

GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2007

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SENATE DRS25070-MA-254* (03/13)

Short Title: License Plate Agency Contracting. (Public)

Sponsors: Senator Jenkins.

Referred to:

A BILL TO BE ENTITLED

AN ACT TO CLARIFY THE TYPES OF CONTRACTS THE DIVISION OF MOTOR VEHICLES MAY ENTER INTO FOR THE PURPOSES OF ISSUING LICENSE PLATES THROUGH PRIVATE OR LOCAL GOVERNMENT ENTITIES.

The General Assembly of North Carolina enacts:

SECTION 1. G.S. 20-63(h) reads as rewritten:

"(h) Commission Contracts for Issuance of Plates and Certificates. – All registration plates, registration certificates, and certificates of title issued by the Division, outside of those issued from the Raleigh and Charlotte offices of the Division and those issued and handled through the United States mail, shall be issued ~~insofar as practicable and possible~~ through commission contracts entered into by the Division for the issuance of the plates and certificates in localities throughout North Carolina with persons, firms, corporations or governmental subdivisions of the State of North Carolina. The Division shall make a reasonable effort in every locality, except as noted above, to enter into a commission contract for the issuance of the plates and certificates and a record of these efforts shall be maintained in the Division. The Division shall make every effort to enter into a contract with a person, firm, corporation, or any other legal entity before entering into a contract with a governmental subdivision of the State. In the event the Division is unsuccessful in making commission contracts, it shall issue the plates and certificates through the regular employees of the ~~Division~~. Division, provided the Division does not perform or cause to be performed any transactions, provided for by this section, within a 15-mile radius of an existing private contract location. Whenever registration plates, registration certificates, and certificates of title are issued by the Division through commission contract arrangements, the Division shall provide proper supervision of the distribution. Nothing contained in this subsection will allow or permit the operation of fewer outlets in any county in this State than are now being ~~operated~~. operated except that no less than 100 nongovernmental private

1 outlet contracts shall remain in effect throughout the State with a minimum of one
2 private outlet contract in each county.

3 When the Division enters into a contract with a person, firm, corporation, other legal
4 entity, or a governmental subdivision of this State, the Division shall provide, at no cost
5 to the commission contractor, all inventory, forms, computer hardware and software,
6 telephone and computer lines, and necessary electronic transmission equipment.

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

14 A transaction is any of the following activities:

- 15 (1) Issuance of a registration plate, a registration card, a registration
16 renewal sticker, or a certificate of title.
- 17 (2) Issuance of a handicapped placard or handicapped identification card.
- 18 (3) Acceptance of an application for a personalized registration plate.
- 19 (4) Acceptance of a surrendered registration plate, registration card, or
20 registration renewal sticker, or acceptance of an affidavit stating why a
21 person cannot surrender a registration plate, registration card, or
22 registration renewal sticker.
- 23 (5) Cancellation of a title because the vehicle has been junked.
- 24 (6) Acceptance of an application for, or issuance of, a refund for a fee or a
25 tax, other than the highway use tax.
- 26 (7) **(Effective until July 1, 2008)** Receipt of the civil penalty imposed by
27 G.S. 20-309 for a lapse in financial responsibility or receipt of the
28 restoration fee imposed by that statute.
- 29 (7) **(Effective July 1, 2008)** Receipt of the civil penalty imposed by
30 G.S. 20-311 for a lapse in financial responsibility or receipt of the
31 restoration fee imposed by that statute.
- 32 (8) Acceptance of a notice of failure to maintain financial responsibility
33 for a motor vehicle.
- 34 (8a) Collection of civil penalties imposed for violations of G.S. 20-183.8A.
- 35 (8b) Sale of one or more inspection stickers in a single transaction to a
36 licensed inspection station.
- 37 (9) Collection of the highway use tax.
- 38 (10) Acceptance of a temporary lien filing."

39 **SECTION 2.** G.S. 20-63 is amended by adding a new subsection to read:

40 "(h2) All commission contractors and their employees shall be commissioned as
41 Notaries Public by the Secretary of State's office. If a commission contractor or their
42 employee notarize a document required to be notarized by law or by the Division, the
43 fees for such notarial acts shall be those prescribed in G.S. 10B-31 and shall be retained

1 by the commission contractor as part of the consideration allowed pursuant to the
2 commission contract."

3 **SECTION 3.** G.S. 20-63(i) reads as rewritten:

4 "(i) Electronic Applications and Collections. – The Division is authorized to
5 accept electronic applications for the issuance of registration plates, registration
6 certificates, and certificates of ~~title, and to electronically collect fees and penalties.~~title.
7 The Division, and any commission contractor, is authorized to electronically collect fees
8 and penalties."

9 **SECTION 4.** This act becomes effective July 1, 2007.