**

4       (a) Requirement. – A motor vehicle dealer shall not charge shop fees in conjunction  
5 with service work performed by the dealer, or other discretionary fees relating to environmental  
6 or regulatory compliance, record retention, or other costs incurred by the dealer in conjunction  
7 with service work performed by the dealer, whether or not the fees are attributable to or include  
8 the dealer's internal overhead or profit, unless the dealer complies with both of the following  
9 requirements:

10           (1) The dealer shall post a conspicuous notice in the service area of the  
11 dealership measuring at least 24 inches on each side informing customers  
12 that fees regulated by this section may or will be charged and that customers  
13 should inquire of dealership personnel if they would like to know the type  
14 and amount or basis of the fees charged by the dealer.

15           (2) The total amount of all fees regulated by this section shall be disclosed on  
16 the customer's repair order or repair invoice. Nothing in this subdivision  
17 shall be construed as requiring a dealer to list separately each fee charged by  
18 the dealer.

19       (b) Discretion. – Notwithstanding any provision of law to the contrary, a dealer is not  
20 required to charge a shop or other service-related fee regulated under this section, and may  
21 reduce the amount of any or all fees charged.

22       (c) Notwithstanding any other section of this Chapter, the fees covered by this section  
23 shall not be considered a warranty expense and are not subject to the compensation  
24 requirements of G.S. 20-305.1."

25       **SECTION 6.** If any provision of this act or its application is held invalid, the  
26 invalidity does not affect other provisions or applications of this act that can be given effect  
27 without the invalid provisions or application, and to this end, the provisions of this act are  
28 severable.

29       **SECTION 7.** Section 5 of this act becomes effective January 1, 2018, and applies  
30 to fees charged on or after that date. The remainder of this act is effective when it becomes law.



## SENATE BILL 413: Clarify Motor Vehicle Dealer Laws.

2017-2018 General Assembly

**Committee:** House Transportation  
**Introduced by:** Sen. B. Jackson  
**Analysis of:** PCS to Second Edition  
S413-CSSU-30

**Date:** June 20, 2017  
**Prepared by:** Wendy Ray  
Staff Attorney

**OVERVIEW:** *The Proposed Committee Substitute for Senate Bill 413 makes changes to North Carolina's Motor Vehicle Dealers and Manufacturers Licensing Law.*

**BILL ANALYSIS:** The PCS for Senate Bill 413 makes the following changes to motor vehicle dealer and manufacturer licensing laws:

Section 1 amends an exemption from continuing education requirements applicable to used motor vehicle dealers for individuals also licensed as new motor vehicle dealers. They are currently exempt if they operate an established showroom within 20 miles of the showroom for which a used motor vehicle dealer license is sought. This section extends the distance from 20 miles to 30 miles.

Section 2 extends an existing grandfather provision for certain manufacturer incentive programs from 2018 to 2022.

Sections 3 and 4 amend the law with regard to warranty obligations for living facilities of recreational vehicles. These provisions establish requirements for compensation of franchised recreational vehicle dealers and other obligations of warrantors for warranty or recall work related to the living facilities of recreational vehicles.

Section 5 prohibits a dealer from charging shop fees and other service-related fees unless the dealer informs customers of the fees by posting a conspicuous notice of the fees in the service area of the dealership **and** disclosing the total amount of the fees on the customer's repair order or invoice.

Section 6 is a severability clause that provides that if any part of the act is found to be invalid, the remaining provisions are still in effect.

**EFFECTIVE DATE:** Section 6 of the act, pertaining to shop fees, becomes effective January 1, 2018, and applies to fees charged on or after that date. The remainder of the act is effective when it becomes law.

Karen Cochran-Brown  
Director



Legislative Analysis  
Division  
919-733-2578



GENERAL ASSEMBLY OF NORTH CAROLINA  
SESSION 2017

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SENATE BILL 413  
Commerce and Insurance Committee Substitute Adopted 4/20/17  
PROPOSED HOUSE COMMITTEE SUBSTITUTE S413-PCS15222-SU-30

Short Title: Clarify Motor Vehicle Dealer Laws.

(Public)

Sponsors:

Referred to:

March 29, 2017

1 A BILL TO BE ENTITLED  
2 AN ACT TO CLARIFY MOTOR VEHICLE DEALERS AND MANUFACTURERS  
3 LICENSING LAWS.

4 The General Assembly of North Carolina enacts:

5 **SECTION 1.** G.S. 20-288(a1)(2) reads as rewritten:

6 "(2) Proof that the applicant, within the last 12 months, has completed a 12-hour  
7 licensing course approved by the Division if the applicant is seeking an  
8 initial license and a six-hour course approved by the Division if the applicant  
9 is seeking a renewal license. The requirements of this subdivision do not  
10 apply to a used motor vehicle dealer the primary business of which is the  
11 sale of salvage vehicles on behalf of insurers or to a manufactured home  
12 dealer licensed under G.S. 143-143.11 who complies with the continuing  
13 education requirements of G.S. 143-143.11B. The requirement of this  
14 subdivision does not apply to persons age 62 or older as of July 1, 2002, who  
15 are seeking a renewal license. This subdivision also does not apply to an  
16 applicant who holds a license as a new motor vehicle dealer as defined in  
17 G.S. 20-286(13) and operates from an established showroom ~~20 miles or less~~  
18 ~~from~~ located in an area within a radius of 30 miles around the location of the  
19 established showroom for which the applicant seeks a used motor vehicle  
20 dealer license. An applicant who also holds a license as a new motor vehicle  
21 dealer may designate a representative to complete the licensing course  
22 required by this subdivision."

23 **SECTION 2.** G.S. 20-305(30) reads as rewritten:

24 "(30) To vary the price charged to any of its franchised new motor vehicle dealers  
25 located in this State for new motor vehicles based on the dealer's purchase of  
26 new facilities, supplies, tools, equipment, or other merchandise from the  
27 manufacturer, the dealer's relocation, remodeling, repair, or renovation of  
28 existing dealerships or construction of a new facility, the dealer's  
29 participation in training programs sponsored, endorsed, or recommended by  
30 the manufacturer, whether or not the dealer is dualled with one or more other  
31 line makes of new motor vehicles, or the dealer's sales penetration. Except as  
32 provided in this subdivision, it shall be unlawful for any manufacturer,  
33 factory branch, distributor, or distributor branch, or any field representative,  
34 officer, agent, or any representative whatsoever of any of them to vary the  
35 price charged to any of its franchised new motor vehicle dealers located in



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1 this State for new motor vehicles based on the dealer's sales volume, the  
2 dealer's level of sales or customer service satisfaction, the dealer's purchase  
3 of advertising materials, signage, nondiagnostic computer hardware or  
4 software, communications devices, or furnishings, or the dealer's  
5 participation in used motor vehicle inspection or certification programs  
6 sponsored or endorsed by the manufacturer.

7 The price of the vehicle, for purposes of this subdivision shall include  
8 the manufacturer's use of rebates, credits, or other consideration that has the  
9 effect of causing a variance in the price of new motor vehicles offered to its  
10 franchised dealers located in the State.

11 Notwithstanding the foregoing, nothing in this subdivision shall be  
12 deemed to preclude a manufacturer from establishing sales contests or  
13 promotions that provide or award dealers or consumers rebates or incentives;  
14 provided, however, that the manufacturer complies with all of the following  
15 conditions:

- 16 a. With respect to manufacturer to consumer rebates and incentives, the  
17 manufacturer's criteria for determining eligibility shall:
- 18 1. Permit all of the manufacturer's franchised new motor vehicle  
19 dealers in this State to offer the rebate or incentive; and
  - 20 2. Be uniformly applied and administered to all eligible  
21 consumers.
- 22 b. With respect to manufacturer to dealer rebates and incentives, the  
23 rebate or incentive program shall:
- 24 1. Be based solely on the dealer's actual or reasonably  
25 anticipated sales volume or on a uniform per vehicle sold or  
26 leased basis;
  - 27 2. Be uniformly available, applied, and administered to all of the  
28 manufacturer's franchised new motor vehicle dealers in this  
29 State; and
  - 30 3. Provide that any of the manufacturer's franchised new motor  
31 vehicle dealers in this State may, upon written request, obtain  
32 the method or formula used by the manufacturer in  
33 establishing the sales volumes for receiving the rebates or  
34 incentives and the specific calculations for determining the  
35 required sales volumes of the inquiring dealer and any of the  
36 manufacturer's other franchised new motor vehicle dealers  
37 located within 75 miles of the inquiring dealer.

38 Nothing contained in this subdivision shall prohibit a manufacturer from  
39 providing assistance or encouragement to a franchised dealer to remodel,  
40 renovate, recondition, or relocate the dealer's existing facilities, provided that  
41 this assistance, encouragement, or rewards are not determined on a per  
42 vehicle basis.

43 It is unlawful for any manufacturer to charge or include the cost of any  
44 program or policy prohibited under this subdivision in the price of new  
45 motor vehicles that the manufacturer sells to its franchised dealers or  
46 purchasers located in this State.

47 In the event that as of October 1, 1999, a manufacturer was operating a  
48 program that varied the price charged to its franchised dealers in this State in  
49 a manner that would violate this subdivision, or had in effect a documented  
50 policy that had been conveyed to its franchised dealers in this State and that  
51 varied the price charged to its franchised dealers in this State in a manner



1 that would violate this subdivision, it shall be lawful for that program or  
2 policy, including amendments to that program or policy that are consistent  
3 with the purpose and provisions of the existing program or policy, or a  
4 program or policy similar thereto implemented after October 1, 1999, to  
5 continue in effect as to the manufacturer's franchised dealers located in this  
6 State until June 30, ~~2018~~2022.

7 In the event that as of June 30, 2001, a manufacturer was operating a  
8 program that varied the price charged to its franchised dealers in this State in  
9 a manner that would violate this subdivision, or had in effect a documented  
10 policy that had been conveyed to its franchised dealers in this State and that  
11 varied the price charged to its franchised dealers in this State in a manner  
12 that would violate this subdivision, and the program or policy was  
13 implemented in this State subsequent to October 1, 1999, and prior to June  
14 30, 2001, and provided that the program or policy is in compliance with this  
15 subdivision as it existed as of June 30, 2001, it shall be lawful for that  
16 program or policy, including amendments to that program or policy that  
17 comply with this subdivision as it existed as of June 30, 2001, to continue in  
18 effect as to the manufacturer's franchised dealers located in this State until  
19 June 30, ~~2018~~2022.

20 Any manufacturer shall be required to pay or otherwise compensate any  
21 franchise dealer who has earned the right to receive payment or other  
22 compensation under a program in accordance with the manufacturer's  
23 program or policy.

24 The provisions of this subdivision shall not be applicable to multiple or  
25 repeated sales of new motor vehicles made by a new motor vehicle dealer to  
26 a single purchaser under a bona fide fleet sales policy of a manufacturer,  
27 factory branch, distributor, or distributor branch."

28 **SECTION 3.** G.S. 20-305.1(b) reads as rewritten:

29 "(b) Notwithstanding the terms of any franchise agreement, it is unlawful for any motor  
30 vehicle manufacturer, factory branch, distributor, or distributor branch to fail to perform any of  
31 its warranty obligations with respect to a motor vehicle, to fail to fully compensate its motor  
32 vehicle dealers licensed in this State for warranty parts ~~other than parts used to repair the living~~  
33 ~~facilities of recreational vehicles, other than parts used to repair the living facilities of~~  
34 recreational vehicles, including motor homes, travel trailers, fifth-wheel trailers, camping  
35 trailers, and truck campers as defined in G.S. 20-4.01(32b), at the prevailing retail rate  
36 according to the factors in subsection (a) of this section, or, in service in accordance with the  
37 schedule of compensation provided the dealer pursuant to subsection (a) above, or to otherwise  
38 recover all or any portion of its costs for compensating its motor vehicle dealers licensed in this  
39 State for warranty parts and service either by reduction in the amount due to the dealer, or by  
40 separate charge, surcharge, or other imposition, and to fail to indemnify and hold harmless its  
41 franchised dealers licensed in this State against any judgment for damages or settlements  
42 agreed to by the manufacturer, including, but not limited to, court costs and reasonable  
43 attorneys' fees of the motor vehicle dealer, arising out of complaints, claims or lawsuits  
44 including, but not limited to, strict liability, negligence, misrepresentation, express or implied  
45 warranty, or rescission or revocation of acceptance of the sale of a motor vehicle as defined in  
46 G.S. 25-2-608, to the extent that the judgment or settlement relates to the alleged defective  
47 negligent manufacture, assembly or design of new motor vehicles, parts or accessories or other  
48 functions by the manufacturer, factory branch, distributor or distributor branch, beyond the  
49 control of the dealer. Any audit for warranty parts or service compensation shall only be for the  
50 12-month period immediately following the date of the payment of the claim by the  
51 manufacturer, factory branch, distributor, or distributor branch. Any audit for sales incentives,



1 service incentives, rebates, or other forms of incentive compensation shall only be for the  
2 12-month period immediately following the date of the payment of the claim by the  
3 manufacturer, factory branch, distributor, or distributor branch pursuant to a sales incentives  
4 program, service incentives program, rebate program, or other form of incentive compensation  
5 program. Provided, however, these limitations shall not be effective in the case of fraudulent  
6 claims."

7 **SECTION 4.** G.S. 20-305.5 reads as rewritten:

8 **"§ 20-305.5. ~~Sections 20-305, subdivisions (4) through (28), and 20-305.1 to 20-305.4 not~~**  
9 **~~applicable to certain manufacturers and dealers.~~Recreational vehicle**  
10 **manufacturer warranty recall obligations.**

11 (a) ~~The provisions of G.S. 20-305(4) through G.S. 20-305(28) and 20-305.1 to 20-305.4~~  
12 ~~shall not apply to manufacturers of, or dealers in, mobile or manufactured type housing or~~  
13 ~~recreational trailers.~~It is unlawful for any manufacturer, factory branch, distributor, or  
14 distributor branch that manufactures or distributes recreational vehicles to fail to fully  
15 compensate its dealers located in this State in accordance with this section for warranty or  
16 recall work performed by the dealers related to the living facilities of the vehicle, including all  
17 labor and parts used to repair such living facilities and any equipment, plumbing, appliances,  
18 and other options included by the manufacturer, factory branch, distributor, or distributor  
19 branch in the purchase price paid by the dealer for the vehicle. For purposes of this section, the  
20 term "recreational vehicle" includes motor homes, travel trailers, fifth-wheel trailers, camping  
21 trailers, and truck campers as defined by G.S. 20-4.01(32b). With respect to those portions of  
22 the living facilities of recreational vehicles and any equipment, plumbing, appliances, and other  
23 options that are part of such living facilities and that are included by the recreational vehicle  
24 manufacturer, factory branch, distributor, or distributor branch in the purchase price paid by the  
25 dealer for the vehicle, the term "warrantor" shall mean any manufacturer or distributor of such  
26 living facilities or any equipment, plumbing, appliances, and other options that are part of such  
27 living facilities that offers a warranty in writing to either the recreational vehicle dealer or to  
28 the ultimate purchaser of the recreational vehicle. The term "warrantor" does not include a  
29 person that provides a service contract, mechanical or other insurance, or an extended warranty  
30 sold for separate consideration by a dealer or other person not controlled by a warrantor.  
31 Notwithstanding the terms or conditions of any contract or agreement, it is unlawful for any  
32 recreational vehicle manufacturer, factory branch, distributor, or distributor branch to fail to  
33 fully and timely compensate any of its franchised recreational vehicle dealers located in this  
34 State in accordance with this section for all parts and labor used by such franchised dealers in  
35 making warranty or recall repairs to such living facilities of recreational vehicles, including any  
36 equipment, plumbing, appliances, and other options included by the recreational vehicle  
37 manufacturer, factory branch, distributor, or distributor branch in the purchase price paid by the  
38 dealer for the vehicle, to the extent that the individual components of such living facilities are  
39 not separately warranted by the manufacturers or distributors of such components.  
40 Notwithstanding the terms or conditions of any warranty, contract, or agreement, it is unlawful  
41 for any warrantor, as defined in this subdivision, to fail to fully and timely compensate any  
42 franchised recreational vehicle dealer located in this State in accordance with this section for all  
43 parts and labor used by such franchised recreational vehicle dealer in making warranty or recall  
44 repairs to any component parts of the living facilities of recreational vehicles manufactured or  
45 distributed by such warrantor, including any equipment, plumbing, appliances, and other  
46 options included by a recreational vehicle manufacturer, factory branch, distributor, or  
47 distributor branch in the purchase price paid by the dealer for the vehicle.

48 (b) Each warrantor as defined in this subdivision and each recreational vehicle  
49 manufacturer, factory branch, distributor, and distributor branch that sells or distributes  
50 recreational vehicles in this State shall specify in writing to each recreational vehicle dealer  
51 licensed in this State who sells products manufactured or distributed by such warrantor or such



1 recreational vehicle manufacturer, factory branch, distributor, or distributor branch, the  
2 recreational vehicle dealer's obligations for preparation, delivery, and warranty and recall  
3 service on its products, the schedule of compensation to be paid such dealers for parts, work,  
4 and service in connection with warranty or recall service, and the time allowances for the  
5 performance of such work and service. In no event shall such schedule of compensation fail to  
6 include reasonable compensation for diagnostic work and associated administrative  
7 requirements as well as repair service, labor, and transportation provided by the dealer to  
8 transport a recreational vehicle to and from a location at which the repairs can be made.  
9 Provided, however, that with respect to reimbursement for a recreational vehicle dealer's  
10 transportation expenses, the dealer is required to obtain the prior written authorization of the  
11 affected warrantor before incurring any transportation expenses, which authorization shall not  
12 be unreasonably denied by the warrantor, and provided further that any such request for  
13 transportation reimbursement must be denied by the warrantor within 5 business days of the  
14 warrantor's receipt of the dealer's request for reimbursement or the request shall be deemed  
15 authorized and allowed. Time allowances for the performance of warranty work and service  
16 shall be reasonable and adequate for the work to be performed. The compensation which must  
17 be paid under this section must be reasonable; provided, however, that under no circumstances  
18 may the reasonable compensation under this section be in an amount less than the recreational  
19 vehicle dealer's current retail labor rate for nonwarranty work of like kind, provided such  
20 amount is competitive with the retail rates charged for parts and labor by other franchised  
21 recreational dealers within the dealer's market.

22 (c) A warrantor may not require a dealer to establish the rate customarily charged by  
23 the recreational vehicle dealer for labor by an unduly burdensome or time-consuming method  
24 or by requiring information that is unduly burdensome or time-consuming to provide,  
25 including, but not limited to, part-by-part or transaction-by-transaction calculations.

26 (d) For any part, equipment, plumbing system or device, or appliance or option, a  
27 warrantor shall reimburse the dealer the cost of the part, equipment, plumbing system or  
28 device, appliance or option, plus a minimum of a thirty percent (30%) handling charge and pay  
29 the cost, if any, of freight to return the part, equipment, appliance, or option to the warrantor.

30 (e) If a warrantor furnishes a part or component to a dealer, at reduced or no cost, to use  
31 in performing repairs under a warranty or recall repair, the warrantor shall compensate the  
32 dealer for the part or component in the same manner as warranty parts compensation under this  
33 section, by compensating the dealer on the basis of a thirty percent (30%) handling charge for  
34 the part or component as listed in the warrantor's price schedule less the cost for the part or  
35 component.

36 (f) Notwithstanding the terms of any warranty, contract, or agreement, all claims made  
37 by recreational dealers pursuant to this section for compensation for delivery, preparation,  
38 warranty and recall work, and transportation costs, including labor, parts, and other expenses,  
39 shall be paid by the affected warrantor within 30 days after receipt of claim from the dealer.  
40 When any claim is disapproved, the dealer shall be notified in writing of the grounds for  
41 disapproval. Any claim not specifically disapproved in writing within 30 days after receipt shall  
42 be considered approved and payment is due immediately. No claim which has been approved  
43 and paid may be charged back to the dealer unless it can be shown that the claim was false or  
44 fraudulent, that the repairs were not properly made or were unnecessary to correct the defective  
45 condition, or the dealer failed to reasonably substantiate the claim either in accordance with the  
46 manufacturer's reasonable written procedures or by other reasonable means. A warrantor shall  
47 not deny a claim or reduce the amount to be reimbursed to the dealer as long as the dealer has  
48 provided reasonably sufficient documentation that the dealer (i) made a good-faith attempt to  
49 perform the work in compliance with the written policies and procedures of the warrantor and  
50 (ii) actually performed the work.



1 Notwithstanding the foregoing, a warrantor shall not fail to fully compensate a dealer for  
2 warranty or recall work or make any chargeback to the dealer's account based on the dealer's  
3 failure to comply with the warrantor's claim documentation procedure or procedures unless  
4 both of the following requirements have been met:

5 (1) The dealer has, within the previous 12 months, failed to comply with the  
6 same specific claim documentation procedure or procedures.

7 (2) The warrantor has, within the previous 12 months, provided a written  
8 warning to the dealer by certified United States mail, return receipt  
9 requested, identifying the specific claim documentation procedure or  
10 procedures violated by the dealer.

11 (g) Every recreational vehicle manufacturer, factory branch, distributor, or distributor  
12 branch that manufactures or distributes recreational vehicles for sale in this State shall  
13 designate at least one of its employees knowledgeable in warranty administration who shall be  
14 the designated warranty contact person with whom its franchised dealers licensed in this State  
15 can communicate to assist them in filing and getting paid on warranty claims related to all  
16 component parts of all recreational vehicles such recreational vehicle manufacturer, factory  
17 branch, distributor, or distributor branch sells or distributes in this State. Each recreational  
18 vehicle manufacturer, factory branch, distributor, or distributor branch shall promptly notify, in  
19 writing, all of its franchised recreational vehicle dealers licensed in this State, the  
20 Commissioner, and the North Carolina Automobile Dealers Association, Incorporated, of the  
21 identity and contact information of the designated warranty contact person and any changes in  
22 this information. A recreational vehicle manufacturer or distributor that represents multiple  
23 suppliers or multiple line-makes of vehicles shall be permitted to designate a single individual  
24 as the designated warranty contact person for all such suppliers and line-makes of vehicles  
25 represented by such recreational vehicle manufacturer or distributor.

26 (h) It shall be unlawful for any warrantor or for any recreational vehicle manufacturer,  
27 factory branch, distributor, or distributor branch to recover or attempt to recover all or any  
28 portion of its costs for compensating recreational vehicle dealers licensed in this State for  
29 warranty or recall parts and service either by reduction in the amount due to the dealer or by  
30 separate charge, surcharge, or other imposition.

31 (i) It shall be unlawful for any recreational vehicle manufacturer, factory branch,  
32 distributor, or distributor branch to fail to indemnify and hold harmless its franchised dealers  
33 licensed in this State against any judgment for damages or settlements agreed to by the  
34 manufacturer, including, but not limited to, court costs and reasonable attorneys' fees of the  
35 recreational vehicle dealer, arising out of complaints, claims, or lawsuits, including, but not  
36 limited to, strict liability, negligence, misrepresentation, express or implied warranty, or  
37 rescission or revocation of acceptance of the sale of a vehicle as defined in G.S. 25-2-608, to  
38 the extent that the judgment or settlement relates to the alleged defective or negligent  
39 manufacture, assembly, or design of new recreational vehicles, parts, or accessories or other  
40 functions by the manufacturer, factory branch, distributor, or distributor branch beyond the  
41 control of the dealer. It shall be unlawful for any warrantor to fail to indemnify and hold  
42 harmless any recreational vehicle dealer located in this State who sold one or more products  
43 warranted by such warrantor against any judgment for damages or settlements agreed to by the  
44 warrantor, including, but not limited to, court costs and reasonable attorneys' fees of the  
45 recreational vehicle dealer, arising out of complaints, claims, or lawsuits, including, but not  
46 limited to, strict liability, negligence, misrepresentation, express or implied warranty, or  
47 rescission or revocation of acceptance of the sale of a vehicle or vehicle part, component, or  
48 accessory, as defined in G.S. 25-2-608, to the extent that the judgment or settlement relates to  
49 the alleged defective or negligent manufacture, assembly, or design of a product warranted by  
50 the warrantor or other functions of the warrantor beyond the control of the dealer. Any audit for  
51 warranty or recall parts or service compensation shall only be for the 12-month period



1 immediately following the date of the payment of the claim by the manufacturer, factory  
2 branch, distributor, distributor branch, or warrantor. Any audit for sales incentives, service  
3 incentives, rebates, or other forms of incentive compensation shall only be for the 12-month  
4 period immediately following the date of the payment of the claim by the manufacturer, factory  
5 branch, distributor, distributor branch, or warrantor. Provided, however, these limitations shall  
6 not be effective in the case of fraudulent claims.

7 (j) It shall be unlawful for any warrantor or for any recreational vehicle manufacturer,  
8 factory branch, distributor, or distributor branch to direct or encourage any owner or purchaser  
9 of a recreational vehicle to have warranty or recall service work or other repairs on a  
10 recreational vehicle made by a repair facility other than either the franchised dealer that sold the  
11 vehicle owner the recreational vehicle or the franchised dealer closest in proximity to such  
12 recreational vehicle owner or purchaser, provided that the recreational vehicle dealer who sold  
13 the vehicle to the owner or purchaser or who is located in closest proximity to such recreational  
14 vehicle owner or purchaser has sufficiently trained personnel and the necessary tools and  
15 equipment to make the required repairs to the vehicle, has not expressly stated in writing its  
16 desire to have the repairs made elsewhere, and is willing to make the repairs within a  
17 reasonable period of time after the necessary parts have been supplied to the dealer.

18 (k) In the event there is a dispute between a recreational vehicle dealer and a warrantor  
19 or a recreational vehicle manufacturer, factory branch, distributor, or distributor branch, with  
20 relating to any matter referred to in this section, either party may petition the Commissioner in  
21 writing, within 30 days after either party has given written notice of the dispute to the other, for  
22 a hearing on the subject and the decision of the Commissioner shall be binding on the parties,  
23 subject to rights of judicial review and appeal as provided in Chapter 150B of the General  
24 Statutes; provided, however, that nothing contained herein shall give the Commissioner any  
25 authority as to the content of any warrantor's warranty. Upon the filing of a petition before the  
26 Commissioner under this subsection, any chargeback to or any payment required of a  
27 recreational vehicle dealer by a warrantor or by a recreational vehicle manufacturer, factory  
28 branch, distributor, or distributor branch relating to warranty or recall parts or service  
29 compensation, or to sales incentives, service incentives, rebates, other forms of incentive  
30 compensation, or the withholding or chargeback of other compensation or support that a dealer  
31 would otherwise be eligible to receive, shall be stayed during the pendency of the  
32 determination by the Commissioner.

33 (l) The provisions of G.S. 20-305(4) through G.S. 20-305(28) and G.S. 20-305.2 to  
34 G.S. 20-305.4 shall not apply to manufacturers of or dealers in mobile or manufactured type  
35 housing or who sell or distribute only nonmotorized recreational trailers; provided, however,  
36 that unless specifically exempted, each of these provisions shall be applicable to all recreational  
37 vehicle manufacturers, factory branches, distributors, and distributor branches who sell or  
38 distribute any motorized recreational vehicles in this State. The provisions of G.S. 20-305.1  
39 shall not apply to manufacturers of or dealers in mobile or manufactured type housing.

40 (m) To the extent not expressly inconsistent with the provisions of this section, all of the  
41 terms and provisions of G.S. 20-305.1 shall be applicable to recreational vehicle dealers and to  
42 recreational vehicle manufacturers, factory branches, distributors, and distributor branches  
43 under this section. For purposes of this section and Article 12 of Chapter 20 of the General  
44 Statutes of North Carolina, the relationship between a recreational vehicle manufacturer or  
45 recreational vehicle distributor, on the one part, and a recreational vehicle dealer that is located  
46 within this State, on the other part, pursuant to which the recreational vehicle dealer purchases  
47 and resells new recreational vehicles from the recreational vehicle manufacturer or recreational  
48 vehicle distributor, shall be considered a "franchise", as this term is defined in G.S. 20-286(8a),  
49 whether or not the rights and responsibilities of the parties have been delineated in a written  
50 agreement or contract."



1           **SECTION 5.** Article 3 of Chapter 20 of the General Statutes is amended by adding  
2 a new section to read:

3 **"§ 20-101.3. Conspicuous disclosure of dealer shop and other service-related fees.**

4       (a) Requirement. – A motor vehicle dealer shall not charge shop fees in conjunction  
5 with service work performed by the dealer, or other discretionary fees relating to environmental  
6 or regulatory compliance, record retention, or other costs incurred by the dealer in conjunction  
7 with service work performed by the dealer, whether or not the fees are attributable to or include  
8 the dealer's internal overhead or profit, unless the dealer complies with both of the following  
9 requirements:

10           (1) The dealer shall post a conspicuous notice in the service area of the  
11 dealership measuring at least 24 inches on each side informing customers  
12 that fees regulated by this section may or will be charged and that customers  
13 should inquire of dealership personnel if they would like to know the type  
14 and amount or basis of the fees charged by the dealer.

15           (2) The total amount of all fees regulated by this section shall be disclosed on  
16 the customer's repair order or repair invoice. Nothing in this subdivision  
17 shall be construed as requiring a dealer to list separately each fee charged by  
18 the dealer.

19       (b) Discretion. – Notwithstanding any provision of law to the contrary, a dealer is not  
20 required to charge a shop or other service-related fee regulated under this section and may  
21 reduce the amount of any or all fees charged.

22       (c) Notwithstanding any other section of this Chapter, the fees covered by this section  
23 shall not be considered a warranty expense and are not subject to the compensation  
24 requirements of G.S. 20-305.1."

25       **SECTION 6.** If any provision of this act or its application is held invalid, the  
26 invalidity does not affect other provisions or applications of this act that can be given effect  
27 without the invalid provisions or application, and to this end, the provisions of this act are  
28 severable.

29       **SECTION 7.** Section 5 of this act becomes effective January 1, 2018, and applies  
30 to fees charged on or after that date. The remainder of this act is effective when it becomes law.

GENERAL ASSEMBLY OF NORTH CAROLINA  
SESSION 2017

S

D

SENATE BILL 3  
Corrected Copy 1/30/17  
Transportation Committee Substitute Adopted 3/30/17  
Judiciary Committee Substitute Adopted 4/11/17  
PROPOSED HOUSE COMMITTEE SUBSTITUTE S3-CSRW-28 [v.2]  
06/19/2017 06:59:31 PM

Short Title: DOT/DMV Changes.

(Public)

Sponsors:

Referred to:

January 26, 2017

1 A BILL TO BE ENTITLED  
2 AN ACT TO MAKE CHANGES TO STATE LAW RELATED TO THE DEPARTMENT OF  
3 TRANSPORTATION AND THE DIVISION OF MOTOR VEHICLES, AS  
4 RECOMMENDED BY THE JOINT LEGISLATIVE TRANSPORTATION OVERSIGHT  
5 COMMITTEE.

6 The General Assembly of North Carolina enacts:

8 PART I. DEPARTMENT OF TRANSPORTATION CHANGES

10 DOT RESIDUE PROPERTY DISPOSAL

11 SECTION 1.(a) G.S. 136-19 is amended by adding a new subsection to read:

12 "(j) Remainder properties acquired in connection with acquisition of right-of-way shall  
13 be disposed of as follows:

14 (1) The sale of all residues will be by public sale, except as hereinafter  
15 specified.

16 (2) Residue properties sold by public sale may be sold by sealed bid or by  
17 auction at the election of the Right of Way Branch. The sale of such  
18 properties must be advertised by at least one of the following methods:

19 a. Publication in a newspaper having general circulation in the county  
20 in which the property is situated.

21 b. On a Department of Transportation Web site.

22 c. By placement of a "For Sale" sign on the residue.

23 (3) After opening bids or closing of auction, upset bids may be considered. The  
24 high bid shall be presented to the Board of Transportation at its next regular  
25 meeting after the date of the sale for rejection or acceptance. The  
26 Department of Transportation may reject all bids if the Department does not  
27 consider the bids to be in accord with the appraised or fair market value as  
28 determined by the Department.

29 (4) Residue properties sold by public sale may also be sold by real estate  
30 brokers licensed in North Carolina at the election of the Chief Engineer. The  
31 highest offer to purchase shall be presented to the Board of Transportation at  
32 its next regular meeting after the acceptance of the offer to purchase. The  
33 Department of Transportation may reject all offers to purchase if the





- 1 Department does not consider them to be in accord with the appraised or fair  
2 market value as determined by the Department.
- 3 (5) Those residue properties located adjacent to controlled access projects that  
4 are landlocked may be sold to the adjoining property owner by negotiation  
5 rather than public sale for a consideration that is approved by the Division  
6 Right of Way Agent and the Right of Way Unit Manager.
- 7 (6) Residue properties may be sold to State agencies and institutions and other  
8 governmental units by negotiation rather than public sale and may be  
9 donated provided their future use is for public purposes.
- 10 (7) Residue acquired in connection with highway purposes may be used for the  
11 purpose of exchange with a public utility company in part or in full  
12 consideration for property to be acquired for highway purposes from the  
13 public utility company. Such exchanges shall be based on the appraised  
14 values of the surplus property and the property to be acquired for highway  
15 purposes. Residue property acquired in connection with right-of-way for a  
16 project may be used for the purpose of exchange in part or full consideration  
17 for right-of-way being acquired from another property owner on the project.  
18 Such exchanges shall be based on the appraised values of the residue  
19 property and the right-of-way to be acquired.
- 20 (8) Residues which have an area of one acre or less and a value of twenty-five  
21 thousand dollars (\$25,000) or less and the highest and best use is for  
22 assemblage with adjacent property may be sold without advertising by  
23 negotiations rather than public sale to an adjoining owner. The Division  
24 Right of Way Agent together with an area appraiser will determine the value  
25 of the residue. Factors such as the after value as indicated in the original  
26 appraisal, sales of similar properties, and sales of other residues, if any, in  
27 the area may be considered in determining the value. After a value has been  
28 established, the Division Right of Way Agent or their designee may  
29 negotiate with the adjoining owners concerning the disposal of each residue.  
30 The decision of the Division Right of Way Agent to accept and complete a  
31 sale is final.
- 32 (9) The Manager of Right of Way shall dispose of residues with values of less  
33 than five thousand dollars (\$5,000), as determined in accordance with  
34 subdivision (8) of this subsection, by executing and delivering on behalf of  
35 the Department of Transportation a quitclaim deed to the buyers of such  
36 residues after the transactions are first approved by the Board of  
37 Transportation. Conveyances of residues with values of less than five  
38 thousand dollars (\$5,000) shall not require the approval of the Governor and  
39 Council of State.
- 40 (10) Residue properties or portions of residue properties acquired in connection  
41 with right-of-way for a project and located outside the right-of-way for that  
42 project may be sold by negotiation rather than by public sale to property  
43 owners and tenants who are displaced by the project for relocation of the  
44 displacee. Such sales shall be based upon the appraised value of the residue  
45 properties.
- 46 (11) Except as noted in this subsection, all sales of surplus lands, including, but  
47 not limited to, surplus rights-of-way, residues, and uneconomic remnants,  
48 require the approval of the Board of Transportation."

49 **SECTION 1.(b)** The Department of Transportation may adopt, amend, or repeal  
50 rules to implement G.S. 136-19(j), as enacted by this section.  
51

**EXTEND SUNSET FOR DOT MINORITY-OWNED/WOMEN-OWNED BUSINESSES PROGRAM**

**SECTION 2.** G.S. 136-28.4(e) reads as rewritten:

"(e) This section expires August 31, 2017.2019."

**ELIMINATE ANNUAL REPORT ON REDUCING VEHICLE MILES TRAVELED BY STATE EMPLOYEES**

**SECTION 3.** Subsections (d) and (e) of G.S. 143-215.107C are repealed.

**PART II. DIVISION OF MOTOR VEHICLES CHANGES**

**CLARIFY THAT HYBRID VEHICLES WITH EMISSIONS COMPONENTS ARE SUBJECT TO EMISSIONS INSPECTIONS**

**SECTION 4.** 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:

...

(12a) Fuel cell electric vehicle. – A four-wheeled motor vehicle that does not have the ability to be propelled by a gasoline engine and that meets each of the following requirements:

- a. Is made by a manufacturer primarily for use on public streets, roads, and highways and meets National Highway Traffic Safety Administration standards included in 49 C.F.R. § 571.
- b. Has not been modified from original manufacturer specifications with regard to power train or any manner of powering the vehicle.
- c. Uses hydrogen and a fuel cell to produce electricity on board to power an electric motor to propel the vehicle.
- d. Is rated at not more than 8,500 pounds unloaded gross vehicle weight.
- e. Has a maximum speed capability of at least 65 miles per hour.

...

(28a) Plug-in electric vehicle. – A four-wheeled motor vehicle that does not have the ability to be propelled by a gasoline engine and that meets each of the following requirements:

- a. Is made by a manufacturer primarily for use on public streets, roads, and highways and meets National Highway Traffic Safety Administration standards included in 49 C.F.R. § 571.
- b. Has not been modified from original manufacturer specifications with regard to power train or any manner of powering the vehicle.
- c. Is rated at not more than 8,500 pounds unloaded gross vehicle weight.
- d. Has a maximum speed capability of at least 65 miles per hour.
- e. Draws electricity from a battery that has all of the following characteristics:
  1. A capacity of not less than four kilowatt hours.
  2. Capable of being recharged from an external source of electricity.

...."



**MODIFY PROCESS BY WHICH DMV DETERMINES WHETHER TO REVOKE A  
DRIVERS LICENSE OF A PERSON WHO HAS BEEN ADJUDICATED  
INCOMPETENT**

**SECTION 5.(a)** G.S. 20-17.1(a) reads as rewritten:

"(a) The Commissioner, upon receipt of notice that any person has been legally adjudicated incompetent or has been involuntarily committed to an institution for the treatment of ~~aleoholism or drug addiction,~~ an alcohol abuse or substance abuse disorder, shall forthwith make inquiry into the facts for the purpose of determining whether such person is competent to operate a motor vehicle. ~~If a person has been adjudicated incompetent under Chapter 35A of the General Statutes, in making an inquiry into the facts, the Commissioner shall consider the clerk of court's recommendation regarding whether the incompetent person should be allowed to retain his or her driving privilege. If a clerk of court, in any incompetency adjudication order under Chapter 35A of the General Statutes, recommends that any person's driving privilege be revoked, the Division shall immediately revoke such person's driving privilege. If the clerk of court, in any such order, recommends that the person retain the person's driving privilege, or makes no recommendation concerning the person's driving privilege, the Division shall determine whether the person shall retain the person's driving privilege, based upon an inquiry of the facts. Unless the Commissioner is satisfied that such person is competent to operate a motor vehicle with safety to persons and property, he the Commissioner shall revoke such person's driving privilege. Provided that if such person requests, in writing, a hearing, he shall retain his license until after the hearing, and if the revocation is sustained after such hearing, the person whose driving privilege has been revoked under the provisions of this section, Any person whose driving privilege is revoked pursuant to this subsection shall have the right to a review by the review board as provided in G.S. 20-9(g)(4) upon written request filed with the Division.~~"

**SECTION 5.(b)** This section becomes effective February 1, 2018, and applies to adjudications on or after that date.

**REDESIGNATE DMV LICENSE AND THEFT INSPECTORS AS AGENTS**

**SECTION 6.(a)** G.S. 20-16.5(e) reads as rewritten:

"(e) Procedure if Report Filed with Judicial Official When Person Is Present. – If a properly executed revocation report concerning a person is filed with a judicial official when the person is present before that official, the judicial official shall, after completing any other proceedings involving the person, determine whether there is probable cause to believe that each of the conditions of subsection (b) has been met. If he determines that there is such probable cause, he shall enter an order revoking the person's driver's license for the period required in this subsection. The judicial official shall order the person to surrender his license and if necessary may order a law-enforcement officer to seize the license. The judicial official shall give the person a copy of the revocation order. In addition to setting it out in the order the judicial official shall personally inform the person of his right to a hearing as specified in subsection (g), and that his license remains revoked pending the hearing. The revocation under this subsection begins at the time the revocation order is issued and continues until the person's license has been surrendered for the period specified in this subsection, and the person has paid the applicable costs. The period of revocation is 30 days, if there are no pending offenses for which the person's license had been or is revoked under this section. If at the time of the current offense, the person has one or more pending offenses for which his license had been or is revoked under this section, the revocation shall remain in effect until a final judgment, including all appeals, has been entered for the current offense and for all pending offenses. In no event, may the period of revocation under this subsection be less than 30 days. If within five working days of the effective date of the order, the person does not surrender his license or demonstrate that he is not currently licensed, the clerk shall immediately issue a pick-up order.

1 The pick-up order shall be issued to a member of a local law-enforcement agency if the law  
2 enforcement officer was employed by the agency at the time of the charge and the person  
3 resides in or is present in the agency's territorial jurisdiction. In all other cases, the pick-up  
4 order shall be issued to an officer or ~~inspector-agent~~ of the Division. A pick-up order issued  
5 pursuant to this section is to be served in accordance with G.S. 20-29 as if the order had been  
6 issued by the Division."

7 **SECTION 6.(b)** G.S. 20-49 reads as rewritten:

8 **"§ 20-49. Police authority of Division.**

9 The Commissioner and such officers and ~~inspectors-agents~~ of the Division as ~~he-the~~  
10 Commissioner shall designate and all members of the Highway Patrol and law enforcement  
11 officers of the Department of Public Safety shall have the power:

12 ...."

13 **SECTION 6.(c)** G.S. 20-49.1 reads as rewritten:

14 **"§ 20-49.1. Supplemental police authority of Division ~~officers, officers and agents.~~**

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

- 19 (1) When they have probable cause to believe that a person has committed a  
20 criminal act in their presence and at the time of the violation they are  
21 engaged in the enforcement of laws otherwise within their jurisdiction.
- 22 (2) When they are asked to provide temporary assistance by the head of a State  
23 or local law enforcement agency or his designee and the request is within the  
24 scope of the agency's subject matter jurisdiction.

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

33 (b) In addition to the law enforcement authority granted in G.S. 20-49 or elsewhere, the  
34 Commissioner and the officers and ~~inspectors-agents~~ of the Division whom the Commissioner  
35 designates have the authority to investigate drivers license fraud and identity thefts related to  
36 drivers license fraud and to make arrests for these offenses."

37 **SECTION 6.(d)** G.S. 20-53(e) reads as rewritten:

38 "(e) No title shall be issued to an initial applicant for (i) out-of-state vehicles that are  
39 1980 model year or older or (ii) a specially constructed vehicle prior to the completion of a  
40 vehicle verification conducted by the License and Theft Bureau of the Division of Motor  
41 Vehicles. These verifications shall be conducted as soon as practical. For an out-of-state  
42 vehicle that is 1980 model year or older, this inspection shall consist of verifying the public  
43 vehicle identification number to ensure that it matches the vehicle and ownership documents.  
44 No covert vehicle identification numbers are to be examined on an out-of-state vehicle 1980  
45 model year or older unless the ~~inspector-agent~~ develops probable cause to believe that the  
46 ownership documents or public vehicle identification number presented does not match the  
47 vehicle being examined. However, upon such application and the submission of any required  
48 documentation, the Division shall be authorized to register the vehicle pending the completion  
49 of the verification of the vehicle. The registration shall be valid for one year but shall not be  
50 renewed unless and until the vehicle examination has been completed.

1 If an inspection and verification is not conducted by the License and Theft Bureau of the  
2 Division of Motor Vehicles within 15 days after receiving a request for such and the ~~inspector~~  
3 agent has no probable cause to believe that the ownership documents or public vehicle  
4 identification number presented does not match the vehicle being examined, the vehicle shall  
5 be deemed to have satisfied all inspection and verification requirements and title shall issue to  
6 the owner within 15 days thereafter. If an inspection and verification is timely performed and  
7 the vehicle passes the inspection and verification, title shall issue to the owner within 15 days  
8 of the date of the inspection."

9 SECTION 6.(e) G.S. 20-108 reads as rewritten:

10 "**§ 20-108. Vehicles or component parts of vehicles without manufacturer's numbers.**

11 ...  
12 (b) The Commissioner and such officers and ~~inspectors-agents~~ of the Division of Motor  
13 Vehicles as he has designated may take and possess any motor vehicle or component part if its  
14 engine number, vehicle identification number, or manufacturer's serial number has been altered,  
15 changed, or obliterated or if such officer or agent has probable cause to believe that the driver  
16 or person in charge of the motor vehicle or component part has violated subsection (a) above.  
17 Any officer or agent who so takes possession of a motor vehicle or component part shall  
18 immediately notify the Division of Motor Vehicles and the rightful owner, if known. The  
19 notification shall contain a description of the motor vehicle or component part and any other  
20 facts that may assist in locating or establishing the rightful ownership thereof or in prosecuting  
21 any person for a violation of the provisions of this Article.

