

GENERAL ASSEMBLY OF NORTH CAROLINA
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SENATE DRS35151-MLf-117A (3/9)

Short Title: DMV Commission Contract Changes.

(Public)

Sponsors: Senators Tillman, Jenkins, and Newton (Primary Sponsors).

Referred to:

A BILL TO BE ENTITLED

AN ACT TO IMPROVE THE PUBLIC/PRIVATE PARTNERSHIP BY WHICH THE
DIVISION OF MOTOR VEHICLES ISSUES MOTOR VEHICLE TITLES AND
REGISTRATIONS.

The General Assembly of North Carolina enacts:

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

"(h) Commission Contracts for Issuance of Plates and Certificates. – All registration plates, registration certificates, and certificates of title issued by the Division, outside of those issued from the Charlotte, Fort Bragg and Raleigh offices of the Division and those issued and handled through the United States mail, shall be issued insofar as practicable and possible through commission contracts entered into by the Division for the issuance of the plates and certificates in localities throughout North Carolina, including military installations within this State, with persons, firms, corporations or governmental subdivisions of the State of North Carolina. The Division shall make a reasonable effort in every locality, except as noted above, to enter into a commission contract for the issuance of the plates and certificates and a record of these efforts shall be maintained in the Division. In the event the Division is unsuccessful in making commission contracts, it shall issue the plates and certificates through the regular employees of the Division. Whenever registration plates, registration certificates, and certificates of title are issued by the Division through commission contract arrangements, the Division shall provide proper supervision of the distribution. Nothing contained in this subsection will allow or permit the operation of fewer outlets in any county in this State than are now being operated.

Commission contracts entered into by the Division under this subsection shall provide for the payment of compensation on a per transaction basis. The collection of the highway use ~~tax~~tax, the collection of property tax, and the issuance of a limited registration "T" sticker shall be considered a separate transaction for which one dollar and twenty-seven cents (\$1.27) compensation shall be paid. The performance at the same time of one or more of the remaining transactions listed in this subsection shall be considered a single transaction for which ~~one dollar and forty three cents (\$1.43)~~two dollars and forty-three cents (\$2.43) compensation shall be paid.

A transaction is any of the following activities:

- (1) Issuance of a registration plate, a registration ~~card issued without collection of property taxes or fees under G.S. 105-330.5,~~card, a registration renewal sticker, or a certificate of title.
- (2) Issuance of a handicapped placard or handicapped identification card.
- (3) Acceptance of an application for a personalized registration plate.



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- 1 (4) Acceptance of a surrendered registration plate, registration card, or
- 2 registration renewal sticker, or acceptance of an affidavit stating why a
- 3 person cannot surrender a registration plate, registration card, or registration
- 4 renewal sticker.
- 5 (5) Cancellation of a title because the vehicle has been junked.
- 6 (6) Acceptance of an application for, or issuance of, a refund for a fee or a tax,
- 7 other than the highway use tax.
- 8 (7) Receipt of the civil penalty imposed by G.S. 20-311 for a lapse in financial
- 9 responsibility or receipt of the restoration fee imposed by that statute.
- 10 (8) Acceptance of a notice of failure to maintain financial responsibility for a
- 11 motor vehicle.
- 12 (8a) Collection of civil penalties imposed for violations of G.S. 20-183.8A.
- 13 (8b) Sale of one or more inspection stickers in a single transaction to a licensed
- 14 inspection station.
- 15 (9) Collection of the highway use tax.
- 16 (10) Acceptance of a temporary lien filing.
- 17 (11) Collection of property tax.

