

GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2007

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SENATE BILL 2010

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

(Public)

Sponsors: Senator East.

Referred to: Finance.

May 28, 2008

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. Repairs shall include the cost of parts and labor. Fair market

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

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

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

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

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

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

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

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

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

- 37 (1) Salvage Motor Vehicle.
- 38 (2) Salvage Rebuilt Vehicle.
- 39 (3) Reconstructed Vehicle.
- 40 (4) Flood Vehicle.
- 41 (5) Non-U.S.A. Vehicle.
- 42 (6) Specially Constructed Vehicle.
- 43 (7) Inoperable Vehicle.
- 44 ~~(8)~~(8) Any other classification authorized by law.

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

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

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

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

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

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