

GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2011

H

2

HOUSE BILL 763
Committee Substitute Favorable 6/8/11

Short Title: License Plate Agency Contracts.

(Public)

Sponsors:

Referred to:

April 7, 2011

1 A BILL TO BE ENTITLED
2 AN ACT AUTHORIZING THE JOINT LEGISLATIVE PROGRAM EVALUATION
3 OVERSIGHT COMMITTEE TO DIRECT THE PROGRAM EVALUATION DIVISION
4 TO STUDY THE DIVISION OF MOTOR VEHICLES' COMMISSION CONTRACT
5 FOR THE ISSUANCE OF PLATES AND CERTIFICATES PROGRAM TO DEVELOP
6 OPERATIONAL PRACTICES THAT WOULD RESULT IN INCREASED OPERATING
7 EFFICIENCY AND TO AUTHORIZE THE DIVISION OF MOTOR VEHICLES TO
8 PROVIDE TAG SERVICES AT MILITARY BASES.

9 The General Assembly of North Carolina enacts:

10 **SECTION 1.** The Joint Legislative Program Evaluation Oversight Committee shall
11 include in the 2011-2012 Work Plan for the Program Evaluation Division of the General
12 Assembly a study to evaluate the Division of Motor Vehicles' Commission Contract for the
13 Issuance of Plates and Certificates program, authorized in G.S. 20-63(h), to determine the
14 cost-effectiveness and savings that can be effected by changing or maintaining the current
15 operating procedures and to develop any plans or practices that, if implemented, would result in
16 increased operating efficiency of the Division of Motor Vehicles' Commission Contract
17 program.

18 **SECTION 2.** The Program Evaluation Division shall submit its findings and
19 recommendations for Section 1 of this act to the Joint Legislative Program Evaluation
20 Oversight Committee, the Joint Legislative Transportation Oversight Committee, and the Fiscal
21 Research Division at a date to be determined by the Joint Legislative Program Evaluation
22 Oversight Committee.

23 **SECTION 3.** The Commissioner of Motor Vehicles shall not cancel or amend any
24 commission contracts for any reason other than malfeasance, misfeasance, or nonfeasance of
25 the commission contractor until the study required by this act is complete and final
26 recommendations have been acted upon by the Joint Legislative Program Evaluation Oversight
27 Committee.

28 **SECTION 4.** G.S. 20-63(h) reads as rewritten:

29 "(h) Commission Contracts for Issuance of Plates and Certificates. – All registration
30 plates, registration certificates, and certificates of title issued by the Division, outside of those
31 issued from the Charlotte and Raleigh offices of the ~~Division~~ Division, those issued on military
32 bases by the Division, and those issued and handled through the United States mail, shall be
33 issued insofar as practicable and possible through commission contracts entered into by the
34 Division for the issuance of the plates and certificates in localities throughout North Carolina
35 with persons, firms, corporations or governmental subdivisions of the State of North Carolina.
36 The Division shall make a reasonable effort in every locality, except as noted above, to enter



1 into a commission contract for the issuance of the plates and certificates and a record of these
2 efforts shall be maintained in the Division. In the event the Division is unsuccessful in making
3 commission contracts, it shall issue the plates and certificates through the regular employees of
4 the Division. Whenever registration plates, registration certificates, and certificates of title are
5 issued by the Division through commission contract arrangements, the Division shall provide
6 proper supervision of the distribution. Nothing contained in this subsection will allow or permit
7 the operation of fewer outlets in any county in this State than are now being operated.

8 Commission contracts entered into by the Division under this subsection shall provide for
9 the payment of compensation on a per transaction basis. The collection of the highway use tax
10 shall be considered a separate transaction for which one dollar and twenty-seven cents (\$1.27)
11 compensation shall be paid. The performance at the same time of one or more of the remaining
12 transactions listed in this subsection shall be considered a single transaction for which one
13 dollar and forty-three cents (\$1.43) compensation shall be paid.

14 A transaction is any of the following activities:

- 15 (1) Issuance of a registration plate, a registration card issued without collection
16 of property taxes or fees under G.S. 105-330.5, a registration renewal
17 sticker, or a certificate of title.
- 18 (2) Issuance of a handicapped placard or handicapped identification card.
- 19 (3) Acceptance of an application for a personalized registration plate.
- 20 (4) Acceptance of a surrendered registration plate, registration card, or
21 registration renewal sticker, or acceptance of an affidavit stating why a
22 person cannot surrender a registration plate, registration card, or registration
23 renewal sticker.
- 24 (5) Cancellation of a title because the vehicle has been junked.
- 25 (6) Acceptance of an application for, or issuance of, a refund for a fee or a tax,
26 other than the highway use tax.
- 27 (7) Receipt of the civil penalty imposed by G.S. 20-311 for a lapse in financial
28 responsibility or receipt of the restoration fee imposed by that statute.
- 29 (8) Acceptance of a notice of failure to maintain financial responsibility for a
30 motor vehicle.
- 31 (8a) Collection of civil penalties imposed for violations of G.S. 20-183.8A.
- 32 (8b) Sale of one or more inspection stickers in a single transaction to a licensed
33 inspection station.
- 34 (9) Collection of the highway use tax.
- 35 (10) Acceptance of a temporary lien filing."

36 **SECTION 5.** This act is effective when it becomes law.