

GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2009

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SENATE BILL 820
Commerce Committee Substitute Adopted 5/12/09
Third Edition Engrossed 5/14/09

Short Title: Create New Titling Categories.

(Public)

Sponsors:

Referred to:

March 25, 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 REPLICA VEHICLES,
4 STREET RODS, AND CUSTOM VEHICLES, AND TO MAKE CORRESPONDING
5 CHANGES.

6 The General Assembly of North Carolina enacts:

7 **SECTION 1.** G.S. 20-4.01(43) reads as rewritten:

8 "(43) Specially Constructed Vehicles. – ~~Vehicles of a type required to be~~
9 ~~registered hereunder not originally constructed under a distinctive name,~~
10 ~~make, model, or type by a generally recognized manufacturer of vehicles~~
11 ~~and not materially altered from their original construction. Motor vehicles~~
12 required to be registered under this Chapter and that fit within one of the
13 following categories. For purposes of this subdivision, 'materially altered'
14 means (i) the removal, addition, or substitution of new or used essential parts
15 or (ii) the modification of any essential part from its original configuration or
16 design as originally produced by the manufacturer; and 'essential parts'
17 means the vehicle's frame rail, body, and chassis.

18 a. Replica vehicle. – A vehicle, excluding motorcycles, originally sold
19 unassembled and manufactured from a kit, which when assembled
20 replicates an earlier year, make, and model vehicle.

21 b. Street rod vehicle. – A vehicle, excluding motorcycles, manufactured
22 prior to 1949, which has been materially altered or has a body
23 constructed from nonoriginal materials.

24 c. Modified vehicle. – A vehicle, excluding motorcycles, manufactured
25 in or after 1949 which has been materially altered or has a body
26 constructed from nonoriginal materials.

27 d. Custom-built vehicle. – A vehicle, including motorcycles,
28 reconstructed or assembled by a nonmanufacturer from new or used
29 parts, which has an exterior that does not replicate or resemble any
30 other manufactured vehicle. This category also includes motorcycles
31 which were originally sold unassembled and manufactured from a kit
32 or which have been materially altered or has a body constructed from
33 nonoriginal materials."

34 **SECTION 2.** Part 3 of Article 3 of Chapter 20 is amended by adding a new section

35 to read:



"§ 20-53.1. Specially constructed vehicle certificate of title and registration.

Specially constructed vehicles shall be titled in the following manner:

- (1) Replica vehicles shall be titled as the year, make, and model of the vehicle intended to be replicated. A label of "Replica" shall be applied to the title and registration card. All replica vehicle titles shall be branded "Specially Constructed Vehicle."
- (2) The model year of a street rod vehicle shall continue to be recognized as the manufacturer's assigned model year. The manufacturer's name shall continue to be used as the make with a label of "Street Rod" applied to the title and registration card. All street rod vehicle titles shall be branded "Specially Constructed Vehicle."
- (3) The model year of a custom vehicle shall continue to be recognized as the manufacturer's assigned model year. The manufacturer's name shall continue to be used as the make with the label of "Custom" applied to the title and registration card. All custom vehicle titles shall be branded "Specially Constructed Vehicle."

SECTION 3. Part 3 of Article 3 of Chapter 20 of the General Statutes is amended by adding a new section to read:

"§ 20-53.1. Specially constructed and inoperable vehicle titles.

(a) Specially constructed vehicles shall be titled in the following manner:

- (1) Replica vehicles shall be titled as the year, make, and model of the vehicle intended to be replicated. A label of 'Replica' shall be applied to the title and registration card. All replica vehicle titles shall be branded as 'Specially Constructed Vehicle.'
- (2) The model year of a street rod vehicle shall continue to be recognized as the manufacturer's assigned model year. The manufacturer's name shall continue to be used as the make with a label of 'Street Rod' applied to the title and registration card. All street rod vehicle titles will be branded as 'Specially Constructed Vehicle.'
- (3) The model year of a modified vehicle shall continue to be recognized as the manufacturer's assigned model year. The manufacturer's name shall continue to be used as the make with the label of 'Modified' applied to the title and registration card. All modified vehicle titles shall be branded as 'Specially Constructed Vehicle.'
- (4) Custom-built vehicles shall be titled and registered showing the make as 'Custom-built,' and the year the vehicle was built shall be the vehicle model year. All custom-built vehicle titles shall be branded as 'Specially Constructed Vehicle.'

