

GENERAL ASSEMBLY OF NORTH CAROLINA

SESSION 1997

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HOUSE BILL 973
Committee Substitute Favorable 5/12/97

Short Title: On-Line Vehicle Registration Pilot.

(Public)

Sponsors:

Referred to:

April 16, 1997

A BILL TO BE ENTITLED

1 AN ACT DIRECTING THE DIVISION OF MOTOR VEHICLES OF THE
2 DEPARTMENT OF TRANSPORTATION TO CONDUCT A PILOT PROGRAM
3 THAT ALLOWS NEW MOTOR VEHICLE DEALERS TO ISSUE
4 REGISTRATION PLATES AND TITLES FOR NEW MOTOR VEHICLES SOLD
5 BY THEM.
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7 The General Assembly of North Carolina enacts:

8 Section 1. Program Established. – The Division of Motor Vehicles of the
9 Department of Transportation shall implement a pilot program that allows new motor
10 vehicle dealers to issue certificates of title, registration plates, or both for new motor
11 vehicles sold by them. The program shall begin January 1, 1998, and continue until
12 January 1, 1999, or a later date set by the Division.

13 Section 2. Selection of Dealers. – The Division shall determine the
14 requirements a new motor vehicle dealer must meet to participate in the program. The
15 Division shall select dealers to participate in the program on the basis of these
16 requirements and on the ability of the dealers selected to provide a thorough test of the
17 program. In selecting automobile dealers to participate, the Division shall consider the
18 recommendations of the North Carolina Automobile Dealers Association.

19 The Division shall determine the number of dealers to be included in the
20 program and shall include as many as is feasible. The Division may implement the
21 program in phases so that the number of participating dealers is increased as the
22 Division gains experience with the program and resolves any problems that arise with
23 the program.

1 Section 3. Implementation. – The Division shall implement the program by
2 allowing the participating dealers to submit an application for a certificate of title, a
3 vehicle registration, or both to the Division electronically and to receive authorization
4 electronically to issue a title or registration plate. The electronic submission of an
5 application may be made by the dealer directly to the Division or indirectly through a
6 third-party vendor that submits the application directly to the Division.

7 Notwithstanding G.S. 20-63(h), the Division shall provide participating
8 dealers with registration plates to issue under the program and may allow participating
9 dealers to issue certificates of title under the program. A dealer may not issue a
10 personalized or other special registration plate under the program.

11 The Division may enter into contracts to implement this program. If the
12 Division implements the program by using a third-party vendor, any charges by the
13 vendor for its services shall be billed to and paid by the participating dealers through
14 per-transaction charges to the dealers or another method.

15 Section 4. Progress Report. – The Division shall submit a written report to
16 the Joint Legislative Transportation Oversight Committee by December 1, 1997, on its
17 plan to implement the pilot program required by this act. The report shall describe the
18 program and the Division's goals for the program.

19 Section 5. Final Report. – The Division shall submit a written report to the
20 Joint Legislative Transportation Oversight Committee by December 1, 1998. The
21 report shall include an evaluation by the Division of the success or failure of the
22 program and a recommendation on whether the program should end on January 1, 1999,
23 or should continue beyond that date. The report shall include data on the number of
24 dealers participating in the program, the number of vehicle titles and registration plates
25 issued by month by participating dealers under the program, the effect of the program
26 on the workload of the Division, and any effect the program has had on contract tag
27 agents of the Division.

28 Section 6. There is appropriated from the Highway Fund to the Division of
29 Motor Vehicles of the Department of Transportation the sum of twenty-five thousand
30 dollars (\$25,000) for the 1997-98 fiscal year and the same amount for the 1998-99 fiscal
31 year to implement the pilot program authorized by this act.

32 Section 7. Section 6 of this act becomes effective July 1, 1997. The
33 remaining sections of this act are effective when they become law.