

NORTH CAROLINA GENERAL ASSEMBLY  
1973 SESSION

CHAPTER 679  
HOUSE BILL 1003

AN ACT TO PROVIDE STATE REMEDIES FOR VICTIMS OF ODOMETER  
ALTERATION.

The General Assembly of North Carolina enacts:

**Section 1.** The General Statutes are hereby amended by adding a new Article to Chapter 20, to read as follows:

"Article 15.

"Vehicle Mileage Act.

"§ 20-401. **Purpose.** — This act shall provide State remedies for persons injured by motor vehicle odometer alteration, and to provide purchasers of motor vehicles with information to assist them in determining the condition and value of such vehicles. Such remedies shall be in addition to remedies provided by the federal odometer law. (Motor Vehicle Information and Cost Savings Act, Public Law 92-513, 86 Stat. 947, enacted October 20, 1972).

"§ 20-402. **Definitions.** — As used in this Article:

- (1) The term 'odometer' means an instrument for measuring and recording the actual distance a motor vehicle travels while in operation; but shall not include any auxiliary odometer designed to be reset by the operator of the motor vehicle for the purpose of recording mileage on trips.
- (2) The term 'repair and replacement' means to restore to a sound working condition by replacing the odometer or any part thereof or by correcting what is inoperative.
- (3) The term 'transfer' means to change ownership by purchase, gift, or any other means.
- (4) The term 'transferor' means any person who transfers his ownership in a motor vehicle by sale, gift or any means other than by creation of a security interest.
- (5) The term 'transferee' means any person to whom the ownership in a motor vehicle is transferred by purchase, gift, or any means other than by creation of a security interest.

"§ 20-403. **Unlawful devices.** — It is unlawful for any person knowingly to advertise for sale, to sell, to use, or to install or to have installed, any device which causes an odometer to register any mileage other than the true mileage driven. For purposes of this section, the true mileage driven is that mileage driven by the vehicle as registered by the odometer within the manufacturer's designed tolerance.

"§ 20-404. **Unlawful change of mileage.** — It is unlawful for any person or his agent to disconnect, reset, or alter the odometer of any motor vehicle with the intent to change the number of miles indicated thereon.

"§ 20-405. **Operation with intent to defraud** — It is unlawful for any person with the intent to defraud to operate a motor vehicle on any street or highway knowing that the odometer of such vehicle is disconnected or nonfunctional.

"§ 20-406. **Conspiracy.** — No person shall conspire with any other person to violate Sections 403, 404, 405, 407, or 408.

"§ 20-407. **Lawful service, repair, or replacement.** — Nothing in this act shall prevent the service, repair, or replacement of an odometer, provided the mileage indicated thereon remains the same as before the service, repair, or replacement. Where the odometer is incapable of registering the same mileage as before such service, repair, or replacement, the odometer shall be adjusted to read zero and a notice in writing shall be attached to the left door frame of the vehicle by the owner or his agent specifying the mileage prior to repair or replacement of the odometer and the date on which it was repaired or replaced. Any removal or alteration of such notice so affixed shall be unlawful.

"§ 20-408. **Disclosure requirements.** — (a) In connection with the transfer of a motor vehicle, the transferor shall deliver to the transferee, prior to execution of any transfer of ownership document, a single written statement which contains the following:

- (1) the odometer reading at the time of the transfer;
- (2) the date of the transfer;
- (3) the transferor's name and current address;
- (4) the identity of the vehicle, including its make, model, body type, its vehicle identification number, and the license plate number most recently used on the vehicle;
- (5) a statement that the mileage is unknown if the transferor knows the odometer reading differs from the number of miles the vehicle has actually traveled, and that the difference is greater than that caused by odometer calibration error;
- (6) a statement describing each known alteration of the odometer reading, including date, person making the alteration, and approximate number of miles removed by the alteration; and
- (7) disclosure of excess mileage when vehicle is known to have exceeded one hundred thousand miles and the odometer records only five whole-mile digits.

(b) A copy of each written disclosure must be forwarded to the Department of Motor Vehicles, as a condition precedent to the reregistration of the vehicle. The odometer reading at the time of transfer, as stated on the written disclosure, shall be recorded on the new certificate of title by the Department.

(c) It shall be unlawful for any transferor to violate any rules under this section or to knowingly give a false statement to a transferee in making any disclosure required by such rules.

(d) The provisions of this disclosure statement section shall not apply to the following transfers:

- (1) a vehicle having a gross vehicle weight rating of more than 16,000 pounds;
- (2) a vehicle that is not self-propelled;
- (3) a vehicle that is 25 years old or older; or
- (4) a new vehicle prior to its first transfer for purposes other than resale.

"§ 20-409. **Private civil action.** — (a) Any person who, with intent to defraud, violates any requirement imposed under this act shall be liable in an amount equal to the sum of:

- (1) three times the amount of actual damages sustained or one thousand five hundred dollars (\$1,500), whichever is the greater; and
- (2) in the case of any successful action to enforce the foregoing liability, the costs of the action together with reasonable attorney fees as determined by the court.

(b) An action to enforce any liability created under subsection (a) of this section, may be brought in any court of the trial division of the General Court of Justice of the State of North Carolina within two years from the date on which the liability arises.

"§ 20-410. **Injunctive enforcement.** — Upon petition by the Attorney General of North Carolina, a violation of this act may be enjoined as an unfair and deceptive trade practice, as prohibited by G.S. 75-1.1.

"§ 20-411. **Criminal offense.** — Any person, firm or corporation violating any provision of this act shall be guilty of a misdemeanor."

**Sec. 2.** G.S. 20-183.2 is hereby amended by adding a new subsection to read as follows:

"(e) On and after January 1, 1974, each motor vehicle safety inspection certificate shall contain, on the portion readable from the vehicle interior, the following information:

- (1) the date of the current inspection;
- (2) the odometer reading at the time of the current inspection;
- (3) the signature, initials or other identification of the person making the inspection and affixing the certificate to the windshield."

**Sec. 3.** This act shall become effective on September 1, 1973.

In the General Assembly read three times and ratified, this the 22nd day of May, 1973.