22 (c) Within 15 days after seizure of a motor vehicle or component part pursuant to this  
23 section, the Division shall send notice by certified mail to the person from whom the property  
24 was seized and to all claimants to the property whose interest or title is in the registration  
25 records in the Division of Motor Vehicles that the Division has taken custody of the motor  
26 vehicle or component part. The notice shall also contain the following information:

- 27 (1) The name and address of the person or persons from whom the motor  
28 vehicle or component part was seized;  
29 (2) A statement that the motor vehicle or component part has been seized for  
30 investigation as provided in this section and that the motor vehicle or  
31 component part will be released to the rightful owner:  
32 a. Upon a determination that the identification number has not been  
33 altered, changed, or obliterated; or  
34 b. Upon presentation of satisfactory evidence of the ownership of the  
35 motor vehicle or component part if no other person claims an interest  
36 in it within 30 days of the date the notice is mailed. Otherwise, a  
37 hearing regarding the disposition of the motor vehicle or component  
38 part may take place in a court having jurisdiction.  
39 (3) The name and address of the officer or agent to whom evidence of  
40 ownership of the motor vehicle or component part may be presented; and  
41 (4) A copy statement of the text contained in this section.

42 (d) Whenever a motor vehicle or component part comes into the custody of an ~~officer,~~  
43 officer or agent, the Division of Motor Vehicles may commence a civil action in the District  
44 Court in the county in which the motor vehicle or component part was seized to determine  
45 whether the motor vehicle or component part should be destroyed, sold, converted to the use of  
46 the Division or otherwise disposed of by an order of the court. The Division shall give notice of  
47 the commencement of such an action to the person from whom the motor vehicle or component  
48 part was seized and all claimants to the property whose interest or title is in the registration  
49 records of the Division of Motor Vehicles. Notice shall be by certified mail sent within 10 days  
50 after the filing of the action. In addition, any possessor of a motor vehicle or component part  
51 described in this section may commence a civil action under the provisions of this section, to



1 which the Division of Motor Vehicles may be made a party, to provide for the proper  
2 disposition of the motor vehicle or component part.

3 ...  
4 (j) An officer or agent taking into custody a motor vehicle or component part under the  
5 provisions of this section is authorized to obtain necessary removal and storage services, but  
6 shall incur no personal liability for such services. The person or company so employed shall be  
7 entitled to reasonable compensation as a claimant under (e), and shall not be deemed an  
8 unlawful possessor under (a)."

#### 9 10 **LIMIT ISSUANCE OF 10-DAY TEMPORARY VEHICLE REGISTRATION TAGS**

11 **SECTION 7.(a)** G.S. 20-50(b) reads as rewritten:

12 "(b) The Division may issue a temporary license plate for a vehicle. A temporary license  
13 plate is valid for the period set by the Division. The period may not be less than 10 days nor  
14 more than 60 days. Except for a vehicle that is model year 1980 or older and is being  
15 transported directly to or from a vehicle show or exhibition, the Division shall not issue more  
16 than two 10-day temporary license plates to a person for a particular vehicle during an annual  
17 registration period.

18 A person may obtain a temporary license plate for a vehicle by filing an application with  
19 the Division and paying the required fee. An application must be filed on a form provided by  
20 the Division.

21 The fee for a temporary license plate that is valid for 10 days is ten dollars (\$10.00). The  
22 fee for a temporary license plate that is valid for more than 10 days is the amount that would be  
23 required with an application for a license plate for the vehicle. If a person obtains for a vehicle  
24 a temporary license plate that is valid for more than 10 days and files an application for a  
25 license plate for that vehicle before the temporary license plate expires, the person is not  
26 required to pay the fee that would otherwise be required for the license plate.

27 A temporary license plate is subject to the following limitations and conditions:

- 28 (1) It may be issued only upon proper proof that the applicant has met the  
29 applicable financial responsibility requirements.  
30 (2) It expires on midnight of the day set for expiration.  
31 (3) It may be used only on the vehicle for which issued and may not be  
32 transferred, loaned, or assigned to another.  
33 (4) If it is lost or stolen, the person who applied for it must notify the Division.  
34 (5) It may not be issued by a dealer.  
35 (6) The provisions of G.S. 20-63, 20-71, 20-110 and 20-111 that apply to license  
36 plates apply to temporary license plates insofar as possible."

37 **SECTION 7.(b)** This section becomes effective January 1, 2018, and applies to  
38 applications received on or after that date.

#### 39 40 **REMOVE SIGNATURE LINE FROM MOTOR VEHICLE REGISTRATION CARD**

41 **SECTION 8.** G.S. 20-57(b) reads as rewritten:

42 "(b) The registration card shall be delivered to the owner and shall contain upon the face  
43 thereof the name and address of the owner, ~~space for the owner's signature~~, the registration  
44 number assigned to the vehicle, and a description of the vehicle as determined by the  
45 Commissioner, provided that if there are more than two owners the Division may show only  
46 two owners on the registration card and indicate that additional owners exist by placing after  
47 the names listed "et al." An owner may obtain a copy of a registration card issued in the  
48 owner's name by applying to the Division for a copy and paying the fee set in G.S. 20-85."

#### 49 50 **ALLOW REMOTE CONVERSION OF CERTAIN FULL PROVISIONAL LICENSES** 51 **TO CLASS C LICENSES**



1       **SECTION 9.(a)** G.S. 20-7(f)(1) reads as rewritten:

2       "(1)   Duration of license for persons under age 18. – A full provisional license  
3       issued to a person under the age of 18 expires on the sixtieth day following  
4       the person's twenty-first birthday."

5       **SECTION 9.(b)** G.S. 20-7(f)(6) reads as rewritten:

6       "(6)   Remote ~~renewal~~renewal or conversion. – Subject to the following  
7       requirements and limitations, the Division may offer remote renewal of a  
8       drivers ~~license~~license, or remote conversion of a full provisional license,  
9       issued by the Division:

10      a.   Requirements. – To be eligible for remote renewal or conversion  
11      under this subdivision, a person must meet all of the following  
12      requirements:

13          1.   The license holder (i) possesses a ~~valid, unexpired~~ valid Class  
14          C drivers license ~~that was issued when the person was at least~~  
15          ~~18 years old~~or (ii) possesses a valid full provisional license  
16          and is at least 18 years old at the time of the remote  
17          conversion request.

18          2.   The license holder's current license includes no restrictions  
19          other than a restriction for corrective lenses.

20          3.   The license holder attests, in a manner designated by the  
21          Division, that (i) the license holder is a resident of the State  
22          and currently resides at the address on the license to be  
23          ~~renewed~~renewed or converted, (ii) the license holder's name  
24          as it appears on the license to be renewed or converted has  
25          not changed, and (iii) all other information required by the  
26          Division for an in-person renewal under this Article has been  
27          provided completely and truthfully. If the license holder does  
28          not currently reside at the address on the license to be  
29          renewed or converted, the license holder may comply with  
30          the address requirement of this sub-sub-subdivision by  
31          providing the address at which the license holder resides at  
32          the time of the remote renewal or conversion request.

33          4.   ~~The~~For a remote renewal, the most recent renewal was an  
34          in-person renewal and not a remote renewal under this  
35          subdivision.

36          5.   The license holder is otherwise eligible for renewal or  
37          conversion under this subsection.

38      b.   Waiver of requirements. – When renewing or converting a drivers  
39      license pursuant to this subdivision, the Division may waive the  
40      examination and photograph that would otherwise be required for the  
41      ~~renewal~~renewal or conversion.

42      c.   Duration of remote ~~renewal~~renewal or conversion. – A ~~renewed~~  
43      drivers license issued to a person by remote renewal or conversion  
44      under this subdivision expires according to the following schedule:

45          1.   For a person at least 18 years old but less than 66 years old,  
46          on the birthday of the licensee in the eighth year after  
47          issuance.

48          2.   For a person at least 66 years old, on the birthday of the  
49          licensee in the fifth year after issuance.

50      d.   Rules. – The Division shall adopt rules to implement this  
51      subdivision.

e. Federal law. – Nothing in this subdivision shall be construed to supersede any more restrictive provisions for renewal or conversion of drivers licenses prescribed by federal law or regulation.

f. Definition. – For purposes of this subdivision, "remote ~~renewal~~" renewal or conversion" means renewal or conversion of a drivers license or full provisional license by mail, telephone, electronic device, or other secure means approved by the Commissioner."

SECTION 9.(c) Subsection (a) of this section becomes effective March 1, 2018, and applies to full provisional licenses issued on or after that date. The remainder of this section becomes effective March 1, 2018.

## TEMPORARY REGISTRATION PLATES/EXTEND TIME LIMIT FOR DELIVERY OF SALES DOCUMENTS

SECTION 10.(a) G.S. 20-79.1(d)(3) reads as rewritten:

"(d) A dealer shall:

...

(3) Within ~~40 working~~ 20 days, 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 in writing by all parties to the contract."

SECTION 10.(b) This section is effective when it becomes law and applies to sales made on or after that date.

## SPECIAL IDENTIFICATION CARDS/MODIFY ISSUANCE PROCESS AND ALLOW REMOTE RENEWAL

SECTION 11.(a) G.S. 20-37.7 reads as rewritten:

"§ 20-37.7. Special identification card.

...

(d) ~~Expiration and Fee.Duration. – A special~~ Special identification card issued to a person for the first time under this section expires when a drivers license issued on the same day to that person would expire. A special identification card renewed under this section expires when a drivers license renewed by the card holder on the same day would expire. ~~cards shall be issued and renewed pursuant to the provisions of this subsection:~~

(1) Duration for persons under age 18. – A special identification card issued to or renewed by a person under the age of 18 expires on the birthday of the holder in the fifth year after issuance.

(2) Duration for persons age 18 and older. – A special identification card issued to or renewed by a person at least 18 years old expires on the birthday of the holder in the eighth year after issuance.

(3) Duration for certain other drivers. – The durations listed in subdivisions (1) and (2) of this subsection are valid unless the Division determines that a special identification card of shorter duration should be issued when the applicant holds valid documentation issued by, or under the authority of, the United States government that demonstrates the applicant's legal presence of limited duration in the United States. In no event shall a special identification card of limited duration expire later than the expiration of the authorization for the applicant's legal presence in the United States.

(4) When to renew. – A person may apply to the Division to renew a special identification card during the 180-day period before the special identification card expires. The Division may not accept an application for renewal made before the 180-day period begins.



1       (d1) Fee. – The fee for a new or renewed special identification card is the same as the fee  
2 set in G.S. 20-14 for a duplicate license. The fee does not apply to a special identification card  
3 issued to a resident of this State as follows:

4       ...  
5       (7) The applicant has a developmental disability. To obtain a special  
6 identification card without paying a fee pursuant to this subdivision, an  
7 applicant must present a ~~letter from~~ letter, or a form approved by the  
8 Division, signed by his or her primary care provider certifying that the  
9 applicant has a developmental disability. For purposes of this subdivision,  
10 the term "developmental disability" has the same meaning as in  
11 G.S. 122C-3.

12       (d2) Remote Renewal. – Subject to the following limitations and requirements, the  
13 Division may offer remote renewal of a special identification card issued by the Division:

14       (1) Requirements. – To be eligible for remote renewal under this subsection, a  
15 person must meet all of the following requirements:

16       a. The special identification card holder possesses a valid special  
17 identification card that was issued when the person was at least 18  
18 years old.

19       b. The special identification card holder attests, in a manner designated  
20 by the Division, that (i) the special identification card holder is a  
21 resident of the State and currently resides at the address on the  
22 special identification card to be renewed, (ii) the special  
23 identification card holder's name as it appears on the special  
24 identification card to be renewed has not changed, and (iii) all other  
25 information required by the Division for an in-person renewal under  
26 this Article has been provided completely and truthfully. If the  
27 special identification card holder does not currently reside at the  
28 address on the special identification card to be renewed, the special  
29 identification card holder may comply with the address requirement  
30 of this sub-subdivision by providing the address at which the special  
31 identification card holder resides at the time of the remote renewal  
32 request.

33       c. The most recent renewal was an in-person renewal and not a remote  
34 renewal under this subsection.

35       d. The special identification card holder is otherwise eligible for  
36 renewal under this subsection.

37       (2) Definition. – For purposes of this subsection, "remote renewal" means  
38 renewal of a special identification card by mail, telephone, electronic device,  
39 or other secure means approved by the Commissioner.

40       (d1)(d3) Severe Disability. – For a person who has a physician's letter certifying that a  
41 severe disability causes the person to be homebound, the Division shall adopt rules allowing for  
42 application for or renewal of a special photo identification card under this section by means  
43 other than a personal appearance.

44       (d4) Special Identification Card to Be Sent by Mail. – The Division shall issue to the  
45 applicant a temporary identification certificate valid for 60 days. The temporary identification  
46 certificate shall not be valid for identification purposes, except when conducting business with  
47 the Division and not otherwise prohibited by federal law. The Division shall produce the  
48 applicant's special identification card at a central location and send it to the applicant by  
49 first-class mail at the residence address provided by the applicant, unless the applicant is  
50 ineligible for mail delivery by the United States Postal Service at the applicant's residence. If  
51 the United States Postal Service documents that it does not deliver to the residential address

provided by the applicant, and the Division has verified the applicant's residential address by other means, the Division may mail the special identification card to the post office box provided by the applicant. Applicants whose only mailing address prior to July 1, 2008, was a post office box in this State may continue to receive their license at that post office box, provided the applicant's residential address has been verified by the Division.

...."

SECTION 11.(b) G.S. 20-9.2(c) reads as rewritten:

"(c) This section does not apply to special identification cards issued pursuant to ~~G.S. 20-37.7(d)(5) or (6)~~, subdivision (5) or (6) of subsection (d1) of G.S. 20-37.7."

SECTION 11.(c) G.S. 163-275(13) reads as rewritten:

"(13) For any person falsely to make or present any certificate or other paper to qualify any person fraudulently as a voter, or to attempt thereby to secure to any person the privilege of voting, including declarations made under this Chapter, ~~G.S. 20-37.7(d)(5), 20-37.7(d)(6), G.S. 20-37.7(d1)(5), 20-37.7(d1)(6),~~ 130A-93.1(c), and 161-10(a)(8)."

SECTION 11.(d) Subsections (b) and (c) of this section and subsection (d2) of G.S. 20-37.7, as enacted by subsection (a) of this section, become effective December 1, 2017. The remainder of this section becomes effective December 1, 2017, and applies to initial applications and renewals on or after that date.

#### DMV OFFICERS/EXPAND LIST OF SITUATIONS WHERE POLICE AUTHORITY MAY BE EXERCISED

SECTION 12. G.S. 20-49.1(a) is amended by adding a new subdivision to read:

"(3) When they are responding to an emergency situation that (i) is occurring in their immediate vicinity and (ii) would likely result in bodily harm or loss of property without immediate intervention."

#### ELIMINATION OF DRIVERS LICENSE TECHNOLOGY FUND

SECTION 13. G.S. 20-37.01 and G.S. 20-37.02(e) are repealed.

#### MOTOR VEHICLE DEFINITION/TECHNICAL CORRECTION

SECTION 14. G.S. 58-37-1(6) reads as rewritten:

"(6) "Motor vehicle" means every self-propelled vehicle that is designed for use upon a highway, including trailers and semitrailers designed for use with such vehicles (except traction engines, road rollers, farm tractors, tractor cranes, power shovels, and well drillers). "Motor vehicle" also means a motorcycle, as defined in G.S. 20-4.01(27)d., and a moped, as defined in ~~G.S. 20-4.01(27)d1., or G.S. 20-4.01(27)d1.~~ "Motor vehicle" does not mean an electric assisted bicycle, as defined in G.S. 20-4.01(7a)."

#### PART III. EFFECTIVE DATE

SECTION 15. Except as otherwise provided, this act becomes effective July 1, 2017.





## SENATE BILL 3: DOT/DMV Changes.

2017-2018 General Assembly

**Committee:** House Transportation  
**Introduced by:** Sens. Rabon, Harrington  
**Analysis of:** PCS to Fourth Edition  
S3-CSRW-28

**Date:** June 20, 2017  
**Prepared by:** Giles Perry  
Staff Attorney

**OVERVIEW:** *Senate Bill 3 (Proposed Committee Substitute) makes changes to State law related to DOT and DMV, as recommended by the Joint Legislative Transportation Oversight Committee.*

*The PCS is identical to the version of House Bill 110 that passed the House, except that Part III of that bill concerning megaprojects has been removed.*

### CURRENT LAW and BILL ANALYSIS:

#### PART I. Department of Transportation Changes

**Section 1.** This section codifies and makes modifications to DOT's existing residual property disposal procedures. Residual property must be sold by public sale and approved by the Board of Transportation except in the following circumstances:

- Properties located adjacent to controlled access projects that are landlocked may be sold to adjoining property owner by negotiation.
- Properties may be sold to State agencies or institutions by negotiation.
- Properties may be exchanged with a public utility company in consideration for property to be acquired for highway purposes from the utility.
- Properties with an area of one acre or less and a value of \$25,000 or less, and the highest and best use is for assemblage with adjacent property, may be sold to adjoining owner by negotiation.
- Properties with values of less than \$5,000 may be sold by negotiation without approval of the Governor and Council of State.
- Properties located outside the right-of-way for a project may be sold by negotiation to property owners and tenants displaced by the project.

**Section 2.** This section extends the sunset of DOT's minority-owned and women-owned business program from August 31, 2017 to August 31, 2019. The sunset has been extended four times since enacted in 2009. The statute does not establish a percentage goal. It requires DOT to conduct periodic studies on the availability and utilization of minority-owned and women-owned businesses and to report to the Transportation Oversight Committee on the results of the study.

**Section 3.** This section repeals a requirement that the Department of Administration, Office of State Human Resources, Department of Transportation, and Department of Environmental Quality jointly develop and periodically update a plan to reduce vehicle miles traveled by State employees and private

Karen Cochrane-Brown  
Director



Legislative Analysis  
Division  
919-733-2578

# Senate PCS 3

Page 2

sector employees. The requirement was part of a State goal to reduce air pollution. There continues to be a State goal to replace light duty cars and trucks with alternative-fueled vehicles and to reduce State employee vehicle miles traveled in commuting without reducing total work hours or productivity.

## **PART II. Division of Motor Vehicles Changes**

**Section 4.** This section amends current law applicable to vehicle emissions inspections in certain counties by clarifying that fuel cell electric and plug-in electric vehicles with a gasoline engine component are subject to the requirement.

**Section 5.** This section modifies the process by which DMV determines whether to revoke the driver's license of a person who has been adjudicated incompetent.

- It provides that if a clerk of court, in any incompetency adjudication order under Chapter 35A of the General Statutes recommends that any person's driving privilege be revoked, DMV shall immediately revoke it.
- If the clerk of court, in the order, recommends that the person retain their driving privilege or makes no recommendation concerning the driving privilege, DMV must determine whether the person can retain their driving privilege, based upon an inquiry of the facts.
- Any revocation would be subject to review by the DMV Medical Review Board.

This section would become effective February 1, 2018, and apply to adjudications on or after that date.

**Section 6.** This section redesignates DMV License and Theft "inspectors" as "agents".

**Section 7.** This section restricts issuance of 10-day temporary license plates to no more than two per year per person.

This section would become effective January 1, 2018.

**Section 8.** In 2016, in House Bill 959, enacted as S.L. 2016-90, the General Assembly repealed the requirement for an owner to sign a motor vehicle registration card. This section makes a technical correction to the prior change, to repeal the requirement of "space for the owner's signature" on the registration card.

**Section 9.** This section authorizes remote renewal and conversion of a full provisional license to a regular Class C license, provides that a full provisional license expires on the 60th day after the holder's 21st birthday; and authorizes persons remotely renewing a license to update their address.

This section would become effective March 1, 2018.

**Section 10.** This section requires a motor vehicle dealer who issues a temporary registration plate to a purchaser to deliver the sales documents and fees to DMV within 20 days (10 working days under current law). G.S. 20-58.2 provides that a security interest is perfected as of the date of the execution of the agreement if the application for notation of a security interest is delivered to DMV within 20 days after the date of the security agreement. This section conforms the deadline dates for dealers with the date in G.S. 20-58.2.

This section would become effective when it becomes law.

**Section 11.** This section modifies the law governing special identification cards issued by DMV, to:

- Provide that special ID cards issued to persons under age 18 expire after five years; to persons over age 18 after 8 years; and to non-citizens who are legally present under authority issued by the United States government at the expiration of their authorized legal presence.



# Senate PCS 3

Page 3

- Clarify that the fee (\$13) for a special identification card also applies to the renewal, unless the special ID card applicant is eligible for a fee exception.
- Authorize an application for a free special ID card by a person with a developmental disability to be made on a form approved by DMV.
- Authorize remote renewal of special ID cards, in specified circumstances.
- Provide for central issuance and mailing of special ID cards.

This section becomes effective December 1, 2017.

**Section 12.** This section amends the law enforcement authority of officers and inspectors (renamed agents by Section 6) of DMV, to authorize them to enforce criminal laws "when they are responding to an emergency situation that (i) is occurring in their immediate vicinity and (ii) would likely result in bodily harm or loss of property without immediate intervention."

**Section 13.** This section repeals the Driver's License Technology Fund, which was established in 2001 to fund a driver license information verification system for ABC permittees. DMV reports the fund has a zero balance and is no longer in use.

**Section 14.** This section makes a technical correction to the definition of "motor vehicle" in the NC Motor Vehicle Reinsurance Facility statutes, to correct an error from the 2016 session in House Bill 959, S.L. 2016-90, in which the statute was inconsistently amended by two different sections of that bill.

## **PART III. Effective Date**

**Section 15.** Except as otherwise provided, this act becomes effective July 1, 2017.



NORTH CAROLINA GENERAL ASSEMBLY  
AMENDMENT  
Senate Bill 3

AMENDMENT NO. \_\_\_\_\_  
(to be filled in by  
Principal Clerk)

S3-ARW-38 [v.1]

Page 1 of 1

Amends Title [NO]  
S3-CSRW-28

Date \_\_\_\_\_, 2017

Representative

*Shepard*

1 moves to amend the bill on page 3, lines 1-4 by deleting those lines.  
2  
3

SIGNED

*Phillip Shepard*  
Amendment Sponsor

SIGNED

Committee Chair if Senate Committee Amendment

ADOPTED

FAILED

TABLED



\* S 3 - A R W - 3 8 - V - 1 \*







NORTH CAROLINA GENERAL ASSEMBLY  
AMENDMENT  
Senate Bill 3

AMENDMENT NO. \_\_\_\_\_  
(to be filled in by  
Principal Clerk)

S3-ARW-36 [v.2]

Page 1 of 1

Amends Title [NO]  
S3-CSRW-28

Date \_\_\_\_\_, 2017

Representative Cleveland

1 moves to amend the bill on page 11, line 40, by adding the following:

2  
3 **"MODIFY PROCEDURE FOR EXPEDITED SALE OF SEIZED MOTOR VEHICLES**

4 **SECTION 14.1. G.S. 20-28.3(i) reads as rewritten:**

5 "(i) Expedited Sale of Seized Motor Vehicles in Certain Cases. – In order to avoid  
6 additional liability for towing and storage costs pending resolution of the criminal proceedings  
7 of the defendant, the State Surplus Property Agency or county board of education ~~may~~, may  
8 sell any motor vehicle after expiration of 90 days from the date of seizure, ~~sell any motor~~  
9 ~~vehicle having a fair market value of one thousand five hundred dollars (\$1,500) or less. The~~  
10 ~~county board of education may also sell a motor vehicle, regardless of the fair market value,~~  
11 ~~any time the outstanding towing and storage costs exceed eighty five percent (85%) of the fair~~  
12 ~~market value of the vehicle, or with the consent of all the motor vehicle owners. Any sale~~  
13 ~~conducted pursuant to this subsection shall be conducted in accordance with the provisions of~~  
14 ~~G.S. 20-28.5(a) or G.S. 20-28.5(a1), as applicable, and the proceeds of the sale, after the~~  
15 ~~payment of outstanding towing and storage costs or reimbursement of towing and storage costs~~  
16 ~~paid by a person other than the defendant, shall be deposited with the clerk of superior court. If~~  
17 ~~an order of forfeiture is entered by the court, the court shall order the proceeds held by the clerk~~  
18 ~~to be disbursed as provided in G.S. 20-28.5(b). If the court determines that the motor vehicle is~~  
19 ~~not subject to forfeiture, the court shall order the proceeds held by the clerk to be disbursed first~~  
20 ~~to pay the sale, towing, and storage costs, second to pay outstanding liens on the motor vehicle,~~  
21 ~~and the balance to be paid to the motor vehicle owners.""~~

SIGNED \_\_\_\_\_

Amendment Sponsor

SIGNED \_\_\_\_\_

Committee Chair if Senate Committee Amendment

ADOPTED \_\_\_\_\_

FAILED \_\_\_\_\_

TABLED \_\_\_\_\_



\* S 3 - A R W - 3 6 - V - 2 \*







NORTH CAROLINA GENERAL ASSEMBLY  
AMENDMENT  
Senate Bill 3

S3-ARW-37 [v.1]

AMENDMENT NO. \_\_\_\_\_  
(to be filled in by  
Principal Clerk)

Page 1 of 1

Amends Title [NO]  
Fourth Edition

Date \_\_\_\_\_ .2017

Representative Cleveland

1 moves to amend the bill on page 11, line 40,

2  
3 by adding the following:

4  
5 **"METHOD TO DETERMINE FAIR MARKET VALUE OF SEIZED AND WRECKED**  
6 **VEHICLES**

7 SECTION 14.1. G.S. 20-28.2(a1)(1) reads as rewritten:

8 "§ 20-28.2. Forfeiture of motor vehicle for impaired driving after impaired driving  
9 license revocation; forfeiture for felony speeding to elude arrest.

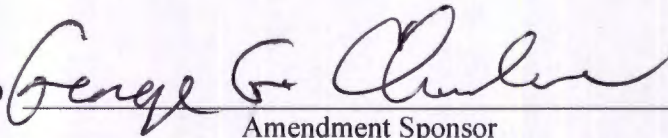
10 ...

11 (a1) Definitions. – As used in this section and in G.S. 20-28.3, 20-28.4, 20-28.5, 20-28.7,  
12 20-28.8, 20-28.9, 20-54.1, and 20-141.5, the following terms mean:

13 (1) Fair Market Value. – The value of the seized motor vehicle, as determined in  
14 accordance with the schedule of values adopted by the Commissioner  
15 pursuant to ~~G.S. 105-187.3~~ G.S. 105-187.3, except for wrecked vehicles. For  
16 wrecked vehicles, the value shall be determined using a schedule of values  
17 based on a nationally recognized insurance adjuster formula for calculating  
18 the salvage value of a wrecked vehicle, as adopted by the Commissioner.

19 ...".

SIGNED

  
Amendment Sponsor

SIGNED \_\_\_\_\_

Committee Chair if Senate Committee Amendment

ADOPTED \_\_\_\_\_

FAILED \_\_\_\_\_

TABLED \_\_\_\_\_



\* S 3 - A R W - 3 7 - V - 1 \*





GENERAL ASSEMBLY OF NORTH CAROLINA  
SESSION 2017

S

D

SENATE BILL 3  
Corrected Copy 1/30/17  
Transportation Committee Substitute Adopted 3/30/17  
Judiciary Committee Substitute Adopted 4/11/17  
PROPOSED HOUSE COMMITTEE SUBSTITUTE S3-PCS45455-RW-28

Short Title: DOT/DMV Changes.

(Public)

Sponsors:

Referred to:

January 26, 2017

A BILL TO BE ENTITLED  
AN ACT TO MAKE CHANGES TO STATE LAW RELATED TO THE DEPARTMENT OF  
TRANSPORTATION AND THE DIVISION OF MOTOR VEHICLES, AS  
RECOMMENDED BY THE JOINT LEGISLATIVE TRANSPORTATION OVERSIGHT  
COMMITTEE.

The General Assembly of North Carolina enacts:

PART I. DEPARTMENT OF TRANSPORTATION CHANGES

DOT RESIDUE PROPERTY DISPOSAL

SECTION 1.(a) G.S. 136-19 is amended by adding a new subsection to read:

"(j) Remainder properties acquired in connection with acquisition of right-of-way shall be disposed of as follows:

- (1) The sale of all residues will be by public sale, except as hereinafter specified.
- (2) Residue properties sold by public sale may be sold by sealed bid or by auction at the election of the Right of Way Branch. The sale of such properties must be advertised by at least one of the following methods:
  - a. Publication in a newspaper having general circulation in the county in which the property is situated.
  - b. On a Department of Transportation Web site.
  - c. By placement of a "For Sale" sign on the residue.
- (3) After opening bids or closing of auction, upset bids may be considered. The high bid shall be presented to the Board of Transportation at its next regular meeting after the date of the sale for rejection or acceptance. The Department of Transportation may reject all bids if the Department does not consider the bids to be in accord with the appraised or fair market value as determined by the Department.
- (4) Residue properties sold by public sale may also be sold by real estate brokers licensed in North Carolina at the election of the Chief Engineer. The highest offer to purchase shall be presented to the Board of Transportation at its next regular meeting after the acceptance of the offer to purchase. The Department of Transportation may reject all offers to purchase if the



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Department does not consider them to be in accord with the appraised or fair market value as determined by the Department.

(5) Those residue properties located adjacent to controlled access projects that are landlocked may be sold to the adjoining property owner by negotiation rather than public sale for a consideration that is approved by the Division Right of Way Agent and the Right of Way Unit Manager.

(6) Residue properties may be sold to State agencies and institutions and other governmental units by negotiation rather than public sale and may be donated provided their future use is for public purposes.

(7) Residue acquired in connection with highway purposes may be used for the purpose of exchange with a public utility company in part or in full consideration for property to be acquired for highway purposes from the public utility company. Such exchanges shall be based on the appraised values of the surplus property and the property to be acquired for highway purposes. Residue property acquired in connection with right-of-way for a project may be used for the purpose of exchange in part or full consideration for right-of-way being acquired from another property owner on the project. Such exchanges shall be based on the appraised values of the residue property and the right-of-way to be acquired.

(8) Residues which have an area of one acre or less and a value of twenty-five thousand dollars (\$25,000) or less and the highest and best use is for assemblage with adjacent property may be sold without advertising by negotiations rather than public sale to an adjoining owner. The Division Right of Way Agent together with an area appraiser will determine the value of the residue. Factors such as the after value as indicated in the original appraisal, sales of similar properties, and sales of other residues, if any, in the area may be considered in determining the value. After a value has been established, the Division Right of Way Agent or their designee may negotiate with the adjoining owners concerning the disposal of each residue. The decision of the Division Right of Way Agent to accept and complete a sale is final.

(9) The Manager of Right of Way shall dispose of residues with values of less than five thousand dollars (\$5,000), as determined in accordance with subdivision (8) of this subsection, by executing and delivering on behalf of the Department of Transportation a quitclaim deed to the buyers of such residues after the transactions are first approved by the Board of Transportation. Conveyances of residues with values of less than five thousand dollars (\$5,000) shall not require the approval of the Governor and Council of State.

(10) Residue properties or portions of residue properties acquired in connection with right-of-way for a project and located outside the right-of-way for that project may be sold by negotiation rather than by public sale to property owners and tenants who are displaced by the project for relocation of the displacee. Such sales shall be based upon the appraised value of the residue properties.

(11) Except as noted in this subsection, all sales of surplus lands, including, but not limited to, surplus rights-of-way, residues, and uneconomic remnants, require the approval of the Board of Transportation."

**SECTION 1.(b)** The Department of Transportation may adopt, amend, or repeal rules to implement G.S. 136-19(j), as enacted by this section.

**SECTION 2.** Reserved.

**ELIMINATE ANNUAL REPORT ON REDUCING VEHICLE MILES TRAVELED BY  
STATE EMPLOYEES**

**SECTION 3.** Subsections (d) and (e) of G.S. 143-215.107C are repealed.

**PART II. DIVISION OF MOTOR VEHICLES CHANGES**

**CLARIFY THAT HYBRID VEHICLES WITH EMISSIONS COMPONENTS ARE  
SUBJECT TO EMISSIONS INSPECTIONS**

**SECTION 4.** 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:

...

(12a) Fuel cell electric vehicle. – A four-wheeled motor vehicle that does not have the ability to be propelled by a gasoline engine and that meets each of the following requirements:

- a. Is made by a manufacturer primarily for use on public streets, roads, and highways and meets National Highway Traffic Safety Administration standards included in 49 C.F.R. § 571.
- b. Has not been modified from original manufacturer specifications with regard to power train or any manner of powering the vehicle.
- c. Uses hydrogen and a fuel cell to produce electricity on board to power an electric motor to propel the vehicle.
- d. Is rated at not more than 8,500 pounds unloaded gross vehicle weight.
- e. Has a maximum speed capability of at least 65 miles per hour.

...

(28a) Plug-in electric vehicle. – A four-wheeled motor vehicle that does not have the ability to be propelled by a gasoline engine and that meets each of the following requirements:

- a. Is made by a manufacturer primarily for use on public streets, roads, and highways and meets National Highway Traffic Safety Administration standards included in 49 C.F.R. § 571.
- b. Has not been modified from original manufacturer specifications with regard to power train or any manner of powering the vehicle.
- c. Is rated at not more than 8,500 pounds unloaded gross vehicle weight.
- d. Has a maximum speed capability of at least 65 miles per hour.
- e. Draws electricity from a battery that has all of the following characteristics:
  1. A capacity of not less than four kilowatt hours.
  2. Capable of being recharged from an external source of electricity.

...."

**MODIFY PROCESS BY WHICH DMV DETERMINES WHETHER TO REVOKE A  
DRIVERS LICENSE OF A PERSON WHO HAS BEEN ADJUDICATED  
INCOMPETENT**

**SECTION 5.(a)** G.S. 20-17.1(a) reads as rewritten:

"(a) The Commissioner, upon receipt of notice that any person has been legally adjudicated incompetent or has been involuntarily committed to an institution for the treatment of ~~alcoholism or drug addiction~~, an alcohol abuse or substance abuse disorder, shall forthwith make inquiry into the facts for the purpose of determining whether such person is competent to operate a motor vehicle. ~~If a person has been adjudicated incompetent under Chapter 35A of the General Statutes, in making an inquiry into the facts, the Commissioner shall consider the clerk of court's recommendation regarding whether the incompetent person should be allowed to retain his or her driving privilege. If a clerk of court, in any incompetency adjudication order under Chapter 35A of the General Statutes, recommends that any person's driving privilege be revoked, the Division shall immediately revoke such person's driving privilege. If the clerk of court, in any such order, recommends that the person retain the person's driving privilege, or makes no recommendation concerning the person's driving privilege, the Division shall determine whether the person shall retain the person's driving privilege, based upon an inquiry of the facts.~~ Unless the Commissioner is satisfied that such person is competent to operate a motor vehicle with safety to persons and property, ~~he~~ the Commissioner shall revoke such person's driving privilege. ~~Provided that if such person requests, in writing, a hearing, he shall retain his license until after the hearing, and if the revocation is sustained after such hearing, the person whose driving privilege has been revoked under the provisions of this section, Any person whose driving privilege is revoked pursuant to this subsection shall have the right to a review by the review board as provided in G.S. 20-9(g)(4) upon written request filed with the Division.~~"

**SECTION 5.(b)** This section becomes effective February 1, 2018, and applies to adjudications on or after that date.

## **REDESIGNATE DMV LICENSE AND THEFT INSPECTORS AS AGENTS**

**SECTION 6.(a)** G.S. 20-16.5(e) reads as rewritten:

"(e) Procedure if Report Filed with Judicial Official When Person Is Present. – If a properly executed revocation report concerning a person is filed with a judicial official when the person is present before that official, the judicial official shall, after completing any other proceedings involving the person, determine whether there is probable cause to believe that each of the conditions of subsection (b) has been met. If he determines that there is such probable cause, he shall enter an order revoking the person's driver's license for the period required in this subsection. The judicial official shall order the person to surrender his license and if necessary may order a law-enforcement officer to seize the license. The judicial official shall give the person a copy of the revocation order. In addition to setting it out in the order the judicial official shall personally inform the person of his right to a hearing as specified in subsection (g), and that his license remains revoked pending the hearing. The revocation under this subsection begins at the time the revocation order is issued and continues until the person's license has been surrendered for the period specified in this subsection, and the person has paid the applicable costs. The period of revocation is 30 days, if there are no pending offenses for which the person's license had been or is revoked under this section. If at the time of the current offense, the person has one or more pending offenses for which his license had been or is revoked under this section, the revocation shall remain in effect until a final judgment, including all appeals, has been entered for the current offense and for all pending offenses. In no event, may the period of revocation under this subsection be less than 30 days. If within five working days of the effective date of the order, the person does not surrender his license or demonstrate that he is not currently licensed, the clerk shall immediately issue a pick-up order. The pick-up order shall be issued to a member of a local law-enforcement agency if the law enforcement officer was employed by the agency at the time of the charge and the person resides in or is present in the agency's territorial jurisdiction. In all other cases, the pick-up order shall be issued to an officer or ~~inspector~~ agent of the Division. A pick-up order issued



1 pursuant to this section is to be served in accordance with G.S. 20-29 as if the order had been  
2 issued by the Division."

3 **SECTION 6.(b)** G.S. 20-49 reads as rewritten:

4 **"§ 20-49. Police authority of Division.**

5 The Commissioner and such officers and ~~inspectors~~agents of the Division as ~~he~~the  
6 Commissioner shall designate and all members of the Highway Patrol and law enforcement  
7 officers of the Department of Public Safety shall have the power:

8 ...."

9 **SECTION 6.(c)** G.S. 20-49.1 reads as rewritten:

10 **"§ 20-49.1. Supplemental police authority of Division ~~officers~~officers and agents.**

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

- 15 (1) When they have probable cause to believe that a person has committed a  
16 criminal act in their presence and at the time of the violation they are  
17 engaged in the enforcement of laws otherwise within their jurisdiction.
- 18 (2) When they are asked to provide temporary assistance by the head of a State  
19 or local law enforcement agency or his designee and the request is within the  
20 scope of the agency's subject matter jurisdiction.

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

29 (b) In addition to the law enforcement authority granted in G.S. 20-49 or elsewhere, the  
30 Commissioner and the officers and ~~inspectors~~agents of the Division whom the Commissioner  
31 designates have the authority to investigate drivers license fraud and identity thefts related to  
32 drivers license fraud and to make arrests for these offenses."

33 **SECTION 6.(d)** G.S. 20-53(e) reads as rewritten:

34 "(e) No title shall be issued to an initial applicant for (i) out-of-state vehicles that are  
35 1980 model year or older or (ii) a specially constructed vehicle prior to the completion of a  
36 vehicle verification conducted by the License and Theft Bureau of the Division of Motor  
37 Vehicles. These verifications shall be conducted as soon as practical. For an out-of-state  
38 vehicle that is 1980 model year or older, this inspection shall consist of verifying the public  
39 vehicle identification number to ensure that it matches the vehicle and ownership documents.  
40 No covert vehicle identification numbers are to be examined on an out-of-state vehicle 1980  
41 model year or older unless the ~~inspector~~agent develops probable cause to believe that the  
42 ownership documents or public vehicle identification number presented does not match the  
43 vehicle being examined. However, upon such application and the submission of any required  
44 documentation, the Division shall be authorized to register the vehicle pending the completion  
45 of the verification of the vehicle. The registration shall be valid for one year but shall not be  
46 renewed unless and until the vehicle examination has been completed.

47 If an inspection and verification is not conducted by the License and Theft Bureau of the  
48 Division of Motor Vehicles within 15 days after receiving a request for such and the ~~inspector~~  
49 agent has no probable cause to believe that the ownership documents or public vehicle  
50 identification number presented does not match the vehicle being examined, the vehicle shall  
51 be deemed to have satisfied all inspection and verification requirements and title shall issue to



the owner within 15 days thereafter. If an inspection and verification is timely performed and the vehicle passes the inspection and verification, title shall issue to the owner within 15 days of the date of the inspection."

SECTION 6.(e) G.S. 20-108 reads as rewritten:

"§ 20-108. Vehicles or component parts of vehicles without manufacturer's numbers.

...

(b) The Commissioner and such officers and ~~inspectors~~ agents of the Division of Motor Vehicles as he has designated may take and possess any motor vehicle or component part if its engine number, vehicle identification number, or manufacturer's serial number has been altered, changed, or obliterated or if such officer or agent has probable cause to believe that the driver or person in charge of the motor vehicle or component part has violated subsection (a) above. Any officer or agent who so takes possession of a motor vehicle or component part shall immediately notify the Division of Motor Vehicles and the rightful owner, if known. The notification shall contain a description of the motor vehicle or component part and any other facts that may assist in locating or establishing the rightful ownership thereof or in prosecuting any person for a violation of the provisions of this Article.

(c) Within 15 days after seizure of a motor vehicle or component part pursuant to this section, the Division shall send notice by certified mail to the person from whom the property was seized and to all claimants to the property whose interest or title is in the registration records in the Division of Motor Vehicles that the Division has taken custody of the motor vehicle or component part. The notice shall also contain the following information:

- (1) The name and address of the person or persons from whom the motor vehicle or component part was seized;
- (2) A statement that the motor vehicle or component part has been seized for investigation as provided in this section and that the motor vehicle or component part will be released to the rightful owner:
  - a. Upon a determination that the identification number has not been altered, changed, or obliterated; or
  - b. Upon presentation of satisfactory evidence of the ownership of the motor vehicle or component part if no other person claims an interest in it within 30 days of the date the notice is mailed. Otherwise, a hearing regarding the disposition of the motor vehicle or component part may take place in a court having jurisdiction.
- (3) The name and address of the officer or agent to whom evidence of ownership of the motor vehicle or component part may be presented; and
- (4) A copy statement of the text contained in this section.

(d) Whenever a motor vehicle or component part comes into the custody of an ~~officer~~, officer or agent, the Division of Motor Vehicles may commence a civil action in the District Court in the county in which the motor vehicle or component part was seized to determine whether the motor vehicle or component part should be destroyed, sold, converted to the use of the Division or otherwise disposed of by an order of the court. The Division shall give notice of the commencement of such an action to the person from whom the motor vehicle or component part was seized and all claimants to the property whose interest or title is in the registration records of the Division of Motor Vehicles. Notice shall be by certified mail sent within 10 days after the filing of the action. In addition, any possessor of a motor vehicle or component part described in this section may commence a civil action under the provisions of this section, to which the Division of Motor Vehicles may be made a party, to provide for the proper disposition of the motor vehicle or component part.

...

(j) An officer or agent taking into custody a motor vehicle or component part under the provisions of this section is authorized to obtain necessary removal and storage services, but

1 shall incur no personal liability for such services. The person or company so employed shall be  
2 entitled to reasonable compensation as a claimant under (e), and shall not be deemed an  
3 unlawful possessor under (a)."

#### 5 **LIMIT ISSUANCE OF 10-DAY TEMPORARY VEHICLE REGISTRATION TAGS**

6 **SECTION 7.(a)** G.S. 20-50(b) reads as rewritten:

7 "(b) The Division may issue a temporary license plate for a vehicle. A temporary license  
8 plate is valid for the period set by the Division. The period may not be less than 10 days nor  
9 more than 60 days. Except for a vehicle that is model year 1980 or older and is being  
10 transported directly to or from a vehicle show or exhibition, the Division shall not issue more  
11 than two 10-day temporary license plates to a person for a particular vehicle during an annual  
12 registration period.

13 A person may obtain a temporary license plate for a vehicle by filing an application with  
14 the Division and paying the required fee. An application must be filed on a form provided by  
15 the Division.

16 The fee for a temporary license plate that is valid for 10 days is ten dollars (\$10.00). The  
17 fee for a temporary license plate that is valid for more than 10 days is the amount that would be  
18 required with an application for a license plate for the vehicle. If a person obtains for a vehicle  
19 a temporary license plate that is valid for more than 10 days and files an application for a  
20 license plate for that vehicle before the temporary license plate expires, the person is not  
21 required to pay the fee that would otherwise be required for the license plate.

22 A temporary license plate is subject to the following limitations and conditions:

- 23 (1) It may be issued only upon proper proof that the applicant has met the  
24 applicable financial responsibility requirements.
- 25 (2) It expires on midnight of the day set for expiration.
- 26 (3) It may be used only on the vehicle for which issued and may not be  
27 transferred, loaned, or assigned to another.
- 28 (4) If it is lost or stolen, the person who applied for it must notify the Division.
- 29 (5) It may not be issued by a dealer.
- 30 (6) The provisions of G.S. 20-63, 20-71, 20-110 and 20-111 that apply to license  
31 plates apply to temporary license plates insofar as possible."

32 **SECTION 7.(b)** This section becomes effective January 1, 2018, and applies to  
33 applications received on or after that date.

#### 35 **REMOVE SIGNATURE LINE FROM MOTOR VEHICLE REGISTRATION CARD**

36 **SECTION 8.** G.S. 20-57(b) reads as rewritten:

37 "(b) The registration card shall be delivered to the owner and shall contain upon the face  
38 thereof the name and address of the owner, ~~space for the owner's signature~~, the registration  
39 number assigned to the vehicle, and a description of the vehicle as determined by the  
40 Commissioner, provided that if there are more than two owners the Division may show only  
41 two owners on the registration card and indicate that additional owners exist by placing after  
42 the names listed "et al." An owner may obtain a copy of a registration card issued in the  
43 owner's name by applying to the Division for a copy and paying the fee set in G.S. 20-85."

