

GENERAL ASSEMBLY OF NORTH CAROLINA

SESSION 1997

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HOUSE BILL 1096*

Short Title: Trucking Adjustment Act of 1997.

(Public)

Sponsors: Representatives Hiatt; Aldridge, Alexander, Allred, Barbee, Berry, Black, Bowie, Brawley, Brown, Buchanan, Capps, Carpenter, Cole, Crawford, Culp, Decker, Eddins, Fox, Gamble, Gray, Gulley, Hightower, Hill, Howard, R. Hunter, Jarrell, Justus, Kiser, McCombs, McMahan, Mercer, Michaux, Miner, Mitchell, Morris, Mosley, Owens, Preston, Rayfield, Redwine, Russell, Saunders, Sherrill, Smith, Starnes, Sutton, Tallent, Thompson, Wainwright, Warner, Warwick, Watson, Weatherly, Wilkins, C. Wilson, G. Wilson, Womble, Wright, and Yongue.

Referred to: Transportation, if favorable, Finance.

April 21, 1997

A BILL TO BE ENTITLED

1 AN ACT TO ADJUST CERTAIN STATUTES AFFECTING THE TRUCKING
2 INDUSTRY TO ENCOURAGE THE GROWTH OF THAT INDUSTRY
3 THROUGH INCREASED TRUCK REGISTRATIONS IN THIS STATE AND TO
4 PROVIDE CONSUMER PROTECTION PROVISIONS.
5

6 The General Assembly of North Carolina enacts:

7 Section 1. G.S. 105-187.3(a) reads as rewritten:

8 "(a) Amount. – The rate of the use tax imposed by this Article is three percent (3%)
9 of the retail value of a motor vehicle for which a certificate of title is issued. The tax is
10 payable as provided in G.S. 105-187.4. ~~The tax may not be more than one thousand dollars~~
11 ~~(\$1,000) for each certificate of title issued for a Class A or Class B motor vehicle that is a~~
12 ~~commercial motor vehicle, as defined in G.S. 20-4.01.~~ The tax may not be more than one
13 thousand five hundred dollars (\$1,500) for each motor vehicle for which a certificate of
14 title issued for any other motor vehicle is issued."

Section 2. G.S. 105-187.6(a) reads as rewritten:

"(a) Full Exemptions. – The tax imposed by this Article does not apply when a certificate of title is issued as the result of a transfer of a motor vehicle:

- (1) To the insurer of the motor vehicle under G.S. 20-109.1 because the vehicle is a salvage vehicle.
- (2) To either a manufacturer, as defined in G.S. 20-286, or a motor vehicle retailer for the purpose of resale.
- (3) To the same owner to reflect a change or correction in the owner's name.
- (4) By will or intestacy.
- (5) By a gift between a husband and wife, a parent and child, or a stepparent and a stepchild.
- (6) By a distribution of marital property as a result of a divorce.
- (7) To a handicapped person from the Department of Human Resources after the vehicle has been equipped by the Department for use by the handicapped.
- (8) To a local board of education for use in the driver education program of a public school when the motor vehicle is transferred:
 - a. By a retailer and is to be transferred back to the retailer within 300 days after the transfer to the local board.
 - b. By a local board of education.
- (9) That is a Class A or Class B motor vehicle that is a commercial motor vehicle, as defined in G.S. 20-4.01."

Section 3. Sections 1 and 2 of this act apply to certificates of title issued on or after the effective date of this act.

Section 4. G.S. 20-88(b) reads as rewritten:

"(b) The following fees are imposed on the annual registration of self-propelled property-hauling vehicles; the fees are based on the type of vehicle and its weight:

SCHEDULE OF WEIGHTS AND RATES

RATES PER HUNDRED POUND GROSS WEIGHT

Farmer Rate	
Not over 4,000 pounds	\$0.23
4,001 to 9,000 pounds inclusive	.29
9,001 to 13,000 pounds inclusive	.37
13,001 to 17,000 pounds inclusive	.51
Over 17,000 pounds	.58

SCHEDULE OF WEIGHTS AND RATES

RATES PER HUNDRED POUND GROSS WEIGHT

General Rate	
Not over 4,000 pounds	\$0.46

1	4,001 to 9,000 pounds inclusive	.63
2	9,001 to 13,000 pounds inclusive	.78
3	13,001 to 17,000 pounds inclusive	1.06
4	Over 17,000 pounds	1.20 <u>1.30</u>

