

GENERAL ASSEMBLY OF NORTH CAROLINA

SESSION 1991

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HOUSE BILL 330
Committee Substitute Favorable 4/11/91

Short Title: Motor Vehicle Dealer-Definition.

(Public)

Sponsors:

Referred to:

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 the sale, purchase, or exchange of an interest in five or more motor vehicles within any 12 consecutive months, 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, and sells

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1 five or more motor vehicles within any 12 consecutive months;
2 or

- 3 c. Offers to sell, displays, or permits the display for sale for any
4 form of compensation five or more motor vehicles within any
5 12 consecutive months.

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

7 a. Receivers, trustees, administrators, executors, guardians, or other
8 persons appointed by or acting under the judgment or order of any
9 court; or

10 b. Public officers while performing their official duties; or

11 c. ~~Persons~~ Persons, other than corporations or other
12 business entities primarily engaged in the leasing or renting of
13 motor vehicles to others when selling or offering those
14 vehicles for sale at retail, disposing of motor vehicles
15 acquired for their own use and actually so used, when the
16 same shall have been so acquired and used in good faith and
17 not for the purpose of avoiding the provisions of this Article;
18 or

19 d. Persons, firms or corporations who shall sell motor vehicles as an
20 incident to their principal business but who are not engaged primarily
21 in the selling of motor vehicles. This category includes ~~finance~~
22 ~~companies~~ financial institutions who shall sell repossessed motor
23 vehicles and insurance companies who sell motor vehicles to which
24 they have taken title as an incident of payments made under policies of
25 insurance and who do not maintain a used car lot or building with one
26 or more employed motor vehicle salesmen.

27 e. Persons, firms or corporations manufacturing, distributing or
28 selling trailers and semitrailers weighing not more than 750 pounds
29 and carrying not more than a 1,500 pound load.

30 f. A licensed real estate broker or salesman who sells a mobile home
31 for the owner as an incident to the sale of land upon which the mobile
32 home is located.

33 g. An employee of an organization arranging for the purchase or
34 lease by the organization of vehicles for use in the
35 organization's business.

36 h. Any publication, broadcast, or other communications media
37 when engaged in the business of advertising, but not otherwise
38 arranging for the sale of motor vehicles owned by others.

39 i. Any person dealing solely in the sale or lease of vehicles
40 designed exclusively for off-road use."

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