#### 45 **ALLOW REMOTE CONVERSION OF CERTAIN FULL PROVISIONAL LICENSES** 46 **TO CLASS C LICENSES**

47 **SECTION 9.(a)** G.S. 20-7(f)(1) reads as rewritten:

- 48 "(1) Duration of license for persons under age 18. – A full provisional license  
49 issued to a person under the age of 18 expires on the sixtieth day following  
50 the person's twenty-first birthday."

51 **SECTION 9.(b)** G.S. 20-7(f)(6) reads as rewritten:



- 1           "(6) Remote ~~renewal~~ renewal or conversion. – Subject to the following  
2 requirements and limitations, the Division may offer remote renewal of a  
3 ~~drivers license~~ license, or remote conversion of a full provisional license,  
4 issued by the Division:
- 5           a. Requirements. – To be eligible for remote renewal or conversion  
6 under this subdivision, a person must meet all of the following  
7 requirements:
- 8               1. The license holder (i) possesses a ~~valid, unexpired~~ valid Class  
9 C drivers license ~~that was issued when the person was at least~~  
10 ~~18 years old~~ or (ii) possesses a valid full provisional license  
11 and is at least 18 years old at the time of the remote  
12 conversion request.
- 13               2. The license holder's current license includes no restrictions  
14 other than a restriction for corrective lenses.
- 15               3. The license holder attests, in a manner designated by the  
16 Division, that (i) the license holder is a resident of the State  
17 and currently resides at the address on the license to be  
18 ~~renewed, renewed or converted,~~ (ii) the license holder's name  
19 as it appears on the license to be renewed or converted has  
20 not changed, and (iii) all other information required by the  
21 Division for an in-person renewal under this Article has been  
22 provided completely and truthfully. If the license holder does  
23 not currently reside at the address on the license to be  
24 renewed or converted, the license holder may comply with  
25 the address requirement of this sub-sub-subdivision by  
26 providing the address at which the license holder resides at  
27 the time of the remote renewal or conversion request.
- 28               4. ~~The~~ For a remote renewal, the most recent renewal was an  
29 in-person renewal and not a remote renewal under this  
30 subdivision.
- 31               5. The license holder is otherwise eligible for renewal or  
32 conversion under this subsection.
- 33           b. Waiver of requirements. – When renewing or converting a drivers  
34 license pursuant to this subdivision, the Division may waive the  
35 examination and photograph that would otherwise be required for the  
36 ~~renewal~~ renewal or conversion.
- 37           c. Duration of remote ~~renewal~~ renewal or conversion. – A ~~renewed~~  
38 drivers license issued to a person by remote renewal or conversion  
39 under this subdivision expires according to the following schedule:
- 40               1. For a person at least 18 years old but less than 66 years old,  
41 on the birthday of the licensee in the eighth year after  
42 issuance.
- 43               2. For a person at least 66 years old, on the birthday of the  
44 licensee in the fifth year after issuance.
- 45           d. Rules. – The Division shall adopt rules to implement this  
46 subdivision.
- 47           e. Federal law. – Nothing in this subdivision shall be construed to  
48 supersede any more restrictive provisions for renewal or conversion  
49 of drivers licenses prescribed by federal law or regulation.
- 50           f. Definition. – For purposes of this subdivision, "remote ~~renewal~~"  
51 renewal or conversion" means renewal or conversion of a drivers

license or full provisional license by mail, telephone, electronic device, or other secure means approved by the Commissioner."

**SECTION 9.(c)** Subsection (a) of this section becomes effective March 1, 2018, and applies to full provisional licenses issued on or after that date. The remainder of this section becomes effective March 1, 2018.

## **TEMPORARY REGISTRATION PLATES/EXTEND TIME LIMIT FOR DELIVERY OF SALES DOCUMENTS**

**SECTION 10.(a)** G.S. 20-79.1(d)(3) reads as rewritten:

"(d) A dealer shall:

...

- (3) Within ~~10 working~~ 20 days, 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 in writing by all parties to the contract."

**SECTION 10.(b)** This section is effective when it becomes law and applies to sales made on or after that date.

## **SPECIAL IDENTIFICATION CARDS/MODIFY ISSUANCE PROCESS AND ALLOW REMOTE RENEWAL**

**SECTION 11.(a)** G.S. 20-37.7 reads as rewritten:

"§ 20-37.7. Special identification card.

...

(d) ~~Expiration and Fee.Duration. – A special-Special identification card issued to a person for the first time under this section expires when a drivers license issued on the same day to that person would expire. A special identification card renewed under this section expires when a drivers license renewed by the card holder on the same day would expire-cards shall be issued and renewed pursuant to the provisions of this subsection:~~

- (1) Duration for persons under age 18. – A special identification card issued to or renewed by a person under the age of 18 expires on the birthday of the holder in the fifth year after issuance.
- (2) Duration for persons age 18 and older. – A special identification card issued to or renewed by a person at least 18 years old expires on the birthday of the holder in the eighth year after issuance.
- (3) Duration for certain other drivers. – The durations listed in subdivisions (1) and (2) of this subsection are valid unless the Division determines that a special identification card of shorter duration should be issued when the applicant holds valid documentation issued by, or under the authority of, the United States government that demonstrates the applicant's legal presence of limited duration in the United States. In no event shall a special identification card of limited duration expire later than the expiration of the authorization for the applicant's legal presence in the United States.
- (4) When to renew. – A person may apply to the Division to renew a special identification card during the 180-day period before the special identification card expires. The Division may not accept an application for renewal made before the 180-day period begins.

(d1) Fee. – The fee for a new or renewed special identification card is the same as the fee set in G.S. 20-14 for a duplicate license. The fee does not apply to a special identification card issued to a resident of this State as follows:

...



(7) The applicant has a developmental disability. To obtain a special identification card without paying a fee pursuant to this subdivision, an applicant must present a ~~letter from~~ letter, or a form approved by the Division, signed by his or her primary care provider certifying that the applicant has a developmental disability. For purposes of this subdivision, the term "developmental disability" has the same meaning as in G.S. 122C-3.

(d2) Remote Renewal. – Subject to the following limitations and requirements, the Division may offer remote renewal of a special identification card issued by the Division:

(1) Requirements. – To be eligible for remote renewal under this subsection, a person must meet all of the following requirements:

a. The special identification card holder possesses a valid special identification card that was issued when the person was at least 18 years old.

b. The special identification card holder attests, in a manner designated by the Division, that (i) the special identification card holder is a resident of the State and currently resides at the address on the special identification card to be renewed, (ii) the special identification card holder's name as it appears on the special identification card to be renewed has not changed, and (iii) all other information required by the Division for an in-person renewal under this Article has been provided completely and truthfully. If the special identification card holder does not currently reside at the address on the special identification card to be renewed, the special identification card holder may comply with the address requirement of this sub-subdivision by providing the address at which the special identification card holder resides at the time of the remote renewal request.

c. The most recent renewal was an in-person renewal and not a remote renewal under this subsection.

d. The special identification card holder is otherwise eligible for renewal under this subsection.

(2) Definition. – For purposes of this subsection, "remote renewal" means renewal of a special identification card by mail, telephone, electronic device, or other secure means approved by the Commissioner.

~~(d1)~~(d3) Severe Disability. – For a person who has a physician's letter certifying that a severe disability causes the person to be homebound, the Division shall adopt rules allowing for application for or renewal of a special photo identification card under this section by means other than a personal appearance.

(d4) Special Identification Card to Be Sent by Mail. – The Division shall issue to the applicant a temporary identification certificate valid for 60 days. The temporary identification certificate shall not be valid for identification purposes, except when conducting business with the Division and not otherwise prohibited by federal law. The Division shall produce the applicant's special identification card at a central location and send it to the applicant by first-class mail at the residence address provided by the applicant, unless the applicant is ineligible for mail delivery by the United States Postal Service at the applicant's residence. If the United States Postal Service documents that it does not deliver to the residential address provided by the applicant, and the Division has verified the applicant's residential address by other means, the Division may mail the special identification card to the post office box provided by the applicant. Applicants whose only mailing address prior to July 1, 2008, was a



1 post office box in this State may continue to receive their license at that post office box,  
2 provided the applicant's residential address has been verified by the Division.

3 ...."

4 **SECTION 11.(b)** G.S. 20-9.2(c) reads as rewritten:

5 "(c) This section does not apply to special identification cards issued pursuant to ~~G.S.~~  
6 ~~20-37.7(d)(5) or (6).~~ subdivision (5) or (6) of subsection (d1) of G.S. 20-37.7."

7 **SECTION 11.(c)** G.S. 163-275(13) reads as rewritten:

8 "(13) For any person falsely to make or present any certificate or other paper to  
9 qualify any person fraudulently as a voter, or to attempt thereby to secure to  
10 any person the privilege of voting, including declarations made under this  
11 Chapter, ~~G.S. 20-37.7(d)(5), 20-37.7(d)(6), G.S. 20-37.7(d1)(5),~~  
12 ~~20-37.7(d1)(6),~~ 130A-93.1(c), and 161-10(a)(8)."

13 **SECTION 11.(d)** Subsections (b) and (c) of this section and subsection (d2) of  
14 G.S. 20-37.7, as enacted by subsection (a) of this section, become effective December 1, 2017.  
15 The remainder of this section becomes effective December 1, 2017, and applies to initial  
16 applications and renewals on or after that date.

17  
18 **DMV OFFICERS/EXPAND LIST OF SITUATIONS WHERE POLICE AUTHORITY**  
19 **MAY BE EXERCISED**

20 **SECTION 12.** G.S. 20-49.1(a) is amended by adding a new subdivision to read:

21 "(3) When they are responding to an emergency situation that (i) is occurring in  
22 their immediate vicinity and (ii) would likely result in bodily harm or loss of  
23 property without immediate intervention."

24  
25 **ELIMINATION OF DRIVERS LICENSE TECHNOLOGY FUND**

26 **SECTION 13.** G.S. 20-37.01 and G.S. 20-37.02(e) are repealed.

27  
28 **MOTOR VEHICLE DEFINITION/TECHNICAL CORRECTION**

29 **SECTION 14.** G.S. 58-37-1(6) reads as rewritten:

30 "(6) "Motor vehicle" means every self-propelled vehicle that is designed for use  
31 upon a highway, including trailers and semitrailers designed for use with  
32 such vehicles (except traction engines, road rollers, farm tractors, tractor  
33 cranes, power shovels, and well drillers). "Motor vehicle" also means a  
34 motorcycle, as defined in G.S. 20-4.01(27)d., and a moped, as defined in  
35 ~~G.S. 20-4.01(27)d1., or G.S. 20-4.01(27)d1.~~ "Motor vehicle" does not mean  
36 an electric assisted bicycle, as defined in G.S. 20-4.01(7a)."

37  
38 **METHOD TO DETERMINE FAIR MARKET VALUE OF SEIZED AND WRECKED**  
39 **VEHICLES**

40 **SECTION 14.1.** G.S. 20-28.2(a1)(1) reads as rewritten:

41 "**§ 20-28.2. Forfeiture of motor vehicle for impaired driving after impaired driving**  
42 **license revocation; forfeiture for felony speeding to elude arrest.**

43 ...

44 (a1) Definitions. – As used in this section and in G.S. 20-28.3, 20-28.4, 20-28.5, 20-28.7,  
45 20-28.8, 20-28.9, 20-54.1, and 20-141.5, the following terms mean:

46 (1) Fair Market Value. – The value of the seized motor vehicle, as determined in  
47 accordance with the schedule of values adopted by the Commissioner  
48 pursuant to ~~G.S. 105-187.3.~~ G.S. 105-187.3, except for wrecked vehicles. For  
49 wrecked vehicles, the value shall be determined using a schedule of values  
50 based on a nationally recognized insurance adjuster formula for calculating  
51 the salvage value of a wrecked vehicle, as adopted by the Commissioner."



**MODIFY PROCEDURE FOR EXPEDITED SALE OF SEIZED MOTOR VEHICLES****SECTION 14.2.** G.S. 20-28.3(i) reads as rewritten:

"(i) Expedited Sale of Seized Motor Vehicles in Certain Cases. – In order to avoid additional liability for towing and storage costs pending resolution of the criminal proceedings of the defendant, the State Surplus Property Agency or county board of education ~~may~~, may ~~sell any motor vehicle after expiration of 90 days from the date of seizure, sell any motor vehicle having a fair market value of one thousand five hundred dollars (\$1,500) or less. The county board of education may also sell a motor vehicle, regardless of the fair market value, any time the outstanding towing and storage costs exceed eighty five percent (85%) of the fair market value of the vehicle, or with the consent of all the motor vehicle owners. Any sale conducted pursuant to this subsection shall be conducted in accordance with the provisions of G.S. 20-28.5(a) or G.S. 20-28.5(a1), as applicable, and the proceeds of the sale, after the payment of outstanding towing and storage costs or reimbursement of towing and storage costs paid by a person other than the defendant, shall be deposited with the clerk of superior court. If an order of forfeiture is entered by the court, the court shall order the proceeds held by the clerk to be disbursed as provided in G.S. 20-28.5(b). If the court determines that the motor vehicle is not subject to forfeiture, the court shall order the proceeds held by the clerk to be disbursed first to pay the sale, towing, and storage costs, second to pay outstanding liens on the motor vehicle, and the balance to be paid to the motor vehicle owners.~~"

**PART III. EFFECTIVE DATE**

**SECTION 15.** Except as otherwise provided, this act becomes effective July 1, 2017.

GENERAL ASSEMBLY OF NORTH CAROLINA  
SESSION 2017

S

3

SENATE BILL 391  
Transportation Committee Substitute Adopted 5/31/17  
Finance Committee Substitute Adopted 6/7/17

Short Title: Ferry Transportation Authority.

(Public)

Sponsors:

Referred to:

March 28, 2017

1 A BILL TO BE ENTITLED  
2 AN ACT TO AUTHORIZE THE CREATION OF A FERRY TRANSPORTATION  
3 AUTHORITY.

4 The General Assembly of North Carolina enacts:

5 SECTION 1. Chapter 160A of the General Statutes is amended by adding a new  
6 Article to read:

7 "Article 29.

8 "Ferry Transportation Authority.

9 "§ 160A-680. Title and purpose.

10 This Article shall be known and may be cited as the "Ferry Transportation Authority Act."  
11 The purpose of this Article is to authorize creation of an Authority to provide reliable and safe  
12 public ferry transportation services in its service area.

13 "§ 160A-681. Definitions.

14 The following definitions apply in this Article:

- 15 (1) Authority. – The Ferry Transportation Authority.  
16 (2) Board of Trustees. – The governing board of the Authority.  
17 (3) Ferry Transportation Authority. – A public body corporate and politic  
18 organized in accordance with the provisions of this Article for the purposes,  
19 with the powers, and subject to the restrictions hereinafter set forth.  
20 (4) Ferry transportation service. – Transportation of passengers or freight by any  
21 means of conveyance, including a ferry, barge, vehicle, or tram.  
22 (5) Ferry transportation system. – A combination of real and personal property,  
23 structures, improvements, buildings, equipment, maritime vessels, vehicles,  
24 vehicle parking, trams, shuttle buses, docks, terminals, and other facilities  
25 necessary for the maintenance and operation of a ferry transportation  
26 service. The term does not include public streets, roads, or highways.  
27 (6) Unit of local government. – A county, city, town, or municipality of this  
28 State, and any other political subdivision, public corporation, authority, or  
29 district in this State, that is or may be authorized by law to acquire, establish,  
30 construct, enlarge, improve, maintain, own, or operate a ferry transportation  
31 system.  
32 (7) Unit of local government's chief administrative official. – The county  
33 manager, city manager, town manager, or other person in whom the  
34 responsibility for the unit of local government's administrative duties is  
35 vested.





- (8) Vessel. – Watercraft or other artificial contrivance used, or capable of being used, as a means of transportation of passengers or freight on water.

**"§ 160A-682. Service area of Authority.**

The boundaries of the service area of the Authority shall be determined by the Board of Trustees, consistent with the purpose of the Authority. The service area of an authority created pursuant to this Article may include, but cannot exceed, all of the following:

- (1) The area of a tidal river, and adjoining estuaries, in the vicinity of a municipality that is only accessible by vessel.
- (2) Terminals, parking, maintenance facilities, facilities utilized for tram and bus service, and other related facilities in or in the vicinity of the same tidal river and a municipality that is only accessible by vessel.
- (3) Terminals, parking, maintenance facilities, facilities utilized for tram and bus service, and other related facilities in or in the vicinity of the same tidal river and a municipality in which the mainland terminal used to provide ferry transportation service is located.

**"§ 160A-683. Creation of Authority.**

(a) Resolution of Creation. – An Authority may be organized under the provisions of this Article upon the adoption of a resolution to create such an Authority by each of the following:

- (1) The elected board of a municipality only accessible by vessel.
- (2) The elected board of a municipality where any mainland terminal of the Authority is located.
- (3) The board of commissioners of the county where the Authority is located.

(b) Public Hearing. – A resolution to form an Authority under this Article shall be adopted after a public hearing. Notice of the public hearing must be given at least once, not less than 10 days prior to the date fixed for the hearing, in a newspaper having a general circulation in the county. The notice must contain a brief statement of the substance of the proposed resolution, the proposed articles of incorporation of the Authority, and the time and place of the public hearing.

(c) Articles of Incorporation. – A resolution to form an Authority under this Article must include articles of incorporation that set forth all of the following:

- (1) The name of the Authority.
- (2) A statement that the Authority is organized under this Article.
- (3) The name of each organizing entity.

(d) Certificate of Incorporation. – A certified copy of each resolution organizing an Authority under the provisions of this Article shall be filed with the Secretary of State, together with proof of publication of the notice of hearing. If the Secretary of State finds that each resolution, including the articles of incorporation, conform to the provisions of this Article and that the notice of hearing was properly published, then the Secretary must issue a certificate of incorporation under the seal of the State and record the same in an appropriate book of record. The issuance of the certificate of incorporation by the Secretary of State shall constitute the Authority, a public body and body politic and corporate of the State of North Carolina. The certificate of incorporation is conclusive evidence of the fact that the Authority has been duly created and established under the provisions of this Article.

(e) Officers. – When the Authority has been duly organized and its officers elected, the secretary of the Authority shall certify to the Secretary of State the names and addresses of the officers as well as the address of the principal office of the Authority.

**"§ 160A-684. Board of Trustees.**

(a) Members. – The Board of Trustees consists of 11 members. The Mayor and Mayor Pro Tempore of the municipality only accessible by vessel serve as ex officio voting members. The remaining nine members serve staggered three-year terms and are appointed as provided in



subsubsection (b) of this section. Members of the Board of Trustees shall receive the sum of fifty dollars (\$50.00) as compensation for attendance at each duly conducted meeting of the Authority.

(b) Appointment. – Nine members of the Board of Trustees are appointed as provided in this subsection. The members must be residents of this State at the time of appointment and must maintain their residency during the duration of their term. Appointed members serve at the pleasure of the appointing authority. A vacancy in a term prior to the expiration of the term must be filled by the appropriate appointing authority. The members are appointed as follows:

(1) One member by the Governor.

(2) Two members by the General Assembly under G.S. 120-121, one of whom is appointed upon the recommendation of the President Pro Tempore of the Senate and one of whom is appointed upon the recommendation of the Speaker of the House of Representatives.

(3) Three members appointed by the Secretary of the Department of Transportation, at least one of whom must be a resident of the service area of the Authority, as determined under G.S. 160A-682, and at least one of whom must be a member of the Board of Transportation.

(4) One member by the board of commissioners of the county where the Authority is located, who must be a resident of the county but not a resident of the municipality only accessible by vessel.

(5) One member by the elected board of a municipality where the mainland terminal of the Authority is located, who must be a resident of that municipality.

(6) One member appointed by the elected board of a municipality only accessible by vessel, who must be a resident of the municipality only accessible by vessel.

(c) Terms. – A term begins on July 1 of the year of appointment and ends on June 30 of the third year. A member appointed under subsection (b) of this section may not serve more than two consecutive terms on the Board of Trustees. In calculating the number of terms served, a partial term that is less than 18 months in length will not be included.

(d) Meetings. – The Board of Trustees must meet at least once every three months. A majority of the members of the Board of Trustees constitute a quorum for the transaction of business. The Board of Trustees must annually elect from its membership a chair and vice-chair. The Board of Trustees may elect from its membership or appoint a nonmember to serve as secretary or treasurer.

(e) Ethics. – Members of the Board of Trustees are subject to the provisions of G.S. 136-13, 136-13.1, and 136-14.

(f) Reports. – The Board of Trustees must submit an annual report of its activities, holdings, and finances, including an audit of its accounts by a certified public accountant, to the Secretary of the Department of Transportation and to the Joint Legislative Commission on Governmental Operations. The report must be submitted by October 1 of each year.

**"§ 160A-685. Ferry Transportation Authority.**

(a) Financial Accountability. – An Authority created under this Article is a public authority subject to the provisions of Chapter 159 of the General Statutes.

(b) Funds. – The establishment and operation of an Authority are governmental functions and constitute a public purpose. The State or any unit of local government may, but is not obligated to, appropriate funds to support the establishment and operation of the Authority. The State or any unit of local government may also dedicate, sell, convey, donate, or lease any of their interests in any property to the Authority. An Authority may apply for grants or any other type of financing from the State, the United States, or any department, agency, or instrumentality thereof.



1       (c)    General Powers. – The general powers of the Authority include any one or more of  
2   the following:

- 3           (1)    To sue and be sued.
- 4           (2)    To have a seal.
- 5           (3)    To make rules and regulations, not inconsistent with this Article, for its  
6                   organization and internal management.
- 7           (4)    To employ persons deemed necessary to carry out the functions and duties  
8                   assigned to them by the Authority and to fix their compensation within the  
9                   limit of available funds.
- 10          (5)    With the approval of the unit of local government's chief administrative  
11                   official, to use officers, employees, agents, and facilities of the unit of local  
12                   government for such purposes and upon such terms as may be mutually  
13                   agreeable.
- 14          (6)    To retain and employ counsel, auditors, engineers, and private consultants  
15                   on an annual salary, contract basis, or otherwise for rendering professional  
16                   or technical services and advice.
- 17          (7)    To acquire, lease as lessee with or without option to purchase, hold, own,  
18                   and use any property, real or personal, tangible or intangible, or any interest  
19                   therein, and to sell, lease as lessor with or without option to purchase,  
20                   transfer, or dispose thereof, whenever the same is no longer required for  
21                   purposes of the Authority, or exchange same for other property or rights that  
22                   are useful for the Authority's purposes, including, but not necessarily limited  
23                   to, barge service, marine maintenance, ferry terminals, and parking facilities.
- 24          (8)    To acquire by gift, purchase, lease as lessee with or without option to  
25                   purchase or otherwise to construct, improve, maintain, repair, operate, or  
26                   administer any component parts of a ferry transportation system or to  
27                   contract for the maintenance, operation, or administration thereof, or to lease  
28                   as lessor the same for maintenance, operation, or administration by private  
29                   parties, including, but not necessarily limited to, barge service, marine  
30                   maintenance, ferry terminals, and parking facilities.
- 31          (9)    To accept gifts or grants of money, real or personal property, or services  
32                   from a person, the State, the federal government, or a unit of local  
33                   government.
- 34          (10)   To make or enter into contracts, agreements, deeds, leases with or without  
35                   option to purchase, conveyances or other instruments, including contracts  
36                   and agreements with the United States, the State of North Carolina, and units  
37                   of local government.
- 38          (11)   To purchase or finance real or personal property in the manner provided for  
39                   cities and counties under G.S. 160A-20.
- 40          (12)   To surrender to the State of North Carolina, upon the approval of the  
41                   Secretary of the Department of Administration, any property no longer  
42                   required by the Authority.
- 43          (13)   To develop and make data, plans, information, surveys, and studies within  
44                   the service area of the Authority and to prepare and make recommendations  
45                   in regard thereto.
- 46          (14)   To enter in a reasonable manner lands, waters, or premises for the purpose of  
47                   making surveys, soundings, drillings, and examinations whereby such entry  
48                   shall not be deemed a trespass except that the Authority shall be liable for  
49                   any actual and consequential damages resulting from such entries.



- (15) To make, enter into, and perform contracts with private parties and transportation companies with respect to the management and operation of ferry transportation services.
- (16) To make, enter into, and perform contracts with other entities for the joint use of property or rights, for the establishment of connecting routes, joint fares, or transfer of passengers.
- (17) To make, enter into, and perform agreements with governmental entities for payments to the Authority for the transportation of persons for whom the governmental entities desire transportation.
- (18) With the consent of the unit of local government that would otherwise have jurisdiction to exercise the powers enumerated in this subdivision, to issue certificates of public convenience and necessity, and to grant franchises and enter into franchise agreements, and in all respects to regulate the operation of ferries, buses, trams, taxicabs, and other methods of public passenger transportation that originate and terminate within the service area of the Authority as fully as the unit of local government is now or hereafter empowered to do within the jurisdiction of the unit of local government.
- (19) To operate a ferry transportation system and to enter into and perform contracts to provide and operate ferry transportation services and facilities, and to own or lease property, facilities, and equipment necessary or convenient therefor, and to rent, lease, or otherwise sell the right to do so to any person, public or private; further, to obtain grants, loans, and assistance from the United States, the State of North Carolina, any public body, or any private source whatsoever, but may not operate or contract for the operation of a ferry transportation system outside the service area of the Authority.
- (20) To enter into and perform contracts and agreements with other public transportation authorities, regional public transportation authorities, or units of local government pursuant to the provisions of Part 1 of Article 20 of this Chapter; further, to enter into contracts and agreements with private transportation companies, but this subdivision does not authorize the operation of, or contracting for the operation of, service of a ferry transportation system outside the service area of the Authority.
- (21) To operate public transportation systems extending service into any political subdivision of the State of North Carolina, unless a particular unit of local government operating its own public transportation system or franchising the operation of a public transportation system by majority vote of its governing board shall deny consent, but such service may not extend more than 10 miles outside of the service area of the Authority.
- (22) To do all things necessary or convenient to carry out its purpose and to exercise the powers granted to the Authority.
- (23) To facilitate the coordination of transportation plans in the service area.
- (24) To maintain databases for the projection of future travel demands in the service area.
- (25) To provide other transportation related services within the service area of the Authority, as determined by the Board of Trustees in its discretion.
- (26) To contract for, or to provide and maintain, with respect to the facilities and property owned, leased, operated, or under the control of the Authority, and within the service area thereof, a security force to protect persons and property, dispense unlawful or dangerous assemblages and assemblages that obstruct full and free passage, control pedestrian and vehicular traffic, and otherwise preserve and protect the public peace, health, and safety. A



member of the security force shall be a peace officer and, as such, shall have authority equivalent to the authority of a police officer of the city or county in which the member is discharging those duties.

(27) Except as restricted by covenants in bonds, notes, or equipment trust certificates, to set in its sole discretion rates, fees, and charges for use of its ferry transportation system.

(28) To issue bonds and bond anticipation notes under the Local Government Revenue Bond Act, Articles 5 and 9 of Chapter 159 of the General Statutes, or as otherwise provided by law, for the purpose of acquiring, constructing, improving, maintaining, operating, or financing a ferry transportation system or any part thereof and to refund, whether or not in advance of maturity or the earliest redemption date, any such bonds or notes. As provided in G.S. 159-94, the principal of and interest on the bond is payable solely from the revenues pledged to its payment and neither the State nor the municipality is obligated to pay the principal or interest, except from such revenues.

**"§ 160A-686. Rates, fees, charges, routes, and schedules.**

(a) Notice. – The Board of Trustees must give at least 30 days' public notice of any change to rates, fees, charges, routes, or schedules, except as necessitated by an emergency situation. The Board of Trustees must report any change to rates, fees, charges, routes, or schedules to the Secretary of the Department of Transportation and to the Joint Legislative Commission on Governmental Operations.

(b) Regulation. – Notwithstanding G.S. 62-3(23)a.3. and 4., the North Carolina Utilities Commission shall not have jurisdiction over the provision of ferry transportation service within the Authority's service area.

**"§ 160A-687. Competition.**

(a) Prohibition. – No equipment of the Authority may be used for charter, tour, or sight-seeing service, except as provided by this section.

(b) Charter Services. – Equipment of the Authority may be used for occasional charter service events, if all of the following conditions are met:

(1) The use of the equipment for the charter service is approved in writing by the Board of Trustees.

(2) The revenues received by the Authority from the provision of the charter service exceed fully allocated expenses.

(3) The charter service does not adversely affect regularly scheduled ferry transportation services provided by the Authority.

**"§ 160A-688. Power of eminent domain.**

The Authority shall have continuing power to acquire, by gift, grant, devise, exchange, purchase, lease with or without option to purchase, or any other lawful method, including the power of eminent domain, the fee or any lesser interest in real or personal property for use by the Authority. Exercise of the power of eminent domain by the Authority shall be in accordance with Chapter 40A of the General Statutes.

**"§ 160A-689. Termination.**

The Board of Trustees may terminate the existence of the Authority at any time when it has no outstanding indebtedness. In the event of such termination, all property and assets of the Authority not otherwise encumbered shall automatically become the property of the State of North Carolina, and the State of North Carolina shall succeed to all rights, obligations, and liabilities of the Authority."

**SECTION 2.** G.S. 62-3(23) reads as rewritten:

**"§ 62-3. Definitions.**

As used in this Chapter, unless the context otherwise requires, the term:

(23)

m. The term "public utility" shall not include a Ferry Transportation Authority created pursuant to Article 29 of Chapter 160A of the General Statutes."

**SECTION 3.** G.S. 159-81(1) reads as rewritten:

**"§ 159-81. Definitions.**

The words and phrases defined in this section shall have the meanings indicated when used in this Article:

- (1) "Municipality" means a county, city, town, incorporated village, sanitary district, metropolitan sewerage district, metropolitan water district, metropolitan water and sewerage district, county water and sewer district, water and sewer authority, hospital authority, hospital district, parking authority, special airport district, special district created under Article 43 of Chapter 105 of the General Statutes, regional public transportation authority, regional transportation authority, regional natural gas district, regional sports authority, airport authority, joint agency created pursuant to Part 1 of Article 20 of Chapter 160A of the General Statutes, a joint agency authorized by agreement between two cities to operate an airport pursuant to G.S. 63-56, ~~and~~ the North Carolina Turnpike Authority described in Article 6H of Chapter 136 of the General Statutes and transferred to the Department of Transportation pursuant to G.S. 136-89.182(b), and a Ferry Transportation Authority created pursuant to Article 29 of Chapter 160A of the General Statutes, but not any other forms of State or local government."

**SECTION 4.** G.S. 160A-20(h) is amended by adding a new subdivision to read:

"(15) A Ferry Transportation Authority created pursuant to Article 29 of this Chapter."

**SECTION 5.(a)** To achieve the staggered terms for the nine members of the Board of Trustees in accordance with G.S. 160A-684(b), as enacted by Section 1 of this act, and notwithstanding the term of office provisions in G.S. 160A-684(c), as enacted by Section 1 of this act, the terms of the individuals serving on the initial Board of Trustees will be as provided below:

- (1) The appointee of the Governor shall serve for a one-year term, expiring June 30 in the year following the creation of the Authority.
- (2) The appointee of the President Pro Tempore of the Senate shall serve for a one-year term, expiring June 30 in the year following the creation of the Authority.
- (3) The appointee of the Speaker of the House of Representatives shall serve for a one-year term, expiring June 30 in the year following the creation of the Authority.
- (4) The appointees of the Secretary of the Department of Transportation shall each serve for a two-year term, expiring June 30 in the second year following the creation of the Authority.
- (5) The appointee of the board of commissioners described in G.S. 160A-684(b)(4), as enacted by Section 1 of this act, shall serve for a three-year term, expiring June 30 in the third year following the creation of the Authority.
- (6) The appointee of the elected board of the municipality described in G.S. 160A-684(b)(5), as enacted by Section 1 of this act, shall serve for a three-year term, expiring June 30 in the third year following the creation of the Authority.



(7) The appointee of the elected board of the municipality described in G.S. 160A-684(b)(6), as enacted by Section 1 of this act, shall serve for a three-year term, expiring June 30 in the third year following the creation of the Authority.

**SECTION 5.(b)** This section becomes effective upon the issuance of a certificate of incorporation by the Secretary of State for a Ferry Transportation Authority created under Article 29 of Chapter 160A of the General Statutes, as enacted by Section 1 of this act.

**SECTION 6.(a)** If (i) a Ferry Transportation Authority is created pursuant to Article 29 of Chapter 160A of the General Statutes, as enacted by Section 1 of this act, and (ii) an existing, privately owned ferry transportation service is currently operating a ferry transportation system in the service area of the Authority, as described in G.S. 160A-682, as enacted by Section 1 of this act, pursuant to a Certificate of Public Convenience and Necessity issued by the North Carolina Utilities Commission in effect as of the effective date of this act, then the assets used and useful for the ferry transportation system, as defined in G.S. 160A-681, as enacted by Section 1 of this act, and owned by the private ferry transportation service or its affiliates shall be acquired, by purchase, gift, lease, or otherwise, by that Authority at or below their appraised value, such purchase to be financed by bonds or notes issued by the Authority or other financing mechanisms permitted under Article 29 of Chapter 160A of the General Statutes, as enacted by Section 1 of this act. Upon the purchase of these assets by that Authority, the Certificate of Public Convenience and Necessity issued by the North Carolina Utilities Commission to such privately owned ferry transportation service shall be terminated and all franchise rights to operate a ferry transportation system utilizing these assets will be transferred at that time to the Authority without further action by the North Carolina Utilities Commission.

**SECTION 6.(b)** If (i) a Ferry Transportation Authority is created pursuant to Article 29 of Chapter 160A of the General Statutes, as enacted by Section 1 of this act, (ii) an existing, privately owned ferry transportation service is currently operating a ferry transportation system in the service area of the Authority, as described in G.S. 160A-682, as enacted by Section 1 of this act, and (iii) the Ferry Transportation Authority acquires the assets used and useful for the ferry transportation system, as defined in G.S. 160A-681, as enacted by Section 1 of this act, from the privately owned ferry transportation service, then the initial rates, fees, charges, routes, and schedules of the Ferry Transportation Authority must be the same rates, fees, charges, routes, and schedules in effect for such existing, privately owned ferry transportation service as of the date of its acquisition by the Authority.

**SECTION 6.(c)** This section becomes effective upon the issuance of a certificate of incorporation by the Secretary of State for a Ferry Transportation Authority created pursuant to Article 29 of Chapter 160A of the General Statutes, as enacted by Section 1 of this act.

**SECTION 7.** Except as otherwise provided, this act is effective when it becomes law.



## SENATE BILL 391: Ferry Transportation Authority.

2017-2018 General Assembly

<b>Committee:</b>	House Transportation. If favorable, re-refer to Finance	<b>Date:</b>	June 20, 2017
<b>Introduced by:</b>	Sen. Rabon	<b>Prepared by:</b>	Giles Perry
<b>Analysis of:</b>	Third Edition		Staff Attorney

**OVERVIEW:** *Senate Bill 391 authorizes the creation of a Ferry Transportation Authority to operate a ferry system in the area of a tidal river, and adjoining estuaries, in the vicinity of a municipality that is only accessible by water.*

**CURRENT LAW:** Under current law, public transportation authorities are authorized by Articles 25, 26, and 27 of Chapter 160A, for the purpose of operating public bus and rail transportation systems in specified areas of the State.

**BILL ANALYSIS:** Senate Bill 391 authorizes the creation of a Ferry Transportation Authority to operate a ferry transportation system.

The bill specifies the following:

- **Service Area:** The service area of a Ferry Transportation Authority is defined as the area of a tidal river, and adjoining estuaries, in the vicinity of a municipality that is only accessible by water.<sup>1</sup>
- **Creation:** Following notice and public hearing, a Ferry Transportation Authority could be created by resolution of each of the following: (1) The elected board of a municipality only accessible by vessel, (2) The elected board of a municipality where any mainland terminal of the Authority is located, (3) The board of commissioners of the county where the Authority is located.
- **Board of Trustees:** The Ferry Transportation Authority would be governed by an 11 member Board of Trustees, with staggered 3-year terms, appointed as specified in new G.S. 160A-685(b). One member would be appointed by the Governor, one by the President Pro Tem, one by the Speaker, three by the Secretary of DOI, one by the affected county, one by the mainland terminal municipality, and one by the island municipality.
- **Fiscal Accountability:** The Ferry Transportation Authority would be subject to the provision of Chapter 159, the Local Government Local Government Budget and Fiscal Control Act.
- **No State Funds.** The bill provides the State would not be required to provide any funds for the operation of the Authority.

<sup>1</sup> The Village of Bald Head Island, The Town of Southport, and adjacent areas meet the description of an authorized service area of a Ferry Transportation Authority authorized by this act.

Karen Cochrane-Brown  
Director



Legislative Analysis  
Division  
919-733-2578

# Senate Bill 391

Page 2

- **Powers:** A Ferry Transportation Authority would have the powers listed in new G.S. 160A- 685, including the power to acquire the component parts of a ferry transportation system, to operate the system, sets rates for its services, and to issue revenue bonds and bond anticipation notes.
- **Rates, Routes, Schedules.** A Ferry Transportation Authority authorized under this act would be exempt from Utilities Commission rate-making jurisdiction, and would be required to give 30 days' public notice of any changes to rates, routes, and schedules. The initial rates, routes and schedules of a ferry service provided by an Authority would have to be the same as any private ferry service an Authority acquired.
- **Competition:** Competition by the Ferry Transportation Authority with private entities would be limited to authorized charter services, as provided by new G.S. 160A-687.
- **Eminent Domain:** A Ferry Transportation Authority would be authorized to utilize eminent domain for the purposes of the Authority.

**EFFECTIVE DATE:** This act is effective when it becomes law.

*Cindy Avrette, Counsel to Senate Finance, substantially contributed to this summary.*

GENERAL ASSEMBLY OF NORTH CAROLINA  
SESSION 2017

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1

SENATE BILL 182

Short Title: Prohibit Use of Light Bars on Motor Vehicles. (Public)  
Sponsors: Senators McInnis (Primary Sponsor); and Lowe.  
Referred to: Rules and Operations of the Senate

March 7, 2017

A BILL TO BE ENTITLED

AN ACT TO PROHIBIT THE USE OF LIGHT BAR LIGHTING DEVICES ON A MOTOR  
VEHICLE WHILE THE MOTOR VEHICLE IS BEING DRIVEN ON THE HIGHWAYS OF  
THIS STATE.

The General Assembly of North Carolina enacts:

SECTION 1. G.S. 20-130 reads as rewritten:

"§ 20-130. Additional permissible light on vehicle.

(a) Spot Lamps. – Any motor vehicle may be equipped with not to exceed two spot lamps, except that a motorcycle shall not be equipped with more than one spot lamp, and every lighted spot lamp shall be so aimed and used upon approaching another vehicle that no part of the beam will be directed to the left of the center of the highway nor more than 100 feet ahead of the vehicle. No spot lamps shall be used on the rear of any vehicle. For purposes of this section, the term "motorcycle" shall not include autocycles. Autocycles shall be subject to the requirements under this section for motor vehicles.

(b) Auxiliary Driving Lamps. – Any motor vehicle may be equipped with not to exceed two auxiliary driving lamps mounted on the front, and every such auxiliary driving lamp or lamps shall meet the requirements and limitations set forth in G.S. 20-131, subsection (c).

(c) Restrictions on Lamps. – Any device, other than headlamps, spot lamps, or auxiliary driving lamps, which projects a beam of light of an intensity greater than 25 candlepower, shall be so directed that no part of the beam will strike the level of the surface on which the vehicle stands at a distance of more than 50 feet from the vehicle.

(d) Electronically Modulated Headlamps. – Nothing contained in this Chapter shall prohibit the use of electronically modulated headlamps on motorcycles, law-enforcement and fire department vehicles, county fire marshals and Emergency Management coordinators, public and private ambulances, and rescue squad emergency service vehicles, provided such headlamps and light modulator are of a type or kind which have been approved by the Commissioner of Motor Vehicles.

(e) High Mounted Flashing Deceleration Lamps. – Public transit vehicles may be equipped with amber, high mounted, flashing deceleration lamps on the rear of the vehicle.

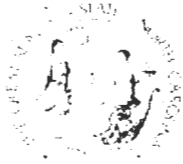
(f) Light Bar Lighting Device. – Notwithstanding any provision of this section to the contrary, and excluding vehicles described in subsection (d) of this section, no person shall drive a motor vehicle on the highways of this State while using a light bar lighting device. For purposes of this subsection, the term "light bar lighting device" means a bar-shaped lighting device comprised of multiple lamps capable of projecting a beam of light at an intensity greater than that set forth in subsection (c) of this section.



\* S 1 8 2 - V - 1 \*



1           **SECTION 2.** This act becomes effective October 1, 2017, and applies to offenses  
2 committed on or after that date.



## SENATE BILL 182: Prohibit Use of Light Bars on Motor Vehicles.

2017-2018 General Assembly

**Committee:** House Transportation  
**Introduced by:** Sen. McInnis  
**Analysis of:** First Edition

**Date:** June 20, 2017  
**Prepared by:** Howard Marsilio  
Staff Attorney

**OVERVIEW:** *Senate Bill 182 would prohibit the use of light bars that project a light at an intensity greater than 25 candlepower on motor vehicles being operated on the highway.*

**CURRENT LAW:** Current law provides for requirements and restrictions on an additional headlamps, spot lamps, and auxiliary lamps on motor vehicles. G.S. 20-130(c) provides restrictions on how any other device which projects a beam of light that is greater than 25 candlepower may be directed. However, it does not prohibit additional lighting equipment altogether.

**BILL ANALYSIS:** Senate Bill 182 would prohibit the use of a light bar lighting device on a motor vehicle while the vehicle is being operated on the highway. A light bar is defined as a bar-shaped lighting device comprised of multiple lamps capable of projecting a beam of light at an intensity greater than 25 candlepower.

Violation of this prohibition would be an infraction with a penalty of not more than \$100.

**EFFECTIVE DATE:** The act would become effective October 1, 2017, and would apply to offenses committed on or after that date.

Karen Cochrane-Brown  
Director



S 182 - S M B G - 6 7 E 1 - V - 2

Legislative Analysis  
Division  
919-733-2578





NORTH CAROLINA GENERAL ASSEMBLY  
AMENDMENT  
Senate Bill 182

S182-ABG-19 [v.3]

AMENDMENT NO. \_\_\_\_\_  
(to be filled in by  
Principal Clerk)

Page 1 of 1

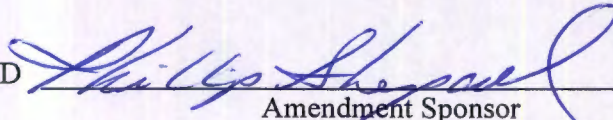
Amends Title [NO]  
First Edition

Date \_\_\_\_\_, 2017

Representative Shepard

- 1 moves to amend the bill on page 1, line 31, by rewriting the line to read:  
2 "contrary, and excluding vehicles described in subsection (d) of this section, and excluding  
3 vehicles listed in G.S. 20-130.1(b), no person shall drive a".  
4  
5

SIGNED

  
Amendment Sponsor

SIGNED

\_\_\_\_\_  
Committee Chair if Senate Committee Amendment

ADOPTED

FAILED

TABLED



\* S 1 8 2 - A B G - 1 9 - V - 3 \*





GENERAL ASSEMBLY OF NORTH CAROLINA  
SESSION 2017

S

D

SENATE BILL 182  
PROPOSED HOUSE COMMITTEE SUBSTITUTE S182-PCS45452-BG-26

Short Title: Prohibit Use of Light Bars on Motor Vehicles.

(Public)

Sponsors:

Referred to:

March 7, 2017

1 A BILL TO BE ENTITLED  
2 AN ACT TO PROHIBIT THE USE OF LIGHT BAR LIGHTING DEVICES ON A MOTOR  
3 VEHICLE WHILE THE MOTOR VEHICLE IS BEING DRIVEN ON THE HIGHWAYS  
4 OF THIS STATE.

5 The General Assembly of North Carolina enacts:

6 SECTION 1. G.S. 20-130 reads as rewritten:

7 "§ 20-130. Additional permissible light on vehicle.

8 (a) Spot Lamps. – Any motor vehicle may be equipped with not to exceed two spot  
9 lamps, except that a motorcycle shall not be equipped with more than one spot lamp, and every  
10 lighted spot lamp shall be so aimed and used upon approaching another vehicle that no part of  
11 the beam will be directed to the left of the center of the highway nor more than 100 feet ahead  
12 of the vehicle. No spot lamps shall be used on the rear of any vehicle. For purposes of this  
13 section, the term "motorcycle" shall not include autocycles. Autocycles shall be subject to the  
14 requirements under this section for motor vehicles.

