

**GENERAL ASSEMBLY OF NORTH CAROLINA  
SESSION 2005**

**S**

**1**

**SENATE BILL 817**

Short Title: Allow Personalized Dealer Plates.

(Public)

Sponsors: Senators Hoyle; and Bingham.

Referred to: Finance.

March 23, 2005

A BILL TO BE ENTITLED

AN ACT TO ALLOW THE DIVISION OF MOTOR VEHICLES TO PRODUCE  
PERSONALIZED DEALER PLATES.

The General Assembly of North Carolina enacts:

**SECTION 1.** G.S. 20-79 reads as rewritten:

"(a) How to Get a Dealer Plate. – A dealer licensed under Article 12 of this Chapter may obtain a dealer ~~license plate~~ or a personalized dealer license plate by filing an application with the Division and paying the required fee. An application must be filed on a form provided by the Division. The required fee is the amount set by G.S. 20-87(7).

(b) Number of Plates. – A dealer who was licensed under Article 12 of this Chapter for the previous 12-month period ending December 31 may obtain the number of dealer or personalized dealer license plates allowed by the following table; the number allowed is based on the number of motor vehicles the dealer sold during the relevant 12-month period and the average number of qualifying sales representatives the dealer employed during that same 12-month period:

Vehicles Sold In Relevant  
12-Month Period

Maximum Number of Plates

Fewer than 12

1

At least 12 but less than 25

4

At least 25 but less than 37

5

At least 37 but less than 49

6

49 or more

At least 6, but no more than 4 times the average number of qualifying sales representatives employed by the dealer during the relevant 12-month period.

A dealer who was not licensed under Article 12 of this Chapter for part or all of the previous 12-month period ending December 31 may obtain the number of ~~dealer~~-license plates that equals four times the number of qualifying sales representatives employed by

1 the dealer on the date the dealer files the application. A "qualifying sales representative"  
2 is a sales representative who works for the dealer at least 25 hours a week on a regular  
3 basis and is compensated by the dealer for this work.

4 A dealer who sold fewer than 49 motor vehicles the previous 12-month period  
5 ending December 31 but has sold at least that number since January 1 may apply for  
6 additional ~~dealer~~-license plates at any time. The maximum number of ~~dealer~~-license  
7 plates the dealer may obtain is the number the dealer could have obtained if the dealer  
8 had sold at least 49 motor vehicles in the previous 12-month period ending December  
9 31.

10 A dealer who applies for a dealer or personalized dealer license plate must certify to  
11 the Division the number of motor vehicles the dealer sold in the relevant period. Making  
12 a material misstatement in an application for a dealer license plate is grounds for the  
13 denial, suspension, or revocation of a dealer's license under G.S. 20-294.

14 A dealer engaged in the alteration and sale of specialty vehicles may apply for up to  
15 two ~~dealer~~-license plates in addition to the number of ~~dealer~~-license plates that the  
16 dealer would otherwise be entitled to under this section.

17 A penalty imposed under subdivision (1) of this subsection is payable to the county  
18 where the infraction occurred, as required by G.S. 14-3.1. A civil penalty imposed under  
19 subdivision (2) of this subsection shall be credited to the ~~Highway Fund as nontax~~  
20 ~~revenue.~~Civil Fines and Forfeitures Fund pursuant to G.S. 115C-457.1.

21 (c) Form and Duration. – A dealer license plate is subject to G.S. 20-63, except  
22 for the requirement that the plate display the registration number of a motor vehicle and  
23 the requirement that the plate be a "First in Flight" plate. In addition, a dealer license  
24 plate must have a distinguishing symbol identifying the plate as a dealer license plate. A  
25 personalized dealer license plate is subject to all the provisions of G.S. 20-63 and  
26 G.S. 20-79.4(b)(32).

27 A ~~dealer license plate~~ or personalized dealer license plate is issued for a period of one  
28 year. The Division shall vary the expiration dates of dealer registration renewals so that  
29 an approximately equal number expires at the end of each month, quarter, or other  
30 period consisting of one or more months. A dealer may transfer a ~~dealer license plate~~ or  
31 personalized dealer license plate from one vehicle to another. When the Division issues  
32 a ~~dealer plate,~~ or personalized dealer license plate, it may issue a registration that  
33 expires at the end of any monthly interval. When one of the following occurs, a dealer  
34 must surrender to the Division all ~~dealer license plates~~ or personalized dealer license  
35 plates issued to the dealer:

- 36 (1) The dealer surrenders the license issued to the dealer under Article 12  
37 of this Chapter.
- 38 (2) The Division suspends or revokes the license issued to the dealer under  
39 Article 12 of this Chapter.
- 40 (3) The Division rescinds the dealer or personalized dealer license plates  
41 because of a violation of the restrictions on the use of ~~a dealer~~ the  
42 license plate.

1 To obtain a dealer ~~license plate~~ personalized dealer license plate after it has been  
2 surrendered, the dealer must file a new application for a ~~dealer license~~ the appropriate  
3 plate and pay the required fee for the plate.

