



PROGRAM EVALUATION DIVISION

NORTH CAROLINA GENERAL ASSEMBLY

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Follow-up Analysis of Permanent License Plates Owned by State and Non-State Entities

Summary

This report follows up the Program Evaluation Division's December 2011 report entitled *Inadequate Data and Fleet Information Management Weaken Accountability for State-Owned Motor Vehicles* and provides more details on permanent license plates registered to state (yellow plates) and non-state (silver plates) entities.

Initial reconciliation of state-owned yellow plates. The Program Evaluation Division asked state agencies and institutions to reconcile the differences in their vehicle inventories and the number of state-owned license plates in the Division of Motor Vehicles (DMV) database. The initial reconciliation found that agencies and institutions records confirmed 27,370 yellow license plates compared to 29,993 plates in DMV records—a difference of 2,623. Most state entities (49%) reported that they did not have a record of the license plate in question and claimed the DMV vehicle registration records did not accurately reflect all of the vehicles they owned. Until the General Assembly directs all agencies and institutions to update their vehicle registration records, the DMV database cannot be accurate and North Carolina cannot know the number of vehicles it owns.

Registering entities for silver plates. N.C. Gen. Stat. § 20-84(b)(1)-(16) authorizes DMV to issue permanent plates for various non-state entities. Of the 120,461 silver plates issued to non-state entities, 60% are registered to municipal government agencies and local boards of education. However, 4,218 vehicles with silver plates are registered to entities not listed in statute, such as private colleges, utility companies, and a commercial bank.

DMV oversight of silver and yellow plates. DMV ensures vehicles with silver and yellow plates have liability insurance and obtain annual vehicle inspections. However, DMV has little authority to enforce noncompliance with these requirements because these vehicles are not subject to annual registration renewals.

Legislative action. The Joint Legislative Program Evaluation Oversight committee has approved the recommendation directing state agencies and institutions to update their vehicle records in the DMV database by May 1, 2012. Other legislative options include:

- directing DMV to strengthen policies and procedures for the issuance of silver plates and revoking silver plates registered to entities not identified in statutes; and
- revising N.C. Gen. Stat. § 20-84 to limit the types of entities eligible for silver plates and establishing a renewal schedule procedure for these plates.