15 (b) Auxiliary Driving Lamps. – Any motor vehicle may be equipped with not to exceed  
16 two auxiliary driving lamps mounted on the front, and every such auxiliary driving lamp or  
17 lamps shall meet the requirements and limitations set forth in G.S. 20-131, subsection (c).

18 (c) Restrictions on Lamps. – Any device, other than headlamps, spot lamps, or auxiliary  
19 driving lamps, which projects a beam of light of an intensity greater than 25 candlepower, shall  
20 be so directed that no part of the beam will strike the level of the surface on which the vehicle  
21 stands at a distance of more than 50 feet from the vehicle.

22 (d) Electronically Modulated Headlamps. – Nothing contained in this Chapter shall  
23 prohibit the use of electronically modulated headlamps on motorcycles, law-enforcement and  
24 fire department vehicles, county fire marshals and Emergency Management coordinators,  
25 public and private ambulances, and rescue squad emergency service vehicles, provided such  
26 headlamps and light modulator are of a type or kind which have been approved by the  
27 Commissioner of Motor Vehicles.

28 (e) High Mounted Flashing Deceleration Lamps. – Public transit vehicles may be  
29 equipped with amber, high mounted, flashing deceleration lamps on the rear of the vehicle.

30 (f) Light Bar Lighting Device. – Notwithstanding any provision of this section to the  
31 contrary, and excluding vehicles described in subsection (d) of this section, and excluding  
32 vehicles listed in G.S. 20-130.1(b), no person shall drive a motor vehicle on the highways of  
33 this State while using a light bar lighting device. For purposes of this subsection, the term "light  
34 bar lighting device" means a bar-shaped lighting device comprised of multiple lamps capable of  
35 projecting a beam of light at an intensity greater than that set forth in subsection (c) of this  
36 section."



\* S 1 8 2 - P C S 4 5 4 5 2 - B G - 2 6 \*



1           **SECTION 2.** This act becomes effective October 1, 2017, and applies to offenses  
2 committed on or after that date.

GENERAL ASSEMBLY OF NORTH CAROLINA  
SESSION 2017

S

2

SENATE BILL 510  
Second Edition Engrossed 4/26/17

Short Title: Surplus Equipment Auctions. (Public)

Sponsors: Senators Meredith and Tucker (Primary Sponsors).

Referred to: Rules and Operations of the Senate

March 30, 2017

1 A BILL TO BE ENTITLED  
2 AN ACT TO DIRECT THE STATE SURPLUS PROPERTY AGENCY TO ESTABLISH A  
3 PILOT PROGRAM AND ENTER INTO A REQUEST FOR PROPOSAL TO CONDUCT  
4 AUCTIONS FOR SURPLUS EQUIPMENT FOR THE DEPARTMENT OF  
5 TRANSPORTATION AND OTHER STATE AGENCIES.

6 The General Assembly of North Carolina enacts:

7 **SECTION 1.(a)** Pilot Program to Reduce Inventory of State Surplus Property. –  
8 No later than July 1, 2017, the State Surplus Agency shall establish a pilot program for  
9 disposing of state surplus property, including motor vehicles and equipment, by public auction  
10 in accordance with Section 1 of this act. In implementing this pilot program, the State Surplus  
11 Agency shall prepare a request for proposals pursuant to Section 1.(b) and Section 1.(d), for  
12 three (3) public auctions during this pilot program. The pilot program shall terminate on July 1,  
13 2019.

14 **SECTION 1.(b)** By October 1, 2017, the State Surplus Property Agency shall issue  
15 a request for proposal (RFP) for the sale of surplus titled and nontitled equipment, not owned  
16 by the Department of Transportation, at public auction. The equipment auctions shall be held  
17 on the campus of the community college closest in proximity to the majority of the items for  
18 sale at a given auction. The Agency shall allocate staff to provide information about the  
19 equipment being offered at auction and shall provide full equipment condition to the auction  
20 company at no cost. The Agency shall provide reasonable access to the equipment at the  
21 location the equipment is being stored prior to the auction. The RFP shall require that proposals  
22 conform to the following:

- 23 (1) Must offer the equipment via live simulcast with live, interactive bidding in  
24 real time and provide a minimum of seven days pre-bidding prior to the live  
25 simulcast.  
26 (2) Must accept cash or credit payments. The auction company may charge  
27 credit card and platform fees of up to three percent (3%) of the highest and  
28 final bid.  
29 (3) Must remit the net proceeds from the auction to the State within 14 business  
30 days after the auction is completed. The auction company may offset up to  
31 one-quarter of one percent (0.25%) of the gross sale for advertisement cost  
32 reimbursement.  
33 (4) Must post a cash bond or equivalent guarantee in the amount of two hundred  
34 fifty thousand dollars (\$250,000), made payable to the State of North  
35 Carolina.



- (5) Must have a minimum coverage of two million dollars (\$2,000,000) in commercial general liability insurance.
- (6) Must agree to charge no commission to the State. The auction company may charge a buyer premium, not to exceed ten percent (10%) to the final and highest bid.
- (7) Must be a licensed auction company with a current and valid North Carolina Auctioneer license issued pursuant to Chapter 85B of the General Statutes. Preference shall be given to an auction company based in this State.
- (8) Must have ability to conduct auctions on the various campuses of community colleges in this State.

**SECTION 1.(c)** By March 1, 2018, the State Surplus Property Agency shall review the proposals submitted and shall enter into a contract with the lowest responsible bidder who provides evidence satisfactory to the Agency that it meets the requirements of this section.

**SECTION 1.(d)** By October 1, 2017, the State Surplus Property Agency shall issue a request for proposal (RFP) for the sale of surplus titled and nontitled equipment owned by the Department of Transportation at public auction. The Department shall group the various divisions into three regions for the purposes of holding auctions. The Department of Transportation shall be responsible for the movement and cost of transporting equipment to the auction site. The auction company shall be responsible for any equipment that leaves the care, custody, and control of the auctioneer. The Department of Transportation shall provide the equipment maintenance file and the preventative maintenance schedule for each item of equipment being auctioned. Notwithstanding G.S. 143-64.05(b), receipts generated from the sale of surplus equipment pursuant to this section shall be remitted to the Department of Transportation. The RFP shall require that proposals conform to the following:

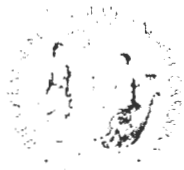
- (1) Must accept payment by any commercially reasonable manner. The auction company may charge credit card and platform fees of up to three percent (3%) of the highest and final bid.
- (2) Must provide at least three different times for public inspection of equipment offered for each auction.
- (3) Must remit the net proceeds from the auction to the Department of Transportation within 14 business days after the auction is completed. The auction company may offset up to one-quarter of one percent (0.25%) of the gross sale for advertisement cost reimbursement.
- (4) Must post a cash bond or equivalent guarantee in the amount of two hundred fifty thousand dollars (\$250,000), made payable to the State of North Carolina.
- (5) Must have a minimum coverage of two million dollars (\$2,000,000) in commercial general liability insurance.
- (6) Must agree to charge no commission to the State. The auction company may charge a buyer premium, not to exceed ten percent (10%) to the final and highest bid.
- (7) Must be a licensed auction company with a current and valid North Carolina Auctioneer license issued pursuant to Chapter 85B of the General Statutes. Preference shall be given to an auction company based in this State.
- (8) Must require that successful bidders provide and complete proper transfer documents for titled equipment.
- (9) Must be capable of conducting auctions in regions specified by the Department of Transportation.

**SECTION 1.(e)** By March 1, 2018, the State Surplus Property Agency shall review the proposals submitted and shall enter into a contract with the lowest responsible bidder who provides evidence satisfactory to the Agency that it meets the requirements of this section.

1           **SECTION 2** No later than October 1, 2019, the State Surplus Agency shall report  
2 to the Joint Legislative Transportation Oversight Committee on the public auction of state  
3 surplus property pursuant to the pilot program established pursuant to Section 1 of this act. At a  
4 minimum, this report shall include information on the following:

- 5           (1) The quantity and type of properties offered as part of each request for  
6           proposal.
- 7           (2) The details of each request for proposal and award of contract pursuant to  
8           each request for proposal.
- 9           (3) The results of the state surplus property public auctions, including  
10          information details of each public auction, the identity of the purchaser, and  
11          the average ratio of sale price to estimated state surplus property value.
- 12          (4) Other information the State Surplus Agency deems necessary.

13       **SECTION 3.** This act is effective when it becomes law.



## SENATE BILL 510: Surplus Equipment Auctions.

2017-2018 General Assembly

<b>Committee:</b>	House Transportation. If favorable, re-refer to State and Local Government II	<b>Date:</b>	June 20, 2017
<b>Introduced by:</b>	Sens. Meredith, Tucker	<b>Prepared by:</b>	Howard Marsilio
<b>Analysis of:</b>	Second Edition		Staff Attorney

**OVERVIEW:** *Senate Bill 510 would direct the Department of Administration (DOA) to issue request for proposals for the sale of surplus equipment at public auction by October 1, 2017, and contract with the lowest responsible bidder meeting the requirements by March 1, 2018.*

**CURRENT LAW:** DOA acts as the State Surplus Property Agency in North Carolina. As such, DOA is authorized to sell or warehouse all State owned surplus, obsolete, or unused supplies, materials, and equipment, as well as seized vehicles and other conveyances. DOA is also authorized to distribute State owned surplus property to tax-supported or nonprofit tax-exempt organizations.<sup>1</sup> DOA may utilize an electronic auction service to sell or dispose of State owned surplus property.

- "State owned" means supplies, materials, and equipment in the possession of the State and purchased with State funds, personal property donated to the State, or personal property purchased with other funds that give ownership to the State.

**BILL ANALYSIS:** **Section 1.(a)** and **Section 1.(c)** of Senate Bill 510 would create a pilot program authorizing DOA to sell or dispose of surplus property, including motor vehicles and equipment, through public auctions. DOA would be required to establish the pilot program no later than July 1, 2017. This pilot program would require three (3) public auctions during the pilot program, and would terminate on July 1, 2019.

**Section 1.(b)** and **Section 1.(d)** respectively, would require the DOA to issue requests for proposals by October 1, 2017 for the sale of surplus titled and nontitled equipment at public auction for (i) equipment owned by the State, but not the Department of Transportation (DOT), and (ii) equipment owned by DOT.

**State Owned, non-DOT owned, surplus equipment auctions:** These auctions would be held on a community college campus closest in proximity to the majority of the items for sale at a given auction, and reasonable access to the equipment at these locations would be provided prior to the auction. The auction company must also offer the equipment via live simulcast with live, interactive bidding in real time.

**DOT owned surplus equipment auctions:** These auctions would be held at three regional locations as designated by DOT, and public inspection would be available at least three different times prior to the auction. DOT would provide the equipment maintenance file, and the preventative maintenance schedule for each item of equipment being auctioned. Receipts generated from the sale of surplus

<sup>1</sup> G.S. 143-64.02(2) defines nonprofit tax-exempt organizations to include various nonprofit tax-exempt medical institutions, schools, educational radio and television stations, public libraries, and civil defense organizations that have been certified as tax-exempt nonprofit organizations by the Internal Revenue Service under section 501(c)(3) of the Internal Revenue Code.

Karen Cochrane-Brown  
Director



Legislative Analysis  
Division  
919-733-2578

# Senate Bill 510

Page 2

equipment shall be remitted to DOT. Successful bidders are to provide and complete proper transfer documents for titled equipment. The auction company is to be responsible for any equipment that leaves the care, custody, and control of the auctioneer.

All pilot program auction companies would need to:

- Accept cash or credit payments for non-DOT surplus equipment, and accept payment by any commercially reasonable manner for DOT surplus equipment. The auction company may charge credit card and platform fees of up to 3% of the highest and final bid.
- Remit the net proceeds within 14 business days after the auction is completed. The auction company may offset up to 0.25% of the gross sale to reimburse for advertisement costs.
- Post a cash bond or equivalent guarantee of \$250,000, made payable to the State.
- Have a minimum coverage of \$2,000,000 in commercial general liability insurance.
- Agree to charge no commission to the State, though the company may charge a buyer premium of up to 10% to the final and highest bidder.
- Be a licensed auction company with a current and valid North Carolina Auctioneer license.

**Section 1.(e)** would require DOA to contract with the lowest responsible bidder, who provides evidence satisfactory that it meets the requirements, by March 1, 2018.

**Section 2** would require the State Surplus Agency to report to the Joint Legislative Transportation Oversight Committee by October 1, 2019.

**EFFECTIVE DATE:** This act would be effective when it becomes law.





## Senate Bill 510

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Bill seeks to privatize Dep't of Administration Surplus Auctions of DOT surplus equipment by mandating that DOA issues an RFP for an auction company to sell DOT equipment and a separate RFP for an auction company to sell all other surplus property on the campus of the nearest community college. Bill was amended in Senate to do a Pilot in Year One. (*Sponsors: Meredith & Tucker*)

**Background:** Currently DOA and DOT work together to conduct about 3 live public auctions per year. DOT has several licensed auctioneers on staff who call the auction, and then DOA Surplus staff completes title work and certifies the auction. Most equipment however, is sold via online platform. The 2017 spring DOT auction sold \$2,035,500 in one day – the largest in history.

**DOA State Surplus Division is receipt supported and therefore operates at no cost to the state.**

- Surplus sells about \$15,000,000 worth of state owned property via our online auction with an additional \$5,000,000 in surplus sales through DOT public auctions.

**July 1, 2017: DOA rolls out a New Auction Platform w/ online payments:**

- Beginning July 1, 2017, State Surplus Property bids will change to an open bid platform (like eBay) and there will be an option to pay online with credit cards. This has been in the works for about 2 years.
- On Friday, July 7, the first bids with this new system will go public.
- ITS identified that DOA was getting between 15 and 20 MILLION hits to our website per month. Combine that with our 57,000+ registered bidders in all 50 states and 17 countries around the world.

**Buyers' Fees:**

- Auction companies argue that they can auction the state's property at no cost to the state. They are simply passing the expense to the buyer (10% in the case of SB 510 plus the ability to charge 3% for credit card transactions). Example: Farmer Brown has \$1,000 to spend at auction. His highest bid can only amount to \$885 because he owes \$115 in auction fees.
- DOA Surplus currently charges a flat 8% seller's fee and absorbs the credit card expenses. This is less than the proposed legislation. However, because the auction industry has moved to a new buyer fee model, it has been our strategic goal since 2013 to move to a buyer's fee model as well. Example: Farmer Brown has \$1,000 to spend at auction. His highest bid can be \$1,000. \$80 will go to continue Surplus operations, \$920 back to the state.

**SB 510 Costs/ Impact:**

This bill is asking Surplus & DOT to take on responsibilities and unnecessary expenses already handled by current processes & technology. As written, this bill represents an increased workload and expense to the State by unnecessarily requiring Surplus to be transported, stored, setup, secured, and cleaned-up.



GENERAL ASSEMBLY OF NORTH CAROLINA  
SESSION 2017

S

D

SENATE BILL 160  
PROPOSED HOUSE COMMITTEE SUBSTITUTE S160-CSSU-32 [v.1]

06/19/2017 10:45:23 AM

Short Title: Handicap Parking Privilege Certification.

(Public)

Sponsors:

Referred to:

March 2, 2017

1 A BILL TO BE ENTITLED  
2 AN ACT TO CLARIFY THAT MEDICAL CERTIFICATION AND RECERTIFICATION  
3 REQUIREMENTS FOR HANDICAPPED PARKING PRIVILEGES MAY BE  
4 SATISFIED BY CERTIFICATION OF A LICENSED PHYSICIAN ASSISTANT, A  
5 LICENSED NURSE PRACTITIONER, OR A LICENSED CERTIFIED NURSE  
6 MIDWIFE THAT THE PERSON IS HANDICAPPED.  
7 The General Assembly of North Carolina enacts:  
8 **SECTION 1.** G.S. 20-37.6(c1) reads as rewritten:  
9 "(c1) Application and Renewal; ~~Physician's—Medical~~ Certification. – The initial  
10 application for a distinguishing license plate, removable windshield placard, or temporary  
11 removable windshield placard shall be accompanied by a certification of a licensed physician, a  
12 licensed ophthalmologist, a licensed optometrist, a licensed physician assistant, a licensed nurse  
13 practitioner, or the Division of Services for the Blind that the applicant is handicapped or by a  
14 disability determination by the United States Department of Veterans Affairs that the applicant  
15 is handicapped. For an initial application for a temporary removable windshield placard only,  
16 the certification that the applicant is handicapped may be made by a licensed certified nurse  
17 midwife. The application for a temporary removable windshield placard shall contain  
18 additional certification to include the period of time the certifying authority determines the  
19 applicant will have the disability. Distinguishing license plates shall be renewed annually, but  
20 subsequent applications shall not require a medical certification that the applicant is  
21 handicapped. Removable windshield placards shall be renewed every five years, and, except  
22 for a person certified as totally and permanently disabled at the time of the initial application or  
23 a prior renewal under this subsection, the renewal shall require a medical recertification that the  
24 person is handicapped. Temporary removable windshield placards shall expire no later than six  
25 months after issuance."  
26 **SECTION 2.** This act is effective when it becomes law.





## SENATE BILL 160: Handicap Parking Privilege Certification.

2017-2018 General Assembly

**Committee:** House Transportation  
**Introduced by:** Sens. Brock, Meredith, Hise  
**Analysis of:** PCS to First Edition  
S160-CSSU-32

**Date:** June 20, 2017  
**Prepared by:** Wendy Ray  
Staff Attorney

**OVERVIEW:** *The PCS for Senate Bill 160 authorizes licensed physician assistants and licensed nurse practitioners to certify applications to DMV for handicapped license plates and authorizes licensed certified nurse midwives to certify applications to DMV for handicapped parking placards.*

**CURRENT LAW:** Under current law, G.S. 20-37.6(c1), the application to DMV for a handicapped license plate or placard must be certified by one of the following:

- licensed physician
- licensed ophthalmologist
- a licensed optometrist
- Division of Services for the Blind
- United States Department of Veterans Affairs

G.S. 90-18.3 currently states that "*Whenever a statute or State agency rule requires that a physical examination shall be conducted by a **physician**, the examination may be conducted and the form signed by a **nurse practitioner** or a **physician's assistant**, and a physician need not be present.*" DMV's position is that this statute doesn't apply to current G.S. 20-37.6(c1), because G.S. 90-18.3 applies to "examination", and G.S. 20-37.6 refers to "certification".

**BILL ANALYSIS:** The PCS for Senate Bill 160 amends the current law on handicapped plates and placards, which require medical certification, to make clear the certification can be done by **licensed physician assistants** or **licensed nurse practitioners**. The PCS also authorizes **licensed certified nurse midwives** to provide the certification for temporary removable handicapped windshield placards.

**EFFECTIVE DATE:** This act is effective when it becomes law.

**BACKGROUND:** A **physician assistant** is a person licensed to perform medical functions as an assistant to a physician, including those duties authorized in G.S. 90-18.1. A **nurse practitioner** is a registered nurse who has: completed a post-graduate certificate nurse practitioner education program or obtains a Master's, or higher degree, in nursing or related field with primary focus on nursing; a certification by a national credentialing body; and is registered pursuant to Chapter 90. A **licensed certified nurse midwife** is a registered nurse who has: graduated from an approved nurse midwifery education program approved by the American College of Nurse Midwives; and passes the certification exam in accordance with Chapter 90.

*Giles Perry and Howard Marsilio, counsel to House and Senate Transportation, substantially contributed to this summary.*

Karen Cochrane-Brown  
Director



Legislative Analysis  
Division  
919-733-2578



GENERAL ASSEMBLY OF NORTH CAROLINA  
SESSION 2017

S

D

SENATE BILL 160  
PROPOSED HOUSE COMMITTEE SUBSTITUTE S160-PCS45453-SU-32

Short Title: Handicap Parking Privilege Certification.

(Public)

Sponsors:

Referred to:

March 2, 2017

1 A BILL TO BE ENTITLED  
2 AN ACT TO CLARIFY THAT MEDICAL CERTIFICATION AND RECERTIFICATION  
3 REQUIREMENTS FOR HANDICAPPED PARKING PRIVILEGES MAY BE  
4 SATISFIED BY CERTIFICATION OF A LICENSED PHYSICIAN ASSISTANT, A  
5 LICENSED NURSE PRACTITIONER, OR A LICENSED CERTIFIED NURSE  
6 MIDWIFE THAT THE PERSON IS HANDICAPPED.  
7 The General Assembly of North Carolina enacts:  
8 **SECTION 1.** G.S. 20-37.6(c1) reads as rewritten:  
9 "(c1) Application and Renewal; ~~Physician's~~ Medical Certification. – The initial  
10 application for a distinguishing license plate, removable windshield placard, or temporary  
11 removable windshield placard shall be accompanied by a certification of a licensed physician, a  
12 licensed ophthalmologist, a licensed optometrist, a licensed physician assistant, a licensed nurse  
13 practitioner, or the Division of Services for the Blind that the applicant is handicapped or by a  
14 disability determination by the United States Department of Veterans Affairs that the applicant  
15 is handicapped. For an initial application for a temporary removable windshield placard only,  
16 the certification that the applicant is handicapped may be made by a licensed certified nurse  
17 midwife. The application for a temporary removable windshield placard shall contain  
18 additional certification to include the period of time the certifying authority determines the  
19 applicant will have the disability. Distinguishing license plates shall be renewed annually, but  
20 subsequent applications shall not require a medical certification that the applicant is  
21 handicapped. Removable windshield placards shall be renewed every five years, and, except  
22 for a person certified as totally and permanently disabled at the time of the initial application or  
23 a prior renewal under this subsection, the renewal shall require a medical recertification that the  
24 person is handicapped. Temporary removable windshield placards shall expire no later than six  
25 months after issuance."  
26 **SECTION 2.** This act is effective when it becomes law.



\* S 1 6 0 - P C S 4 5 4 5 3 - S U - 3 2 \*





VISITOR REGISTRATION SHEET

TRANSPORTATION

(Committee Name)

6/20/17  
Date

VISITORS: PLEASE SIGN IN BELOW AND RETURN TO COMMITTEE CLERK

NAME	FIRM OR AGENCY AND ADDRESS
Cindy Brandon	NC DPS
John McMillan	Refos
John Hand	MTF
Doug Miskum	PSG
Dan Crawford	NCLCV
Vincent Gauthier	NCLCV
Graham Jackson	NCLCV
Ryan Lee	Cpt Ad
Joe McClellan	ME/ice Consul
M. Dwyer	Proc
Ros. J. Ror	Bald Head Island Limited LLC
Charles A. Ricketts	Bald Head Island Limited, LLC
David Bean	Rep. Dellar
Ch. D. M.	NCLCB
Mark Rogers	Auction Industry
Joy Hines	NCDOT



# VISITOR REGISTRATION SHEET

## TRANSPORTATION

(Committee Name)

Date \_\_\_\_\_

VISITORS: PLEASE SIGN IN BELOW AND RETURN TO COMMITTEE CLERK

<u>NAME</u>	<u>FIRM OR AGENCY AND ADDRESS</u>
Jim Brewer	ASTD
Xeni Burko	KWC
SRINIVAS KANDIMALLA	NC DOT - T
Charlene Dandson	NCSSWA 11925 Platon Ave Huntersville, NC 28078
Develyn Sherrill	NCSSWA School Social Char-Meck Schools
Princess Jackson	NCSSWA School Social worker Charlotte-Meck schools
Quincy Dinnerson	NCSSWA School social worker Durham county
RON TURK	NCTA (Raleigh, NC)
But Riddle	DOA Division of Surplus
Katie Stanley	DOA
Michelle Frazer	SML
Hugh Johnson	NCA
Andy Chase	KMA



## TRANSPORTATION

6/20/17  
Date

[illegible]





**House Committee on Transportation  
Tuesday, May 16, 2017 at 11:00 AM  
Room 643 of the Legislative Office Building**

**MINUTES**

The House Committee on Transportation met at 11:07 AM on May 16, 2017 in Room 643 of the Legislative Office Building. Representatives Adams, Beasley, Blackwell, Brawley, Bumgardner, Corbin, Ford, Fraley, Goodman, C. Graham, Grange, Hastings, Hunter, Iler, McNeill, Presnell, B. Richardson, W. Richardson, Shepard, Speciale, Stone, Strickland, Torbett, and R. Turner attended.

Representative Phil Shepard, Chair, presided.

Representative Shepard called the meeting to order and introduced the Pages and the Sergeant at Arms.

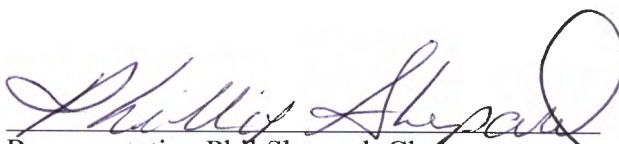
The following bills were considered:

**HB 118 Various Special License Plates. (Representatives Setzer, Henson, Destin Hall, Blust)** Representative Brawley was recognized to explain the bill. A motion was made to bring the PCS before the committee, after discussion and debate on the bill; Representative McNeill was recognized for a motion, that HB 118 receive a favorable report for the PCS, unfavorable to the original bill, the motion carried and HB 118 gets a favorable report, with a serial referral to House Finance. (Attachment 1)

**HB 863 Require Driver Retraining Course. (Representatives Shepard, Torbett, Rogers, Hastings)** Chairman Hastings recognized Representative Shepard to present the bill, after discussion and debate on the bill Representative Michael Speciale was recognized for a motion to move for a favorable report, the motion carried for a favorable report on HB 863 with a serial referral to House Finance. (Attachment 2)

**HB 644 Charter School Transportation Grant Program. (Representatives Hardister, Brockman, Torbett, Conrad)** Chairman Shepard recognized Representative Hardister to present and explain the bill, Representative Brawley made a motion to move for a favorable report on HB 644 and the motion carried and HB 644 gets a favorable report and has a recommended referral to Appropriation. (Attachment 3)

The meeting adjourned at 11:20.

  
Representative Phil Shepard, Chair

  
Pamela Pate, Committee Clerk



**NORTH CAROLINA HOUSE OF REPRESENTATIVES  
COMMITTEE MEETING NOTICE  
AND  
BILL SPONSOR NOTIFICATION  
2017-2018 SESSION**

You are hereby notified that the **House Committee on Transportation** will meet as follows:

**DAY & DATE:** Tuesday, May 16, 2017  
**TIME:** 11:00 AM  
**LOCATION:** 643 LOB  
**COMMENTS:** Representative Shepard, Chairing

The following bills will be considered:

<b>BILL NO.</b>	<b>SHORT TITLE</b>	<b>SPONSOR</b>
<u>HB 118</u>	U.S. Army Special Forces Registration Plate.	Representative Setzer Representative Henson Representative Destin Hall Representative Blust
<u>HB 863</u>	Require Driver Retraining Course.	Representative Shepard Representative Torbett Representative Rogers Representative Hastings
<u>HB 644</u>	Charter School Transportation Grant Program.	Representative Hardister Representative Brockman Representative Torbett Representative Conrad

Respectfully,

Representative Kelly E. Hastings, Co-Chair  
Representative Frank Iler, Co-Chair  
Representative Phil Shepard, Co-Chair  
Representative John A. Torbett, Co-Chair

I hereby certify this notice was filed by the committee assistant at the following offices at 12:09 PM on Thursday, May 11, 2017.

\_\_\_\_ Principal Clerk  
\_\_\_\_ Reading Clerk – House Chamber

Pamela Pate (Committee Assistant)



**House Committee on Transportation  
Tuesday, May 16, 2017, 11:00 AM  
643 Legislative Office Building**

**AGENDA**

**Welcome and Opening Remarks**

**Introduction of Pages**

**Bills**

<b>BILL NO.</b>	<b>SHORT TITLE</b>	<b>SPONSOR</b>
HB 118	U.S. Army Special Forces Registration Plate.	Representative Setzer Representative Henson Representative Destin Hall Representative Blust
HB 863	Require Driver Retraining Course.	Representative Shepard Representative Torbett Representative Rogers Representative Hastings
HB 644	Charter School Transportation Grant Program.	Representative Hardister Representative Brockman Representative Torbett Representative Conrad





**NORTH CAROLINA GENERAL ASSEMBLY  
HOUSE OF REPRESENTATIVES**

**TRANSPORTATION COMMITTEE REPORT**

**Representative Kelly E. Hastings, Co-Chair**

**Representative Frank Iler, Co-Chair**

**Representative Phil Shepard, Co-Chair**

**Representative John A. Torbett, Co-Chair**

**FAVORABLE AND RE-REFERRED**

<b>HB 644</b>	Charter School Transportation Grant Program.
	Draft Number: None
	Serial Referral: None
	<b>Recommended Referral: APPROPRIATIONS</b>
	Long Title Amended: No
	Floor Manager: Hardister
<b>HB 863</b>	Require Driver Retraining Course.
	Draft Number: None
	<b>Serial Referral: FINANCE</b>
	Recommended Referral: None
	Long Title Amended: No
	Floor Manager: Shepard

**FAVORABLE COM SUB , UNFAVORABLE ORIGINAL BILL AND RE-REFERRED**

<b>HB 118</b>	U.S. Army Special Forces Registration Plate.
	Draft Number: H118-PCS10350-Suf-9
	<b>Serial Referral: FINANCE</b>
	Recommended Referral: None
	Long Title Amended: Yes
	Floor Manager: Brawley

**TOTAL REPORTED: 3**



★ C M R 4 1 7 - V - 1 ★



GENERAL ASSEMBLY OF NORTH CAR  
SESSION 2017

H

D

HOUSE BILL 118  
PROPOSED COMMITTEE SUBSTITUTE H118-CSSUF-9 [v.1]

03/09/2017 09:21:07 AM

Short Title: U.S. Army Special Forces Reg Plate/Fees.

(Public)

Sponsors:

Referred to:

February 16, 2017

## A BILL TO BE ENTITLED

AN ACT TO AUTHORIZE THE DIVISION OF MOTOR VEHICLES TO PRODUCE A  
UNITED STATES ARMY SPECIAL FORCES SPECIAL REGISTRATION PLATE, AND  
TO ELIMINATE THE SPECIAL LICENSE PLATE FEE FOR DISTINGUISHED FLYING  
CROSS AND AIR MEDAL RECIPIENT SPECIAL REGISTRATION PLATES.

The General Assembly of North Carolina enacts:

**SECTION 1.** G.S. 20-79.4(b) reads as rewritten:

"(b) Types. – The Division shall issue the following types of special registration plates:

...

United States Army Special Forces. – Issuable to a member or veteran of the  
United States Army Special Forces. The plate shall bear the name "United  
States Army Special Forces" and the insignia of the United States Army Special  
Forces. The plate authorized by this subdivision is not subject to the provisions  
of G.S. 20-79.3A."

...."

**SECTION 2.** G.S. 20-79.7(a1) reads as rewritten:

"(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 PlateAdditional Fee Amount

...

Active Member of the National Guard

None

Air Medal Recipient

None

...

100% Disabled Veteran

None

Distinguished Flying Cross

None

Ex-Prisoner of War

None

....

Silver Star Recipient

None

United States Army Special Forces

None

All Other Special Plates

\$10.00."

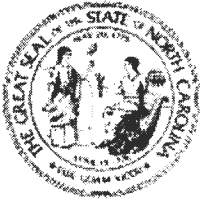
**SECTION 3.** The Revisor of Statutes is authorized to alphabetize, number, and  
renumber the special registration plates listed in G.S. 20-79.4(b) to ensure that all the special  
registration plates are listed in alphabetical order and numbered accordingly.

**SECTION 4.** This act becomes effective July 1, 2017.



\* H 1 1 8 - C S S U F - 9 \*





# HOUSE BILL 118: U.S. Army Special Forces Reg Plate/Fees.

2017-2018 General Assembly

<b>Committee:</b>	House Transportation. If favorable, re-refer to Finance	<b>Date:</b>	May 16, 2017
<b>Introduced by:</b>	Reps. Setzer, Henson, Destin Hall, Blust	<b>Prepared by:</b>	Wendy Ray
<b>Analysis of:</b>	PCS to First Edition H118-CSSUF-9		Staff Attorney

**OVERVIEW:** *The Proposed Committee Substitute for House Bill 118 would:*

- *Authorize a United States Army Special Forces special registration plate with no fee in addition to the regular registration plate fee.*
- *Eliminate the additional special registration plate fee for the Air Medal Recipient and Distinguished Flying Cross plates.*

**CURRENT LAW:** North Carolina offers a number of special registration plates. As a general rule, the fee for a special registration plate is the regular vehicle registration fee of \$36 plus a \$10 special registration plate fee. The following military service related plates are issued without the additional special registration plate fee:

- Active Member of the National Guard
- Bronze Star Combat Recipient
- Bronze Star Recipient
- Combat Veteran
- 100% Disabled Veteran
- Ex-Prisoner of War
- Gold Star Lapel Button
- Legion of Merit
- Legion of Valor
- Military Veteran
- Military Wartime Veteran
- Partially Disabled Veteran
- Pearl Harbor Survivor
- Purple Heart Recipient
- Silver Star Recipient

The Air Medal Recipient and Distinguished Flying Cross special registration plates are currently authorized with the additional \$10 fee.

**BILL ANALYSIS:** The PCS for House Bill 118 would authorize a new United States Army Special Forces registration plate. If authorized, the plate would bear the name "United States Army Special Forces" and the insignia of the United States Army Special Forces, and it would be issuable to a member or veteran of the United States Army Special Forces. The plate would not be subject to the special plate

Karen Cochrane-Brown  
Director



Legislative Analysis  
Division  
919-733-2578





# House PCS 118

*Page 2*

development process or require a minimum number of applications before it would be produced. The fee for the plate would be the regular registration fee of \$36 with no additional special registration plate fee.

The PCS would also eliminate the additional \$10 special plate fee for the existing Air Medal Recipient and Distinguished Flying Cross plates, so the fee for those plates would just be the regular registration fee of \$36.

**EFFECTIVE DATE:** The act would become effective July 1, 2017.



GENERAL ASSEMBLY OF NORTH CAROLINA  
SESSION 2017

H

D

HOUSE BILL 118  
PROPOSED COMMITTEE SUBSTITUTE H118-PCS10350-SUF-9

Short Title: U.S. Army Special Forces Reg Plate/Fees.

(Public)

Sponsors:

Referred to:

February 16, 2017

A BILL TO BE ENTITLED  
AN ACT TO AUTHORIZE THE DIVISION OF MOTOR VEHICLES TO PRODUCE A  
UNITED STATES ARMY SPECIAL FORCES SPECIAL REGISTRATION PLATE AND  
TO ELIMINATE THE SPECIAL LICENSE PLATE FEE FOR DISTINGUISHED  
FLYING CROSS AND AIR MEDAL RECIPIENT SPECIAL REGISTRATION PLATES.

The General Assembly of North Carolina enacts:

**SECTION 1.** G.S. 20-79.4(b) reads as rewritten:

"(b) Types. – The Division shall issue the following types of special registration plates:

...

(1) United States Army Special Forces. – Issuable to a member or veteran of the United States Army Special Forces. The plate shall bear the name "United States Army Special Forces" and the insignia of the United States Army Special Forces. The plate authorized by this subdivision is not subject to the provisions of G.S. 20-79.3A."

...."

**SECTION 2.** G.S. 20-79.7(a1) reads as rewritten:

"(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:

<u>Special Plate</u>	<u>Additional Fee Amount</u>
...	
Active Member of the National Guard	None
<u>Air Medal Recipient</u>	<u>None</u>
...	
100% Disabled Veteran	None
<u>Distinguished Flying Cross</u>	<u>None</u>
Ex-Prisoner of War	None
...	
Silver Star Recipient	None
<u>United States Army Special Forces</u>	<u>None</u>
All Other Special Plates	\$10.00."

**SECTION 3.** The Revisor of Statutes is authorized to alphabetize, number, and renumber the special registration plates listed in G.S. 20-79.4(b) to ensure that all the special registration plates are listed in alphabetical order and numbered accordingly.

**SECTION 4.** This act becomes effective July 1, 2017.



\* H 1 1 8 - P C S 1 0 3 5 0 - S U F - 9 \*



GENERAL ASSEMBLY OF NORTH CAROLINA  
SESSION 2017

H

1

## HOUSE BILL 863

Short Title: Require Driver Retraining Course. (Public)

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Sponsors: Representatives Shepard, Torbett, Rogers, and Hastings (Primary Sponsors).  
*For a complete list of sponsors, refer to the North Carolina General Assembly web site.*

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Referred to: Transportation, if favorable, Finance

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April 21, 2017

1 A BILL TO BE ENTITLED  
2 AN ACT TO REQUIRE THE DIVISION OF MOTOR VEHICLES TO ESTABLISH AND  
3 CONDUCT DRIVER RETRAINING COURSES FOR PERSONS WHO HAVE HAD  
4 THEIR DRIVERS LICENSE SUSPENDED PURSUANT TO CERTAIN LAWS.

5 The General Assembly of North Carolina enacts:

6 SECTION 1. G.S. 20-16 reads as rewritten:  
7 "§ 20-16. Authority of Division to suspend license.

8 (a) The Division shall have authority to suspend the license of any operator with or  
9 without a preliminary hearing upon a showing by its records or other satisfactory evidence that  
10 the licensee:

11 ...

12 (6) Has made or permitted an unlawful or fraudulent use of ~~such~~the license or a  
13 learner's permit, or has displayed or represented as his or her own, a license  
14 or learner's permit not issued to ~~him~~him or her;

15 ...

16 (8b) Has violated on a military installation a regulation of that installation  
17 prohibiting conduct substantially similar to conduct that constitutes impaired  
18 driving under G.S. 20-138.1 and, as a result of that violation, has had his or  
19 her privilege to drive on that installation revoked or suspended after an  
20 administrative hearing authorized by the commanding officer of the  
21 installation and that commanding officer has general court martial  
22 jurisdiction;

23 ...

24 However, if the Division revokes without a preliminary hearing and the person whose license is  
25 being revoked requests a hearing before the effective date of the revocation, the licensee retains  
26 his or her license unless it is revoked under some other provision of the law, until the hearing is  
27 held, the person withdraws his or her request, or he or she fails to appear at a scheduled  
28 hearing.

29 (b) Pending an appeal from a conviction of any violation of the motor vehicle laws of  
30 this State, no driver's license shall be suspended by the Division of Motor Vehicles because of  
31 ~~such~~the conviction or because of evidence of the commission of the offense for which the  
32 conviction has been had.

33 (c) The Division shall maintain a record of convictions of every person licensed or  
34 required to be licensed under the provisions of this Article as an operator and shall enter therein  
35 records of all convictions of such persons for any violation of the motor vehicle laws of this







State and shall assign to the record of ~~such~~<sup>the</sup> person, as of the date of commission of the offense, a number of points for every ~~such~~ conviction in accordance with the following schedule of convictions and points, except that points shall not be assessed for convictions resulting in suspensions or revocations under other provisions of laws: Further, any points heretofore charged for violation of the motor vehicle inspection laws shall not be considered by the Division of Motor Vehicles as a basis for suspension or revocation of driver's license:

Schedule of Point Values

Passing stopped school bus .....	5
Aggressive driving .....	5
Reckless driving .....	4
Hit and run, property damage only.....	4
Following too close .....	4
Driving on wrong side of road .....	4
Illegal passing.....	4
Failure to yield right-of-way to pedestrian pursuant to G.S. 20-158(b)(2)b. ....	4
Failure to yield right-of-way to bicycle, motor scooter, or motorcycle.....	4
Running through stop sign .....	3
Speeding in excess of 55 miles per hour .....	3
Failing to yield right-of-way .....	3
Running through red light .....	3
No driver's license or license expired more than one year .....	3
Failure to stop for siren .....	3
Driving through safety zone .....	3
No liability insurance .....	3
Failure to report accident where such report is required .....	3
Speeding in a school zone in excess of the posted school zone speed limit.....	3
Failure to properly restrain a child in a restraint or seat belt.....	2
All other moving violations.....	2
Littering pursuant to G.S. 14-399 when the littering involves the use of a motor vehicle .....	1

Schedule of Point Values for Violations While Operating a Commercial Motor  
Vehicle

Passing stopped school bus .....	8
Rail-highway crossing violation.....	6
Careless and reckless driving in violation of G.S. 20-140(f).....	6
Speeding in violation of G.S. 20-141(j3) .....	6
Aggressive driving .....	6
Reckless driving .....	5
Hit and run, property damage only.....	5
Following too close .....	5
Driving on wrong side of road .....	5
Illegal passing.....	5
Failure to yield right-of-way to pedestrian pursuant to G.S. 20-158(b)(2)b. ....	5
Failure to yield right-of-way to bicycle, motor scooter, or motorcycle.....	5



1	Running through stop sign .....	4
2	Speeding in excess of 55 miles per hour .....	4
3	Failing to yield right-of-way .....	4
4	Running through red light .....	4
5	No driver's license or license expired more than one year .....	4
6	Failure to stop for siren .....	4
7	Driving through safety zone .....	4
8	No liability insurance .....	4
9	Failure to report accident where such report is required .....	4
10	Speeding in a school zone in excess of the posted school	
11	zone speed limit.....	4
12	Possessing alcoholic beverages in the passenger area of	
13	a commercial motor vehicle .....	4
14	All other moving violations.....	3
15	Littering pursuant to G.S. 14-399 when the littering	
16	involves the use of a motor vehicle .....	1
17	The above provisions of this subsection shall only apply to violations and convictions	
18	which take place within the State of North Carolina. The Schedule of Point Values for	
19	Violations While Operating a Commercial Motor Vehicle shall not apply to any commercial	
20	motor vehicle known as an "aerial lift truck" having a hydraulic arm and bucket station, and to	
21	any commercial motor vehicle known as a "line truck" having a hydraulic lift for cable, if the	
22	vehicle is owned, operated by or under contract to a public utility, electric or telephone	
23	membership corporation or municipality and used in connection with installation, restoration or	
24	maintenance of utility services.	
25	No points shall be assessed for conviction of the following offenses:	
26	Overloads	
27	Over length	
28	Over width	
29	Over height	
30	Illegal parking	
31	Carrying concealed weapon	
32	Improper plates	
33	Improper registration	
34	Improper muffler	
35	Improper display of license plates or dealers' tags	
36	Unlawful display of emblems and insignia	
37	Failure to display current inspection certificate.	
38	In case of the conviction of a licensee of two or more traffic offenses committed on a single	
39	occasion, <del>such</del> <u>the</u> licensee shall be assessed points for one offense only and if the offenses	
40	involved have a different point value, <del>such</del> <u>the</u> licensee shall be assessed for the offense having	
41	the greater point value.	
42	Upon the restoration of the license or driving privilege of <del>such</del> <u>the</u> person whose license or	
43	driving privilege has been suspended or revoked because of conviction for a traffic offense, <u>or</u>	
44	<u>upon completion of the driver retraining course established in accordance with subsection (d1)</u>	
45	<u>of this section within the 90-day pre-suspension notice period required under subsection (d) of</u>	
46	<u>this section</u> , any points that might previously have been accumulated in the driver's record shall	
47	be cancelled.	
48	Whenever any licensee accumulates as many as seven points or accumulates as many as	
49	four points during a three-year period immediately following reinstatement of his license after a	
50	period of suspension or revocation, the Division may request the licensee to attend a conference	
51	regarding <del>such</del> <u>the</u> licensee's driving record. The Division may also afford any licensee who has	





1 accumulated as many as seven points or any licensee who has accumulated as many as four  
2 points within a three-year period immediately following reinstatement of his license after a  
3 period of suspension or revocation an opportunity to attend a driver improvement clinic  
4 operated by the Division and, upon the successful completion of the course taken at the clinic,  
5 three points shall be deducted from the licensee's conviction record; provided, that only one  
6 deduction of points shall be made on behalf of any licensee within any five-year period.

7 When a license is suspended under the point system provided ~~for herein, in this subsection,~~  
8 the first ~~such~~ suspension shall be for not more than 60 days; the second ~~such~~ suspension shall  
9 not exceed six months and any subsequent suspension shall not exceed one year. In addition,  
10 for a license suspended pursuant to subdivision (5), (9), (10), or (10a) of subsection (a) of this  
11 section, the licensee shall be required to complete the driver retraining course established in  
12 accordance with subsection (d1) of this section. If the licensee completes the driver retraining  
13 course within the 90-day pre-suspension notice period required under subsection (d) of this  
14 section, and only if the drivers license is not subject to suspension or revocation under another  
15 provision of law, the Division shall cancel the suspension and the licensee may retain his or her  
16 license. If the licensee completes the driver retraining course after the 90-day pre-suspension  
17 notice period required under subsection (d) of this section, and only if the drivers license of the  
18 licensee is not subject to suspension or revocation under another provision of law, the Division  
19 shall cancel the unexpired term of the suspension and restore the suspended license.

20 Whenever the driver's license of any person is subject to suspension under this subsection  
21 and at the same time also subject to suspension or revocation under other provisions of laws,  
22 such suspensions or revocations shall run concurrently.

