

GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2007

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SENATE DRS75560-MAf-341 (11/19)

Short Title: Create Titling Categories-Replica/Street Rod. (Public)

Sponsors: Senator East.

Referred to:

A BILL TO BE ENTITLED

AN ACT TO CREATE NEW MOTOR VEHICLE TITLING AND REGISTRATION CATEGORIES FOR MOTOR VEHICLES CLASSIFIED AS CUSTOM BUILT VEHICLES, REPLICA VEHICLES, AND STREET RODS, TO REQUIRE AN ADDITIONAL THIRTY-DOLLAR REGISTRATION FEE TO SUPPORT THE DIVISION OF MOTOR VEHICLES BUREAU OF LICENSE AND THEFT MOTOR VEHICLE EXAMINATION PROGRAM, AND TO MAKE CORRESPONDING CHANGES.

The General Assembly of North Carolina enacts:

SECTION 1. G.S. 20-4.01(33) reads as rewritten:

- "(33) a. Flood Vehicle. – A motor vehicle that has been submerged or partially submerged in water to the extent that damage to the body, engine, transmission, or differential has occurred.
- b. Non-U.S.A. Vehicle. – A motor vehicle manufactured outside of the United States and not intended by the manufacturer for sale in the United States.
- c. Reconstructed Vehicle. – A motor vehicle of a type required to be registered hereunder that has been materially altered from original construction due to removal, addition or substitution of new or used essential parts; ~~and includes glider kits and custom assembled vehicles.~~ parts and includes glider kits.
- d. Salvage Motor Vehicle. – Any motor vehicle damaged by collision or other occurrence to the extent that the cost of repairs to the vehicle and rendering the vehicle safe for use on the public streets and highways would exceed seventy-five percent (75%) of its fair retail market value, whether or not the motor vehicle has been declared a total loss by an insurer.

- 1 Repairs shall include the cost of parts and labor. Fair market
2 retail values shall be as found in the NADA Pricing Guide Book
3 or other publications approved by the Commissioner.
- 4 e. Salvage Rebuilt Vehicle. – A salvage vehicle that has been
5 rebuilt for title and registration.
- 6 f. Junk Vehicle. – A motor vehicle which is incapable of
7 operation or use upon the highways and has no resale value
8 except as a source of parts or scrap, and shall not be titled or
9 registered.
- 10 g. Replica Vehicle. – A motor vehicle sold unassembled and
11 manufactured from a kit. When the kit is assembled the
12 completed vehicle replicates an earlier year, make, and model
13 vehicle. Replica vehicles shall be titled as the year, make, and
14 model of the vehicle intended to be replicated. A label of
15 'Replica' shall be applied to the title and registration card. All
16 Replica vehicle titles shall be branded as 'Specially Constructed
17 Vehicle.' However, this classification does not apply to
18 motorcycles. If the vehicle is a motorcycle, it shall be classified
19 as a 'Custom Built' vehicle.
- 20 h. Street Rod Vehicle. – A motor vehicle manufactured prior to
21 1949, which has been altered from the manufacturer's original
22 design; or has a body constructed from non-original materials.
23 The model year of a Street Rod shall continue to be recognized
24 as the manufacturer's assigned model year. The manufacturers
25 name shall continue to be used as the make with a label of
26 'Street Rod' applied to the title and registration card. All Street
27 Rod titles will be branded as 'Specially Constructed Vehicle.'
28 However, this classification does not apply to motorcycles. If
29 the vehicle is a motorcycle, it shall be classified as a 'Custom
30 Built' vehicle.
- 31 i. Custom Built Vehicle. – A motor vehicle reconstructed or
32 assembled by a non-manufacturer from new or used parts,
33 which has an exterior that does not replicate or resemble any
34 other manufactured vehicle. The vehicle will be titled and
35 registered showing the make as 'Custom Built' and the year the
36 vehicle was built shall be the vehicle model year. All custom
37 built vehicle titles shall be branded as 'Specially Constructed
38 Vehicle.'
- 39 j. Specially Constructed Vehicle. – A motor vehicle of a type
40 required to be registered hereunder that has been materially
41 altered from original construction due to removal, addition, or
42 substitution of new or used essential parts; and includes
43 replicas, street rods, and custom built vehicles.