4 (d) Restrictions on Use. – A dealer ~~license plate~~ personalized dealer license  
5 plate may be displayed only on a motor vehicle that meets all of the following  
6 requirements:

- 7 (1) Is part of the inventory of the dealer.
- 8 (2) Is not consigned to the dealer.
- 9 (3) Is covered by liability insurance that meets the requirements of Article  
10 9A of this Chapter.
- 11 (4) Is not used by the dealer in another business in which the dealer is  
12 engaged.
- 13 (5) Is driven on a highway by a person who carries a copy of the  
14 registration card for the dealer plates issued to the dealer while driving  
15 the motor vehicle and who meets one of the following descriptions:
  - 16 a. Has a demonstration permit to test-drive the motor vehicle and  
17 carries the demonstration permit while driving the motor  
18 vehicle.
  - 19 b. Is an officer or sales representative of the dealer and is driving  
20 the vehicle for a business purpose of the dealer.
  - 21 c. Is an employee of the dealer and is driving the vehicle in the  
22 course of employment.

23 A dealer may issue a demonstration permit for a motor vehicle to a person licensed  
24 to drive that type of motor vehicle. A demonstration permit authorizes each person  
25 named in the permit to drive the motor vehicle described in the permit for up to 96  
26 hours after the time the permit is issued. A dealer may, for good cause, renew a  
27 demonstration permit for one additional 96-hour period.

28 A dealer may not lend, rent, lease, or otherwise place a dealer ~~license plate~~  
29 personalized dealer license plate at the disposal of a person except as authorized by this  
30 subsection.

31 (e) Sanctions. – The following sanctions apply when a motor vehicle displaying a  
32 dealer ~~license plate~~ personalized dealer license plate is driven in violation of the  
33 restrictions on the use of the plate:

- 34 (1) The individual driving the motor vehicle is responsible for an  
35 infraction and is subject to a penalty of fifty dollars (\$50.00).
- 36 (2) The dealer to whom the plate is issued is subject to a civil penalty  
37 imposed by the Division of two hundred dollars (\$200.00).
- 38 (3) The Division may rescind all dealer or personalized dealer license  
39 plates issued to the dealer whose plate was displayed on the motor  
40 vehicle.

41 A penalty imposed under subdivision (1) of this subsection is payable to the county  
42 where the infraction occurred, as required by G.S. 14-3.1. A civil penalty imposed under  
43 subdivision (2) of this subsection shall be credited to the ~~Highway Fund as nontax~~  
44 ~~revenue.~~ Civil Penalty and Forfeiture Fund pursuant to G.S. 115C-457.1.

1 (f) Transfer of Dealer Registration. – No change in the name of a firm,  
 2 partnership or corporation, nor the taking in of a new partner, nor the withdrawal of one  
 3 or more of the firm, shall be considered a new business; but if any one or more of the  
 4 partners remain in the firm, or if there is change in ownership of less than a majority of  
 5 the stock, if a corporation, the business shall be regarded as continuing and the dealers'  
 6 plates originally issued may continue to be used."

7 **SECTION 2.** G.S. 20-79.7(a) reads as rewritten:

8 "(a) Fees. – Upon request, the Division shall provide and issue free of charge one  
 9 registration plate to a recipient of the Congressional Medal of Honor, a 100% disabled  
 10 veteran, and an ex-prisoner of war. All other special registration plates, including  
 11 additional Congressional Medal of Honor, 100% Disabled Veteran, and Ex-Prisoner of  
 12 War plates, are subject to the regular motor vehicle registration fee in G.S. 20-87 or  
 13 G.S. 20-88 plus an additional fee in the following amount:

<u>Special Plate</u>	<u>Additional Fee Amount</u>
Crystal Coast	\$30.00
El Pueblo	\$30.00
Historical Attraction	\$30.00
HOMES4NC	\$30.00
In God We Trust	\$30.00
North Carolina 4-H Development Fund	\$30.00
Personalized	\$30.00
<u>Personalized Dealer</u>	<u>\$30.00</u>
State Attraction	\$30.00
Buffalo Soldiers	\$25.00
Collegiate Insignia	\$25.00
Goodness Grows	\$25.00
High School Insignia	\$25.00
Kids First	\$25.00
Olympic Games	\$25.00
NC Agribusiness	\$25.00
NC Coastal Federation	\$25.00
Nurses	\$25.00
<b>(Effective until June 30, 2006)</b> Rocky Mountain	
Elk Foundation	\$25.00
Special Olympics	\$25.00
Surveyor Plate	\$25.00
The V Foundation for Cancer Research Division	\$25.00
University Health Systems of Eastern Carolina	\$25.00
Animal Lovers	\$20.00
Audubon North Carolina	\$20.00
Be Active NC	\$20.00
Daughters of the American Revolution	\$20.00
Ducks Unlimited	\$20.00
<b>(Effective until June 30, 2006)</b> First in Forestry	\$30.00