23 In the discretion of the Division, a period of probation not to exceed one year may be  
24 substituted for suspension or for any unexpired period of suspension under  
25 ~~subsections~~ subdivisions (a)(1) through (a)(10a) of this section. Any violation of probation  
26 during the probation period shall result in a suspension for the unexpired remainder of the  
27 suspension period. Any accumulation of three or more points under this subsection during a  
28 period of probation shall constitute a violation of the condition of probation. For a license  
29 suspended pursuant to subdivision (5), (9), (10), or (10a) of subsection (a) of this section, the  
30 Division may not substitute a period of probation for suspension or for any unexpired period of  
31 suspension before the licensee completes the driver retraining course established in accordance  
32 with subsection (d1) of this section.

33 (d) Upon suspending the license of any person as authorized in this section, the  
34 Division shall immediately notify the licensee in ~~writing and upon his request~~ writing. For a  
35 license suspended pursuant to subdivision (5), (9), (10), or (10a) of subsection (a) of this  
36 section, the effective date of the suspension shall be 90 days from the date set forth on the  
37 notice required under this subsection. Upon a licensee's request, the Division shall afford  
38 him ~~the licensee~~ an opportunity for a hearing, not to exceed 60 days after receipt of the request,  
39 unless a preliminary hearing was held before ~~his~~ the licensee's license was suspended. Upon  
40 ~~such~~ the hearing the duly authorized agents of the Division may administer oaths and may issue  
41 subpoenas for the attendance of witnesses and the production of relevant books and papers and  
42 may require a reexamination of the licensee. Upon ~~such~~ the hearing the Division shall either  
43 rescind its order of suspension, or good cause appearing therefor, may extend the suspension of  
44 ~~such~~ the license. Provided further upon ~~such~~ the hearing, preliminary or otherwise, involving  
45 ~~subsections~~ subdivisions (a)(1) through (a)(10a) of this section, the Division may for good cause  
46 appearing in its discretion substitute a period of probation not to exceed one year for the  
47 suspension or for any unexpired period of suspension. For a license suspended pursuant to  
48 subdivision (5), (9), (10), or (10a) of subsection (a) of this section, the Division may not  
49 substitute a period of probation for suspension or for any unexpired period of suspension before  
50 the licensee completes the driver retraining course established in accordance with subsection  
51 (d1) of this section. Probation shall mean any written agreement between the suspended driver





and a duly authorized representative of the Division and ~~such~~the period of probation shall not exceed one year, and any violation of the probation agreement during the probation period shall result in a suspension for the unexpired remainder of the suspension period. The authorized agents of the Division shall have the same powers in connection with a preliminary hearing prior to suspension as this subsection provided in connection with hearings held after suspension. These agents shall also have the authority to take possession of a surrendered license on behalf of the Division if the suspension is upheld and the licensee requests that the suspension begin immediately.

(d1) The Division shall establish and conduct, or utilize a third-party vendor to establish and conduct, driver retraining courses for the benefit of persons who have had their license suspended or been placed on probation, pursuant to subdivision (5), (9), (10), or (10a) of subsection (a) of this section. If the Division utilizes a third-party vendor, the Division shall maintain oversight of the driver retraining course established and conducted by the third-party vendor. Each driver attending a driver retraining course shall pay a fee in an amount set by the Division, not to exceed one hundred fifty dollars (\$150.00). Each driver attending a driver retraining course shall do so in person, and the course may not be completed remotely. The driver retraining course shall be at least eight hours in total duration and shall maintain a student-to-instructor ratio deemed appropriate by the Division. The driver retraining course shall be behavioral-based, interactive, and scientifically proven effective at changing driver behavior. The driver retraining course shall teach the driver that poor behavioral choices made behind the wheel often result in unintended consequences and shall help the driver understand the responsibility placed upon each driver to conform his or her behavior and conduct for the benefit of the driver, other drivers, and pedestrians. The driver retraining course shall include all of the following:

- (1) An examination of the driver's own behavior in various driving situations to help the driver understand the behavioral driving characteristics that have resulted in the driver's poor driving record.
- (2) Scientifically proven educational or psychological principles or methodologies, as they relate to behind-the-wheel driving behavior.
- (3) An examination of why drivers do or do not choose to obey traffic laws, with the primary focus on behaviors rather than excuses.
- (4) A review of the four components of human behavior, doing, thinking, feeling, and physiology, and the connection between the concepts of needs and wants to behaviors and the human ability to choose behaviors.
- (5) A consideration of additional problem driver behaviors, including all of the following:
  - a. Dangers associated with prescription and over-the-counter drugs.
  - b. Dangers of driving at excessive speeds.
  - c. Dangers of right-of-way violations.
  - d. Dangers of distracted driving.
  - e. Dangers of improper passing and following other vehicles too closely.
  - f. Dangers of aggressive driving.
  - g. Dangers of fatigued driving.

...

(e1) Notwithstanding any other provision of this Chapter, if the Division suspends the license of an operator pursuant to subdivisions (a)(9), (a)(10), or (a)(10a) of this section, upon the first suspension only, a district court judge may allow the licensee a limited driving privilege or license for a period not to exceed 12 months, provided ~~he~~the driver has not been convicted of any other motor vehicle moving violation within the previous 12 months. The



1 limited driving privilege shall be issued in the same manner and under the terms and conditions  
2 prescribed in G.S. 20-16.1(b)(1), (2), (3), (4), and (5).

3 ...."

4 **SECTION 2.** By October 1, 2017, the Division of Motor Vehicles shall report to  
5 the Joint Legislative Transportation Oversight Committee on its progress in establishing the  
6 driver retraining courses required under G.S. 20-16(d1), as enacted by Section 1 of this act. If  
7 the Division utilizes a third-party vendor, the Division shall specifically state who the vendor is  
8 and provide any other details the Division deems relevant.

9 **SECTION 3.** Section 1 of this act becomes effective December 1, 2017, and  
10 applies to licenses suspended on or after that date. The remainder of this act is effective when it  
11 becomes law.





## HOUSE BILL 863: Require Driver Retraining Course.

2017-2018 General Assembly

<b>Committee:</b>	House Transportation. If favorable, re-refer to Finance	<b>Date:</b>	May 16, 2017
<b>Introduced by:</b>	Reps. Shepard, Torbett, Rogers, Hastings	<b>Prepared by:</b>	Giles Perry
<b>Analysis of:</b>	First Edition		Staff Attorney

**OVERVIEW:** *House Bill 863 would require DMV to establish and conduct a driver retraining course for persons who have had their driver license suspended in specified circumstances.*

### CURRENT LAW:

G.S. 20-16 provides:

- DMV has the authority to suspend the license of any operator who has, within a 3-year period, accumulated 12 or more points, or 8 or more points in the 3-year period immediately following the reinstatement of a license which has been suspended or revoked because of a conviction for one or more traffic offenses.
- DMV may afford any licensee who has accumulated as many as 7 points or any licensee who has accumulated as many as 4 points within a 3-year period immediately following reinstatement of his license after a period of suspension or revocation an opportunity to attend a driver improvement clinic operated by DMV and, upon the successful completion of the course taken at the clinic, 3 points shall be deducted from the licensee's conviction record. Only one deduction of points can be made on behalf of any licensee within any 5-year period.

### BILL ANALYSIS:

House Bill 863 would require a licensee to complete a driver retraining course for a license suspended in the following situations:

- (1) If within a three year period, the licensee has accumulated 12 or more points, or 8 or more points in the 3-year period immediately following the reinstatement of a license which has been suspended or revoked because of a conviction for one or more traffic offenses.
- (2) If, within a period of 12 months, the licensee has been convicted of (i) two or more charges of speeding in excess of 55 and not more than 80 miles per hour, (ii) one or more charges of reckless driving and one or more charges of speeding in excess of 55 and not more than 80 miles per hour, or (iii) one or more charges of aggressive driving and one or more charges of speeding in excess of 55 and not more than 80 miles per hour.
- (3) The licensee has been convicted of operating a motor vehicle at a speed in excess of 75 miles per hour on a public road or highway where the maximum speed is less than 70 miles per hour.
- (4) The licensee has been convicted of operating a motor vehicle at a speed in excess of 80 miles per hour on a public highway where the maximum speed is 70 miles per hour.

The course would be conducted by DMV, or a third party vendor.

Karen Cochrane-Brown  
Director



Legislative Analysis  
Division  
919-733-2578





# House Bill 863

*Page 2*

The fee for each course would be set at \$150.

**EFFECTIVE DATE:** This act would become effective December 1, 2017, and apply to license suspensions on or after that date.



GENERAL ASSEMBLY OF NORTH CAROLINA  
SESSION 2017

H

1

## HOUSE BILL 644

Short Title: Charter School Transportation Grant Program. (Public)

Sponsors: Representatives Hardister, Brockman, Torbett, and Conrad (Primary Sponsors).  
*For a complete list of sponsors, refer to the North Carolina General Assembly web site.*

Referred to: Education - K-12, if favorable, Transportation

April 10, 2017

A BILL TO BE ENTITLED  
AN ACT TO PROVIDE FOR A GRANT PROGRAM FOR CHARTER SCHOOLS TO  
RECEIVE FUNDS TO COVER A CERTAIN PERCENTAGE OF THEIR STUDENT  
TRANSPORTATION COSTS.

The General Assembly of North Carolina enacts:

**SECTION 1.** Article 14A of Chapter 115C of the General Statutes is amended by adding a new section to read:

**"§ 115C-218.106. Charter School Transportation Grant Program.**

(a) Purpose. – The Department of Public Instruction shall establish the Charter School Transportation Grant Program (Program). The purpose of the Program shall be to award grant funds to a charter school meeting the requirements of subsection (b) of this section for the reimbursement of sixty-five percent (65%) of the eligible student transportation costs incurred by the school in accordance with the provisions of this section.

(b) Program Eligibility. – If a charter school has a student enrollment of at least fifty percent (50%) of its students residing in households with an income level not in excess of the amount required for a student to qualify for the federal free or reduced-price lunch program in a semester of the school year, the charter school may apply to the Department of Public Instruction for grant funds under the Program for reimbursement of sixty-five percent (65%) of the eligible student transportation costs incurred by the school for that semester.

(c) Applications. – By August 1 of each year, the Department shall establish the criteria and guidelines for the grant application process for the upcoming school year, including criteria for eligible student transportation costs to be covered under the Program and any documentation required to be submitted with the application. The Department shall accept applications until December 31 for eligible student transportation costs incurred during the fall semester of the school year and until June 30 for eligible student transportation costs incurred during the spring semester of the school year.

(d) Award of Funds. – From funds available for the Program, the Department of Public Instruction shall award grant funds under the Program to charter schools by January 15 for eligible costs incurred during the fall semester of the school year and by July 15 for eligible costs incurred during the spring semester of the prior school year. If the funds appropriated for the Program in a fiscal year are insufficient, the Department may use other funds within the State Public School Fund for this purpose.

(e) Reporting. – The Department of Public Instruction shall report by March 15 of each year to the Fiscal Research Division and the Joint Legislative Education Oversight Committee on the administration of the grant program for the prior year, including (i) the number of





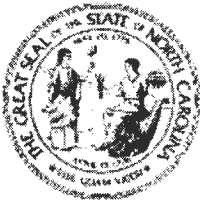
1 charter schools that received grants and the amount of grant funds awarded to those charter  
2 schools, (ii) the types of student transportation costs eligible for reimbursement under the  
3 Program, and (iii) an estimate of the cost of the Program for the upcoming fiscal year."

4 **SECTION 2.** There is appropriated from the General Fund to the Department of  
5 Public Instruction the sum of two million five hundred thousand dollars (\$2,500,000) in  
6 recurring funds for the 2017-2018 fiscal year to be used to award grant funds to charter schools  
7 for the reimbursement of a percentage of eligible student transportation costs incurred by  
8 charter schools in accordance with G.S. 115C-218.106, as enacted by Section 1 of this act.

9 **SECTION 3.** This act becomes effective July 1, 2017.







# HOUSE BILL 644: Charter School Transportation Grant Program.

2017-2018 General Assembly

<b>Committee:</b>	House Transportation	<b>Date:</b>	May 16, 2017
<b>Introduced by:</b>	Reps. Hardister, Brockman, Torbett, Conrad	<b>Prepared by:</b>	Howard Marsilio
<b>Analysis of:</b>	First Edition		Committee Counsel

**OVERVIEW:** *House Bill 644 would create a Charter School Transportation Grant Program that would allow for a charter school, meeting specific eligibility requirements, to apply for a reimbursement grant for 65% of its transportation costs through the Department of Public Instruction.*

**CURRENT LAW:** Charter schools may provide transportation for its students, including by contracting with a local school administrative unit for transportation.

## BILL ANALYSIS:

### Section 1 would:

- Require the Department of Public Instruction (DPI) to establish the Charter School Transportation Grant Program.
- Require that charter schools have over half of its enrolled student's households meet the federal free or reduced-price lunch program criteria, in a semester, to be eligible for the grant.
- Require DPI to establish criteria and guidelines for the grant application process by August 1 of each year.
- Require DPI to accept applications until December 31 for the fall semester, and until June 30 for the spring semester, for eligible student transportation costs. DPI shall award funds by January 15 and June 30, for the fall and spring semester awards respectively. If the appropriation is insufficient, the Department may use other funds within State Public School Fund for this purpose.
- Require DPI to report annually to the Fiscal Research Division and the Joint Legislative Education Oversight Committee on the administration of the program.

**Section 2** would appropriate \$2.5 million from the General Fund to DPI in recurring funds for the 2017-2018 fiscal year to fund this grant program.

**EFFECTIVE DATE:** This act would become effective July 1, 2017.

Karen Cochrane-Brown  
Director



Legislative Analysis  
Division  
919-733-2578



## VISITOR REGISTRATION SHEET

House Committee on Transportation

5/16/2017

Name of Committee

Date

VISITORS: PLEASE SIGN IN BELOW AND RETURN TO COMMITTEE CLERK

NAME

FIRM OR AGENCY AND ADDRESS

<del>Suparna Dasgupta</del>	<del>SEARC</del>
Flint Benson	SEARC
Logan Jackson	intern
Tanya Yisrael	TSS
Phoebe Landon	MWJC
LAURA PURYEAR	MWC
Jack Dowell	MWC
Reyna Subles Wagon	Chandler Consulting
So	Duke Energy
John Patrick	NCRAA
Hemi Burke	MWC



# VISITOR REGISTRATION SHEET

House Committee on Transportation

Name of Committee

5/16/2017

Date

VISITORS: PLEASE SIGN IN BELOW AND RETURN TO COMMITTEE CLERK

NAME

FIRM OR AGENCY AND ADDRESS

Comm. Wilson

CR McA





## VISITOR REGISTRATION SHEET

House Committee on Transportation

5/16/2017

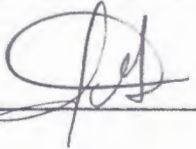

Name of Committee

Date

VISITORS: PLEASE SIGN IN BELOW AND RETURN TO COMMITTEE CLERK

NAME

FIRM OR AGENCY AND ADDRESS

Sillian Tolman	MWC LLC
Alec Macaulay	Carolina CAN
Marcus Brandon	Carolina CAN
Dana Clark	UNZ
Connor N. Bullard	NGA House Intern
Rachel Nixon	Smith Anderson
	
Laura Ziperski	Senator Tillman
Lynn Johnson	Rep. Carney
Gabby Densier	Rep. Harrison
Phil Collins	SEANC



## VISITOR REGISTRATION SHEET

House Committee on Transportation

5/16/2017

Name of Committee

Date

VISITORS: PLEASE SIGN IN BELOW AND RETURN TO COMMITTEE CLERK

NAME

FIRM OR AGENCY AND ADDRESS

Robb Jansen	NCSBE
Deans Eatman	UCDOT
Joy Wiche	NC DOT
Rodney Coleman	NCDMV
Sherry La	NC DMV
Allison Allen	Rep Mary Belk
Ralph Belk	Rep Mary Belk
Mildred Spearman	NCAAC
Lindsay Davis	Rep Faircloth
Rhonda Dillingham	NC Asso. for Public Charter Schools
Karin Harrison	NC DPI



# VISITOR REGISTRATION SHEET

House Committee on Transportation

5/16/2017

Name of Committee

Date

VISITORS: PLEASE SIGN IN BELOW AND RETURN TO COMMITTEE CLERK

NAME

FIRM OR AGENCY AND ADDRESS

Ruian Mewald	WM
Rick Zechini	WM
Chip McDonald	NSC
Munge fromman	NCH&E
Wm Dyer	Rover
Jm	LPA's - RAN - NCH&E
Durwood	NS
Angel Sans	DelVivo & Sans
Laure But	D&S
Stephen Kovba	KMA
Andy Chase	KMA





## VISITOR REGISTRATION SHEET

House Committee on Transportation

Name of Committee

5/16/2017

Date \_\_\_\_\_

VISITORS: PLEASE SIGN IN BELOW AND RETURN TO COMMITTEE CLERK

NAME \_\_\_\_\_

FIRM OR AGENCY AND ADDRESS

Tim Minton

ALBANY



Stanford Weiss

Betsy Bailey

CAC

David Crombie

171

Rhaidgar Jackson

## Focus Conclusion



Committee Sergeants at Arms

NAME OF COMMITTEE House Committee on Transportation

DATE: 5/16/2017

Room: 643 LOB

House Sgt-At Arms:

1. Name: Warren Hawkins

2. Name: Joe Austin

3. Name: Doug Harris

4. Name: Malachi McCullough, Jr.

5. Name: \_\_\_\_\_

Senate Sgt-At Arms:

1. Name: \_\_\_\_\_

2. Name: \_\_\_\_\_

3. Name: \_\_\_\_\_

4. Name: \_\_\_\_\_

5. Name: \_\_\_\_\_



**House Pages  
Assignments  
Tuesday, May 16, 2017  
Session: 9:00 AM**

Committee	Room	Time	Staff	Comments	Member
Finance	544	9:00 AM	Jennifer Fleming		Rep. Brian Turner
			Maeve Goldberg		Rep. Susan Fisher
			Rachel Phillips		Rep. Mark Brody
			Alexandria Scott		Rep. Speaker Tim Moore
Education - K-12	643	10:00 AM	Aitana Blevins		Rep. John Faircloth
			Parker Betts		Rep. Bob Steinburg
			Sanaa Lucas		Rep. Garland Pierce
			Cameron Smith		Rep. John Bell
Transportation	643	11:00 AM	Jordan Carey		Rep. Dennis Riddell
			Stephanie Godwin		Rep. David Lewis
			Ashley Johnson		Rep. Pat Hurley
			Philip Nazzaro		Rep. Frank Iler







# **House Transportation**

## **2018 Short Session**

### **Chairs:**

**Representatives Hastings, Iler, Shepard, Torbett**

### **Clerks:**

**James Jenkins (Hastings)**

**Carla Langdon (Iler)**

**Pam Pate (Shepard)**

**Viddia Torbett (Torbett)**

100



# NORTH CAROLINA GENERAL ASSEMBLY

## HOUSE TRANSPORTATION 2017-2018 SESSION



Rep. Kelly Hastings  
Co- Chair



Rep. Frank Iler  
Co-Chair



Rep. Phil Shepard  
Co-Chair



Rep. John Torbett  
Co-Chair



Rep. Becky Carney  
Vice chair



Rep. George Cleveland  
Vice chair



Rep. Michael Speciale  
Vice chair



Rep. Jay Adams



Rep. Kelly Alexander



Rep. Dean Arp



Rep. Chaz Beasley



Rep. Mary Belk



Rep. Hugh Blackwell



Rep. Jamie Boles



Rep. Bill Brawley



Rep. Dana Bumgardner



Rep. Kevin Corbin



Rep. Nelson Dollar



Rep. John Faircloth



Rep. Carl Ford



Rep. John Fraley

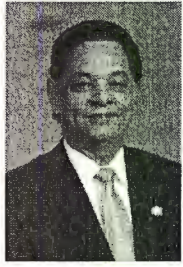


Rep. Ken Goodman



**NORTH CAROLINA GENERAL ASSEMBLY**

**HOUSE TRANSPORTATION  
2017-2018 SESSION**



**Rep. Charles Graham**



**Rep. Holly Grange**



**Rep. Duane Hall**



**Rep. Howard Hunter, III**



**Rep. Brenden Jones**



**Rep. Chuck McGrady**



**Rep. Allen McNeill**



**Rep. Rodney Moore**



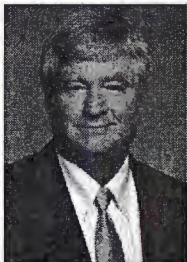
**Rep. Bob Muller**



**Rep. Michele Presnell**



**Rep. Bobbie Richardson**



**Rep. William Richardson**



**Rep. Bob Steinburg**



**Rep. Scott Stone**



**Rep. Larry Strickland**



**Rep. Rena Turner**



**Rep. Shelly Willingham**



**Rep. Michael Wray**

## HOUSE COMMITTEE ON TRANSPORTATION

<u>CHAIR</u>	<u>ASSISTANT</u>	<u>PHONE</u>	<u>OFFICE</u>	<u>SEAT</u>
Kelly Hastings	James Jenkins	715-2002	1206	17
Frank Iler	Carla Farmer	301-1450	639	14
Phil Shepard	Pamela Pate	715-9644	530	53
John Torbett	Viddia Torbett	733-5868	538	41

<u>VICE CHAIR</u>	<u>ASSISTANT</u>	<u>PHONE</u>	<u>OFFICE</u>	<u>SEAT</u>
Becky Carney	Beth LeGrande	733-5827	1221	12
George Cleveland	Pamela Ahlin	715-6707	417A	8
Michael Speciale	Hazel Speciale	733-5853	1008	50

<u>MEMBERS</u>	<u>ASSISTANT</u>	<u>PHONE</u>	<u>OFFICE</u>	<u>SEAT</u>
Jay Adams	Susan Phillips	733-5988	2223	73
Kelly Alexander	Marjorie Conner	733-5778	404	35
Dean Arp	Wendy Miller	715-3007	529	66
Chaz Beasley	Michael Wilson	733-5654	403	108
Mary Belk	Ralph Belk	733-5607	1424	116
Hugh Blackwell	Dixie Riehm	733-5805	541	102
Jamie Boles	Kerry Guice	733-5903	528	25
Bill Brawley	Lynn Taylor	733-5800	534	19
Dana Bumgardner	Margie Penven	733-5809	2119	40
Kevin Corbin	Cindy Hobbs	733-5859	2215	98
Nelson Dollar	Candace Slate	715-0795	307B	40
John Faircloth	Becky Bauerband	733-5877	613	28
Carl Ford	Olivia Clapp	715-5881	608	64
John Fraley	Carol Wakely	733-5741	637	68
Ken Goodman	Judy Veorse	733-5823	542	47
Charles Graham	Linda Laton	715-0875	1309	84
Holly Grange	Laura Holt Kabel	733-5830	604	89
Duane Hall	Brad Kennedy	733-5755	1004	58
Howard Hunter	Brenda Bennett	733-5780	1307	46
Brendan Jones	Andrew Bailey	733-5821	2217	88
Chuck McGrady	Kimberly Neptune	733-5956	304	15
Allen McNeill	Laura Sullivan	715-4946	418B	55
Rodney Moore	Charmey Morgan	733-5606	402	36
Bob Muller	Gloria Whitehead	715-9664	633	32
Michele Presnell	John Wall	733-5732	418A	51
Bobbie Richardson	Anna Meadows	715-3032	1217	81
William (Billy) Richardson	Leigh Lawrence	933-5601	1021	71
Bob Steinburg	Andrew Bowers	733-0010	301B	43
Scott Stone	Marissa Turner	733-5886	2213	77
Larry Strickland	KJ Stancil	733-5849	602	112
Rena Turner	Barbara Gaiser	733-5661	606	52
Shelly Willingham	Johnna Smith	715-3024	513	96
Michael Wray	Susan Burleson	733-5662	503	24





## ATTENDANCE

**HOUSE STANDING COMMITTEE ON TRANSPORTATION**

(2017 – 2018 Session)

[illegible]



[illegible]



**House Committee on Transportation  
Tuesday, June 5, 2018 at 3:00 pm  
Room 643 of the Legislative Office Building**

**MINUTES**

The House Committee on Transportation met at 3:00 pm on June 5, 2018 in Room 643 of the Legislative Office Building. Representatives Adams, Alexander, Beasley, Belk, Blackwell, Boles, Brawley, Bumgardner, Carney, Corbin, Dollar, Faircloth, Ford, Fraley, Goodman, C. Graham, Grange, Duane Hall, Hastings, Hunter, Iler, Brenden Jones, McGrady, McNeill, R. Moore, Muller, Presnell, W. Richardson, Shepard, Speciale, Steinburg, Stone, Strickland, Torbett, R. Turner, Willingham, and Wray attended.

Chairman Iler presided.

The following bills were considered:

**HB 1010 Build NC Bond Act. (Representatives Torbett, Iler, Presnell, Shepard)**

A PCS was brought before the committee and adopted for consideration. Representative Torbett explained the bill and offered a technical amendment. The amendment passed. Representative Dollar was recognized for a motion to give the PCS with the amendment included a favorable report, unfavorable to the original bill with a re-referral to the committee on Appropriations. The motion passed.

**HB 1013 Airport Prop. Purchase/NCEPA Waiver. (Representatives Torbett, Iler, Presnell, Shepard)**

This bill was removed from the agenda.

**HB 1029 DOT/DMV Legislative Requests. (Representatives Torbett, Iler)**

A PCS was brought before the committee and adopted for consideration. Representative Torbett explained the bill. Representative Stone was recognized for a motion to give the PCS a favorable report, unfavorable to the original bill. The motion passed. No re-referral was listed, however this bill will be re-referred to the committee on Finance.

**SB 411 Various Motor Vehicle Law Revisions. (Senator B. Jackson)**

A PCS was brought before the committee and adopted for consideration. Representative Torbett explained the bill. Representative Shepard was recognized for a motion to give the House PCS a favorable report, unfavorable to the Senate PCS with a re-referral to the committee on Judiciary III. The motion passed.

**SB 412 Abandoned Vehicles/Charities. (Senator B. Jackson)**

A PCS was brought before the committee and adopted for consideration. Representative Torbett explained the bill. Representative McGrady was recognized for a motion to give the House PCS a favorable report, unfavorable to the Senate Committee Sub with a re-referral to the committee on Rules, Calendar and Operations of the House. The motion passed.





The meeting adjourned at 4:10

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Representative Frank Iler  
Presiding

---

Carla Langdon, Committee Clerk



**NORTH CAROLINA HOUSE OF REPRESENTATIVES  
COMMITTEE MEETING NOTICE  
AND  
BILL SPONSOR NOTIFICATION  
2017-2018 SESSION**

You are hereby notified that the **House Committee on Transportation** will meet as follows:

**DAY & DATE:** Tuesday, June 5, 2018  
**TIME:** 11:00 AM  
**LOCATION:** 643 LOB  
**COMMENTS:** Representative Iler will be chairing.

The following bills will be considered:

<b>BILL NO.</b>	<b>SHORT TITLE</b>	<b>SPONSOR</b>
<u>HB 1010</u>	Build NC Bond Act.	Representative Torbett Representative Iler Representative Presnell Representative Shepard
<u>HB 1013</u>	Airport Prop. Purchase/NCEPA Waiver.	Representative Torbett Representative Iler Representative Presnell Representative Shepard
<u>HB 1029</u>	DOT/DMV Legislative Requests.	Representative Torbett Representative Iler
<u>SB 411</u>	Various Motor Vehicle Law Revisions.	Senator B. Jackson
<u>SB 412</u>	Improve Process/Sale of Unclaimed Vehicles.	Senator B. Jackson

Respectfully,

Representative Kelly E. Hastings, Co-Chair  
Representative Frank Iler, Co-Chair  
Representative Phil Shepard, Co-Chair  
Representative John A. Torbett, Co-Chair

I hereby certify this notice was filed by the committee assistant at the following offices at 9:14 AM on Thursday, May 31, 2018.

\_\_\_\_ Principal Clerk  
\_\_\_\_ Reading Clerk – House Chamber

Carla Langdon (Committee Assistant)



**House Committee on Transportation  
Tuesday, June 5, 2018, 3:00 pm  
643 Legislative Office Building**

**AGENDA**

**Welcome and Opening Remarks**

**Introduction of Pages**

**Bills**

<b>BILL NO.</b>	<b>SHORT TITLE</b>	<b>SPONSOR</b>
HB 1010	Build NC Bond Act. <b>PCS with re-referral to Appropriations</b> <i>Fiscal Note Included</i>	Representative Torbett Representative Iler Representative Presnell Representative Shepard
HB 1013	Airport Prop. Purchase/NCEPA Waiver. <b>Re-referral to Environment</b>	Representative Torbett Representative Iler Representative Presnell Representative Shepard
HB 1029	DOT/DMV Legislative Requests. <b>PCS, no referral</b>	Representative Torbett Representative Iler
SB 411	Various Motor Vehicle Law Revisions. <b>PCS with re-referral to Judiciary III</b>	Senator B. Jackson
SB 412	Improve Process/Sale of Unclaimed Vehicles. <b>PCS with re-referral to Rules, Calendar And Operations of the House</b>	Senator B. Jackson

**Adjournment**





**NORTH CAROLINA GENERAL ASSEMBLY  
HOUSE OF REPRESENTATIVES**

**TRANSPORTATION COMMITTEE REPORT**

**Representative Kelly E. Hastings, Co-Chair**

**Representative Frank Iler, Co-Chair**

**Representative Phil Shepard, Co-Chair**

**Representative John A. Torbett, Co-Chair**

**FAVORABLE COM SUB , UNFAVORABLE ORIGINAL BILL AND RE-REFERRED**

**HB 1010**

Build NC Bond Act.

Draft Number: H1010-PCS40747-BGf-31

**Serial Referral:** **APPROPRIATIONS**

Recommended Referral: None

Long Title Amended: Yes

Floor Manager: Torbett

TOTAL REPORTED: 1



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**NORTH CAROLINA GENERAL ASSEMBLY  
HOUSE OF REPRESENTATIVES**

**TRANSPORTATION COMMITTEE REPORT**

**Representative Kelly E. Hastings, Co-Chair**

**Representative Frank Iler, Co-Chair**

**Representative Phil Shepard, Co-Chair**

**Representative John A. Torbett, Co-Chair**

**FAVORABLE COM SUB, UNFAVORABLE ORIGINAL BILL**

**HB 1029**

**DOT/DMV Legislative Requests.**

**Draft Number: H1029-PCS10479-SUF-39**

**Serial Referral: None**

**Recommended Referral: None**

**Long Title Amended: Yes**

**Floor Manager: Torbett**

**FAVORABLE HOUSE COM SUB, UNFAVORABLE ORIGINAL BILL AND RE-REFERRED**

**SB 412**

**Improve Process/Sale of Unclaimed Vehicles.**

**Draft Number: S412-PCS45561-SUF-38**

**Serial Referral: RULES, CALENDAR, AND  
OPERATIONS OF THE HOUSE**

**Recommended Referral: None**

**Long Title Amended: Yes**

**Floor Manager: Torbett**

**TOTAL REPORTED: 2**





**NORTH CAROLINA GENERAL ASSEMBLY  
HOUSE OF REPRESENTATIVES**

**TRANSPORTATION COMMITTEE REPORT**

**Representative Kelly E. Hastings, Co-Chair**

**Representative Frank Iler, Co-Chair**

**Representative Phil Shepard, Co-Chair**

**Representative John A. Torbett, Co-Chair**

**FAVORABLE HOUSE COM SUB, UNFAVORABLE SENATE COM SUB AND RE-REFERRED**

**SB 411 (CS#1)**

Various Motor Vehicle Law Revisions.

Draft Number: S411-PCS35362-SUf-40

**Serial Referral:** **JUDICIARY III**

Recommended Referral: None

Long Title Amended: Yes

Floor Manager: Torbett

TOTAL REPORTED: 1



\* C M R 7 0 9 - V - 1 \*







**NORTH CAROLINA GENERAL ASSEMBLY  
AMENDMENT  
House Bill 1010**

AMENDMENT NO. \_\_\_\_\_  
(to be filled in by  
Principal Clerk)

H1010-ASU-34 [v.2]

Page 1 of 1

Amends Title [NO]  
H1010-CSBG-31

Date \_\_\_\_\_, 2018

### Representative Torbett

1 moves to amend the bill on page 2, line 25, by deleting the phrase "required under G.S. 143C-6-  
2 11(f)";  
3  
4 and on page 3, line 8, by deleting the phrase "of subsection (b)";  
5  
6 and on page 3, line 29, by deleting the word "subsection" and substituting the word "section";  
7  
8 and on page 3, line 30, by deleting the word "section" and substituting the word "act".

SIGNED

Amendment Sponsor

SIGNED

Committee Chair if Senate Committee Amendment

ADOPTED	FAILED	TABLED
1	1	1
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GENERAL ASSEMBLY OF NORTH CAROLINA  
SESSION 2017

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D

HOUSE BILL 1010  
PROPOSED COMMITTEE SUBSTITUTE H1010-CSBG-31 [v.2]  
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Short Title: Build NC Bond Act.

(Public)

Sponsors:

Referred to:

May 28, 2018

1 A BILL TO BE ENTITLED  
2 AN ACT TO ENACT THE BUILD NC BOND ACT OF 2018.  
3 The General Assembly of North Carolina enacts:

4 SECTION 1. Short Title. – This act shall be known as the "Build NC Bond Act of  
5 2018."

6 SECTION 2. Legislative Intent. – The intent of the Build NC Bond Act of 2018 is  
7 to maintain the integrity of the Strategic Transportation Investments Act (STI). Toward this end  
8 and consistent with STI:

- 9 (1) The bond proceeds shall not be treated as revenue.  
10 (2) Debt service is subject to the distribution formula in G.S. 136-189.11.  
11 (3) Funds distributed under the Build NC Bond Act of 2018 to be used for the  
12 Regional Impact Projects tier shall be allocated within two percent (2%) by  
13 population of Distribution Regions based on the most recent estimates  
14 certified by the Office of State Budget and Management and used for Regional  
15 Impact Projects pursuant to the criteria in G.S. 136-189.11(d)(2)(a).  
16 (4) Funds distributed under the Build NC Bond Act of 2018 to be used for the  
17 Division Need Projects tier shall be allocated within two percent (2%) of an  
18 equal share to each of the Department divisions, as defined in G.S. 136-14.1,  
19 and used for Division Need Projects pursuant to the criteria in  
20 G.S. 136-189.11(d)(3)(a).  
21 (5) The formula variance in G.S. 136-189.11(e) shall only apply to the debt  
22 service.  
23 (6) Nothing in the Build NC Bond Act of 2018 prevents the issuance of other  
24 bonds or special indebtedness for highway or transportation purposes under  
25 Article 9 of Chapter 142 of the General Statutes.

26 SECTION 3. G.S. 142-82 reads as rewritten:

27 "§ 142-82. Definitions.

28 The following definitions apply in this Article:

29 ...

30 (2a) Build NC Bonds. – Special indebtedness issued to finance Build NC Projects,  
31 with the Build NC Net Proceeds of such special indebtedness used in  
32 accordance with both of the following requirements, measured in the  
33 aggregate for all issues:

34 a. Within two percent (2%) of fifty percent (50%) of the Build NC Net  
35 Proceeds during such period used for Division Need Projects in



accordance with the requirements of Article 14B of Chapter 136 of the General Statutes.

b. The remainder of the Build NC Net Proceeds during such period used for Regional Impact Projects in accordance with the requirements of Article 14B of Chapter 136 of the General Statutes.

(2b) Build NC Net Proceeds. – The proceeds of an issue of Build NC Bonds net of deposits for the costs described in sub-subdivisions d., e., and f. of subdivision (6) of this section.

(2c) Build NC Project. – A capital facility identified and selected for financing with Build NC Bonds under this Article by the process set forth in Article 14B of Chapter 136 of the General Statutes.

...."

SECTION 4. Article 9 of Chapter 142 of the General Statutes is amended by adding a new section to read:

**"§ 142-97. Additional provisions with respect to Build NC Bonds.**

The following requirements and limitations apply to the issuance and sale of Build NC Bonds:

(1) Subject to appropriation by the General Assembly, funds from the Highway Trust Fund shall be the source for repayment of special indebtedness resulting from the sale of Build NC Bonds.

(2) The State Treasurer shall not issue any Build NC Bonds unless (i) the State Treasurer recommends the issuance of the Build NC Bonds and (ii) the State Treasurer has made a determination that all of the following requirements have been or shall be met:

a. The Department of Transportation's average month-end cash balance required under G.S. 143C-6-11(f) for the first three months in the calendar year prior to the date of determination is equal to or less than one billion dollars (\$1,000,000,000).

b. The total amount of Build NC Bonds outstanding after such issuance will not cause the recommended transportation debt target established by the Debt Affordability Advisory Committee in accordance with G.S. 142-101 to be exceeded.

c. At least six months prior to the expected date of the Build NC Bond issuance, the Department of Transportation:

1. Consulted with the State Treasurer about the proposed Build NC Bond issuance.

2. Consulted with the Joint Legislative Transportation Oversight Committee and the Joint Legislative Commission on Governmental Operations to provide details of the proposed issuance, including (i) the total amount of the Build NC Bonds that will be issued, (ii) the estimated amount of the debt service payments, and (iii) the estimated amount of debt capacity that would be remaining after the issuance.

(3) Except as otherwise provided in subdivision (7) of this subsection, the total amount of special indebtedness from the issuance of Build NC Bonds shall not exceed three billion dollars (\$3,000,000,000).

(4) Except as otherwise provided in subdivision (7) of this subsection, each individual issuance of Build NC Bonds is limited to no more than three hundred million dollars (\$300,000,000) in each fiscal year.

(5) The Department of Transportation may not use the proceeds realized from the sale of Build NC Bonds for a nonhighway project or a project utilizing tolling pursuant to the authority set forth in subdivision (39) or (39a) of G.S. 136-18.



- (6) For purposes of satisfying the requirements of G.S. 142-15.17, Build NC Projects constitute projects as to which the General Assembly has enacted legislation expressly approving the use of a State-supported financing arrangement.
- (7) The restrictions set forth in sub-subdivision a. of subdivision (2) of this section and subdivisions (3) and (4) of this section do not apply to Build NC Bonds that are refunding bonds meeting the requirements set forth in G.S. 142-29.5.
- (8) The provisions of subsection (b) of G.S. 142-83 do not apply to Build NC Bonds, nor shall Build NC Bonds be counted for the purposes of that subsection in limiting the issuance of other debt.
- (9) The provisions of subsection (e) of G.S. 142-84 do not apply to Build NC Bonds."

**SECTION 5.** G.S. 142-89(a) reads as rewritten:

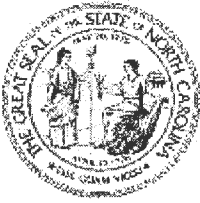
"(a) Terms and Conditions. – Bonds or notes may bear any dates; may be serial or term bonds or notes, or any combination of these; may mature in any amounts and at any times, not exceeding 15 years from their dates for Build NC Bonds and 40 years from their dates; dates for all other bonds and notes; may be payable at any places, either within or without the United States, in any coin or currency of the United States that at the time of payment is legal tender for payment of public and private debts; may bear interest at any rates, which may vary from time to time; and may be made redeemable before maturity, at the option of the State or otherwise as may be provided by the State, at any prices, including a price greater than the face amount of the bonds or notes, and under any terms and conditions, all as may be determined by the State Treasurer, by and with the consent of the Council of State."

**SECTION 6.** The State Treasurer, in consultation with the Department of Transportation, shall develop and implement a debt management policy to guide the Department's practices in regards to issuing Build NC Bonds, as defined in G.S. 142-82(2a), as enacted in Section 3 of this act. By July 1, 2019, the State Treasurer shall submit a report to the Joint Legislative Transportation Oversight Committee detailing the debt management plan developed in accordance with this subsection.

**SECTION 7.** This section becomes effective January 1, 2019, and expires December 31, 2028.







# HOUSE BILL 1010: Build NC Bond Act.

2017-2018 General Assembly

<b>Committee:</b>	House Transportation. If favorable, re-refer to Appropriations	<b>Date:</b>	June 5, 2018
<b>Introduced by:</b>	Reps. Torbett, Iler, Presnell, Shepard	<b>Prepared by:</b>	Howard Marsilio
<b>Analysis of:</b>	PCS to First Edition H1010-CSBG-31		Committee Counsel

**OVERVIEW:** *The Proposed Committee Substitute (PCS) for House Bill 1010 would authorize the issuance of Build NC Bonds, a type of special indebtedness in which the proceeds shall be used only for Division Need Projects and Regional Impact Projects in accordance with the Strategic Transportation Investments ("STI") law set forth in Article 14B of Chapter 136 of the General Statutes.*

**CURRENT LAW:** The State Capital Facilities Finance Act, which is set forth in Article 9 of Chapter 142 of the General Statutes, authorizes the State to incur or issue special indebtedness, subject to the various terms and conditions in the Article. Special indebtedness issued under this Article may be used to finance the cost of "capital facilities," which is defined as any one or more of the following:

- Any one or more buildings, utilities, structures, or other facilities or property developments, including streets and landscaping, and the acquisition of equipment, machinery, and furnishings in connection with these items.
- Additions, extensions, enlargements, renovations, and improvements to existing buildings, utilities, structures, or other facilities or property developments, including streets and landscaping.
- Land or an interest in land.
- Other infrastructure.
- Furniture, fixtures, equipment, vehicles, machinery, and similar items.

Special indebtedness is not secured by the full faith and credit (taxing power) of the State, so voter approval is not required.

**BILL ANALYSIS:** The PCS would do the following:

**Section 1:** Provide that the act shall be known as the "Build NC Bond Act of 2018."

**Section 2:** Describe the legislative intent.

**Section 3:** Amend the State Capital Facilities Finance Act by defining the terms "Build NC Project", "Build NC Bonds" and Build NC Net Proceeds" and setting forth two requirements for Build NC Bonds, as:

- (i) within two percent (2%) of fifty percent (50%) of the net proceeds from an issuance of Build NC Bonds must be used for Division Need Projects in accordance with the requirements of the STI law; and

Karen Cochrane-Brown  
Director



Legislative Analysis  
Division  
919-733-2578

This bill analysis was prepared by the nonpartisan legislative staff for the use of legislators in their deliberations and does not constitute an official statement of legislative intent.

# House PCS 1010

Page 2

- (ii) the remainder of the proceeds must be used for Regional Impact Projects in accordance with the requirements of the STI law.

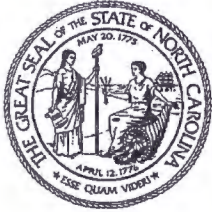
**Section 4:** Further amend the State Capital Facilities Finance Act to include the following requirements and limitations regarding the issuance and sale of Build NC Bonds:

- The source of repayment for Build NC Bonds is the Highway Trust Fund.
- The State Treasurer shall not issue any Build NC Bonds unless (i) the State Treasurer recommends the issuance and (ii) the State Treasurer has made a determination that all of the following requirements have been or shall be met:
  - The Department of Transportation's average month end cash balance required under G.S. 143C-6-11(f) for the first three months in the calendar year prior to the date of determination is equal to or less than one billion dollars (\$1,000,000,000).
  - The total amount of Build NC Bonds outstanding will not cause the recommended transportation debt target established by the Debt Affordability Advisory Committee to be exceeded.
  - At least 6 months prior to the expected date of a Build NC Bond issuance, the Department of Transportation has consulted with the State Treasurer, the Joint Legislative Transportation Oversight Committee, and the Joint Legislative Commission on Governmental Operations, about the total issuance, debt servicing, and post issuance debt capacity.
- The total amount of special indebtedness resulting from the sale of Build NC Bonds shall not exceed \$3,000,000,000.
- Except as otherwise provided, each individual issuance of Build NC Bonds is limited to no more than three hundred million dollars (\$300,000,000) in each fiscal year.
- The Department of Transportation may not use the Build NC Proceeds for (i) non-highway projects or (ii) tolling projects.
- Passage of this act would satisfy the requirement of G.S. 142-15.17 that the General Assembly expressly authorize this type of financing arrangement through legislation.
- Certain restrictions under Section 4 of the PCS regarding the Department's cash balance prior to determination, total amount of special indebtedness, and amount cap per fiscal year, would not apply to Build NC Bonds used as a refunding bond under G.S. 142-29.5.
- The limitation set forth in G.S. 142-83(b) regarding bond indebtedness supported by the General Fund would not apply.
- Since the projects to be financed with Build NC Bonds are selected through the STI process, the requirement set forth in G.S. 142-84(e) that the Department of Administration make decisions about the type of capital facility and amount financed would not apply.