18 The Division shall not charge a commission contractor for the use of equipment, forms, or
19 supplies the Division provides to the contractor and requires the contractor to use in performing
20 the contract, unless a statute specifically authorizes the Division to do so. The Division shall
21 reimburse a commission contractor for expenses incurred by the contractor in participating in
22 training the Division requires, other than new contractor training or training required to correct
23 deficiencies in the contractor's performance. If a commission contractor is unable to perform a
24 transaction for a period of at least two hours during regular office hours due to the failure of the
25 State's computer system used in completing the transaction, the commission contractor is
26 allowed expenses as if the contractor had been in training during the period of the system
27 failure."

28 **SECTION 2.** G.S. 20-63(h)(8b) is repealed.

29 **SECTION 3.** Article 3 of Chapter 20 of the General Statutes is amended by adding
30 a new section to read:

31 **"§ 20-63.02. Advisory committee of commission contractors.**

32 (a) Committee and Duties. – An advisory committee is established and is designated the
33 License Plate Agent (LPA) Advisory Committee. The Division and the LPA Advisory
34 Committee are directed to work together to ensure excellent and efficient customer service with
35 respect to vehicle titling and registration services provided through commission contracts
36 awarded under G.S. 20-63. As part of this effort, the Division and the Committee shall
37 periodically review all forms and instructions used in the vehicle titling and registration process
38 to ensure that they are readily understandable and not duplicative. The Division shall designate
39 a liaison to the Committee and shall meet with the Committee at least quarterly.

40 (b) Membership. – The Committee consists of nine members as set out in this section.
41 Except for the member designated in subdivision (1) of this subsection, an individual is not
42 required to be a member of the North Carolina Association of Motor Vehicle Registration
43 Contractors (NCAMVRC) to be designated by that Association.

44 (1) The President of NCAMVRC or, at the designation of the President, another
45 officer of the Association to serve in place of the President. This member
46 shall serve as the chair of the committee.

47 (2) An individual designated by the Board of Directors of NCAMVRC in each
48 of the following categories:

49 a. An owner, manager, or employee of a private license plate agency
50 that performed fewer than 50,000 transactions in the year preceding
51 the selection of the individual.

- 1 b. An owner, manager, or employee of a private license plate agency
2 that performed at least 50,000 transactions but fewer than 100,000
3 transactions in the year preceding the selection of the individual.
4 c. An owner, manager, or employee of a private license plate agency
5 that performed at least 100,000 transactions in the year preceding the
6 selection of the individual.
7 d. An owner, manager, or employee of a private license plate agency
8 that has had a commission contract with the Division for fewer than
9 three years.
10 e. An owner, manager, or employee of a private license plate agency
11 that has had a commission contract with the Division for more than
12 three years.
13 f. An individual who is a resident of North Carolina, is not an owner,
14 manager, or employee of a private license plate agency, and is
15 familiar with the vehicle titling and registration process.
16 (3) Two employees of the Division who are field supervisors of commission
17 contractors, designated by the Commissioner.

18 (c) Terms. – The President of NCAMVRC, or the President's designee, is an ex officio
19 member. The other members of the LPA Advisory Committee serve two-year terms that begin
20 on July 1 of an odd-numbered year. A member continues to serve after the expiration of the
21 member's term until a successor is appointed and qualified.

22 (d) Expenses. – Members of the LPA Advisory Committee are allowed the per diem,
23 subsistence, and travel allowances established under G.S. 138-5 for service on State boards and
24 commissions."

25 **SECTION 4.** The License Plate Agent Advisory Committee, established in Section
26 2 of this act, and the Division of Motor Vehicles shall review the standard operating procedures
27 applicable to commission contractors to determine if any changes are needed and shall
28 recommend to the 2013 Regular Session of the General Assembly when it reconvenes in 2014 a
29 process by which the Division is required to give notice of proposed changes and receive
30 comments on proposed changes before they are implemented.

31 **SECTION 5.** Section 1 of this act becomes effective July 1, 2013. The remainder
32 of this act is effective when it becomes law. The terms of the initial members of the License
33 Plate Agent Advisory Committee, established by Section 3 of this act, begin upon appointment
34 and expire on July 1, 2015.