

GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2009

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HOUSE BILL 861

Short Title: Create New Titling Categories. (Public)

Sponsors: Representatives Goodwin, Barnhart, Crawford, Frye (Primary Sponsors); and Lucas.

Referred to: Transportation, if favorable, Finance.

March 30, 2009

1 A BILL TO BE ENTITLED
2 AN ACT TO CREATE NEW MOTOR VEHICLE TITLING AND REGISTRATION
3 CATEGORIES FOR MOTOR VEHICLES CLASSIFIED AS CUSTOM-BUILT
4 VEHICLES, REPLICA VEHICLES, AND STREET RODS, TO REQUIRE AN
5 ADDITIONAL THIRTY-DOLLAR REGISTRATION FEE TO SUPPORT THE
6 DIVISION OF MOTOR VEHICLES BUREAU OF LICENSE AND THEFT MOTOR
7 VEHICLE EXAMINATION PROGRAM, AND TO MAKE CORRESPONDING
8 CHANGES.

9 The General Assembly of North Carolina enacts:

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

- 11 "(33) a. Flood Vehicle. – A motor vehicle that has been submerged or
12 partially submerged in water to the extent that damage to the body,
13 engine, transmission, or differential has occurred.
- 14 b. Non-U.S.A. Vehicle. – A motor vehicle manufactured outside of the
15 United States and not intended by the manufacturer for sale in the
16 United States.
- 17 c. Reconstructed Vehicle. – A motor vehicle of a type required to be
18 registered hereunder that has been materially altered from original
19 construction due to removal, addition or substitution of new or used
20 essential parts; and includes glider kits and custom assembled
21 ~~vehicles.~~ parts such that it is no longer visually identifiable as a
22 generally recognized manufacturer-built vehicle.
- 23 d. Salvage Motor Vehicle. – Any motor vehicle damaged by collision
24 or other occurrence to the extent that the cost of repairs to the vehicle
25 and rendering the vehicle safe for use on the public streets and
26 highways would exceed seventy-five percent (75%) of its fair retail
27 market value, whether or not the motor vehicle has been declared a
28 total loss by an insurer. Repairs shall include the cost of parts and
29 labor. Fair market retail values shall be as found in the NADA
30 Pricing Guide Book or other publications approved by the
31 Commissioner.
- 32 e. Salvage Rebuilt Vehicle. – A salvage vehicle that has been rebuilt for
33 title and registration.
- 34 f. Junk Vehicle. – A motor vehicle which is incapable of operation or
35 use upon the highways and has no resale value except as a source of
36 parts or scrap, and shall not be titled or registered.



- 1 g. Replica Vehicle. – A motor vehicle sold unassembled and
2 manufactured from a kit. When the kit is assembled, the completed
3 vehicle replicates an earlier year, make, and model vehicle. Replica
4 vehicles shall be titled as the year, make, and model of the vehicle
5 intended to be replicated. A label of "Replica" shall be applied to the
6 title and registration card. All Replica vehicle titles shall be branded
7 as "Specially Constructed Vehicle." However, this classification does
8 not apply to motorcycles. If the vehicle is a motorcycle, it shall be
9 classified as a "Custom-Built" vehicle.
- 10 h. Street Rod Vehicle. – A motor vehicle manufactured prior to 1949,
11 which has been altered from the manufacturer's original design so
12 that it is no longer visually identifiable as a generally recognized
13 manufacturer-built vehicle or has a body constructed from
14 nonoriginal materials. The model year of a Street Rod shall continue
15 to be recognized as the manufacturer's assigned model year. The
16 manufacturer's name shall continue to be used as the make with a
17 label of "Street Rod" applied to the title and registration card. All
18 Street Rod titles will be branded as "Specially Constructed Vehicle."
19 However, this classification does not apply to motorcycles. If the
20 vehicle is a motorcycle, it shall be classified as a "Custom-Built"
21 vehicle.
- 22 i. Custom-Built Vehicle. – A motor vehicle reconstructed or assembled
23 by a nonmanufacturer from new or used parts, which has an exterior
24 that does not replicate or resemble any other manufactured vehicle.
25 The vehicle will be titled and registered showing the make as
26 "Custom-Built," and the year the vehicle was built shall be the
27 vehicle model year. All custom-built vehicle titles shall be branded
28 as "Specially Constructed Vehicle."
- 29 j. Specially Constructed Vehicle. – A motor vehicle of a type not
30 originally constructed under a distinctive name, make, model, or of a
31 type by a generally recognized manufacturer required to be registered
32 hereunder that has been materially altered from original construction
33 due to removal, addition, or substitution of new or used essential
34 parts including replicas, or custom-built vehicles."

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

36 "(e) Every applicant for a Custom-Built, Replica, or Street Rod title and registration
37 shall pay to the Division a one-time fee of thirty dollars (\$30.00) which shall be in addition to
38 any other fee required by this Chapter. The proceeds of this onetime fee shall be used by the
39 Division for the administration of the Antique, Custom-Built, Replica, and Street Rod motor
40 vehicle examination programs. Nothing in this subsection shall require existing Custom-Built
41 vehicle owners to pay any additional fees; however, if an existing Custom-Built vehicle owner
42 desires a vehicle title classification change, he or she may, upon application and payment of the
43 additional fee, be eligible for such reclassification."

44 **SECTION 3.** G.S. 20-54 is amended by adding a new subdivision to read:

45 "(10) For generally recognized manufacturer-built vehicles, certificates of title and
46 registration shall not be denied or delayed on the grounds that the originating
47 title is from out-of-state, the vehicle is of a certain age, or the vehicle has not
48 been first inspected by a representative of the Division unless there is some
49 probable cause to believe an individual vehicle has some issue particular to it
50 that justifies an inspection before title and registration are issued."

51 **SECTION 4.** G.S. 20-70 is amended by adding a new subsection to read:

1 "(c) The notification and registration requirements contained in G.S. 20-70 (a) and (b)
2 regarding an engine change shall only be required if the motor vehicle into which a new engine
3 is installed uses an engine number as the sole means to identify the vehicle."

4 **SECTION 5.** G.S. 20-71.3(a) reads as rewritten:

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

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

- 9 (1) Salvage Motor Vehicle.
- 10 (2) Salvage Rebuilt Vehicle.
- 11 (3) Reconstructed Vehicle.
- 12 (4) Flood Vehicle.
- 13 (5) Non-U.S.A. Vehicle.
- 14 (6) Specially Constructed Vehicle.

15 ~~(6)~~(7) Any other classification authorized by law."

16 **SECTION 6.** G.S. 20-71.3(b) reads as rewritten:

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

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

25 **SECTION 7.** G.S. 20-71.4(a)(2) reads as rewritten:

26 "(2) Transfer a motor vehicle when the transferor has knowledge that the vehicle
27 is, or was, a flood vehicle, a reconstructed vehicle, a specially constructed
28 vehicle, or a salvage motor vehicle, without disclosing that fact in writing to
29 the transferee prior to the transfer of the vehicle."

30 **SECTION 8.** This act becomes effective December 1, 2009, and applies to
31 applications received by the Division of Motor Vehicles on or after that date.