**Section 5:** Provide that the maturity date for a Build NC Bond may not exceed 15 years.

**Section 6:** Direct the State Treasurer to develop a debt management plan for Build NC Bonds.

**EFFECTIVE DATE:** This act would become effective January 1, 2019, and expire December 31, 2028.



# NORTH CAROLINA GENERAL ASSEMBLY

Session 2017

## Fiscal Analysis Memorandum

CONFIDENTIAL

Requestor: Representative Torbett  
Analyst(s): Amna Cameron, Daniel Sater, David Vanderweide, and Lisa Hollowell  
RE: PCS HB 1010-CSBG-31 [v.2]

### SUMMARY TABLE

#### FISCAL IMPACT OF PCS to HB 1010-CSBG-31 [V.2]

	<u>FY 2018-19</u>	<u>FY 2019-20</u>	<u>FY 2020-21</u>	<u>FY 2021-22</u>	<u>FY 2022-23</u>
<b>State Impact</b>					
Highway Trust					
Fund Revenue	-	-	-	-	-
Less Expenditures	-	30.9	61.9	92.7	123.6
<b>Highway Trust</b>					
Fund Impact	-	(30.9)	(61.9)	(92.7)	(123.6)
<b>NET STATE IMPACT</b>	-	(\$30.9)	(\$61.9)	(\$92.7)	(\$123.6)

TECHNICAL CONSIDERATIONS: See Technical Considerations Section

### FISCAL IMPACT SUMMARY

*Build NC Bond Act of 2018 authorizes the State Treasurer to issue Build NC Bonds, a type of special indebtedness in which the proceeds shall be used only for Division Need Projects and Regional Impact Projects in accordance with the Strategic Transportation Investments ("STI") law set forth in Article 14B of Chapter 136 of the General Statutes.*

**BILL ANALYSIS:** Build NC Bond Act of 2018 does the following:

**Section 1:** Provides that the act shall be known as the "Build NC Bond Act of 2018."

**Section 2:** Provides that it is the intent of the General Assembly that the Build NC Bond Act of 2018 maintain the integrity of STI:

- Bond proceeds shall not be treated as revenue.
- Debt service is subject to STI distribution formula in G.S. 136-189.11.
- Funds distributed shall be used for Regional Impact and Division Need Project tiers of STI.

- The formula variance of STI only applies to the debt service.

**Section 3:** Amends the State Capital Facilities Finance Act to do the following:

- Authorize the issuance of Build NC Bonds, which is defined as special indebtedness issued to finance Build NC Projects.
- Defines the term "Build NC Project" as a capital facility identified and selected for financing with Build NC Bonds by the process set forth in the STI law.
- Provides that (i) approximately 50% of the proceeds from an issuance of Build NC Bonds may be used for Division Need Projects in accordance with the requirements of the STI law and (ii) the remainder of the proceeds may be used for Regional Impact Projects in accordance with the requirements of the STI law. No proceeds may be used for Statewide Strategic Mobility Projects.

**Section 4:** Further amends the State Capital Facilities Finance Act to include the following requirements and limitations in regards to the issuance and sale of Build NC Bonds:

- The source of repayment for Build NC Bonds is the Highway Trust Fund.
- The State Treasurer shall not issue any Build NC Bonds unless (i) the State Treasurer recommends the issuance and (ii) the State Treasurer has made a determination that all of the following requirements have been or shall be met:
  - The Department of Transportation's (DOT) month-end cash balance for the first 3 months in the calendar year is equal to or less than one billion dollars (\$1,000,000,000).
  - The total amount of Build NC Bonds outstanding will not cause the recommended transportation debt target established by the Debt Affordability Advisory Committee to be exceeded.
  - At least 6 months prior to the expected date of a Build NC Bond issuance, DOT has consulted with the State Treasurer, the Joint Legislative Transportation Oversight Committee, and the Joint Legislative Commission on Governmental Operations.
- The total amount of special indebtedness resulting from the sale of Build NC Bonds shall not exceed \$3,000,000,000 and each individual issuance shall not exceed \$300,000,000.
- The Department of Transportation may not use the Build NC Proceeds for non-highway projects or tolling projects.
- Passage of this act would satisfy the requirement of G.S. 142-15.17 that the General Assembly expressly authorize this type of financing arrangement through legislation.
- The aforementioned restrictions do not apply to a Build NC Bond used as a refunding bond under G.S. 142-29.5, which means the proceeds from a new debt issue may be used to retire an outstanding bond issue.



- Since the special indebtedness is supported by the Highway Trust Fund, the limitation set forth in G.S. 142-83(b) regarding bond indebtedness supported by the General Fund does not apply.
- Since the projects to be financed with Build NC Bonds are selected through the STI process, the requirement set forth in G.S. 142-84(e) that the Department of Administration make decisions about the type of facility and amount financed does not apply.

**Section 5:** Provides that the maturity date for a Build NC Bond may not exceed 15 years.

**Section 6:** Directs the State Treasurer, in consultation with DOT, to develop a debt management plan for Build NC Bonds.

**Section 7:** Provides that the Build NC Bond Act of 2018 becomes effective January 1, 2019 and expires December 31, 2028.

### Estimated Debt Service

It is not known when the first issuance will be made, if the maximum of \$300 million will be issued each year, or if DOT's cash balance and debt capacity limits will allow for an issuance each year. Figure 1 assumes the \$300 million maximum per issuance will occur for 10 consecutive years with the first debt issuance in May 2019. This analysis assumes a 15-year maturity date and a 6% interest rate.

Figure 1 Estimated Debt Service for 10 \$300M Debt Issuances

Fiscal Year	Annual Debt Service Payment
FY 2019-20	\$30,900,000
FY 2020-21	\$61,800,000
FY 2021-22	\$92,700,000
FY 2022-23	\$123,600,000
FY 2023-24	\$154,500,000
FY 2024-25	\$185,400,000
FY 2025-26	\$216,300,000
FY 2026-27	\$247,200,000
FY 2027-28	\$278,100,000
FY 2028-29	\$309,000,000
FY 2029-30	\$309,000,000
FY 2030-31	\$309,000,000
FY 2031-32	\$309,000,000
FY 2032-33	\$309,000,000
FY 2033-34	\$309,000,000
FY 2034-35	\$278,100,000
FY 2035-36	\$247,200,000
FY 2036-37	\$216,300,000
FY 2037-38	\$185,400,000



<b>FY 2038-39</b>	\$154,500,000
<b>FY 2039-40</b>	\$123,600,000
<b>FY 2040-41</b>	\$92,700,000
<b>FY 2041-42</b>	\$61,800,000
<b>FY 2042-43</b>	\$30,900,000

### **Other Fiscal Impacts**

The Department of State Treasurer responded that this bill creates additional work that can be absorbed into current operations. DOT costs, such as for bond counsel, are charged proportionately to bonded projects and are funded through bond proceeds. These costs are included in Figure 1.

### **TECHNICAL CONSIDERATIONS**

DOT does not believe the reference to G.S. 143C-6-11(f) in Section 4 of the bill in G.S. 142-97(2)(a) is needed.

### **DATA SOURCES**

Department of Transportation, Department of State Treasurer

### **FISCAL ANALYSIS MEMORANDUM – PURPOSE AND LIMITATIONS**

This document is a fiscal analysis of a bill, draft bill, amendment, committee substitute, or conference committee report that is confidential under Chapter 120 of the General Statutes. The estimates in this analysis are based on the data, assumptions, and methodology described in the Fiscal Analysis section of this document. This document only addresses sections of the bill that have projected direct fiscal impacts on State or local governments and does not address sections that have no projected fiscal impacts. This document is not an official fiscal note. If a formal fiscal note is requested, please email your request to the Fiscal Research Division at [FiscalNoteRequests@ncleg.net](mailto:FiscalNoteRequests@ncleg.net) or call (919) 733-4910.



GENERAL ASSEMBLY OF NORTH CAROLINA  
SESSION 2017

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HOUSE BILL 1010

Short Title: Build NC Bond Act. (Public)

Sponsors: Representatives Torbett, Iler, Presnell, and Shepard (Primary Sponsors).  
*For a complete list of sponsors, refer to the North Carolina General Assembly web site.*

Referred to: Transportation, if favorable, Appropriations

May 28, 2018

A BILL TO BE ENTITLED  
AN ACT TO ENACT THE BUILD NC BOND ACT OF 2018, AS RECOMMENDED BY THE  
HOUSE SELECT COMMITTEE ON STRATEGIC TRANSPORTATION PLANNING  
AND LONG TERM FUNDING SOLUTIONS.

The General Assembly of North Carolina enacts:

**SECTION 1.** Short Title. – This act shall be known as the "Build NC Bond Act of 2018."

**SECTION 2.** G.S. 142-82 reads as rewritten:

**"§ 142-82. Definitions.**

The following definitions apply in this Article:

...  
(2a) Build NC Bonds. – Special indebtedness issued to finance Build NC Projects, with the Build NC Net Proceeds of such special indebtedness used in accordance with both of the following requirements, measured in the aggregate for all issues in successive periods of 10 fiscal years each, with the first such period beginning with the 2019-2020 fiscal year:

a. Within two percent (2%) of fifty percent (50%) of the Build NC Net Proceeds during such period used for Division Need Projects in accordance with the requirements of Article 14B of Chapter 136 of the General Statutes.

b. The remainder of the Build NC Net Proceeds during such period used for Regional Impact Projects in accordance with the requirements of Article 14B of Chapter 136 of the General Statutes.

(2b) Build NC Net Proceeds. – The proceeds of an issue of Build NC Bonds net of deposits for the costs described in sub-subdivisions d., e., and f. of subdivision (6) of this section.

(2c) Build NC Project. – A capital facility identified and selected for financing with Build NC Bonds under this Article by the process set forth in Article 14B of Chapter 136 of the General Statutes.

...."

**SECTION 3.** Article 9 of Chapter 142 of the General Statutes is amended by adding a new section to read:

**"§ 142-97. Additional provisions with respect to Build NC Bonds.**

The following requirements and limitations apply to the issuance and sale of Build NC Bonds:





- (1) Subject to appropriation by the General Assembly, funds from the Highway Trust Fund shall be the source for repayment of special indebtedness resulting from the sale of Build NC Bonds.
- (2) The State Treasurer shall not issue any Build NC Bonds unless (i) the State Treasurer recommends the issuance of the Build NC Bonds and (ii) the State Treasurer has made a determination that all of the following requirements have been or shall be met:

  - a. The Department of Transportation's average combined month-end cash balance required under G.S. 143C-6-11(f) for the first 3 months in the calendar year prior to the date of determination is equal to or less than twenty percent (20%) of the total expenditures from the Highway Fund and Highway Trust Fund for the most recent complete fiscal year. In calculating the total expenditures from the Highway Fund and Highway Trust Fund under this sub-subdivision, any transfers to the General Fund shall be excluded.
  - b. The total amount of Build NC Bonds outstanding after such issuance will not cause the recommended transportation debt target established by the Debt Affordability Advisory Committee in accordance with G.S. 142-101 to be exceeded.
  - c. At least six months prior to the expected date of the Build NC Bond issuance, the Department of Transportation:

    1. Consulted with the State Treasurer about the proposed Build NC Bond issuance.
    2. Consulted with the Joint Legislative Transportation Oversight Committee and the Joint Legislative Commission on Governmental Operations to provide details of the proposed issuance, including (i) the total amount of the Build NC Bonds that will be issued, (ii) the estimated amount of the debt service payments, and (iii) the estimated amount of debt capacity that would be remaining after the issuance.
- (3) Except as otherwise provided in subdivision (7) of this subsection, the total amount of special indebtedness resulting from the sale of Build NC Bonds shall not exceed three billion dollars (\$3,000,000,000).
- (4) Except as otherwise provided in subdivision (7) of this subsection, each individual issuance of Build NC Bonds is limited to no more than three hundred million dollars (\$300,000,000) in each fiscal year.
- (5) The Department of Transportation may not use the proceeds realized from the sale of Build NC Bonds for a nonhighway project or a project utilizing tolling pursuant to the authority set forth in subdivision (39) or (39a) of G.S. 136-18.
- (6) For purposes of satisfying the requirements of G.S. 142-15.17, Build NC Projects constitute projects as to which the General Assembly has enacted legislation expressly approving the use of a State-supported financing arrangement.
- (7) The restrictions set forth in sub-subdivision a. of subdivision (2) of this section and subdivisions (3) and (4) of this subsection do not apply to Build NC Bonds that are refunding bonds meeting the requirements set forth in G.S. 142-29.5.
- (8) The provisions of subsection (b) of G.S. 142-83 do not apply to Build NC Bonds, nor shall Build NC Bonds be counted for the purposes of that subsection in limiting the issuance of other debt.
- (9) The provisions of subsection (e) of G.S. 142-84 do not apply to Build NC Bonds."

1           **SECTION 4.** G.S. 142-89(a) reads as rewritten:

2           "(a)   Terms and Conditions. – Bonds or notes may bear any dates; may be serial or term  
3 bonds or notes, or any combination of these; may mature in any amounts and at any times, not  
4 exceeding 15 years from their dates for Build NC Bonds and 40 years from their ~~dates~~ dates for  
5 all other bonds and notes; may be payable at any places, either within or without the United  
6 States, in any coin or currency of the United States that at the time of payment is legal tender for  
7 payment of public and private debts; may bear interest at any rates, which may vary from time  
8 to time; and may be made redeemable before maturity, at the option of the State or otherwise as  
9 may be provided by the State, at any prices, including a price greater than the face amount of the  
10 bonds or notes, and under any terms and conditions, all as may be determined by the State  
11 Treasurer, by and with the consent of the Council of State."

12           **SECTION 5.** The State Treasurer, in consultation with the Department of  
13 Transportation, shall develop and implement a debt management policy to guide the  
14 Department's practices in regards to issuing Build NC Bonds, as defined in G.S. 142-82(2a), as  
15 enacted in Section 2 of this act. By July 1, 2019, the State Treasurer shall submit a report to the  
16 Joint Legislative Transportation Oversight Committee detailing the debt management plan  
17 developed in accordance with this subsection.

18           **SECTION 6.** This act is effective when it becomes law.





# NORTH CAROLINA GENERAL ASSEMBLY

Session 2017

## Legislative Fiscal Note

**Short Title:** Build NC Bond Act.  
**Bill Number:** House Bill 1010 (First Edition)  
**Sponsor(s):** Representatives Torbett, Iler, Presnell, and Shepard

### SUMMARY TABLE

FISCAL IMPACT OF H.B. 1010, V.1 (\$ in millions)					
	<u>FY 2018-19</u>	<u>FY 2019-20</u>	<u>FY 2020-21</u>	<u>FY 2021-22</u>	<u>FY 2022-23</u>
<b>State Impact</b>					
Highway Trust					
Fund Revenue	-	-	-	-	-
Less Expenditures	-	30.9	61.8	92.7	123.6
<b>Highway Trust</b>					
Fund Impact	-	(30.9)	(61.8)	(92.7)	(123.6)
<b>NET STATE IMPACT</b>	-	(\$30.9)	(\$61.8)	(\$92.7)	(\$123.6)

### FISCAL IMPACT SUMMARY

*Build NC Bond Act authorizes the State Treasurer to issue Build NC Bonds, a type of special indebtedness in which the proceeds shall be used only for Division Need Projects and Regional Impact Projects in accordance with the Strategic Transportation Investments ("STI") law set forth in Article 14B of Chapter 136 of the General Statutes.*

**BILL ANALYSIS:** Build NC Bond Act does the following:

**Section 1:** Provides that the act shall be known as the "Build NC Bond Act of 2018."

**Section 2:** Amends the State Capital Facilities Finance Act to do the following:

- Authorizes the issuance of Build NC Bonds, which is defined as special indebtedness issued to finance Build NC Projects.
- Defines the term "Build NC Project" as a capital facility identified and selected for financing with Build NC Bonds by the process set forth in the STI law.
- Provides that (i) approximately 50% of the proceeds from an issuance of Build NC Bonds may be used for Division Need Projects in accordance with the requirements of the STI law and (ii) the remainder of the proceeds may be used for Regional Impact Projects in accordance with the requirements of the STI law. No proceeds may be used for Statewide Strategic Mobility Projects.



**Section 3:** Further amends the State Capital Facilities Finance Act to include the following requirements and limitations in regards to the issuance and sale of Build NC Bonds:

- The source of repayment for Build NC Bonds is the Highway Trust Fund.
- The State Treasurer shall not issue any Build NC Bonds unless (i) the State Treasurer recommends the issuance and (ii) the State Treasurer has made a determination that all of the following requirements have been or shall be met:
  - The Department of Transportation's (DOT) average combined month-end cash balance for the first 3 months in the calendar year is equal to or less than 20% of the total expenditures from the Highway Fund and Highway Trust Fund.
  - The total amount of Build NC Bonds outstanding will not cause the recommended transportation debt target established by the Debt Affordability Advisory Committee to be exceeded.
  - At least 6 months prior to the expected date of a Build NC Bond issuance, the Department of Transportation has consulted with the State Treasurer, the Joint Legislative Transportation Oversight Committee, and the Joint Legislative Commission on Governmental Operations.
- The total amount of special indebtedness resulting from the sale of Build NC Bonds shall not exceed \$3,000,000,000 and each individual issuance shall not exceed \$300,000,000.
- DOT may not use the Build NC Proceeds for non-highway projects or tolling projects.
- Passage of this act would satisfy the requirement of G.S. 142-15.17 that the General Assembly expressly authorize this type of financing arrangement through legislation.
- The aforementioned restrictions do not apply to a Build NC Bond used as a refunding bond under G.S. 142-29.5, which means the proceeds from a new debt issue may be used to retire an outstanding bond issue.
- Since the special indebtedness is supported by the Highway Trust Fund, the limitation set forth in G.S. 142-83(b) regarding bond indebtedness supported by the General Fund does not apply.
- Since the projects to be financed with Build NC Bonds are selected through the STI process, the requirement set forth in G.S. 142-84(e) that the Department of Administration make decisions about the type of facility and amount financed does not apply.

**Section 4:** Provides that the maturity date for a Build NC Bond may not exceed 15 years.

**Section 5:** Directs the State Treasurer, in consultation with DOT, to develop a debt management plan for Build NC Bonds.

**Section 6:** This bill is effective when it becomes law.



## FISCAL ANALYSIS

### Estimated Debt Service

It is not known when the first issuance will be made, if the maximum of \$300 million will be issued each year, or if DOT's cash balance and debt capacity limits will allow for an issuance each year. Figure 1 assumes the \$300 million maximum per issuance will occur for 10 consecutive years with the first debt issuance in May 2019. This analysis assumes a 15-year maturity date and a 6% interest rate.

Figure 1 Estimated Debt Service for 10 \$300M Debt Issuances

Fiscal Year	Annual Debt Service Payment
FY 2019-20	\$30,900,000
FY 2020-21	\$61,800,000
FY 2021-22	\$92,700,000
FY 2022-23	\$123,600,000
FY 2023-24	\$154,500,000
FY 2024-25	\$185,400,000
FY 2025-26	\$216,300,000
FY 2026-27	\$247,200,000
FY 2027-28	\$278,100,000
FY 2028-29	\$309,000,000
FY 2029-30	\$309,000,000
FY 2030-31	\$309,000,000
FY 2031-32	\$309,000,000
FY 2032-33	\$309,000,000
FY 2033-34	\$309,000,000
FY 2034-35	\$278,100,000
FY 2035-36	\$247,200,000
FY 2036-37	\$216,300,000
FY 2037-38	\$185,400,000
FY 2038-39	\$154,500,000
FY 2039-40	\$123,600,000
FY 2040-41	\$92,700,000
FY 2041-42	\$61,800,000
FY 2042-43	\$30,900,000

### Other Fiscal Impacts

The Department of State Treasurer responded that this bill creates additional work that can be absorbed into current operations. DOT costs, such as for bond counsel, are charged



proportionately to bonded projects and are funded through bond proceeds. These costs are included in Figure 1.

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## **TECHNICAL CONSIDERATIONS**

N/A.

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## **DATA SOURCES**

DEPARTMENT OF STATE TREASURER, DEPARTMENT OF TRANSPORTATION

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## **LEGISLATIVE FISCAL NOTE – PURPOSE AND LIMITATIONS**

This document is an official fiscal analysis prepared pursuant to Chapter 120 of the General Statutes and rules adopted by the Senate and House of Representatives. The estimates in this analysis are based on the data, assumptions, and methodology described in the Fiscal Analysis section of this document. This document only addresses sections of the bill that have projected direct fiscal impacts on State or local governments and does not address sections that have no projected fiscal impacts.

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## **CONTACT INFORMATION**

Questions on this analysis should be directed to the Fiscal Research Division at (919) 733-4910.

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## **ESTIMATE PREPARED BY**

Daniel Sater, Amna Cameron, David Vanderweide, and Lisa Hollowell

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## **ESTIMATE APPROVED BY**

Mark Trogdon, Director of Fiscal Research  
Fiscal Research Division  
June 4, 2018

Signed copy located in the NCGA Principal Clerk's Offices



GENERAL ASSEMBLY OF NORTH CAROLINA  
SESSION 2017

H

1

HOUSE BILL 1013

Short Title: Airport Prop. Purchase/NCEPA Waiver. (Public)

Sponsors: Representatives Torbett, Iler, Presnell, and Shepard (Primary Sponsors).  
*For a complete list of sponsors, refer to the North Carolina General Assembly web site.*

Referred to: Transportation, if favorable, Environment

May 28, 2018

1 A BILL TO BE ENTITLED  
2 AN ACT TO REQUIRE THE DEPARTMENT OF TRANSPORTATION TO WAIVE THE  
3 NORTH CAROLINA ENVIRONMENTAL POLICY ACT (NCEPA) ENVIRONMENTAL  
4 DOCUMENTATION REQUIREMENTS FOR ACQUISITIONS OF PROPERTY FOR  
5 FUTURE AIRPORT DEVELOPMENT, AS RECOMMENDED BY THE HOUSE SELECT  
6 COMMITTEE ON STRATEGIC TRANSPORTATION PLANNING AND LONG TERM  
7 FUNDING SOLUTIONS.

8 The General Assembly of North Carolina enacts:

9 **SECTION 1.** Notwithstanding any law, rule, or regulation to the contrary, the  
10 Department of Transportation shall not require environmental documentation under the North  
11 Carolina Environmental Policy Act from any airport meeting all of the following requirements:

- 12 (1) The airport is acquiring 40 acres or less of property for future airport  
13 development.  
14 (2) The airport is located in a county with a population of greater than 900,000  
15 people, according to the most recent decennial federal census.  
16 (3) The airport has a total annual enplanement of over 20,000,000 passengers,  
17 according to the most recent data provided by the Federal Aviation  
18 Administration.

19 **SECTION 2.** The Department may adopt temporary rules to implement the  
20 provisions of this act. Any temporary rules adopted in accordance with this section shall remain  
21 in effect until permanent rules that replace the temporary rules become effective.

22 **SECTION 3.** This act is effective when it becomes law and expires July 1, 2020.





## HOUSE BILL 1013: Airport Prop. Purchase/NCEPA Waiver.

2017-2018 General Assembly

<b>Committee:</b>	House Transportation. If favorable, re-refer to Environment	<b>Date:</b>	June 5, 2018
<b>Introduced by:</b>	Reps. Torbett, Iler, Presnell, Shepard	<b>Prepared by:</b>	Howard Marsilio
<b>Analysis of:</b>	First Edition		Committee Counsel

**OVERVIEW:** *House Bill 1013 would require the Department of Transportation ("Department") to waive the North Carolina Environmental Policy Act (NCEPA) environmental documentation requirement for certain acquisitions of property for future airport development.*

**CURRENT LAW:** G.S. 113A-11 authorizes the Department to adopt rules that establish minimum criteria for compliance with the provisions of the NCEPA.

19A NCAC 02F .0102 lists the types and thresholds of activities for which environmental documentation is not required under the NCEPA. One activity for which environmental documentation under the NCEPA is not currently required is the acquisition of 10 acres or less of property for future airport development.

**BILL ANALYSIS:** House Bill 1013 would do the following:

**Section 1:** Provide that the Department shall not require environmental documentation under the NCEPA from any airport meeting all of the following requirements:

- The airport is acquiring 40 acres or less of property for future airport development.
- The airport is located in a county with a population of greater than 900,000 people, according to the most recent decennial federal census.
- The airport has a total annual enplanement of over 20,000,000 passengers.

**Section 2:** Authorizes the Department to adopt temporary rules to implement the provisions of the act.

**EFFECTIVE DATE:** House Bill 1013 would be effective when it becomes law, and would expire July 1, 2020.

Karen Cochrane-Brown  
Director



H 1013 - S M B G - 109 E 1 - V - 1

Legislative Analysis  
Division  
919-733-2578

*This bill analysis was prepared by the nonpartisan legislative staff for the use of legislators in their deliberations and does not constitute an official statement of legislative intent.*



GENERAL ASSEMBLY OF NORTH CAROLINA  
SESSION 2017

H

D

HOUSE BILL 1029  
PROPOSED COMMITTEE SUBSTITUTE H1029-CSSUF-39 [v.4]

06/04/2018 10:48:22 AM

Short Title: DOT/DMV Legislative Requests.

(Public)

Sponsors:

Referred to:

May 30, 2018

A BILL TO BE ENTITLED  
AN ACT TO MAKE CHANGES TO THE TRANSPORTATION LAWS OF THE STATE.  
The General Assembly of North Carolina enacts:

**PART I. DEPARTMENT OF TRANSPORTATION**

**DOT PROPERTY ACQUISITIONS/RIGHT-OF-WAY CLAIM REPORT**

SECTION 1.(a) G.S. 136-19.6 reads as rewritten:

**"§ 136-19.6. ~~Appraisal-waiver-valuation.~~Right-of-Way Claim Report**

(a) Intent. – It is the intent of the General Assembly to provide the Department of Transportation with the resources and flexibility necessary to accelerate the time in which projects are completed while maintaining fairness to affected property owners and other citizens of this State. It is the belief of the General Assembly that providing the Department with the flexibility allowed under subsection (b) of this section will help toward achieving this intent. Therefore, the Department is encouraged to utilize the flexibility provided in subsection (b) of this section for all acquisitions of land in which the ~~value-estimate~~ of the acquisition is ~~estimated~~ ~~at~~ ten thousand dollars (\$10,000) or less.

(b) Permissive Exception to Appraisal. – When the Department acquires land, and except as otherwise required by federal law, an appraisal is not required if the Department ~~determines that the anticipated value of estimates that~~ the proposed acquisition is ~~estimated at~~ forty thousand dollars (\$40,000) or less, based on a review of data available to the Department at the time the Department begins the acquisition process. If the Department ~~determines that an appraisal is unnecessary,~~ estimates the acquisition to be forty thousand dollars (\$40,000) or less, the Department may prepare ~~an appraisal-waiver-valuation-a~~ Right-of-Way Claim Report instead of an appraisal. The owner of the land to be acquired may request the Department provide an appraisal for any right-of-way claim of ten thousand dollars (\$10,000) or more. The Department may contract with a qualified third party to prepare an appraisal-waiver-valuation-a Right-of-Way Claim Report. Any person performing an appraisal-waiver-valuation-preparing a Right-of-Way Claim Report must have a sufficient understanding of the local real estate market to be qualified to perform the appraisal-waiver-valuation-market.

...."

SECTION 1.(b) G.S. 93E-1-3 reads as rewritten:

**"§ 93E-1-3. When registration, license, or certificate not required.**

...

(f) ~~A-Except as otherwise provided in subsection (g) of this section, a trainee registration, license, or certificate is not required under this Chapter for:~~for any of the following:





- (1) Any person, partnership, association, or corporation that performs appraisals of property owned by that person, partnership, association, or corporation for the sole use of that person, partnership, association, or ~~corporation; corporation.~~
- (2) Any court-appointed commissioner who conducts an appraisal pursuant to a judicially ordered evaluation of ~~property; property.~~
- (3) Any person to qualify as an expert witness for court or administrative agency testimony, if otherwise ~~qualified; qualified.~~
- (4) A person who appraises standing timber so long as the appraisal does not include a determination of value of any ~~land; land.~~
- (5) Any person employed by a lender in the performance of appraisals with respect to which federal regulations do not require a licensed or certified ~~appraiser; and appraiser.~~
- (6) A person who performs ad valorem tax appraisals and is certified by the Department of Revenue under G.S. 105-294 or ~~G.S. 105-296; however, any G.S. 105-296.~~
- (7) A person who prepares a Right-of-Way Claim Report pursuant to G.S. 136-19.6.
- (g) Notwithstanding any provision of subsection (f) of this section to the contrary, any person who is registered, licensed, or certified under this Chapter and who performs any of the activities set forth in subdivisions (1) through (5) of this subsection (f) of this section must comply with all of the provisions of this Chapter. The provisions of this Chapter shall not apply to certified real estate appraisers who perform a broker price opinion or comparative market analysis pursuant to G.S. 93E-1-3(c), as long as the appraiser is licensed as a real estate broker by the North Carolina Real Estate Commission and does not refer to himself or herself as an appraiser in the broker price opinion or comparative market analysis."

## **DOT REPORT PROGRAM TO POST TO WEB/REDUCTION IN NUMBER OF REPORTS**

**SECTION 2.(a)** G.S. 136-18.05 reads as rewritten:

### **"§ 136-18.05. Establishment of "DOT Report" Program.**

...

(b) Establishment and Components. – To achieve the intent set forth in subsection (a) of this section, the Department shall establish and implement the "DOT Report" Program (Program). The Program shall include the following components:

- (1) Responsiveness. – The Department shall structure the Program to gather citizen input and shall commit to quickly addressing structural problems and other road hazards on State-maintained roads. Citizens may report potholes, drainage issues, culvert blockages, guardrail repairs, damaged or missing signs, malfunctioning traffic lights, highway debris, or shoulder damage to the Department of Transportation by calling a toll-free telephone number designated by the Department or submitting an online work request through a Web site link designated by the Department. Beginning January 1, 2016, upon receiving a citizen report in accordance with this subdivision, the Department shall either address the reported problem or identify a solution to the reported problem. Excluding potholes, which shall be repaired within two business days of the date the report is received, the Department of Transportation shall properly address (i) safety-related citizen reports no later than 10 business days after the date the report is received and (ii) non-safety-related citizen reports no later than 15 business days after the date the report is received. The Department shall determine, in its discretion, whether a citizen report is

safety-related or non-safety-related. The Department shall transmit information received about potholes or other problems on roads not maintained by the State to the appropriate locality within two business days of receiving the citizen report. The Department shall ~~provide-post~~ a monthly report ~~to all of the following to the Department's performance dashboard Web site~~ on the number of citizen reports received under this subdivision for the month immediately preceding the monthly report, the number of citizen reports fully addressed within the time frames set forth in this subdivision for the month immediately preceding the monthly report, the number of citizen reports addressed outside of the time frames set forth in this subdivision for the month immediately preceding the monthly report, and the number of citizen reports not fully addressed for the month immediately preceding the ~~report:report.~~

- a. ~~The Joint Legislative Transportation Oversight Committee.~~
- b. ~~The Fiscal Research Division of the General Assembly.~~
- c. ~~The chairs of the House of Representatives Appropriations Committee on Transportation.~~
- d. ~~The chairs of the Senate Appropriations Committee on the Department of Transportation.~~

(1a) Efficiency. – The Department shall adopt procedures in all stages of the construction process to streamline project delivery, including consolidating environmental review processes, expediting multiagency reviews, accelerating right-of-way acquisitions, and pursuing design build and other processes to collapse project stages. By December 1, 2015, the Department shall establish a baseline unit pricing structure for transportation goods used in highway maintenance and construction projects and set annual targets for three years based on its unit pricing. In forming the baseline unit prices and future targets, the Department shall collect data from each Highway Division on its expenditures on transportation goods during the 2015-2016 fiscal year. Beginning January 1, 2016, no Highway Division shall exceed a ten percent (10%) variance over a baseline unit price set for that year in accordance with this subdivision. The Department of Transportation shall institute ~~quarterly~~ annual tracking to monitor pricing variances. The ten percent (10%) maximum variance set under this subdivision is intended to account for regional differences requiring varying product mixes. If a Highway Division exceeds the unit pricing threshold, the Department shall submit a report to the Joint Legislative Transportation Oversight Committee, the Fiscal Research Division of the General Assembly, the chairs of the House of Representatives Appropriations Committee on Transportation, and the chairs of the Senate Appropriations Committee on the Department of Transportation no later than the fifteenth day of February following the end of the ~~quarter~~ calendar year on why the variance occurred and what steps are being taken to bring the Highway Division back into compliance. In order to drive savings, unit pricing may be reduced annually as efficiencies are achieved.

...."

**SECTION 2.(b)** This section is effective when it becomes law, except that the report required under G.S. 136-18.05(b)(1), as amended by this section, shall continue to be provided monthly to the Joint Legislative Transportation Oversight Committee, the Fiscal Research Division of the General Assembly, the chairs of the House of Representatives Appropriations Committee on Transportation, and the chairs of the Senate Appropriations Committee on the

Department of Transportation, until it is posted to the Department's performance dashboard Web site.

## **REPEAL OF BIENNIAL REPORT ON OFF-PREMISE SIGN REGULATORY PROGRAM**

**SECTION 3.** G.S. 136-12.1 is repealed.

## **CHANGE TO DOT OUTSOURCING AND PROJECT DELIVERY REPORTS**

**SECTION 4.** G.S. 136-12.3 reads as rewritten:

### **"§ 136-12.3. Outsourcing and project delivery reports.**

...

(b) Outsourcing Report. – For each Highway Division, the Department shall provide a detailed ~~biannual~~ report on all payments made to private contractors for preconstruction activities. In order to compare internal costs incurred with payments made to private contractors, and except as otherwise provided in this subsection, the Department shall include project-specific expenses incurred by division, regional, or central staff. The Department shall not include expenses incurred for central business units that support and oversee outsourcing functions. The information in the first report submitted under this subsection shall be used to establish a baseline to use for setting future preconstruction outsourcing targets. The Department shall submit the ~~reports-report~~ required under this subsection to the Joint Legislative Transportation Oversight Committee by ~~September 1 and~~ March 1 of each year.

(c) Project Delivery Report. – For each Highway Division, the Department shall provide a detailed annual report in accordance with the following requirements:

...

(2) For each project, the report shall indicate the status of all of the following phases:

- a. Planning ~~a-and~~ design in progress.
- b. Right-of-way acquisition in progress.
- c. Project let for construction.
- d. Construction substantially complete and traffic using facility.

...

(d) Combined Report. – The Department may combine the reports required to be submitted by ~~March 1~~ under subsections (b) and (c) of this section into a single report.

...."

## **REPEAL OF ANNUAL CONSTRUCTION PROGRAM AND RELATED REPORTING REQUIREMENTS**

**SECTION 5.** G.S. 136-44.4 is repealed.

## **CHANGE TO ANNUAL HIGHWAY CONSTRUCTION AND MAINTENANCE REPORT**

**SECTION 6.** G.S. 136-12(a) reads as rewritten:

"(a) The Department of Transportation shall, ~~on or before the tenth day after the convening of each regular session of the General Assembly of North Carolina, make a full printed, detailed report to the General Assembly, showing the construction and maintenance work and the cost of the same, receipts of license fees, and disbursements of the Department of Transportation, and such other data as may be of interest in connection with the work of the Department of Transportation.~~ shall report to the Joint Legislative Transportation Oversight Committee by March 1 of each year on how the previous fiscal year's funds for maintenance and construction were allocated and expended. The report shall include expenditures of both State and federal funds and shall be in sufficient detail that the county can be identified. A full account of each



road project shall be kept by and under the direction of the Department of Transportation or its representatives, to ascertain at any time the expenditures and the liabilities against all projects; also records of contracts and force account work. The account records, together with all supporting documents, shall be open at all times to the inspection of the Governor or road authorities of any county, or their authorized representatives, and copies thereof shall be furnished such officials upon request."

## **AUTHORIZE THE SALE OF ALCOHOLIC BEVERAGES ON PASSENGER-ONLY FERRIES**

**SECTION 7.** G.S. 18B-108 reads as rewritten:

### **"§ 18B-108. Sales on ~~trains~~ trains and ferries.**

(a) Trains. — Alcoholic beverages may be sold on railroad trains in this State upon compliance with Article 2C of Chapter 105 of the General Statutes. Malt beverages, unfortified wine, and fortified wine may be sold and delivered by any wholesaler or retailer licensed in this State to an officer or agent of a rail line that carries at least 60,000 passengers annually.

(b) Ferries. — Alcoholic beverages may be sold on passenger-only ferries established pursuant to Article 6 of Chapter 136 of the General Statutes upon compliance with Article 2C of Chapter 105 of the General Statutes. Malt beverages, unfortified wine, and fortified wine may be sold and delivered by any wholesaler or retailer licensed in this State to an officer or agent of the Department of Transportation for sale on passenger-only ferries."

## **PART II. DIVISION OF MOTOR VEHICLES**

### **REMOVE THE MAILING REQUIREMENT FOR DEALER MANUALS**

**SECTION 8.** G.S. 20-302 reads as rewritten:

#### **"§ 20-302. Rules and regulations.**

The Commissioner may make such rules and regulations, not inconsistent with the provisions of this Article, as he shall deem necessary or proper for the effective administration and enforcement of this Article, provided that the Commissioner shall make a copy of such rules and regulations shall be mailed to each motor vehicle dealer licensee available on a Web site maintained by the Division or the Department of Transportation 30 days prior to the effective date of such rules and regulations."

### **DMV MAY ALLOW TRANSITIONING MILITARY TRUCK DRIVERS CERTAIN CDL WAIVERS/CREDIT FOR MILITARY SERVICE TRUCK OPERATIONS**

**SECTION 9.(a)** G.S. 20-37.13 is amended by adding a new subsection to read:

"(c3) The Division may waive the knowledge and skills test for a qualified military applicant who has been issued a military license that authorizes the holder to operate a motor vehicle representative of the class and endorsements for which the applicant seeks to be licensed. The applicant must certify and provide satisfactory evidence on the date of application that the applicant meets all of the following requirements:

- (1) The applicant is a current or former member of an active or reserve component of the Armed Forces of the United States and was issued a military license that authorized the applicant to operate a vehicle that is representative of the class and type of commercial motor vehicle for which the applicant seeks to be licensed and whose military occupational specialty or rating are eligible for waiver, as allowed by the Federal Motor Carrier Safety Administration.
- (2) The applicant is or was, within the year prior to the date of application, regularly employed in a military position requiring operation of a motor vehicle representative of the class of commercial motor vehicle for which the applicant seeks to be licensed.

(3) The applicant meets the qualifications listed in subdivision (2) of subsection (c1) of this section.

**SECTION 9.(b)** This section becomes effective October 1, 2018.

**DMV MAY SHARE DRIVER MEDICAL RECORDS WITH STATE AND FEDERAL AUTHORITIES**

**SECTION 10.(a)** G.S. 20-7(e) reads as rewritten:

"(e) Restrictions. – The Division may impose any restriction it finds advisable on a drivers license. It is unlawful for the holder of a restricted license to operate a motor vehicle without complying with the restriction and is the equivalent of operating a motor vehicle without a license. If any applicant shall suffer from any physical or mental disability or disease that affects his or her operation of a motor vehicle, the Division may require to be filed with it a certificate of the applicant's condition signed by a medical authority of the applicant's community designated by the Division. The Division may, in its discretion, require the certificate to be completed and submitted after a license or renewal has been issued based on the applicant's performance during a road test administered by the Division. Upon submission, the certificate shall be reviewed in accordance with the procedure set forth in G.S. 20-9(g)(3). This certificate shall in all cases be treated as ~~confidential~~ confidential and subject to release under G.S. 20-9(g)(4)h. Nothing in this subsection shall be construed to prevent the Division from refusing to issue a license, either restricted or unrestricted, to any person deemed to be incapable of safely operating a motor vehicle based on information observed or received by the Division, including observations during a road test and medical information submitted about the applicant. An applicant may seek review pursuant to G.S. 20-9(g)(4) of a licensing decision made on the basis of a physical or mental disability or disease. This subsection does not prohibit deaf persons from operating motor vehicles who in every other way meet the requirements of this section."

**SECTION 10.(b)** G.S. 20-9(g)(4)h. reads as rewritten:

"h. All records and evidence collected and compiled by the Division and the reviewing board shall not be considered public records within the meaning of Chapter 132 of the General Statutes of North Carolina and may be made available to the public only upon an order of a court of competent jurisdiction. An applicant or licensee may obtain, without a court order, a copy of records and evidence collected and compiled under this subdivision about the applicant or licensee by submitting a written request to the Division, signing any release forms required by the Division, and remitting the required fee set by the Division. All information furnished by, about, or on behalf of an applicant or licensee under this section shall be without prejudice and shall be for the use of the Division, the reviewing board or the court in administering this section and shall not be used in any manner as evidence, or for any other purposes in any trial, civil or ~~criminal~~ criminal, except as authorized in this sub-subdivision. The prohibition on release and use under this sub-subdivision applies without regard to who authored or produced the information collected, compiled, and used by the Division under this subdivision. The Division may, as it deems necessary, release information collected under this subdivision to any other State or federal government agency for purposes of determining an individual's ability to safely operate a commercial motor vehicle or to obtain a commercial drivers license."

**SECTION 10.(c)** G.S. 20-37.13A(a) reads as rewritten:

"(a) Medical Qualifications Standards Applicable to Commercial Drivers. – All commercial drivers license holders and applicants for commercial drivers licenses must meet the



medical qualifications standards set forth in 49 C.F.R. § 391.41. As allowed under G.S. 20-9(g)(4)h., the Division may release information it deems necessary to any other State or federal government agency for purposes of determining an individual's ability to safely operate a commercial motor vehicle or to obtain a commercial drivers license."

### PART III. SPECIAL REGISTRATION PLATES

#### AUTHORIZE THE DIVISION OF MOTOR VEHICLES TO PRODUCE AN "ORDER OF THE EASTERN STAR PRINCE HALL AFFILIATED" SPECIAL REGISTRATION PLATE

**SECTION 11.(a)** G.S. 20-79.4(b) reads as rewritten:

"(b) Types. – The Division shall issue the following types of special registration plates:

...

⓪ Order of the Eastern Star Prince Hall Affiliated. – Issuable to an active member of the Order of the Eastern Star Prince Hall Affiliated in accordance with G.S. 20-81.12. The plate shall bear the Order of the Eastern Star Prince Hall Affiliated logo.

...."

**SECTION 11.(b)** G.S. 20-79.7 reads as rewritten:

**"§ 20-79.7. Fees for special registration plates and distribution of the fees.**

...  
(a) 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:

<u>Special Plate</u>	<u>Additional Fee Amount</u>
...	
North Carolina Sheriffs' Association	\$30.00
Operation Coming Home	
<u>Order of the Eastern Star Prince Hall Affiliated</u>	<u>\$20.00</u>
Outer Banks Preservation Association	

...  
(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 (a) of this section among the Special Registration Plate Account (SRPA), the Collegiate and Cultural Attraction Plate Account (CCAPA), the Clean Water Management Trust Fund (CWMTF), which is established under G.S. 113A-253, and the Parks and Recreation Trust Fund, which is established under G.S. 113-44.15, as follows:

<u>Special Plate</u>	<u>SRPA</u>	<u>CCAPA</u>	<u>CWMTF</u>	<u>PRTF</u>
...				
Operation Coming Home				
<u>Order of the Eastern Star Prince Hall Affiliated</u>	<u>\$10</u>	<u>\$10</u>	<u>\$0</u>	<u>\$0</u>
Order of the Long Leaf Pine	\$10	\$10	\$0	\$0

...."

**SECTION 11.(c)** G.S. 20-81.12 reads as rewritten:

**"§ 20-81.12. Collegiate insignia plates and certain other special plates.**

...  
(b159) Order of the Eastern Star Prince Hall Affiliated. – The Division shall transfer quarterly the money in the Collegiate and Cultural Attraction Plate Account derived from the sale of "Order of the Eastern Star Prince Hall Affiliated" plates to the Grand Chapter Order of the Eastern Star, PHA.



...."

**SECTION 11.(d)** The Revisor of Statutes is authorized to alphabetize, number, and renumber the special registration plates listed in G.S. 20-79.4(b) to ensure that all the special registration plates are listed in alphabetical order and numbered accordingly.

**SECTION 11.(e)** This section becomes effective February 1, 2019.

**AUTHORIZE THE DIVISION OF MOTOR VEHICLES TO PRODUCE AN "ALPHA PHI ALPHA FRATERNITY" SPECIAL REGISTRATION PLATE**

**SECTION 12.(a)** G.S. 20-63(b1)(47) is reenacted as it existed immediately before its repeal.

**SECTION 12.(b)** G.S. 20-79.4(b)(6) is reenacted as it existed immediately before its repeal.

**SECTION 12.(c)** The Alpha Phi Alpha Fraternity special registration plate listed as expired in G.S. 20.79.7(a1) and (b) is reenacted as it existed immediately before its repeal.

**SECTION 12.(d)** The additional fee amount for the Alpha Phi Alpha Fraternity special registration plate listed under G.S. 20.79.7(a1), as reenacted by this section, is modified to thirty dollars (\$30.00). The Revisor of Statutes shall reorganize the table accordingly.