(b) Inoperable vehicles may be titled, but no registration may be issued until such time as the License and Theft Bureau inspects the vehicle to ensure it is mechanically fit for operation on a public street, highway, or public vehicular area. Once a vehicle has been deemed safe and operable pursuant to an inspection by the License and Theft Bureau, the Commissioner shall title the vehicle by classifying it in the proper category and collecting all highway use taxes applicable to the value of the car at the time the vehicle is retitled to a proper classification described in this section.

(c) Motor vehicle certificates of title and registration cards issued pursuant to this section shall be branded in accordance with this section. As used in this section, 'branded' means that the title and registration card shall contain a designation that discloses if the vehicle is classified as any of the following:

- (1) Specially constructed vehicle.
- (2) Inoperable vehicle."

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

2 "(c) The notification and registration requirements contained in subsections (a) and (b)
3 of this section regarding an engine change shall only be required if the motor vehicle into
4 which a new engine is installed uses an engine number as the sole means to identify the
5 vehicle."

6 **SECTION 5.** G.S. 20-4.01 is amended by adding a new subdivision to read:

7 "(15a) Inoperable Vehicle. – A motor vehicle that is mechanically unfit or unsafe to be
8 operated or moved upon a public street, highway, or public vehicular area."

9 **SECTION 6.** G.S. 20-53 reads as rewritten:

10 **"§ 20-53. Application for specially constructed, reconstructed, or foreign vehicle.**

11 (a) In the event the vehicle to be registered is a specially constructed, reconstructed, or
12 foreign vehicle, such fact shall be stated in the application, and with reference to every foreign
13 vehicle which has been registered outside of this State, the owner shall surrender to the
14 Division all registration cards and certificates of title or other evidence of such foreign
15 registration as may be in his possession or under his control, except as provided in subsection
16 (b) hereof. After initial review, the Division shall return to the owner original titles presented
17 on vehicles 35 model years and older appropriately marked indicating that the title has been
18 previously submitted.

19 (b) Where, in the course of interstate operation of a vehicle registered in another state, it
20 is desirable to retain registration of said vehicle in such other state, such applicant need not
21 surrender, but shall submit for inspection said evidence of such foreign registration, and the
22 Division in its discretion, and upon a proper showing, shall register said vehicle in this State but
23 shall not issue a certificate of title for such vehicle.

24 (c), (d) Repealed by Session Laws 1965, c. 734, s. 2.

25 (e) No title shall be issued to an initial applicant for (i) out-of-state vehicles that are 35
26 model years or older or (ii) a specially constructed vehicle prior to the completion of a vehicle
27 examination conducted by the License and Theft Bureau of the Division of Motor Vehicles.
28 These inspections shall be conducted as soon as practical. For an out-of-state vehicle that is 35
29 model years or older, this inspection shall consist of verifying the public vehicle identification
30 number to ensure that it matches the vehicle and ownership documents. No covert vehicle
31 identification numbers are to be examined on an out-of-state vehicle 35 model years or older
32 unless the inspector develops reasonable suspicion that the ownership documents or public
33 vehicle identification number presented does not match the vehicle being examined. However,
34 upon such application and the submission of any required documentation, the Division shall be
35 authorized to register the vehicle pending the completion of the examination of the vehicle.
36 Such registration shall be valid for one year but shall not be renewed unless and until the
37 vehicle examination has been completed."

38 **SECTION 7.** Part 3 of Article 3 of Chapter 20 of the General Statutes is amended
39 by adding a new section to read:

40 **"§ 20-53.3. Appeal of specially constructed vehicle classification determination to Vehicle**
41 **Classification Review Committee.**

42 (a) Any person aggrieved by the Division's determination of the appropriate vehicle
43 classification for a specially constructed vehicle may request review of that determination by
44 the Vehicle Classification Review Committee. This review shall be initiated by completing a
45 Vehicle Classification Review Request and returning the request to the Division. Such Vehicle
46 Classification Review Request shall be made on a form provided by the Division. The decision
47 of the Review Committee may be appealed to the Commissioner of Motor Vehicles. The
48 decision of the Commissioner is final, and no further appeal is authorized.

49 (b) The Vehicle Classification Review Committee shall consist of five members. Three
50 members shall be personnel of the License and Theft Bureau of the Division of Motor Vehicles
51 and shall be designated by the Commissioner. Two members shall be members of the public

1 with expertise in antique or specially constructed vehicles and shall be appointed by the
2 Commissioner. Any member of the public so appointed shall serve at the pleasure of the
3 Commissioner."

4 **SECTION 8.** This act becomes effective October 1, 2009, and applies to title and
5 registration applications received on or after that date.