

GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2007

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HOUSE BILL 1346
Committee Substitute Favorable 5/15/07

Short Title: License Plate Agency Contracting.

(Public)

Sponsors:

Referred to:

April 10, 2007

A BILL TO BE ENTITLED

1
2 AN ACT TO CLARIFY THE TYPES OF CONTRACTS THE DIVISION OF MOTOR
3 VEHICLES MAY ENTER INTO FOR THE PURPOSES OF ISSUING LICENSE
4 PLATES THROUGH PRIVATE OR LOCAL GOVERNMENT ENTITIES.

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. Carolina, or by Division mobile units serving underserved areas.~~ The Division
15 shall make a reasonable effort in every locality, except as noted above, to enter into a
16 commission contract for the issuance of the plates and certificates and a record of these
17 efforts shall be maintained in the Division. The Division shall consider all private,
18 nonprofit, and governmental applicants for a commission contract before entering into a
19 contract. In the event the Division is unsuccessful in making commission contracts, it
20 shall issue the plates and certificates through the regular employees of the ~~Division.~~
21 Division, provided the Division shall not open any new commission contract locations
22 or utilize any Division mobile units, within 10 miles of a private contract location for
23 which a contract was executed on or before July 1, 2008. Whenever registration plates,
24 registration certificates, and certificates of title are issued by the Division through
25 commission contract arrangements, the Division shall provide proper supervision of the
26 distribution. Nothing contained in this subsection will allow or permit the operation of
27 fewer outlets in any county in this State than are now being ~~operated.~~ operated except
28 that no less than 105 nongovernmental private commission contracts shall remain in
29 effect throughout the State.

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 and computer lines.

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 the
40 contractor's employee notarizes a document required to be notarized by law or by the
41 Division, the fees for such notarial acts shall be those prescribed in G.S. 10B-31 for the
42 first signature and one dollar (\$1.00) for each additional signature, up to a total of seven
43 dollars (\$7.00), and shall be retained by the commission contractor as part of the
44 consideration allowed pursuant to the commission contract."

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SECTION 3. This act becomes effective July 1, 2008.