

GENERAL ASSEMBLY OF NORTH CAROLINA

SESSION 1991

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HOUSE BILL 330

Short Title: Motor Vehicle Dealer-Definition.

(Public)

Sponsors: Representative Creech.

Referred to: Judiciary II.

March 26, 1991

A BILL TO BE ENTITLED

AN ACT TO AMEND THE DEFINITION OF MOTOR VEHICLE DEALER.

The General Assembly of North Carolina enacts:

Section 1. G.S. 20-286(11) reads as rewritten:

"(11) 'Motor vehicle dealer' and 'dealer' mean ~~any person, firm, association, or corporation engaged in the business of selling motor vehicles, or who holds or held at the time a cause of action under this Article accrued, a valid sales and service agreement, franchise or contract, granted by the manufacturer or distributor for the retail sale of said manufacturer's or distributor's new motor vehicles.~~ any person, partnership, association, corporation, or entity which:

- a. For commission, money or other thing of value, buys, sells, exchanges (either outright or on conditional sale, bailment lease, chattel mortgage, or otherwise), or arranges, offers, attempts to solicit, or attempts to negotiate, on behalf of others a sale, purchase, or exchange of an interest in motor vehicles, whether or not the motor vehicles are owned by that person, partnership, association, corporation, or entity; or
- b. Is engaged, wholly or in part, in the business of selling new motor vehicles or new or used motor vehicles, or used motor vehicles only, whether or not the motor vehicles are owned by that person, partnership, association, or corporation; or

- 1 c. Offers to sell, displays, or permits the display for sale of
2 five or more motor vehicles within any 12 consecutive
3 months.

4 The term 'motor vehicle dealer' or 'dealer' does not include:

- 5 a. Receivers, trustees, administrators, executors,
6 guardians, or other persons appointed by or acting
7 under the judgment or order of any court; or
8 b. Public officers while performing their official
9 duties; or
10 c. ~~Persons~~ Persons, other than corporations or
11 other business entities primarily engaged in the leasing
12 or renting of motor vehicles to others when selling or
13 offering those vehicles for sale at retail, disposing of
14 motor vehicles acquired for their own use and actually
15 so used, when the same shall have been so acquired
16 and used in good faith and not for the purpose of
17 avoiding the provisions of this Article; or
18 d. Persons, firms or corporations who shall sell
19 motor vehicles as an incident to their principal
20 business but who are not engaged primarily in the
21 selling of motor vehicles. This category includes
22 finance companies who shall sell repossessed motor
23 vehicles and insurance companies who sell motor
24 vehicles to which they have taken title as an incident
25 of payments made under policies of insurance and who
26 do not maintain a used car lot or building with one or
27 more employed motor vehicle salesmen.
28 e. Persons, firms or corporations manufacturing,
29 distributing or selling trailers and semitrailers
30 weighing not more than 750 pounds and carrying not
31 more than a 1,500 pound load.
32 f. A licensed real estate broker or salesman who
33 sells a mobile home for the owner as an incident to the
34 sale of land upon which the mobile home is located.
35 g. An employee of an organization arranging for the
36 purchase or lease by the organization of vehicles for use
37 in the organization's business.
38 h. Any publication, broadcast, or other communications
39 media when engaged in the business of advertising, but
40 not otherwise arranging for the sale of motor vehicles
41 owned by others.
42 i. Any person dealing solely in the sale or lease of vehicles
43 designed exclusively for off-road use."

44 Sec. 2. This act is effective upon ratification.