**SECTION 12.(e)** The distribution of fees for the Alpha Phi Alpha Fraternity special registration plate listed under G.S. 20.79.7(b), as reenacted by this section, is modified to ten dollars (\$10.00) for the Special Registration Plate Account (SRPA) and twenty dollars (\$20.00) for the Collegiate and Cultural Attraction Plate Account (CCAPA). The Revisor of Statutes shall reorganize the table accordingly.

**SECTION 12.(f)** G.S. 20-81.12(b39) is reenacted as it existed immediately before its repeal and reads as rewritten:

"(b39) Alpha Phi Alpha Fraternity. – The Division ~~must receive 300 or more applications for the Alpha Phi Alpha Fraternity plate before the plate may be developed. The Division shall transfer quarterly the money in the Collegiate and Cultural Attraction Plate Account derived from the sale of the Alpha Phi Alpha Fraternity plates to the Association of North Carolina Alphas (ANCA) Educational Foundation Education Consortium of North Carolina, Inc., for scholarships for the benefit of African-American males in ANCA attending accredited North Carolina colleges and universities.~~"

**SECTION 12.(g)** This section becomes effective February 1, 2019.

**INCREASE FEE FOR WILDLIFE RESOURCES SPECIAL REGISTRATION PLATE, AS REQUESTED BY THE WILDLIFE COMMISSION**

**SECTION 13.(a)** G.S. 20-79.7 reads as rewritten:

"§ 20-79.7. Fees for special registration plates and distribution of the fees.

...

(a) 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

...

Wildlife Resources

~~\$20.00~~\$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 (a) of this section among the Special Registration Plate Account (SRPA), the Collegiate and Cultural Attraction Plate Account (CCAPA), the Clean Water Management Trust Fund (CWMTF), which is established under G.S. 113A-253, and the Parks and Recreation Trust Fund, which is established under G.S. 113-44.15, as follows:

	<u>Special Plate</u>	<u>SRPA</u>	<u>CCAPA</u>	<u>CWMTF</u>	<u>PRTF</u>
...					
Wildlife Resources		\$10	<del>\$10</del> \$20	\$0	\$0
...."					

**INCREASE FEE FOR INTERNATIONAL ASSOCIATION OF FIRE FIGHTERS  
SPECIAL REGISTRATION PLATE, AS REQUESTED BY THE INTERNATIONAL  
ASSOCIATION OF FIRE FIGHTERS**

**SECTION 14.(a)** G.S. 20-79.4(b)(104) reads as rewritten:

"(104) International Association of Fire Fighters. – The plate authorized by this subdivision shall bear the logo of the International Association of Fire Fighters. The Division may not issue the plate unless it receives at least 300 applications for the plate. The plate is issuable to one of the following: following in accordance with G.S. 20-81.12:

- a. A person who presents proof of active membership in the International Association of Fire Fighters for the year in which the license plate is sought.
- b. The surviving spouse of a person who was a member of the International Association of Fire Fighters, so long as the surviving spouse continues to renew the plate and does not remarry."

**SECTION 14.(b)** G.S. 20-79.7 reads as rewritten:

**"§ 20-79.7. Fees for special registration plates and distribution of the fees.**

...  
(a) 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:

<u>Special Plate</u>	<u>Additional Fee Amount</u>
...	
Harley Owners' Group	\$20.00
<u>International Association of Fire Fighters</u>	<u>\$20.00</u>
I Support Teachers	

(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 (a) of this section among the Special Registration Plate Account (SRPA), the Collegiate and Cultural Attraction Plate Account (CCAPA), the Clean Water Management Trust Fund (CWMTF), which is established under G.S. 113A-253, and the Parks and Recreation Trust Fund, which is established under G.S. 113-44.15, as follows:

<u>Special Plate</u>	<u>SRPA</u>	<u>CCAPA</u>	<u>CWMTF</u>	<u>PRTF</u>
...				
In-State College Insignia	\$10	\$15	\$0	\$0
<u>International Association of Fire</u>	<u>\$10</u>	<u>\$10</u>	<u>\$0</u>	<u>\$0</u>
<u>Fighters</u>				
I Support Teachers				
...."				

**SECTION 14.(c)** G.S. 20-81.12 reads as rewritten :

**"§ 20-81.12. Collegiate insignia plates and certain other special plates.**

...  
(b160) International Association of Fire Fighters. – The Division shall transfer quarterly the money in the Collegiate and Cultural Attraction Plate Account derived from the sale of

1 "International Association of Fire Fighters" plates to the Professional Firefighters of North  
2 Carolina Charitable Fund.

3 ...."

4  
5 **PART IV. OTHER CHANGES**

6  
7 **CDL EXEMPTION FOR OPERATORS OF FIREFIGHTING OR EMERGENCY**  
8 **EQUIPMENT**

9 **SECTION 15.** G.S. 20-37.16(e)(2) reads as rewritten:

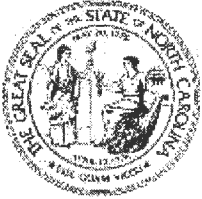
10 "(2) Any vehicle when used as firefighting or emergency equipment for the  
11 purpose of preserving life or property or to execute ~~emergency~~ governmental  
12 ~~functions~~functions, including but not limited to, necessary maintenance,  
13 training, or required operation for official business of the department."

14  
15 **REPEAL REQUIREMENT THAT SIGNS BE ERECTED ON HIGHWAYS ENTERING**  
16 **THE STATE INDICATING THAT HIGHWAYS ARE PATROLLED BY UNMARKED**  
17 **POLICE VEHICLES**

18 **SECTION 16.** G.S. 20-190.2 is repealed.

19  
20 **PART V. EFFECTIVE DATE**

21 **SECTION 17.** Except as otherwise provided, this act becomes effective July 1, 2018.



## HOUSE BILL 1029: DOT/DMV Legislative Requests.

2017-2018 General Assembly

**Committee:** House Transportation  
**Introduced by:** Reps. Torbett, Iler  
**Analysis of:** PCS to First Edition  
H1029-CSSUf-39

**Date:** June 5, 2018  
**Prepared by:** Wendy Ray  
Staff Attorney

**OVERVIEW:** *The PCS for House Bill 1029 would make changes to transportation laws, as recommended by the Joint Legislative Transportation Oversight Committee. It would also authorize two new special registration plates, increase the fees for two special registration plates, amend a commercial drivers license exemption for operators of firefighting and emergency equipment, and repeal a requirement that signs be erected on highways to notify drivers of unmarked police vehicles patrolling.*

[As introduced, this bill was identical to S744, as introduced by Sens. J. Davis, McInnis, which is currently in Senate Rules and Operations of the Senate.]

**CURRENT LAW AND BILL ANALYSIS:** The Proposed Committee Substitute for House Bill 1029 would make the following changes to the State's transportation laws:

### PART I. DEPARTMENT OF TRANSPORTATION CHANGES

**Section 1** would amend a statutory provision enacted in last year's budget that exempts the Department from obtaining a property appraisal for proposed property acquisitions with an estimated value of \$40,000 or less. The Department was directed to develop a process for performing appraisal waiver valuations, in consultation with the North Carolina Appraisal Board, the North Carolina Chapter of the Appraisal Institute, and the North Carolina Association of Realtors, and to submit a report to the Joint Legislative Transportation Oversight Committee on the development of the newly authorized appraisal waiver valuation process. This section would make clarifying changes to the statute, including a change in terminology from "appraisal waiver valuation" to "right-of-way claim report". It would also amend the North Carolina Appraisers Act to specifically exempt a person preparing a right-of-way claim report from licensure as a real estate appraiser.

**Section 2.** Current law requires the Department to provide monthly reports to the General Assembly on citizen reports received under the DOT Report Program. This section would require the Department to post this information to the Department's performance dashboard instead.

Current law requires the Department to do quarterly tracking of variances from baseline unit prices set for transportation goods and make quarterly reports to the General Assembly. This section would make this an annual requirement instead of quarterly.

**Section 3** would delete a reporting requirement related to a federal program that was never implemented. Current law requires the Department to submit a biennial report to the General Assembly on its off-premise sign regulatory program, which was intended to track progress on an initiative of the federal government to purchase and remove non-conforming signs. The federal program was never funded, so the State has

Karen Cochrane-Brown  
Director



Legislative Analysis  
Division  
919-733-2578

This bill analysis was prepared by the nonpartisan legislative staff for the use of legislators in their deliberations and does not constitute an official statement of legislative intent.

# House PCS 1029

Page 2

not moved forward with the purchase of non-conforming signs, eliminating the need for this information. This section would repeal the reporting requirement.

**Section 4.** Current law requires the Department to submit an outsourcing report on payments made to private contractors for preconstruction activities to the General Assembly biannually. It also requires an annual project delivery report detailing progress for State Transportation Improvement Program projects. The outsourcing report is currently due by March 1 and September 1 of each year, and the project delivery report is due by March 1. This section would modify the frequency and submittal date of the outsourcing report to align the two reports – both would be annual reports due by March 1 of each year.

**Section 5.** G.S. 136-44.4 requires the Department to develop an annual construction program, to prioritize projects, and to report to the General Assembly. Since becoming effective, Article 14B of Chapter 136, Strategic Prioritization Funding Plan for Transportation Investments, includes and expands on the requirements of G.S. 136-44.4, so this section would repeal it.

**Section 6.** Current law requires the Department to report to the General Assembly on the previous fiscal year's costs and expenditures for construction and maintenance work. This section would amend the requirement to conform to a similar uncodified reporting requirement set out in session law. It would also require the report to be submitted on March 1 of each year, rather than tying the report date to the convening of session.

**Section 7** would authorize the sale of malt beverages, unfortified wine, and fortified wine on passenger-only ferries.

## PART II. DIVISION OF MOTOR VEHICLES CHANGES

**Section 8.** Current law authorizes the Commissioner of Motor Vehicles to make rules and regulations related to the regulation of motor vehicle dealers and manufacturers and requires that the Commissioner mail a copy of the rules to licensees 30 days prior to their effective date. This section would eliminate the mailing requirement and instead require the Commissioner to make a copy available on the Division or Department website.

**Section 9** would authorize the Division to waive the commercial drivers license knowledge and skills test for certain trained and experienced military drivers, as allowed by the Federal Motor Carrier Safety Administration. The applicant would have to certify and provide evidence that he or she meets all qualifications for the waiver.

**Section 10** would authorize the Division to share confidential driver medical records with other state and federal agencies for the purpose of determining the driver's ability to safely operate a commercial motor vehicle or to obtain a commercial drivers license.

## PART III. SPECIAL REGISTRATION PLATES

**Section 11** would authorize the Division to produce an Order of the Eastern Star Prince Hall Affiliated special registration plate. This organization has successfully completed the statutory plate development process. The fee for the plate would be the regular registration fee plus \$20, with the first \$10 going to the Special Registration Plate Account and the remaining \$10 to be transferred to the Grand Chapter Order of the Eastern Star, PHA.

**Section 12** would authorize the Division to produce an Alpha Phi Alpha Fraternity special registration plate. This would be a reauthorization of a plate that was authorized previously but expired in 2016. This organization has now successfully completed the statutory plate development process. The plate would be on a full color background. The fee for the plate would be the regular registration fee plus \$30, with the first \$10 going to the Special Registration Plate Account and the remaining \$20 to be transferred to the

# House PCS 1029

Page 3

Education Consortium of North Carolina, Inc. for scholarships to benefit African-American males attending accredited North Carolina colleges and universities.

**Section 13** would increase the fee for Wildlife Resources special registration plates from \$20 to \$30, with \$10 going to the Special Registration Plate Account and the remaining \$20 to be transferred to the Wildlife Conservation Account established by G.S. 143-247.2, which may be used to manage or protect wildlife species that are endangered, to manage or protect nongame wildlife species, and to administer and enforce nongame wildlife programs.

**Section 14** would increase the fee for the International Association of Fire Fighters special registration plate from \$10 to \$20, with the first \$10 going to the Special Registration Plate Account and the remaining \$10 to be transferred to the Professional Firefighters of North Carolina Charitable Fund.

## **PART IV. OTHER CHANGES**

**Section 15** would amend an existing exemption from commercial drivers license requirements for vehicles used as firefighting or emergency equipment for the purpose of preserving life or property or to execute emergency governmental functions. This section would amend the exemption to cover those vehicles when used to execute governmental functions including necessary maintenance, training, or required operation for official business.

**Section 16** would repeal a requirement in State law that the Department of Transportation erect signs at all points where paved highways enter the State from adjacent states indicating that highways are patrolled by unmarked police vehicles. This requirement was originally enacted in 1957.

**EFFECTIVE DATE:** Section 2 of the act would be effective when it becomes law, except the monthly reports under the DOT Report Program would continue to be provided to the General Assembly until the performance dashboard is updated with the information. Section 9, authorizing a CDL exemption for certain military drivers, would become effective October 1, 2018. Sections 11 and 12, authorizing new special registration plates, would become effective February 1, 2019. The remainder of the act would become effective July 1, 2018.





GENERAL ASSEMBLY OF NORTH CAROLINA  
SESSION 2017

H

1

HOUSE BILL 1029

Short Title: DOT/DMV Legislative Requests. (Public)

Sponsors: Representatives Torbett and Iler (Primary Sponsors).

*For a complete list of sponsors, refer to the North Carolina General Assembly web site.*

Referred to: Transportation

May 30, 2018

A BILL TO BE ENTITLED  
AN ACT TO MAKE CHANGES TO THE TRANSPORTATION LAWS OF THE STATE, AS  
RECOMMENDED BY THE JOINT LEGISLATIVE TRANSPORTATION OVERSIGHT  
COMMITTEE.

The General Assembly of North Carolina enacts:

PART I. DEPARTMENT OF TRANSPORTATION

DOT PROPERTY ACQUISITIONS/RIGHT-OF-WAY CLAIM REPORT

SECTION 1.(a) G.S. 136-19.6 reads as rewritten:

"§ 136-19.6. Appraisal waiver valuation-Right-of-Way Claim Report

(a) Intent. – It is the intent of the General Assembly to provide the Department of Transportation with the resources and flexibility necessary to accelerate the time in which projects are completed while maintaining fairness to affected property owners and other citizens of this State. It is the belief of the General Assembly that providing the Department with the flexibility allowed under subsection (b) of this section will help toward achieving this intent. Therefore, the Department is encouraged to utilize the flexibility provided in subsection (b) of this section for all acquisitions of land in which the value estimate of the acquisition is estimated at ten thousand dollars (\$10,000) or less.

(b) Permissive Exception to Appraisal. – When the Department acquires land, and except as otherwise required by federal law, an appraisal is not required if the Department determines that the anticipated value of estimates that the proposed acquisition is estimated at forty thousand dollars (\$40,000) or less, based on a review of data available to the Department at the time the Department begins the acquisition process. If the Department determines that an appraisal is unnecessary, estimates the acquisition to be forty thousand dollars (\$40,000) or less, the Department may prepare an appraisal waiver valuation-a Right-of-Way Claim Report instead of an appraisal. The owner of the land to be acquired may request the Department provide an appraisal for any right-of-way claim of ten thousand dollars (\$10,000) or more. The Department may contract with a qualified third party to prepare an appraisal waiver valuation-a Right-of-Way Claim Report. Any person performing an appraisal waiver valuation-preparing a Right-of-Way Claim Report must have a sufficient understanding of the local real estate market to be qualified to perform the appraisal waiver valuation market.

...."

SECTION 1.(b) G.S. 93E-1-3 reads as rewritten:

"§ 93E-1-3. When registration, license, or certificate not required.



1 ...  
2 (f) ~~A~~ Except as otherwise provided in subsection (g) of this section, a trainee registration,  
3 license, or certificate is not required under this Chapter ~~for~~ for any of the following:

- 4 (1) Any person, partnership, association, or corporation that performs appraisals  
5 of property owned by that person, partnership, association, or corporation for  
6 the sole use of that person, partnership, association, or  
7 ~~corporation~~; corporation.  
8 (2) Any court-appointed commissioner who conducts an appraisal pursuant to a  
9 judicially ordered evaluation of ~~property~~; property.  
10 (3) Any person to qualify as an expert witness for court or administrative agency  
11 testimony, if otherwise ~~qualified~~; qualified.  
12 (4) A person who appraises standing timber so long as the appraisal does not  
13 include a determination of value of any ~~land~~; land.  
14 (5) Any person employed by a lender in the performance of appraisals with  
15 respect to which federal regulations do not require a licensed or certified  
16 ~~appraiser~~; and appraiser.  
17 (6) A person who performs ad valorem tax appraisals and is certified by the  
18 Department of Revenue under G.S. 105-294 or ~~G.S. 105-296~~; however, any  
19 ~~G.S. 105-296~~.  
20 (7) A person who prepares a Right-of-Way Claim Report pursuant to  
21 G.S. 136-19.6.

22 (g) Notwithstanding any provision of subsection (f) of this section to the contrary, any  
23 person who is registered, licensed, or certified under this Chapter and who performs any of the  
24 activities set forth in subdivisions (1) through (5) of ~~this subsection (f) of this section~~ must  
25 comply with all of the provisions of this Chapter. The provisions of this Chapter shall not apply  
26 to certified real estate appraisers who perform a broker price opinion or comparative market  
27 analysis pursuant to G.S. 93E-1-3(c), as long as the appraiser is licensed as a real estate broker  
28 by the North Carolina Real Estate Commission and does not refer to himself or herself as an  
29 appraiser in the broker price opinion or comparative market analysis."  
30

## 31 DOT REPORT PROGRAM TO POST TO WEB/REDUCTION IN NUMBER OF 32 REPORTS

33 SECTION 2.(a) G.S. 136-18.05 reads as rewritten:

### 34 "§ 136-18.05. Establishment of "DOT Report" Program.

35 ...  
36 (b) Establishment and Components. – To achieve the intent set forth in subsection (a) of  
37 this section, the Department shall establish and implement the "DOT Report" Program  
38 (Program). The Program shall include the following components:

- 39 (1) Responsiveness. – The Department shall structure the Program to gather  
40 citizen input and shall commit to quickly addressing structural problems and  
41 other road hazards on State-maintained roads. Citizens may report potholes,  
42 drainage issues, culvert blockages, guardrail repairs, damaged or missing  
43 signs, malfunctioning traffic lights, highway debris, or shoulder damage to the  
44 Department of Transportation by calling a toll-free telephone number  
45 designated by the Department or submitting an online work request through a  
46 Web site link designated by the Department. Beginning January 1, 2016, upon  
47 receiving a citizen report in accordance with this subdivision, the Department  
48 shall either address the reported problem or identify a solution to the reported  
49 problem. Excluding potholes, which shall be repaired within two business  
50 days of the date the report is received, the Department of Transportation shall  
51 properly address (i) safety-related citizen reports no later than 10 business

days after the date the report is received and (ii) non-safety-related citizen reports no later than 15 business days after the date the report is received. The Department shall determine, in its discretion, whether a citizen report is safety-related or non-safety-related. The Department shall transmit information received about potholes or other problems on roads not maintained by the State to the appropriate locality within two business days of receiving the citizen report. The Department shall ~~provide post~~ a monthly report ~~to all of the following to the Department's performance dashboard Web site~~ on the number of citizen reports received under this subdivision for the month immediately preceding the monthly report, the number of citizen reports fully addressed within the time frames set forth in this subdivision for the month immediately preceding the monthly report, the number of citizen reports addressed outside of the time frames set forth in this subdivision for the month immediately preceding the monthly report, and the number of citizen reports not fully addressed for the month immediately preceding the ~~report report~~.

- a. ~~The Joint Legislative Transportation Oversight Committee.~~
- b. ~~The Fiscal Research Division of the General Assembly.~~
- c. ~~The chairs of the House of Representatives Appropriations Committee on Transportation.~~
- d. ~~The chairs of the Senate Appropriations Committee on the Department of Transportation.~~

- (1a) Efficiency. – The Department shall adopt procedures in all stages of the construction process to streamline project delivery, including consolidating environmental review processes, expediting multiagency reviews, accelerating right-of-way acquisitions, and pursuing design build and other processes to collapse project stages. By December 1, 2015, the Department shall establish a baseline unit pricing structure for transportation goods used in highway maintenance and construction projects and set annual targets for three years based on its unit pricing. In forming the baseline unit prices and future targets, the Department shall collect data from each Highway Division on its expenditures on transportation goods during the 2015-2016 fiscal year. Beginning January 1, 2016, no Highway Division shall exceed a ten percent (10%) variance over a baseline unit price set for that year in accordance with this subdivision. The Department of Transportation shall institute ~~quarterly~~ annual tracking to monitor pricing variances. The ten percent (10%) maximum variance set under this subdivision is intended to account for regional differences requiring varying product mixes. If a Highway Division exceeds the unit pricing threshold, the Department shall submit a report to the Joint Legislative Transportation Oversight Committee, the Fiscal Research Division of the General Assembly, the chairs of the House of Representatives Appropriations Committee on Transportation, and the chairs of the Senate Appropriations Committee on the Department of Transportation no later than the fifteenth day of February following the end of the ~~quarter~~ calendar year on why the variance occurred and what steps are being taken to bring the Highway Division back into compliance. In order to drive savings, unit pricing may be reduced annually as efficiencies are achieved.

...."

**SECTION 2.(b)** This section is effective when it becomes law, except that the report required under G.S. 136-18.05(b)(1), as amended by this section, shall continue to be provided monthly to the Joint Legislative Transportation Oversight Committee, the Fiscal Research



1 Division of the General Assembly, the chairs of the House of Representatives Appropriations  
2 Committee on Transportation, and the chairs of the Senate Appropriations Committee on the  
3 Department of Transportation, until it is posted to the Department's performance dashboard Web  
4 site.

5  
6 **REPEAL OF BIENNIAL REPORT ON OFF-PREMISE SIGN REGULATORY  
7 PROGRAM**

8 **SECTION 3.** G.S. 136-12.1 is repealed.

9  
10 **CHANGE TO DOT OUTSOURCING AND PROJECT DELIVERY REPORTS**

11 **SECTION 4.** G.S. 136-12.3 reads as rewritten:

12 **"§ 136-12.3. Outsourcing and project delivery reports.**

13 ...

14 (b) Outsourcing Report. – For each Highway Division, the Department shall provide a  
15 detailed ~~biannual~~ report on all payments made to private contractors for preconstruction  
16 activities. In order to compare internal costs incurred with payments made to private contractors,  
17 and except as otherwise provided in this subsection, the Department shall include project-specific  
18 expenses incurred by division, regional, or central staff. The Department shall not include  
19 expenses incurred for central business units that support and oversee outsourcing functions. The  
20 information in the first report submitted under this subsection shall be used to establish a baseline  
21 to use for setting future preconstruction outsourcing targets. The Department shall submit the  
22 ~~reports-report~~ required under this subsection to the Joint Legislative Transportation Oversight  
23 Committee by ~~September 1~~ and March 1 of each year.

24 (c) Project Delivery Report. – For each Highway Division, the Department shall provide  
25 a detailed annual report in accordance with the following requirements:

26 ...

27 (2) For each project, the report shall indicate the status of all of the following  
28 phases:

- 29 a. Planning a and design in progress.  
30 b. Right-of-way acquisition in progress.  
31 c. Project let for construction.  
32 d. Construction substantially complete and traffic using facility.

33 ...

34 (d) Combined Report. – The Department may combine the reports required to be  
35 submitted by ~~March 1~~ under subsections (b) and (c) of this section into a single report.

36 ...."

37  
38 **REPEAL OF ANNUAL CONSTRUCTION PROGRAM AND RELATED REPORTING  
39 REQUIREMENTS**

40 **SECTION 5.** G.S. 136-44.4 is repealed.

41  
42 **CHANGE TO ANNUAL HIGHWAY CONSTRUCTION AND MAINTENANCE  
43 REPORT**

44 **SECTION 6.** G.S. 136-12(a) reads as rewritten:

45 "(a) The Department of Transportation shall, ~~on or before the tenth day after the convening~~  
46 ~~of each regular session of the General Assembly of North Carolina, make a full printed, detailed~~  
47 ~~report to the General Assembly, showing the construction and maintenance work and the cost of~~  
48 ~~the same, receipts of license fees, and disbursements of the Department of Transportation, and~~  
49 ~~such other data as may be of interest in connection with the work of the Department of~~  
50 ~~Transportation, shall report to the Joint Legislative Transportation Oversight Committee by~~  
51 March 1 of each year on how the previous fiscal year's funds for maintenance and construction

1 were allocated and expended. The report shall include expenditures of both State and federal  
2 funds and shall be in sufficient detail that the county can be identified. A full account of each  
3 road project shall be kept by and under the direction of the Department of Transportation or its  
4 representatives, to ascertain at any time the expenditures and the liabilities against all projects;  
5 also records of contracts and force account work. The account records, together with all  
6 supporting documents, shall be open at all times to the inspection of the Governor or road  
7 authorities of any county, or their authorized representatives, and copies thereof shall be  
8 furnished such officials upon request."  
9

## 10 **AUTHORIZE THE SALE OF ALCOHOLIC BEVERAGES ON PASSENGER-ONLY** 11 **FERRIES**

12 **SECTION 7.** G.S. 18B-108 reads as rewritten:

### 13 **"§ 18B-108. Sales on ~~trains~~ trains and ferries.**

14 (a) Trains. – Alcoholic beverages may be sold on railroad trains in this State upon  
15 compliance with Article 2C of Chapter 105 of the General Statutes. Malt beverages, unfortified  
16 wine, and fortified wine may be sold and delivered by any wholesaler or retailer licensed in this  
17 State to an officer or agent of a rail line that carries at least 60,000 passengers annually.

18 (b) Ferries. – Alcoholic beverages may be sold on passenger-only ferries established  
19 pursuant to Article 6 of Chapter 136 of the General Statutes upon compliance with Article 2C of  
20 Chapter 105 of the General Statutes. Malt beverages, unfortified wine, and fortified wine may be  
21 sold and delivered by any wholesaler or retailer licensed in this State to an officer or agent of the  
22 Department of Transportation for sale on passenger-only ferries."  
23

## 24 **PART II. DIVISION OF MOTOR VEHICLES**

### 25 **REMOVE THE MAILING REQUIREMENT FOR DEALER MANUALS**

26 **SECTION 8.** G.S. 20-302 reads as rewritten:

#### 27 **"§ 20-302. Rules and regulations.**

28 The Commissioner may make such rules and regulations, not inconsistent with the provisions  
29 of this Article, as he shall deem necessary or proper for the effective administration and  
30 enforcement of this Article, provided that the Commissioner shall make a copy of such rules and  
31 regulations shall be mailed to each motor vehicle dealer licensee available on a Web site  
32 maintained by the Division or the Department of Transportation 30 days prior to the effective  
33 date of such rules and regulations."  
34  
35

### 36 **DMV MAY ALLOW TRANSITIONING MILITARY TRUCK DRIVERS CERTAIN CDL** 37 **WAIVERS/CREDIT FOR MILITARY SERVICE TRUCK OPERATIONS**

38 **SECTION 9.(a)** G.S. 20-37.13 is amended by adding a new subsection to read:

39 "(c3) The Division may waive the knowledge and skills test for a qualified military  
40 applicant who has been issued a military license that authorizes the holder to operate a motor  
41 vehicle representative of the class and endorsements for which the applicant seeks to be licensed.  
42 The applicant must certify and provide satisfactory evidence on the date of application that the  
43 applicant meets all of the following requirements:

44 (1) The applicant is a current or former member of an active or reserve component  
45 of the Armed Forces of the United States and was issued a military license  
46 that authorized the applicant to operate a vehicle that is representative of the  
47 class and type of commercial motor vehicle for which the applicant seeks to  
48 be licensed and whose military occupational specialty or rating are eligible for  
49 waiver, as allowed by the Federal Motor Carrier Safety Administration.

50 (2) The applicant is or was, within the year prior to the date of application,  
51 regularly employed in a military position requiring operation of a motor



1                    vehicle representative of the class of commercial motor vehicle for which the  
2                    applicant seeks to be licensed.

3                    (3)    The applicant meets the qualifications listed in subdivision (2) of subsection  
4                    (c1) of this section."

5                    **SECTION 9.(b)** This section becomes effective October 1, 2018.

6  
7                    **DMV MAY SHARE DRIVER MEDICAL RECORDS WITH STATE AND FEDERAL**  
8                    **AUTHORITIES**

9                    **SECTION 10.(a)** G.S. 20-7(e) reads as rewritten:

10                    "(e)    Restrictions. – The Division may impose any restriction it finds advisable on a drivers  
11                    license. It is unlawful for the holder of a restricted license to operate a motor vehicle without  
12                    complying with the restriction and is the equivalent of operating a motor vehicle without a  
13                    license. If any applicant shall suffer from any physical or mental disability or disease that affects  
14                    his or her operation of a motor vehicle, the Division may require to be filed with it a certificate  
15                    of the applicant's condition signed by a medical authority of the applicant's community  
16                    designated by the Division. The Division may, in its discretion, require the certificate to be  
17                    completed and submitted after a license or renewal has been issued based on the applicant's  
18                    performance during a road test administered by the Division. Upon submission, the certificate  
19                    shall be reviewed in accordance with the procedure set forth in G.S. 20-9(g)(3). This certificate  
20                    shall in all cases be treated as ~~confidential~~ confidential and subject to release under  
21                    G.S. 20-9(g)(4)h. Nothing in this subsection shall be construed to prevent the Division from  
22                    refusing to issue a license, either restricted or unrestricted, to any person deemed to be incapable  
23                    of safely operating a motor vehicle based on information observed or received by the Division,  
24                    including observations during a road test and medical information submitted about the applicant.  
25                    An applicant may seek review pursuant to G.S. 20-9(g)(4) of a licensing decision made on the  
26                    basis of a physical or mental disability or disease. This subsection does not prohibit deaf persons  
27                    from operating motor vehicles who in every other way meet the requirements of this section."

28                    **SECTION 10.(b)** G.S. 20-9(g)(4)h. reads as rewritten:

29                    "h.       All records and evidence collected and compiled by the Division and  
30                    the reviewing board shall not be considered public records within the  
31                    meaning of Chapter 132 of the General Statutes of North Carolina and  
32                    may be made available to the public only upon an order of a court of  
33                    competent jurisdiction. An applicant or licensee may obtain, without a  
34                    court order, a copy of records and evidence collected and compiled  
35                    under this subdivision about the applicant or licensee by submitting a  
36                    written request to the Division, signing any release forms required by  
37                    the Division, and remitting the required fee set by the Division. All  
38                    information furnished by, about, or on behalf of an applicant or  
39                    licensee under this section shall be without prejudice and shall be for  
40                    the use of the Division, the reviewing board or the court in  
41                    administering this section and shall not be used in any manner as  
42                    evidence, or for any other purposes in any trial, civil or  
43                    ~~criminal~~ criminal, except as authorized in this sub-subdivision. The  
44                    prohibition on release and use under this sub-subdivision applies  
45                    without regard to who authored or produced the information collected,  
46                    compiled, and used by the Division under this subdivision. The  
47                    Division may, as it deems necessary, release information collected  
48                    under this subdivision to any other State or federal government agency  
49                    for purposes of determining an individual's ability to safely operate a  
50                    commercial motor vehicle or to obtain a commercial drivers license."

51                    **SECTION 10.(c)** G.S. 20-37.13A(a) reads as rewritten:

1       "(a) Medical Qualifications Standards Applicable to Commercial Drivers. – All  
2 commercial drivers license holders and applicants for commercial drivers licenses must meet the  
3 medical qualifications standards set forth in 49 C.F.R. § 391.41. As allowed under  
4 G.S. 20-9(g)(4)h., the Division may release information it deems necessary to any other State or  
5 federal government agency for purposes of determining an individual's ability to safely operate  
6 a commercial motor vehicle or to obtain a commercial drivers license."  
7

8 **PART III. EFFECTIVE DATE**

9       **SECTION 11.** Except as otherwise provided, this act becomes effective July 1, 2018.



GENERAL ASSEMBLY OF NORTH CAROLINA  
SESSION 2017

S

D

SENATE BILL 411  
Transportation Committee Substitute Adopted 4/24/17  
PROPOSED HOUSE COMMITTEE SUBSTITUTE S411-CSSUF-40 [v.3]

06/04/2018 07:23:04 PM

Short Title: Various Motor Vehicle Law Revisions.

(Public)

Sponsors:

Referred to:

March 29, 2017

A BILL TO BE ENTITLED

AN ACT TO EXPAND THE REQUIRED USE OF THE ELECTRONIC LIEN SYSTEM IMPLEMENTED BY THE DIVISION OF MOTOR VEHICLES, TO REVISE THE LAW GOVERNING WHEN A MOTOR VEHICLE DEALER THAT DOES NOT HAVE A MOTOR VEHICLE'S STATEMENT OF ORIGIN OR CERTIFICATE OF TITLE MAY TRANSFER TITLE TO THE MOTOR VEHICLE, AND TO MAKE OTHER CHANGES TO LAWS AFFECTING MOTOR VEHICLE DEALERS.

The General Assembly of North Carolina enacts:

**SECTION 1.** G.S. 20-58.4A(i) reads as rewritten:

"(i) Mandatory Participation. – ~~Beginning July 1, 2016, all~~ All individuals and lienholders who are normally engaged in the business or practice of financing motor vehicles, and who conduct at least five transactions ~~annually~~, annually shall utilize the electronic lien system implemented in subsection (a) of this section to record information concerning the perfection and release of a security interest in a vehicle. No lien on a motor vehicle shall be noted on the certificate of title or otherwise perfected by the Division unless the electronic lien system is utilized by the lienholder in accordance with this section."

**SECTION 2.(a)** G.S. 20-52.1(d) reads as rewritten:

"(d) When a manufacturer's statement of origin or an existing certificate of title on a motor vehicle is unavailable, a motor vehicle dealer licensed under Article 12 of this Chapter may also transfer title to a vehicle currently titled in this State to another by certifying in writing in a sworn statement to the Division signed by the dealer principal, general manager, general sales manager, controller, or owner of the dealership, that, to the best of the signatory's knowledge and information as of the date of sworn certification, that all prior perfected liens on the vehicle that are known or reasonably ascertainable by the signatory have been paid and that the motor vehicle dealer, despite having used reasonable diligence, is unable to obtain the vehicle's statement of origin or certificate of title. For purposes of this subsection, a dealer may certify that the dealer is unable to obtain the vehicle's statement of origin or certificate of title because the statement of origin or certificate of title was either (i) not delivered to the dealer or (ii) lost or misplaced. The Division is authorized to require any information it deems necessary for the transfer of the vehicle and shall develop a form for this purpose. The knowing and intentional filing of a false sworn certification with the Division pursuant to this subsection shall constitute a Class H felony. A dealer principal, owner, or manager who is not a signatory of the sworn certification under this subsection may only be charged for a criminal violation for filing a false certification under this subsection by another dealership employee if the dealer principal, owner, or manager had actual knowledge of the falsity of the sworn certification at the time the sworn certification was





1 submitted to the Division. The dealer shall hold harmless and indemnify the consumer-purchaser  
2 from any damages arising from the use of the procedure authorized by this subsection. No person  
3 shall have a cause of action against the Division arising from the transfer of a vehicle by a sworn  
4 certification pursuant to this section."

5 **SECTION 2.(b)** G.S. 20-58(b) reads as rewritten:

6 "(b) ~~When~~ If a manufacturer's statement of origin or an existing certificate of title on a  
7 motor vehicle ~~is unavailable, was~~ (i) not delivered to the dealer or (ii) was lost or misplaced on or  
8 prior to the date the dealer sells or transfers the motor vehicle, a first lienholder who holds a valid  
9 license as a motor vehicle dealer issued by the Commissioner under Article 12 of this Chapter or  
10 his designee may file a notarized copy of an instrument creating and evidencing a security interest  
11 in the motor vehicle with the Division of Motor Vehicles. A filing pursuant to this subsection  
12 shall constitute constructive notice to all persons of the security interest in the motor vehicle  
13 described in the filing. The constructive notice shall be effective ~~from the date of the filing on~~  
14 the date of the security agreement if the filing is made within 20 days after the date of the security  
15 agreement. The constructive notice shall date from the date of the filing with the Division if it is  
16 made more than 20 days after the date of the security agreement. The notation of a security  
17 interest created under this subsection shall automatically expire 60 days after the date of the  
18 creation of the security interest, or upon perfection of the security interest as provided in  
19 subsection (a) of this section, whichever occurs first. A security interest notation made under this  
20 subsection and then later perfected under subsection (a) of this section shall be presumed to have  
21 been perfected on the date of the earlier filing. The Division may charge a fee not to exceed ten  
22 dollars (\$10.00) for each notation of security interest filed pursuant to this subsection. The fee  
23 shall be credited to the Highway Fund. ~~A false filing with the Division pursuant to this subsection~~  
24 shall constitute a Class H felony. It shall constitute a Class H felony for a person to knowingly  
25 and intentionally file a false notice with the Division pursuant to this subsection. A dealer  
26 principal, owner, or manager of a motor vehicle dealership who is not a signatory of the notice  
27 required under this subsection may only be charged for a criminal violation for filing a false  
28 notice with the Division under this subsection by another dealership employee if the dealer  
29 principal, owner, or manager had actual knowledge of the falsity of the filing at the time the filing  
30 was submitted to the Division."

31 **SECTION 2.(c)** G.S. 20-72(b) reads as rewritten:

32 "(b) In order to assign or transfer title or interest in any motor vehicle registered under the  
33 provisions of this Article, the owner shall execute in the presence of a person authorized to  
34 administer oaths an assignment and warranty of title on the reverse of the certificate of title in  
35 form approved by the Division, including in such assignment the name and address of the  
36 transferee; and no title to any motor vehicle shall pass or vest until such assignment is executed  
37 and the motor vehicle delivered to the transferee. The provisions of this section shall not apply  
38 to any foreclosure or repossession under a chattel mortgage or conditional sales contract or any  
39 judicial sale. The provisions of this subsection shall not apply to (i) any transfer to an insurer  
40 pursuant to G.S. 20-109.1(b)(2) or (ii) any transfer to a used motor vehicle dealer pursuant to  
41 G.S. 20-109.1(e1).

42 When a manufacturer's statement of origin or an existing certificate of title on a motor vehicle  
43 is unavailable, a motor vehicle dealer licensed under Article 12 of this Chapter may also transfer  
44 title to a vehicle currently titled in this State to another by certifying in writing in a sworn  
45 statement to the Division that is signed by the dealer principal, general manager, general sales  
46 manager, controller, or owner of the dealership, that, to the best of the signatory's knowledge and  
47 information as of the date of the sworn certification, all prior perfected liens on the vehicle that  
48 are known or reasonably ascertainable by the signatory have been paid and that the motor vehicle  
49 dealer, despite having used reasonable diligence, ~~is~~ was unable to obtain the vehicle's statement  
50 of origin or certificate of title. For purposes of this subsection, a dealer may certify that the dealer  
51 is unable to obtain the vehicle's statement of origin or certificate of title if the statement of origin



or certificate of title has either (i) not been delivered to the dealer or (ii) has been lost or misplaced. The Division is authorized to request any information it deems necessary to transfer the vehicle and shall develop a form for this purpose. ~~The filing of a false sworn certification with the Division pursuant to this paragraph.~~ The knowing and intentional filing of a false sworn certification with the Division pursuant to this subsection shall constitute a Class H felony. A dealer principal, owner, or manager of a motor vehicle dealership who is not a signatory of the sworn certification required under this subsection may only be charged for a criminal violation for filing a false certification under this subsection by another dealership employee if the dealer principal, owner, or manager had actual knowledge of the falsity of the sworn certification at the time the sworn certification was submitted to the Division.

Any person transferring title or interest in a motor vehicle shall deliver the certificate of title duly assigned in accordance with the foregoing provision to the transferee at the time of delivering the vehicle, except when a certificate of title is unavailable as provided in this subsection or in G.S. 20-72.1, and except that where a security interest is obtained in the motor vehicle from the transferee in payment of the purchase price or otherwise, the transferor shall deliver the certificate of title to the lienholder and the lienholder shall forward the certificate of title together with the transferee's application for new title and necessary fees to the Division within 20 days. If the title to a vehicle is unavailable and the dealer transfers the vehicle on a sworn certification pursuant to this section or G.S. 20-52.1, and the title is subsequently received or found by the dealer, the dealer shall retain a copy for its records and submit the title to the Division. Any person who delivers or accepts a certificate of title assigned in blank shall be guilty of a Class 2 misdemeanor. No person shall have a cause of action against the Division arising from the transfer of a vehicle by a sworn certification pursuant to this section.

The title to a salvage vehicle shall be forwarded to the Division as provided in G.S. 20-109.1, except with respect to the title of any salvage vehicle transferred pursuant to G.S. 20-109.1(b)(2) or G.S. 20-109.1(e1)."

**SECTION 2.(d)** Part 4 of Article 3 of Chapter 20 of the General Statutes is amended by adding a new section to read:

**"§ 20-72.1. Transfer by owner when a certificate of title is unavailable; consumer remedies.**

(a) Notwithstanding any other provision in this Article, when a manufacturer's statement of origin or an existing certificate of title on a motor vehicle is unavailable, a motor vehicle dealer licensed under Article 12 of this Chapter shall deliver the manufacturer's statement of origin or certificate of title to the Division within 20 days of receipt of the title, but no later than 60 days following the later of the date of the sale or transfer of the vehicle or the date of the creation of a security interest in the vehicle pursuant to G.S. 20-58(b). The dealer may offer the vehicle for sale provided that the purchaser is given written notice prior to sale that the dealer is not in possession of the manufacturer's statement of origin or certificate of title and that the purchaser may be entitled to liquidated damages pursuant to subsection (b) of this section if the dealer fails to deliver the manufacturer's statement of origin or certificate of title to the Division in accordance with this subsection. For purposes of this subsection, a vehicle's manufacturer's statement of origin or existing certificate of title shall be considered unavailable under either of the following circumstances:

- (1) The manufacturer's statement of origin or certificate of title has not been actually delivered to the dealer on or prior to the date the dealer sold or transferred the vehicle.
- (2) The manufacturer's statement of origin or certificate of title was lost or misplaced on or prior to the date the dealer sold or transferred the vehicle. If the motor vehicle being sold or transferred is a used motor vehicle, the dealer is required to make application to the Division for a duplicate title within five working days of the date of the sale or transfer of the vehicle. If the vehicle being sold or transferred is a new motor vehicle, the dealer is required to



request a new or duplicate manufacturer's statement of origin from the applicable manufacturer or distributor within five working days of the date of the sale or transfer of the vehicle.

(b) In any case where a dealer fails to deliver the manufacturer's statement of origin or certificate of title to the Division within the 60-day time period allowed in subsection (a) of this section, the vehicle purchaser may elect to receive liquidated damages from the dealer in the amount of five percent (5%) of the vehicle purchase price, not to exceed one thousand dollars (\$1,000), provided that the dealer receives written demand for liquidated damages from the purchaser within 10 days after the expiration of the 60-day period provided in subsection (a) of this section. The liquidated damages provided in this subsection shall be payable by the dealer within 30 days after the receipt of the purchaser's written demand. Nothing in this section shall be construed to limit any other civil remedies or consumer protections available to the vehicle purchaser."

**SECTION 2.(e)** G.S. 20-79.1(h) reads as rewritten:

(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 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 days from the date of issuance, a second 30-day temporary registration plate or marker may be issued by the dealer upon showing the vehicle has been sold, a temporary lien has been filed as provided in G.S. 20-58, 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 2.(f)** The Division of Motor Vehicles, in consultation with the North Carolina Automobile Dealers Association, Inc., shall study the following:

- (1) The impacts of this section on Division processes and procedures, along with recommended statutory changes to further improve the lawful transfer of motor vehicles.
- (2) Methods to ensure consumer protection in the motor vehicle transfer process.
- (3) Potential changes to the Division's electronic lien and title program or other processes that could assist with reducing the delay in the release of a satisfied security interest in a motor vehicle.
- (4) Any other issues the Division deems appropriate

The Division shall report its findings, including any legislative recommendations, to the Joint Legislative Transportation Oversight Committee by December 31, 2020.

**SECTION 2.(g)** Subsection 2(f) of this section is effective when it becomes law. The remainder of this section becomes effective January 1, 2019.

**SECTION 3.(a)** G.S. 20-79.02(g) reads as rewritten:

"(g) Applicability. – Prior to January 1, ~~2019~~2021, 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, ~~2019~~2021, 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 3.(b)** Section 1.1(b) of S.L. 2015-232 reads as rewritten:

"**SECTION 1.1.(b)** This section is effective when this act becomes law and expires December 31, ~~2018-2020~~."

**SECTION 3.(c)** Section 1.4(b) of S.L. 2015-232 reads as rewritten:

"**SECTION 1.4.(b)** This section is effective when this act becomes law and expires December 31, ~~2018-2020~~."

**SECTION 4.** G.S. 20-79.1(d) reads as rewritten:

"(d) A dealer shall:

(1) Not issue, assign, transfer, or deliver temporary registration plates or markers to anyone other than a bona fide purchaser or owner of a vehicle which he has sold.

(2) Not issue a temporary registration plate or marker without first obtaining from the purchaser or owner a written application for titling and registration of the vehicle and the applicable fees.