1 k. Inoperable Vehicle. – A motor vehicle of a type that is
2 mechanically unfit or unsafe to be operated or moved upon a
3 public street, highway, or public vehicular area. A vehicle of
4 this type may be titled but no registration may be issued until
5 such time as the Bureau of License and Theft inspects the
6 vehicle to ensure it is mechanically fit for operation on a public
7 street, highway, or public vehicular area. If a title of this type is
8 issued, no Highway Use taxes may be assessed pursuant to
9 Article 5 of Chapter 105 of the General Statutes. Once a vehicle
10 has been deemed safe and operable pursuant to an inspection by
11 the Bureau of License and Theft, the Commissioner shall title
12 the vehicle by classifying it in the proper category and
13 collecting all Highway Use taxes applicable to the value of the
14 car at the time the vehicle is retitled to a proper classification
15 described in this subdivision.

16 **SECTION 2.** G.S. 20-53 is amended by adding a new subsection to read:

17 "(e) Every applicant for a Custom Built, Replica, or Street Rod title and
18 registration shall pay to the Division a onetime fee of thirty dollars (\$30.00) which shall
19 be in addition to any other fee required by this Chapter. The proceeds of this onetime
20 fee shall be used by the Division for the administration of the Antique, Custom Built,
21 Replica, and Street Rod motor vehicle examination programs. Nothing in this
22 subsection shall require existing Custom Built vehicle owners to pay any additional
23 fees; however, if an existing Custom Built vehicle owner desires a vehicle title
24 classification change, they may, upon application and payment of the additional fee, be
25 eligible for such reclassification."

26 **SECTION 3.** G.S. 20-53 is amended by adding a new subsection to read:

27 "(f) Every agent of the Division of Motor Vehicles, Bureau of License and Theft,
28 shall attend an annual in-service training course that incorporates a classroom training
29 program detailing the inspection procedure for inoperable vehicles and complete a
30 physical examination of a test vehicle to verify that the agent can determine which
31 vehicles are operable and inoperable based on the uniform training required by this
32 subsection to ensure uniform statewide enforcement of the titling provisions of this
33 Part."

34 **SECTION 4.** G.S. 20-71.3(a) reads as rewritten:

35 "(a) Motor vehicle certificates of title and registration cards issued pursuant to
36 G.S. 20-57 shall be branded in accordance with this section.

37 As used in this section, "branded" means that the title and registration card shall
38 contain a designation that discloses if the vehicle is classified as any of the following:

- 39 (1) Salvage Motor Vehicle.
40 (2) Salvage Rebuilt Vehicle.
41 (3) Reconstructed Vehicle.
42 (4) Flood Vehicle.
43 (5) Non-U.S.A. Vehicle.
44 (6) Specially Constructed Vehicle.

1 (7) Inoperable Vehicle.

2 ~~(6)~~(8) Any other classification authorized by law.

3 **SECTION 5.** G.S. 20-71.3(b) reads as rewritten:

4 "(b) Any motor vehicle up to and including six model years old damaged by
5 collision or other occurrence, that is to be retitled in this State, shall be subject to
6 preliminary and final inspections by the ~~Enforcement Section~~License and Theft Bureau
7 of the Division. For purposes of this section, the term "six model years" shall be
8 calculated by counting the model year of the vehicle's manufacture as the first model
9 year and the current calendar year as the final model year.

10 These inspections serve as antitheft measures and do not certify the safety or
11 road-worthiness of a vehicle."

12 **SECTION 6.** G.S. 20-71.4(a)(2) reads as rewritten:

13 "(2) Transfer a motor vehicle when the transferor has knowledge that the
14 vehicle is, or was, a flood vehicle, a reconstructed ~~vehicle, vehicle,~~ a
15 specially constructed vehicle, or a salvage motor vehicle, without
16 disclosing that fact in writing to the transferee prior to the transfer of
17 the vehicle."

18 **SECTION 7.** This act becomes effective July 1, 2008, and applies to
19 applications received by the Division of Motor Vehicles on or after that date.