

GENERAL ASSEMBLY OF NORTH CAROLINA  
SESSION 2007

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HOUSE BILL 1346

Short Title: License Plate Agency Contracting. (Public)

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Sponsors: Representatives McComas, Sutton, and Braxton (Primary Sponsors).

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Referred to: Transportation, if favorable, Judiciary III.

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April 10, 2007

A BILL TO BE ENTITLED

1 AN ACT TO CLARIFY THE TYPES OF CONTRACTS THE DIVISION OF MOTOR  
2 VEHICLES MAY ENTER INTO FOR THE PURPOSES OF ISSUING LICENSE  
3 PLATES THROUGH PRIVATE OR LOCAL GOVERNMENT ENTITIES.  
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5 The General Assembly of North Carolina enacts:

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

7 "(h) Commission Contracts for Issuance of Plates and Certificates. – All  
8 registration plates, registration certificates, and certificates of title issued by the  
9 Division, outside of those issued from the Raleigh and Charlotte offices of the Division  
10 and those issued and handled through the United States mail, shall be issued ~~insofar as~~  
11 ~~practicable and possible~~ through commission contracts entered into by the Division for  
12 the issuance of the plates and certificates in localities throughout North Carolina with  
13 persons, firms, corporations or governmental subdivisions of the State of North  
14 Carolina. The Division shall make a reasonable effort in every locality, except as noted  
15 above, to enter into a commission contract for the issuance of the plates and certificates  
16 and a record of these efforts shall be maintained in the Division. The Division shall  
17 make every effort to enter into a contract with a person, firm, corporation, or any other  
18 legal entity before entering into a contract with a governmental subdivision of the State.  
19 In the event the Division is unsuccessful in making commission contracts, it shall issue  
20 the plates and certificates through the regular employees of the ~~Division.~~ Division,  
21 provided the Division does not perform or cause to be performed any transactions,  
22 provided for by this section, within a 15-mile radius of an existing private contract  
23 location. Whenever registration plates, registration certificates, and certificates of title  
24 are issued by the Division through commission contract arrangements, the Division  
25 shall provide proper supervision of the distribution. Nothing contained in this subsection  
26 will allow or permit the operation of fewer outlets in any county in this State than are  
27 now being ~~operated.~~ operated except that no less than 100 nongovernmental private  
28 outlet contracts shall remain in effect throughout the State with a minimum of one  
29 private outlet contract in each county.

1        When the Division enters into a contract with a person, firm, corporation, other legal  
2 entity, or a governmental subdivision of this State, the Division shall provide, at no cost  
3 to the commission contractor, all inventory, forms, computer hardware and software,  
4 telephone and computer lines, and necessary electronic transmission equipment.

5        Commission contracts entered into by the Division under this subsection shall  
6 provide for the payment of compensation on a per transaction basis. The collection of  
7 the highway use tax shall be considered a separate transaction for which one dollar and  
8 twenty-seven cents (\$1.27) compensation shall be paid. The performance at the same  
9 time of one or more of the remaining transactions listed in this subsection shall be  
10 considered a single transaction for which one dollar and forty-three cents (\$1.43)  
11 compensation shall be paid.

12        A transaction is any of the following activities:

- 13            (1) Issuance of a registration plate, a registration card, a registration  
14            renewal sticker, or a certificate of title.
- 15            (2) Issuance of a handicapped placard or handicapped identification card.
- 16            (3) Acceptance of an application for a personalized registration plate.
- 17            (4) Acceptance of a surrendered registration plate, registration card, or  
18            registration renewal sticker, or acceptance of an affidavit stating why a  
19            person cannot surrender a registration plate, registration card, or  
20            registration renewal sticker.
- 21            (5) Cancellation of a title because the vehicle has been junked.
- 22            (6) Acceptance of an application for, or issuance of, a refund for a fee or a  
23            tax, other than the highway use tax.
- 24            (7) **(Effective until July 1, 2008)** Receipt of the civil penalty imposed by  
25            G.S. 20-309 for a lapse in financial responsibility or receipt of the  
26            restoration fee imposed by that statute.
- 27            (7) **(Effective July 1, 2008)** Receipt of the civil penalty imposed by  
28            G.S. 20-311 for a lapse in financial responsibility or receipt of the  
29            restoration fee imposed by that statute.
- 30            (8) Acceptance of a notice of failure to maintain financial responsibility  
31            for a motor vehicle.
- 32            (8a) Collection of civil penalties imposed for violations of G.S. 20-183.8A.
- 33            (8b) Sale of one or more inspection stickers in a single transaction to a  
34            licensed inspection station.
- 35            (9) Collection of the highway use tax.
- 36            (10) Acceptance of a temporary lien filing."

37        **SECTION 2.** G.S. 20-63 is amended by adding a new subsection to read:

38        "(h2) All commission contractors and their employees shall be commissioned as  
39 Notaries Public by the Secretary of State's office. If a commission contractor or their  
40 employee notarizes a document required to be notarized by law or by the Division, the  
41 fees for such notarial acts shall be those prescribed in G.S. 10B-31 and shall be retained  
42 by the commission contractor as part of the consideration allowed pursuant to the  
43 commission contract."

44        **SECTION 3.** G.S. 20-63(i) reads as rewritten:

1        "(i) Electronic Applications and Collections. – The Division is authorized to  
2 accept electronic applications for the issuance of registration plates, registration  
3 certificates, and certificates of ~~title, and to electronically collect fees and penalties.~~title.  
4 The Division and any commission contractor are authorized to electronically collect  
5 fees and penalties."

6                **SECTION 4.** This act becomes effective July 1, 2007.