(3) Within ~~10 working days~~, 20 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 ~~in writing~~ by all parties to the contract.

(4) Not deliver a temporary registration plate to anyone purchasing a vehicle that has an unexpired registration plate that is to be transferred to the purchaser.

(5) Not lend to anyone, or use on any vehicle that he may own, any temporary registration plates or markers.

A dealer may issue temporary markers, without obtaining the written application for titling and registration or collecting the applicable fees, to nonresidents for the purpose of removing the vehicle from the State.

**SECTION 5.** G.S. 20-183.4C(a)(1) reads as rewritten:

"(1) A new vehicle must be inspected before it is ~~sold~~ delivered to a purchaser at retail in this State. Upon purchase, a receipt approved by the Division must be provided to the new owner certifying compliance."

**SECTION 6.** G.S. 105-562 reads as rewritten:

**"§ 105-562. Collection and scope.**

(a) Collection. – A tax or a tax increase levied under this Article becomes effective on the date set by the board of trustees in the resolution levying the tax or the tax increase. The effective date must be the first day of a month and may not be earlier than the first day of the sixth calendar month after the board of trustees adopts the resolution. To the extent the tax applies to vehicles whose tax situs is in a county the entire area of which is within the jurisdiction of the Authority, the Division of Motor Vehicles shall collect and administer the tax. To the extent the tax applies to vehicles whose tax situs is in a county that is only partially within the jurisdiction of the county, the Authority shall collect and administer the tax. The Authority may contract with one or more local governments in its jurisdiction to collect the tax on its behalf.

Upon receipt of the resolutions under G.S. 105-561, the Division of Motor Vehicles shall proceed to collect and administer the tax as provided in this Article. The tax is due at the same time and subject to the same restrictions as in G.S. 20-87(1), (2), (4), (5), (6), and (7) and G.S. 20-88. The Division of Motor Vehicles may adopt rules to carry out its responsibilities under this Article.



(b) Scope. – Only vehicles required to pay a tax under G.S. 20-87(1), (2), (4), (5), (6), and (7) and G.S. 20-88 shall be subject to the tax provided by this Article. Taxes shall be prorated in accordance with G.S. 20-95.

(c) Tax Situs. – The tax situs of a motor vehicle for the purpose of this Article is its ad valorem tax situs. If the vehicle is exempt from ad valorem tax, its tax situs for the purpose of this Article is the ad valorem tax situs it would have if it were not exempt from ad valorem tax.

(d) Any tax or tax increase levied under this Article applicable to a motor vehicle sold or leased by a motor vehicle dealer, as defined in G.S. 20-286(11), is only applicable to a motor vehicle sale or lease made on or after the effective date of the tax or tax increase regardless of the date of submission of a title and registration application for the motor vehicle to the Division of Motor Vehicles. No tax or tax increase levied under this Article applies to a motor vehicle sale or lease made prior to the effective date of the tax or tax increase."

SECTION 7. G.S. 105-570 reads as rewritten:

**"§ 105-570. County Vehicle Registration Tax; shared with municipalities.**

(a) A county is considered an authority under Article 51 of this Chapter, and the board of commissioners of that county is considered the board of trustees of the authority under Article 51, except that the maximum tax that may be levied by a county under this Article is seven dollars (\$7.00) per year.

(b) A county may not levy a tax under this Article unless the county or at least one unit of local government in the county operates a public transportation system.

(c) Any tax levied under this Article shall, after the receipt of those funds from the Division of Motor Vehicles, be retained or distributed by the county on a per capita basis as it receives those funds as follows:

(1) Pro rata (i) retained by the county based on the population of the county that is not in an incorporated area, and (ii) distributed to the municipalities within the county based on the population of that municipality that is located within that county. To determine the population of each county and municipality, the county shall use the most recent annual estimate of population certified by the State Budget Officer.

(2) Notwithstanding subdivision (1) of this subsection, if a municipality to which funds are to be distributed does not operate a public transportation system, the population of that municipality shall be excluded from the calculations of subdivision (1) of this subsection and no distribution shall be made to that municipality.

(3) Notwithstanding subdivision (1) of this subsection, if a county for which funds are to be retained does not operate a public transportation system, the population of that county not in an incorporated area shall be excluded from the calculations of subdivision (1) of this subsection, and the county shall not retain any funds.

If a county that does not retain funds or a municipality that does not receive an allocation of funds on account of subdivision (2) or (3) of this subsection begins to operate a public transportation system, that county or municipality shall begin retaining or receiving funds beginning the first day of July that is more than 30 days thereafter.

(d) The proceeds of a tax imposed under this Article may be used by that county or municipality only to operate a public transportation system, including financing, constructing, operating, and maintaining that public transportation system. The term "public transportation system" has the same meaning as defined in G.S. 105-506.1.

(e) As used in this section, operation of a public transportation system includes a contract or interlocal agreement for operation of the public transportation system by another county or municipality, or by a transportation authority created under (i) a municipal charter; or (ii) Article 25, 26, or 27 of Chapter 160A of the General Statutes. As used in this section, operation of a

public transportation system also includes a contract with a private entity for operation of the public transportation system.

(f) An interlocal agreement under this section may also deal with allocation of funds between a municipality and county for operation by the county of a human services public transportation system within the municipality when the municipality also operates a public transportation system.

(g) This Article is supplemental to Article 51 of this Chapter.

(h) Any tax or tax increase levied under this Article applicable to a motor vehicle sold or leased by a motor vehicle dealer, as defined in G.S. 20-286(11), is only applicable to a motor vehicle sale or lease made on or after the effective date of the tax or tax increase regardless of the date of submission of a title and registration application for the motor vehicle to the Division of Motor Vehicles. No tax or tax increase levied under this Article applies to a motor vehicle sale or lease made prior to the effective date of the tax or tax increase."

**SECTION 8.** G.S. 20-4.02 reads as rewritten:

**"§ 20-4.02. Quadrennial adjustment of certain fees and rates.**

(a) Adjustment for Inflation. – Beginning July 1, 2020, and every four years thereafter, the Division shall adjust the fees and rates imposed pursuant to the statutes listed in this subsection for inflation in accordance with the Consumer Price Index computed by the Bureau of Labor Statistics. The adjustment for per transaction rates in subdivision (8a) of this subsection shall be rounded to the nearest cent and all other adjustments under this subsection shall be rounded to the nearest twenty-five cents (25¢):

(1) G.S. 20-7.

(2) G.S. 20-11.

(3) G.S. 20-14.

(4) G.S. 20-16.

(5) G.S. 20-26.

(6) G.S. 20-37.15.

(7) G.S. 20-37.16.

(8) G.S. 20-42(b).

(8a) G.S. 20-63(h), with respect to the per transaction rates set in that subsection.

(9) G.S. 20-85(a)(1) through (10).

(10) G.S. 20-85.1.

(11) G.S. 20-87, except for the additional fee set forth in G.S. 20-87(6) for private motorcycles.

(12) G.S. 20-88.

(13) G.S. 20-289.

(14) G.S. 20-385.

(15) G.S. 44A-4(b)(1).

(b) Computation. – In determining the rate of inflation to use when making an adjustment pursuant to subsection (a) of this section, the Division shall base the rate on the percent change in the annual Consumer Price Index over the preceding four-year period.

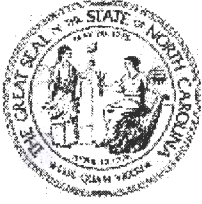
(c) Rules. – The provisions of Chapter 150B of the General Statutes shall not apply to the inflation adjustment required by this section.

(d) Consultation and Publication. – At least 90 days prior to making an adjustment pursuant to subsection (a) of this section, and notwithstanding any provision of G.S. 12-3.1 to the contrary, the Division shall (i) consult with the Joint Legislative Commission on Governmental Operations, (ii) provide a report to the chairs of the Senate Appropriations Committee on Department of Transportation and the House of Representatives Appropriations Committee on Transportation, and (iii) publish notice of the fees that will be in effect in the offices of the Division and on the Division's Web site.

1       (c) Effective Date. – Any adjustment to fees or rates under this section applicable to a  
2 motor vehicle sold or leased by a motor vehicle dealer, as defined in G.S. 20-286(11), is only  
3 applicable to a motor vehicle sale or lease made on or after the effective date of the fee or rate  
4 adjustment regardless of the date of submission of a title and registration application for the motor  
5 vehicle to the Division. No adjustment to fees or rates under this section applies to a motor vehicle  
6 sale or lease made prior to the effective date of the fee or rate adjustment."

7       **SECTION 9.** Sections 6 and 7 of this act are effective when they become law and  
8 apply to any tax or tax increase with an effective date on or after that date. Except as otherwise  
9 provided, the remainder of this act is effective when it becomes law.





## SENATE BILL 411: Various Motor Vehicle Law Revisions.

2017-2018 General Assembly

<b>Committee:</b>	House Transportation. If favorable, re-refer to Judiciary III. If favorable, re-refer to Rules, Calendar, and Operations of the House	<b>Date:</b>	June 5, 2018
<b>Introduced by:</b>	Sen. B. Jackson	<b>Prepared by:</b>	Wendy Ray
<b>Analysis of:</b>	PCS to Second Edition S411-CSSUF-40		Staff Attorney

**OVERVIEW:** *The PCS for Senate Bill 411 would make the following changes to motor vehicle titling laws:*

- *Requires all individuals and lienholders who conduct at least five transactions a year to use the electronic lien system.*
- *Clarifies the process allowing dealers to transfer motor vehicles without the vehicle's statement of origin or certificate of title, and allows the purchaser to collect liquidated damages if the dealer fails to deliver the title to the Division within 60 days after the sale of the vehicle.*
- *Requires the Division, in consultation with the Automobile Dealers Association, to study motor vehicle transfers and potential improvements to processes.*
- *Delays the date dealers are required to start using LD plates for loaner vehicles from January 1, 2019, to January 1, 2021.*
- *Requires dealers issuing temporary registration plates to purchasers to deliver sales documents and fees to the Division within 20 days, rather than 10 working days.*
- *Requires new motor vehicles to be inspected prior to delivery to the purchaser, rather than prior to sale.*
- *Clarifies the applicability of certain taxes and fees on motor vehicle sales, making clear that the applicable rate is the one in effect on the date of sale.*

**CURRENT LAW AND BILL ANALYSIS:** The Proposed Committee Substitute for Senate Bill 411 would make the following changes to motor vehicle laws related to motor vehicle dealers and the titling of motor vehicles:

**Section 1.** In 2013, the General Assembly passed legislation requiring the Division of Motor Vehicles to implement a Statewide electronic lien system to process the notification and release of security interests and certificate of title data. Under G.S. 20-58.4A(i), all individuals and lienholders normally engaged in the business of financing motor vehicles and who conduct at least five transactions a year were required to use the system by July 1, 2015. The mandatory participation date was subsequently delayed to July 1, 2016, but it is still limited to those who are normally engaged in the business of financing motor vehicles and conduct at least five transactions a year.

Section 1 would make mandatory participation in the electronic lien system applicable to all individuals and lienholders who conduct at least five transactions a year, regardless of whether they are normally

Karen Cochrane-Brown  
Director



Legislative Analysis  
Division  
919-733-2578

*This bill analysis was prepared by the nonpartisan legislative staff for the use of legislators in their deliberations and does not constitute an official statement of legislative intent.*



# Senate PCS 411

Page 2

engaged in the practice of financing motor vehicles. It would also provide that no lien shall be noted on the certificate of title unless the electronic system is used.

**Section 2.** Under current law, a person generally must have a certificate of title for a motor vehicle in order to transfer it. G.S. 20-52.1(d) and 20-72(b) allow a motor vehicle dealer to transfer a title to another when a certificate of title or statement of origin is not available by providing a sworn statement to the Division that all prior perfected liens have been paid and that the dealer is unable to obtain the certificate of title or statement of origin. It is a Class H felony to file a false sworn certification.

Section 2 would clarify existing law, allowing a dealer to transfer title on a vehicle without the statement of origin or certificate of title if the dealer includes in a sworn statement that the certificate of title or statement of origin was not delivered to the dealer, or it has been lost or misplaced. The bill would also make clear that a dealer is only liable for filing a false statement if it is done knowingly and intentionally.

This section would also provide that if the dealer transfers the title when the existing certificate of title is unavailable, the title must be delivered to the Division no later than 60 days after the sale of the vehicle. Failure to do so would give a purchaser of the vehicle the option to collect liquidated damages in the amount of 5% of the vehicle price, up to \$1000, from the dealer.

This section would also require the Division, in consultation with the Automobile Dealers Association, to study the impacts of statutory changes in this section, consumer protection in the motor vehicle transfer process, potential changes to the electronic lien system, and any other issues the Division deems appropriate. The Division would be required to report its findings to the Joint Legislative Transportation Oversight Committee by December 1, 2020.

**Section 3.** Legislation was enacted in 2015 to authorize a new "LD" license plate, or loaner/dealer plate, to be issued to motor vehicle dealers for use on vehicles owned by the dealer that are loaned to customers having their vehicles serviced by the dealer. Use of the LD plates was to be mandatory on January 1, 2019. Prior to that date, the legislation authorized use of "u-drive-it" license plates or demonstration permits for vehicles with dealer plates on loaner vehicles.

This section would delay the date for mandatory use of LD plates to January 1, 2021, and would allow dealers to continue to use "u-drive-it" plates or demonstration permits as an alternative in the interim.

**Section 4.** This section would require a motor vehicle dealer who issues a temporary registration plate to a purchaser to deliver the sales documents and fees to the Division within 20 days (10 working days under current law). G.S. 20-58.2 provides that a security interest is perfected as of the date of the execution of the agreement if the application for notation of a security interest is delivered to the Division within 20 days after the date of the security agreement. This section conforms the deadline dates for dealers with the date in G.S. 20-58.2.

**Section 5.** This section would amend the statute that requires a new motor vehicle to be inspected before it is sold at retail. The language would be amended to require inspection before the vehicle is delivered to the purchaser, rather than when it is sold. This would address situations where a sale may take place before the vehicle actually arrives at the dealership and can be inspected.

**Sections 6 through 8.** These sections would clarify the applicability of certain taxes and fees on motor vehicle sales. G.S. 105-562 and G.S. 105-570 give Regional Transit Authorities and counties the authority to levy registration taxes and tax increases on motor vehicles. G.S. 20-4.02 gives the Division authority to adjust certain fees applicable to motor vehicles for inflation. These sections make clear that the tax and fee rates applicable to a motor vehicle when it is sold are the rates in effect on the date of sale, not the date of submission of paperwork by the dealer to the Division.

# Senate PCS 411

*Page 3*

**EFFECTIVE DATE:** The provisions in section 2 of the act pertaining to transfer of vehicles would become effective January 1, 2019. Sections 6 through 8 of the act pertaining to effective dates of taxes would be effective when they become law and apply to any tax or tax increase with an effective date on or after that date. The remainder of the act would be effective when it becomes law.



GENERAL ASSEMBLY OF NORTH CAROLINA  
SESSION 2017

S

2

SENATE BILL 411  
Transportation Committee Substitute Adopted 4/24/17

Short Title: Various Motor Vehicle Law Revisions.

(Public)

Sponsors:

Referred to:

March 29, 2017

A BILL TO BE ENTITLED

AN ACT TO EXPAND THE REQUIRED USE OF THE ELECTRONIC LIEN SYSTEM  
IMPLEMENTED BY THE DIVISION OF MOTOR VEHICLES AND TO REVISE THE  
LAW GOVERNING WHEN A MOTOR VEHICLE DEALER THAT DOES NOT HAVE  
A MOTOR VEHICLE'S STATEMENT OF ORIGIN OR CERTIFICATE OF TITLE MAY  
TRANSFER TITLE TO THE MOTOR VEHICLE.

The General Assembly of North Carolina enacts:

**SECTION 1.** G.S. 20-58.4A(i) reads as rewritten:

"(i) Mandatory Participation. - ~~Beginning July 1, 2016, all~~ All individuals and  
lienholders ~~who are normally engaged in the business or practice of financing motor vehicles,~~  
and who conduct at least five transactions ~~annually,~~ annually shall utilize the electronic lien  
system implemented in subsection (a) of this section to record information concerning the  
perfection and release of a security interest in a vehicle. No lien on a motor vehicle shall be  
noted on the certificate of title or otherwise perfected by the Division unless the electronic lien  
system is utilized by the lienholder in accordance with this section."

**SECTION 2.** G.S. 20-72(b) reads as rewritten:

"(b) In order to assign or transfer title or interest in any motor vehicle registered under  
the provisions of this Article, the owner shall 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).

When a manufacturer's statement of origin or an existing certificate of title on a motor  
vehicle is unavailable, a motor vehicle dealer licensed under Article 12 of this Chapter may  
also transfer title to another by certifying in writing in a sworn statement to the Division that all  
prior perfected liens on the vehicle have been paid and that the motor vehicle dealer, despite  
having used reasonable diligence, ~~is~~ was unable to obtain the vehicle's statement of origin or  
certificate of title ~~on or prior to the date the dealer sold or transferred the vehicle because~~  
~~the statement of origin or certificate of title was (i) not delivered to the dealer or (ii) lost or~~  
~~misplaced by the dealer.~~ The Division is authorized to develop a form for this purpose. In the  
absence of a form developed by the Division, a dealer may use any form that satisfies the  
requirements of this subsection, provided that the dealer submits the completed form and





1 certificate of title to the Division no later than 45 days following the sale or transfer of the  
2 vehicle. ~~The filing of a false sworn certification with the Division pursuant to this paragraph~~  
3 ~~shall constitute~~ It is a Class H felony ~~felony~~ to knowingly and intentionally file a false sworn  
4 certification in accordance with this subsection. A dealer principal, owner, or manager of a  
5 motor vehicle dealership shall be liable in accordance with G.S. 20-72.1.

6 Any person transferring title or interest in a motor vehicle shall deliver the certificate of  
7 title duly assigned in accordance with the foregoing provision to the transferee at the time of  
8 delivering the vehicle, except when a certificate of title is unavailable as provided in  
9 G.S. 20-72.1, and except that where a security interest is obtained in the motor vehicle from the  
10 transferee in payment of the purchase price or otherwise, the transferor shall deliver the  
11 certificate of title to the lienholder and the lienholder shall forward the certificate of title  
12 together with the transferee's application for new title and necessary fees to the Division within  
13 20 days. Any person who delivers or accepts a certificate of title assigned in blank shall be  
14 guilty of a Class 2 misdemeanor.

15 The title to a salvage vehicle shall be forwarded to the Division as provided in  
16 G.S. 20-109.1, except with respect to the title of any salvage vehicle transferred pursuant to  
17 G.S. 20-109.1(b)(2) or G.S. 20-109.1(e1)."

18 **SECTION 3.** Part 4 of Article 3 of Chapter 20 of the General Statutes is amended  
19 by adding a new section to read:

20 "**§ 20-72.1. Transfer by owner when a certificate of title is unavailable; consumer**  
21 **remedies.**

22 (a) Notwithstanding any other provision in this Article, when an existing certificate of  
23 title on a motor vehicle is unavailable, a motor vehicle dealer licensed under Article 12 of this  
24 Chapter shall deliver the certificate of title together with the transferee's application for new  
25 title and necessary taxes and fees to the Division within 20 days of receipt of the title, but no  
26 later than 45 days following the sale or transfer of the vehicle. The dealer may offer the vehicle  
27 for sale provided that any potential purchaser is given written notice prior to sale that the dealer  
28 is not in possession of the certificate of title. For purposes of this paragraph, a vehicle's existing  
29 certificate of title shall be considered unavailable under either of the following circumstances:

30 (1) The dealer is entitled to possession of the title, but it has not been actually  
31 delivered to the dealer on or prior to the date the dealer sold or transferred  
32 the vehicle.

33 (2) The title was lost or misplaced by the dealer on or prior to the date the dealer  
34 sold or transferred the vehicle and the dealer has made application to the  
35 Division for a duplicate title prior to the sale or transfer of the vehicle.

36 (b) In any case where a dealer fails to deliver the certificate of title to the Division  
37 within 45 days, the vehicle purchaser shall have the option to rescind the purchase transaction  
38 and collect the full purchase price of the vehicle and liquidated damages from the dealer.  
39 Liquidated damages shall be one thousand dollars (\$1,000) or five percent (5%) of the vehicle  
40 purchase price, whichever is greater. Nothing in this section shall be construed to limit any  
41 other civil remedies or consumer protections available to the vehicle purchaser."

42 **SECTION 4.** Section 1 of this act becomes effective July 1, 2017. The remainder  
43 of this act is effective when it becomes law.

GENERAL ASSEMBLY OF NORTH CAROLINA  
SESSION 2017

S

D

SENATE BILL 412  
PROPOSED HOUSE COMMITTEE SUBSTITUTE S412-CSSUF-38 [v.4]

06/04/2018 07:16:18 PM

Short Title: Abandoned Vehicles/Charities.

(Public)

Sponsors:

Referred to:

March 29, 2017

1 A BILL TO BE ENTITLED  
2 AN ACT TO PROVIDE A PROCESS FOR USED MOTOR VEHICLE DEALERS TO  
3 DISPOSE OF ABANDONED VEHICLES RECEIVED FROM CHARITABLE  
4 ORGANIZATIONS.

5 The General Assembly of North Carolina enacts:

6 SECTION 1. Chapter 20 of the General Statutes is amended by adding a new section  
7 to read:

8 "**§ 20-109.3. Disposition of vehicles abandoned by charitable organizations.**

9 (a) If a charitable organization operating under Section 501(c)(3) of the Internal Revenue  
10 Code (26 U.S.C. §501(c)(3)) requests a licensed used motor vehicle dealer, whose primary  
11 business is the sale of salvage vehicles on behalf of insurers or charitable organizations, to take  
12 possession of a donated vehicle that is currently titled in this State, and the vehicle title is not  
13 provided to the used motor vehicle dealer at the time of donation or within 10 days of the  
14 donation, then the following provisions apply:

15 (1) The used motor vehicle dealer receiving the vehicle on behalf of the charitable  
16 organization shall send notice to the last registered owner and any reasonably  
17 ascertainable lienholders of the vehicle informing the owner or lienholder that  
18 the vehicle has been donated to the named charitable organization. The notice  
19 shall set forth the current location of the vehicle, the name of the charitable  
20 organization to which the vehicle was donated, and the name of the vehicle  
21 donor. The notice shall inform the owner or lienholder that if the owner or  
22 lienholder objects to the donation of the vehicle, the owner or lienholder has  
23 30 days from the date of the notice to provide proof of ownership and reclaim  
24 the vehicle from the used motor vehicle dealer at no charge. Notice under this  
25 subdivision must be sent by certified mail or by another commercially  
26 available delivery service providing proof of delivery to the address on record  
27 with the Division.

28 (2) If the owner or any lienholder of the vehicle receives notice but fails to object  
29 to the donation and pick up the vehicle within 30 days, any claim to the vehicle  
30 by the owner or lienholder is considered abandoned, the certificate of title to  
31 the vehicle is deemed to be transferred to the charitable organization by the  
32 owner, and the lien is deemed to be extinguished. The charitable organization,  
33 or the used motor vehicle dealer acting on its behalf through a power of  
34 attorney, may then execute an application for duplicate title with transfer upon  
35 payment of any applicable fees. The application for duplicate title with  
36 transfer shall be accompanied by a copy of the written donation statement, a





copy of the notice required by subdivision (1) of this section, and proof of delivery of the notice sent to the owner and any lienholder. If the application is being executed by the used motor vehicle dealer on behalf of the charitable organization, a copy of the power of attorney shall also be submitted with the application.

(3) Upon receipt of an application for duplicate title with transfer, any additional documentation required under subdivision (2) of this subsection, and payment of required fees, the Division shall issue a title to the donated vehicle in the name of the charitable organization and mail the title, free and clear of any liens, to the used motor vehicle dealer possessing the vehicle.

(4) If the notice required under subdivision (1) of this subsection is not received or is returned as undeliverable, the used motor vehicle dealer may file a special proceeding to obtain an order allowing the vehicle to be sold. In such a proceeding, the used motor vehicle dealer may include more than one vehicle.

(5) If the donated vehicle is not currently titled in this State, does not appear in the Division's records, or the owner and any lienholders are not otherwise reasonably ascertainable for any reason, the used motor vehicle dealer may institute a civil action in the county where the vehicle is being held for authorization to sell that vehicle as salvage on behalf of the charitable organization. In such a proceeding, the used motor vehicle dealer may include more than one vehicle. If the court enters an order authorizing the sale of the vehicle, upon proper application and payment of the appropriate taxes and fees, the Division shall issue a salvage branded title to the person who purchases the vehicle at a subsequent sale.

(c) Any person that provides false information to the Division in conjunction with the sale of a charity vehicle or otherwise violates this section with the intent to defraud any person shall be guilty of a Class 2 misdemeanor.

(d) No person shall have a cause of action against the Division arising from the issuance of a title pursuant to this section, and the Division shall not be held liable for any damages arising from the transfer or subsequent operation of any vehicle titled or sold pursuant to this section."

SECTION 2. G.S. 20-75 reads as rewritten:

"§ 20-75. When transferee is ~~dealer~~ a charitable organization, dealer, or insurance company.

~~When the A~~ transferee of a vehicle registered under this Article ~~is~~ is not required to register the vehicle or forward the certificate of title to the Division as provided in G.S. 20-73 when the transferee is any of the following:

(1) A dealer who is licensed under Article 12 of this Chapter and who holds the vehicle for ~~resale~~; or resale.

(2) An insurance company taking the vehicle for sale or disposal for salvage purposes where the title is taken or requested as a part of a bona fide claim settlement transaction and only for the purpose of ~~resale~~; resale.

(3) A charitable organization operating under Section 501(c)(3) of the Internal Revenue Code (26 U.S.C. §501(c)(3)) and the vehicle was donated to the charitable organization solely for purposes of resale by the charitable organization.

~~the transferee shall not be required to register the vehicle nor forward the certificate of title to the Division as provided in G.S. 20-73.~~

To assign or transfer title or interest in the vehicle, the ~~dealer~~ charitable organization, dealer, or insurance company shall execute, in the presence of a person authorized to administer oaths, a reassignment and warranty of title on the reverse of the certificate of title in the form approved by the Division, which shall include the name and address of the transferee. The title to the

1 vehicle shall not pass or vest until the reassignment is executed and the motor vehicle delivered  
2 to the transferee.

3 The dealer transferring title or interest in a motor vehicle shall deliver the certificate of title  
4 duly assigned in accordance with the foregoing provision to the transferee at the time of  
5 delivering the vehicle, except:

- 6 (1) Where a security interest in the motor vehicle is obtained from the transferee  
7 in payment of the purchase price or otherwise, the dealer shall deliver the  
8 certificate of title to the lienholder and the lienholder shall forward the  
9 certificate of title together with the transferee's application for new certificate  
10 of title and necessary fees to the Division within 20 days; or
- 11 (2) Where the transferee has the option of cancelling the transfer of the vehicle  
12 within 10 days of delivery of the vehicle, the dealer shall deliver the certificate  
13 of title to the transferee at the end of that period. Delivery need not be made  
14 if the contract for sale has been rescinded in writing by all parties to the  
15 contract.

16 Any person who delivers or accepts a certificate of title assigned in blank shall be guilty of a  
17 Class 2 misdemeanor.

18 The title to a salvage vehicle shall be forwarded to the Division as provided in G.S. 20-109.1,  
19 except with respect to the title of any salvage vehicle transferred pursuant to G.S. 20-109.1(b)(2)  
20 or G.S. 20-109.1(e1)."

21 **SECTION 3.** G.S. 20-286(11)b. reads as rewritten:

22 "b. The term "motor vehicle dealer" or "dealer" does not include any of  
23 the following:

- 24 1. Receivers, trustees, administrators, executors, guardians, or  
25 other persons appointed by or acting under the judgment or  
26 order of any court.
- 27 2. Public officers while performing their official duties.
- 28 3. Persons disposing of motor vehicles acquired for their own use  
29 or the use of a family member, and actually so used, when the  
30 vehicles have been acquired and used in good faith and not for  
31 the purpose of avoiding the provisions of this Article.
- 32 4. Persons who sell motor vehicles as an incident to their  
33 principal business but who are not engaged primarily in the  
34 selling of motor vehicles. This category includes financial  
35 institutions who sell repossessed motor vehicles and insurance  
36 companies who sell motor vehicles to which they have taken  
37 title as an incident of payments made under policies of  
38 insurance, and auctioneers who sell motor vehicles for the  
39 owners or the heirs of the owners of those vehicles as part of  
40 an auction of other personal or real property or for the purpose  
41 of settling an estate or closing a business or who sell motor  
42 vehicles on behalf of a governmental entity, and who do not  
43 maintain a used car lot or building with one or more employed  
44 motor vehicle sales representatives.
- 45 5. Persons manufacturing, distributing or selling trailers and  
46 semitrailers weighing not more than 2,500 pounds unloaded  
47 weight.
- 48 6. A licensed real estate broker or salesman who sells a mobile  
49 home for the owner as an incident to the sale of land upon  
50 which the mobile home is located.

7. An employee of an organization arranging for the purchase or lease by the organization of vehicles for use in the organization's business.
8. Any publication, broadcast, or other communications media when engaged in the business of advertising, but not otherwise arranging for the sale of motor vehicles owned by others.
9. Any person dealing solely in the sale or lease of vehicles designed exclusively for off-road use.
10. Any real property owner who leases any interest in property for use by a dealer.
11. Any person acquiring any interest in a motor vehicle for a family member.
12. Any auctioneer licensed pursuant to Chapter 85B of the General Statutes employed to be an auctioneer of motor vehicles for a licensed motor vehicle dealer, while conducting an auction for that dealer.
13. Any charitable organization operating under Section 501(c)(3) of the Internal Revenue Code (26 U.S.C. §501(c)(3)) where the vehicle was donated to the charitable organization solely for purposes of resale by the charitable organization."

**SECTION 4.** G.S. 20-294(2) reads as rewritten:

"(2) Willfully and intentionally failing to comply with this Article, Article 15 of this Chapter, or G.S. 20-52.1, 20-75, 20-79.1, 20-79.2, 20-108, 20-109, 20-109.3, or a rule adopted by the Division under this Article."

**SECTION 5.** G.S. 105-187.6(a) reads as rewritten:

**"§ 105-187.6. Exemptions from highway use tax.**

(a) Full Exemptions. – The tax imposed by this Article does not apply when a certificate of title is issued as the result of a transfer of a motor vehicle:

- (1) To (i) the insurer of the motor vehicle under G.S. 20-109.1 because the vehicle is a salvage vehicle or (ii) a used motor vehicle dealer under G.S. 20-109.1 because the vehicle is a salvage vehicle that was abandoned.
- (2) To either a manufacturer, as defined in G.S. 20-286, or a motor vehicle retailer for the purpose of resale.
- (3) To the same owner to reflect a change or correction in the owner's name.
- (3a) To one or more of the same co-owners to reflect the removal of one or more other co-owners, when there is no consideration for the transfer.
- (4) By will or intestacy.
- (5) By a gift between a husband and wife, a parent and child, or a stepparent and a stepchild.
- (6) By a distribution of marital or divisible property incident to a marital separation or divorce.
- (7) Repealed by Session Laws 2009-445, s. 16, effective August 7, 2009.
- (8) To a local board of education for use in the driver education program of a public school when the motor vehicle is transferred:
  - a. By a retailer and is to be transferred back to the retailer within 300 days after the transfer to the local board.
  - b. By a local board of education.
- (9) To a volunteer fire department or volunteer rescue squad that is not part of a unit of local government, has no more than two paid employees, and is exempt from State income tax under G.S. 105-130.11, when the motor vehicle is one of the following:

- 1 a. A fire truck, a pump truck, a tanker truck, or a ladder truck used to  
2 suppress fire.  
3 b. A four-wheel drive vehicle intended to be mounted with a water tank  
4 and hose and used for forest fire fighting.  
5 c. An emergency services vehicle.

6 (10) To a State agency from a unit of local government, volunteer fire department,  
7 or volunteer rescue squad to enable the State agency to transfer the vehicle to  
8 another unit of local government, volunteer fire department, or volunteer  
9 rescue squad.

10 (11) To a revocable trust from an owner who is the sole beneficiary of the trust.

11 (12) To a charitable organization operating under Section 501(c)(3) of the Internal  
12 Revenue Code (26 U.S.C. §501(c)(3)) where the vehicle was donated to the  
13 charitable organization solely for purposes of resale by the charitable  
14 organization."

15 **SECTION 6.** This act is effective when it becomes law.







## SENATE BILL 412: Abandoned Vehicles/Charities.

2017-2018 General Assembly

<b>Committee:</b>	House Transportation. If favorable, re-refer to Rules, Calendar, and Operations of the House	<b>Date:</b>	June 5, 2018
<b>Introduced by:</b>	Sen. B. Jackson	<b>Prepared by:</b>	Wendy Ray
<b>Analysis of:</b>	PCS to First Edition S412-CSSUf-38		Staff Attorney

### **OVERVIEW:** *The PCS for Senate Bill 412 would do the following:*

- *Provide a process for used motor vehicle dealers to sell vehicles donated to charitable organizations when the donated vehicle is titled in this State but the title is not provided with the donation.*
- *Provide that failure to comply with the new statutory process is grounds for denying, suspending, placing on probation, or revoking a motor vehicle dealer's license.*
- *Provide that a charitable organization is not required to register and title a vehicle that was donated to the organization solely for purposes of resale.*
- *Exempt from the definition of 'motor vehicle dealer' a charitable organization where a vehicle was donated to the organization solely for purposes of resale.*
- *Exempt a charitable organization from paying highway use tax for a title issued as the result of a transfer of a vehicle to the organization that was donated solely for purposes of resale.*

**BILL ANALYSIS:** The Proposed Committee Substitute for Senate Bill 412 would create a new statutory process for used motor vehicles dealers to dispose of vehicles donated to charitable organizations without a title. If the dealer, whose primary business is the sale of salvage vehicles on behalf of insurers and charitable organizations, takes possession of a vehicle currently titled in the State but the title is not provided, the following provisions would apply:

- The dealer must send notice to the last registered owner and any lienholders that the vehicle has been donated, providing any owner or lienholder who objects to the donation 30 days to provide proof of ownership and reclaim the vehicle.
- If the owner or lienholder receives notice and fails to object, any claim to the vehicle is abandoned, the title is deemed transferred to the charitable organization, and the lien is deemed extinguished. The dealer or charitable organization may then apply for a duplicate title with transfer.
- Upon receipt of the application for duplicate title with transfer and supporting documentation, the Division is required to issue a title to the donated vehicle in the name of the charitable organization, free and clear of liens, to the dealer.
- If notice to the owner or lienholder is not received or is returned undeliverable, the dealer may file a special proceeding to obtain an order allowing the vehicle to be sold.

Karen Cochrane-Brown  
Director



Legislative Analysis  
Division  
919-733-2578

*This bill analysis was prepared by the nonpartisan legislative staff for the use of legislators in their deliberations and does not constitute an official statement of legislative intent.*



## Senate PCS 412

*Page 2*

- If the donated vehicle is not currently titled in the State, does not appear in the Division's records, or the owner and lienholders are not reasonably ascertainable, the dealer may bring a civil action for authorization to sell the vehicle as salvage on behalf of the charitable organization.

Willfully and intentionally failing to comply with these provisions would be grounds for the dealer to have its license denied, suspended, placed on probation, or revoked. Any person providing false information to the Division in conjunction with the sale of a charity vehicle would be guilty of a Class 2 misdemeanor. The Division would not be liable for any damages arising from the transfer of a title pursuant to this process.

The PCS would provide that a charitable organization does not have to register a vehicle or forward the certificate of title to the Division when the vehicle was donated to the organization solely for purposes of resale. The charitable organization would also be exempted from the definition of motor vehicle dealer in situations where a vehicle was donated to the organization solely for purposes of resale.

The PCS would also provide that a charitable organization is exempt from paying highway use tax when a transfer of title is the result of a transfer of a motor vehicle to the organization and the vehicle was donated solely for purposes of resale by the organization.

**EFFECTIVE DATE:** The act would be effective when it becomes law.

GENERAL ASSEMBLY OF NORTH CAROLINA  
SESSION 2017

S

1

SENATE BILL 412

Short Title: Improve Process/Sale of Unclaimed Vehicles. (Public)

Sponsors: Senators B. Jackson (Primary Sponsor); Rabin and Waddell.

Referred to: Rules and Operations of the Senate

March 29, 2017

1 A BILL TO BE ENTITLED  
2 AN ACT TO REQUIRE THE DIVISION OF MOTOR VEHICLES TO MAKE AVAILABLE  
3 ON ITS WEB SITE FORMS NECESSARY FOR A PERSON TO SELL AN  
4 UNCLAIMED MOTOR VEHICLE AND TO ALLOW THE ELECTRONIC  
5 SUBMISSION OF THOSE.

6 The General Assembly of North Carolina enacts:

7 **SECTION 1.** G.S. 20-77(d) reads as rewritten:

8 "(d) An operator of a place of business for garaging, repairing, parking or storing  
9 vehicles for the public in which a vehicle remains unclaimed for 10 days, or the landowners  
10 upon whose property a motor vehicle has been abandoned for more than 30 days, shall, within  
11 five days after the expiration of that period, report the vehicle as unclaimed to the Division.  
12 Failure to make ~~such~~the report shall constitute a Class 3 misdemeanor. Persons who are  
13 required to make this report and who fail to do so within the time period specified may collect  
14 other charges due but may not collect storage charges for the period of time between when they  
15 were required to make this report and when they actually did send the report to the Division by  
16 certified mail.

17 Any vehicle which remains unclaimed after report is made to the Division may be sold by  
18 ~~such~~the operator or landowner in accordance with the provisions relating to the enforcement of  
19 liens and the application of proceeds of sale of Article 1 of Chapter 44A. The Division shall  
20 make all forms required by the Division to effectuate a sale under this subsection available on  
21 the Division's Web site, and the Division shall allow for the electronic submission of these  
22 forms. Any form required by the Division to effectuate a sale under this subsection that requires  
23 a signature may be submitted with an electronic signature in accordance with Article 40 of  
24 Chapter 66 of the General Statutes."

25 **SECTION 2.** This act becomes effective July 1, 2017.





# VISITOR REGISTRATION SHEET

House Committee on Transportation

June 05, 2018

Name of Committee

Date

VISITORS: PLEASE SIGN IN BELOW AND RETURN TO COMMITTEE CLERK

NAME

FIRM OR AGENCY AND ADDRESS

<i>[Signature]</i>	<i>[Signature]</i>
Stef Pol	NCR
Mark Bardo	OSBM
James Hines	Copart
Chris McClure	BP
Elizabeth Brier	BP
Amber Harris	NCR
Sam Budge	Town of Falmouth
Rhacogan Johnsson	Focus Carolina
Tyler Bowden	Fetzer Strategic Partners
Kathy Binyon	OP

Tom Jager  
Ty Turner

FSP  
MECK GR

Cole Hughes

NC Chamber

Maghan Lewis

NC chamber

Lexi Arthur

JLF

Evan Norbeck

JLF

Crystal Collins

NC Trucking Assn.

Mitch Kokai

John Locke Foundation

Xenobono

LLC

# VISITOR REGISTRATION SHEET

House Transportation  
Name of Committee

6-5-2018  
Date

**VISITORS: PLEASE SIGN IN BELOW AND RETURN TO COMMITTEE CLERK**

NAME

FIRM OR AGENCY AND ADDRESS

Maddie Hawthorth	Honorary Page
Jeff Shew	Honorary Page
Nick Billman	WM
Gary Salamida	NC Chamber
Joe Bost	Charlotte Chamber
Fred Bone	Bone Assoc
Rachel Poser	SELC
Chris Westfall	SELC
Lynn Hunter	SELC
Lori Ann Harris	IANA
Demetrius Deloatch	TS





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NAME

FIRM OR AGENCY AND ADDRESS

PATRICK NORMAN	NCDOT
Jay Stem	NICAA
GREG DEAN	CAROLINAS COAL DOWING ASSN
Carl Gilmore	Jim Harrell
Benny Huffer	SoG
Joy Adams	NCDOT
McNeil Chestnut	RLNK
Thom Ma	CEA
Gwen Reed	NCDOT
Gwynn Shawcross	CEC
Dana Fenton	City of Charlotte



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NAME

FIRM OR AGENCY AND ADDRESS

Wayne Sasser	
Will Morgan	MFS
John Harrell	MFS
May Mullen Ashby	SELL
Brooks Penny Pearson	SELL
Betsy Bailey	CAGC
Jackson Sasser	JSC
DAVE SIMPSON	CAGC
Daphne Muro	Intern Rep Alexander
Kendall Hathaway	Intern Rep Wray
Lane Hickman	Intern Rep Goodman



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FIRM OR AGENCY AND ADDRESS

Reade Dawson	Fred Smith Company
Ker Cates	Burnhill Contracting
Ellis Paul	CAPA
Mary Kennedy	Sas
BOBBY LEWIS	NC DOT
Deans Eaton	NC DOT
Ed PRINSON	NC SFA
TIM BRADLEY	NC SFA
Dub Clay	NC SP
Morgan Dunn	Wdk WFA
David Collins	"WW"
Grace Inn	"WW"



Brian Beecraft

NCDOJ AG

Tyler Bardsley

Town of Cornelius

Christina Hochman

1/1/2021

John Langford

NCDOJ

Robbi Quinn

NC DMV

Jamie Keith

NC DMV

Nicholas Everett

NC DMV

Hope Moggings

NC DOT/DMV

Chack Chack

DMV

Matthew Niles

NC DMV

Rebecca Calvert

NC DMV

WCL

# VISITOR REGISTRATION SHEET

House Committee on Transportation

June 05, 2018

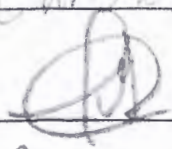
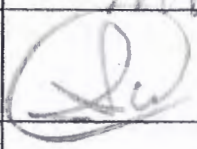
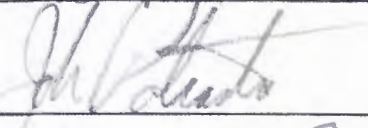
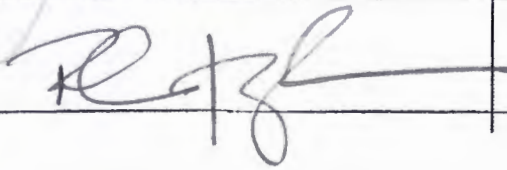
Name of Committee

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NAME

FIRM OR AGENCY AND ADDRESS

AB Swindle	Concrete Supply Co.
Chris Brighton	MHC
	
Amanda Donovan	KTS
Comm. Wilcox	CEMCA
Ken McHorn	R. M. A.
Isaac Nicholls	Governor's Office
Erin Wynia	NCLM
Lisa Martin	Cap-Ad
	NCRP
	NCADA



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House Transportation

6-5-2018

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NAME

FIRM OR AGENCY AND ADDRESS

Vingil Pridemore	NC DOT
Derrick Hunter	NC DOT
Adriana M. Martinez	NC DOT
Walt Gray	MS Consultants
NICK TENNYSON	E L PARNELL FURNITURE
James Smith	ACEC/NC
KEVIN LACY	NC DOT
LANE AND PLEASANT	S.T. WOOLEN
Taj Hubbard	Rockingham CO
JEFF MCGEE	S.T. WOOLEN
George Marsh	John + Assoc.



# VISITOR REGISTRATION SHEET

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House Committee on Transportation

June 05, 2018

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NAME

FIRM OR AGENCY AND ADDRESS

BERRY Jenkins	CAROLINAS AGC
JEFF BARNHART	MWC
Mark Smith	RANL
Joe McCreas	McCreas Consulting Inc
Jim Wilkins	RJWLC
Justin Delaney	NC DOT
CS Hollis	CSH
M Frazier	AFD
K Miltich	Town of Cornelius
Josh Laier	CSH
Kurt Naas	Town of Cornelius





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House Committee on Transportation

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NAME

FIRM OR AGENCY AND ADDRESS

Chris Pridemore	NC DOT
Adam Pridemore	NCAEC
Jim Trogdon	NC DOT
Jessica Locklear	NC DMV L&I
Gary Gaskins	NC DT
Chris Shill	NC DT
Starre;	OST
Mark Sullivan	Jim 76.9 EHC PLC
Dylan Reel	Rep. Starre
Naressa Turner	↓
David Miller	N?



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House Committee on Transportation

June 05, 2018

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NAME

FIRM OR AGENCY AND ADDRESS

Resha Fortson	SEANC
Flint Benson	SEANC
Drew Marsh	NC DOT
MARC FINLAYSON	FINLAYSON CONSULTING, LLC
Chris Valauri	Valauri Group, LLC
JERRY SCHILL	NC Fisheries Assoc.
Montell IRVIN	RAMEY Kemp Assoc
Chris Werner	NC DOT
Hanna Cockburn	NC DOT
Anna Reaus	Rep. Zachary Intern
Jim McGOWAN	NC DOT