1	Harley Owners' Group	\$20.00
2	Litter Prevention	\$20.00
3	March of Dimes	\$20.00
4	Omega Psi Phi Fraternity	\$20.00
5	Save the Sea Turtles	\$20.00
6	Scenic Rivers	\$20.00
7	School Technology	\$20.00
8	Soil and Water Conservation	\$20.00
9	Special Forces Association	\$20.00
10	Support Public Schools	\$20.00
11	Wildlife Resources	\$20.00
12	Zeta Phi Beta Sorority	\$20.00
13	Active Member of the National Guard	None
14	100% Disabled Veteran	None
15	Ex-Prisoner of War	None
16	Legion of Valor	None
17	Purple Heart Recipient	None
18	Silver Star Recipient	None
19	All Other Special Plates	\$10.00."

**SECTION 3.** G.S. 20-79.7(b) reads as rewritten:

"(b) Distribution of Fees. – The Special Registration Plate Account and the Collegiate and Cultural Attraction Plate Account are established within the Highway Fund. The Division must credit the additional fee imposed for the special registration plates listed in subsection (a) among the Special Registration Plate Account (SRPA), the Collegiate and Cultural Attraction Plate Account (CCAPA), the Natural Heritage Trust Fund (NHTF), which is established under G.S. 113-77.7, and the Parks and Recreation Trust Fund, which is established under G.S. 113-44.15, as follows:

<u>Special Plate</u>	<u>SRPA</u>	<u>CCAPA</u>	<u>NHTF</u>	<u>PRTF</u>
29	<u>Personalized Dealer</u>	<u>\$30</u>	<u>0</u>	<u>0</u>
30	Animal Lovers	\$10	0	0
31	Audubon North Carolina	\$10	0	0
32	Be Active NC	\$10	0	0
33	Buffalo Soldiers	\$10	0	0
34	Crystal Coast	\$10	0	0
35	Daughters of the American			
36	Revolution	\$10	\$10	0
37	Ducks Unlimited	\$10	\$10	0
38	El Pueblo	\$10	\$20	0
39	First in Forestry	\$10	\$10	\$10
40	Goodness Grows	\$10	\$15	0
41	<b>(Effective until June 30,</b>			
42	<b>2006)</b> Harley Owners' Group	\$10	\$10	0
43	High School Insignia	\$10	\$15	0
44	Historical Attraction	\$10	\$20	0

1	HOMES4NC	\$10	\$20	0	0
2	In God We Trust	\$10	\$20	0	0
3	In-State Collegiate Insignia	\$10	\$15	0	0
4	Kids First	\$10	\$15	0	0
5	Litter Prevention	\$10	\$10	0	0
6	March of Dimes	\$10	\$10	0	0
7	NC Agribusiness	\$10	\$15	0	0
8	NC Coastal Federation	\$10	\$15	0	0
9	NC 4-H Development Fund	\$10	\$20	0	0
10	Nurses	\$10	\$15	0	0
11	Olympic Games	\$10	\$15	0	0
12	Omega Psi Phi Fraternity	\$10	\$10	0	0
13	Out-of-state Collegiate Insignia	10	0	\$15	0
14	Personalized	\$10	0	\$15	\$5
15	<b>(Effective until June 30,</b>				
16	<b>2006) Rocky Mountain Elk</b>				
17	Foundation	\$10	\$15	0	0
18	Save the Sea Turtles	\$10	\$10	0	0
19	Scenic Rivers	\$10	\$10	0	0
20	School Technology	\$10	\$10	0	0
21	Soil and Water Conservation	\$10	\$10	0	0
22	Special Forces Association	\$10	\$10	0	0
23	Special Olympics	\$10	\$15	0	0
24	State Attraction	\$10	\$20	0	0
25	Stock Car Racing Theme	\$10	\$20	0	0
26	Support Public Schools	\$10	\$10	0	0
27	Surveyor Plate	\$10	\$15	0	0
28	The V Foundation for				
29	Cancer Research	\$10	\$15	0	0
30	University Health Systems of				
31	Eastern Carolina	\$10	\$15	0	0
32	Wildlife Resources	\$10	\$10	0	0
33	Zeta Phi Beta Sorority	\$10	\$10	0	0
34	All other Special Plates	\$10	0	0	0."

**SECTION 4.** G.S. 20-87(7) reads as rewritten:

"(7) Dealer and Personalized Dealer License Plates. – The fee for a dealer license plate is the regular fee for each of the first five plates issued to the same dealer and is one-half the regular fee for each additional dealer license plate issued to the same dealer. The fee for a personalized dealer license plate is the regular fee for each plate regardless of the number of plates issued to the dealer. The "regular fee" is the fee set in subdivision (5) of this section for a private passenger motor vehicle of not more than 15 passengers."

**SECTION 5.** This act becomes effective January 1, 2006.