- 5 (1) The minimum fee for a vehicle licensed under this subsection is
6 seventeen dollars and fifty cents (\$17.50) at the farmer rate and twenty-
7 one dollars and fifty cents (\$21.50) at the general rate.
- 8 (2) The term 'farmer' as used in this subsection means any person engaged
9 in the raising and growing of farm products on a farm in North Carolina
10 not less than 10 acres in area, and who does not engage in the business
11 of buying products for resale.
- 12 (3) License plates issued at the farmer rate shall be placed upon trucks and
13 truck-tractors that are operated exclusively in the carrying or
14 transportation of applicant's farm products, raised or produced on his
15 farm, and farm supplies and not operated in hauling for hire.
- 16 (4) 'Farm products' means any food crop, livestock, poultry, dairy products,
17 flower bulbs, or other nursery products and other agricultural products
18 designed to be used for food purposes, including in the term 'farm
19 products' also cotton, tobacco, logs, bark, pulpwood, tannic acid wood
20 and other forest products grown, produced, or processed by the farmer.
- 21 (5) The Division shall issue necessary rules and regulations providing for
22 the recall, transfer, exchange or cancellation of 'farmer' plates, when
23 vehicle bearing such plates shall be sold or transferred.
- 24 (5a) Notwithstanding any other provision of this Chapter, license plates
25 issued pursuant to this subsection at the farmer rate may be purchased
26 for any three-month period at one fourth of the annual fee.
- 27 (6) There shall be paid to the Division annually as of the first of January,
28 the following fees for 'wreckers' as defined under G.S. 20-4.01(50): a
29 wrecker fully equipped weighing 7,000 pounds or less, seventy-five
30 dollars (\$75.00); wreckers weighing in excess of 7,000 pounds shall pay
31 one hundred forty-eight dollars (\$148.00). Fees to be prorated quarterly.
32 Provided, further, that nothing herein shall prohibit a licensed dealer
33 from using a dealer's license plate to tow a vehicle for a customer."

34 Section 5. G.S. 20-118(e) reads as rewritten:

35 "(e) Penalties. –

- 36 (1) Except as provided in subdivision (2) of this subsection, for each
37 violation of the single-axle or tandem-axle weight limits set in
38 subdivision (b)(1), (b)(2), or (b)(4) of this section, the Department of
39 Transportation shall assess a civil penalty against the owner or registrant
40 of the vehicle in accordance with the following schedule: for the first
41 1,000 pounds or any part thereof, four cents (4¢) per pound; for the next
42 1,000 pounds or any part thereof, six cents (6¢) per pound; and for each
43 additional pound, ten cents (10¢) per pound. ~~These penalties apply~~

1 ~~separately to each weight limit violated. In all cases of violation of the weight~~
2 ~~limitation, the penalty shall be computed and assessed on each pound of~~
3 ~~weight in excess of the maximum permitted. The penalty may not exceed~~
4 ~~the amount computed on the highest axle-group weight that exceeds the~~
5 ~~allowable limit.~~

6 (2) The penalty for a violation of the single-axle or tandem-axle weight
7 limits by a vehicle that is transporting an item listed in subdivision
8 (c)(5) of this section is one-half of the amount it would otherwise be
9 under subdivision (1) of this subsection.

10 (3) If an axle-group weight of a vehicle exceeds the weight limit set in
11 subdivision (b)(3) of this section plus any tolerance allowed in
12 subsection (h) of this section, the Department of Transportation shall
13 assess a civil penalty against the owner or registrant of the motor
14 vehicle. The penalty shall be assessed on the number of pounds by
15 which the axle-group weight exceeds the limit set in subdivision (b)(3),
16 as follows: for the first 2,000 pounds or any part thereof, two cents (2¢)
17 per pound; for the next 3,000 pounds or any part thereof, four cents (4¢)
18 per pound; for each pound in excess of 5,000 pounds, ten cents (10¢)
19 per pound. Tolerance pounds in excess of the limit set in subdivision
20 (b)(3) are subject to the penalty if the vehicle exceeds the tolerance
21 allowed in subsection (h) of this section. ~~These penalties apply separately~~
22 ~~to each axle-group weight limit violated. The penalty may not exceed the~~
23 ~~amount computed on the highest axle-group weight that exceeds the~~
24 ~~allowable limit.~~

25 (4) The penalty for a violation of an axle-group weight limit by a vehicle
26 that is transporting an item listed in subdivision (c)(5) of this section is
27 one-half of the amount it would otherwise be under subdivision (3) of
28 this subsection.

29 (5) A violation of a weight limit in this section is not punishable under G.S.
30 20-176."

31 Section 6. G.S. 20-88 is amended by adding a new subsection to read:

32 "(1) The Division shall issue permanent truck and truck-tractor plates and shall
33 include the word 'permanent' on the plate."

34 Section 7. G.S. 20-118(c)(5) reads as rewritten:

35 "(5) The light-traffic road limitations provided for pursuant to subdivision
36 (b)(4) of this section do not apply to a vehicle while that vehicle is
37 transporting only the following from its point of origin on a light-traffic
38 road to the nearest highway that is not a light-traffic road:

- 39 a. Processed or unprocessed seafood from boats or any other point
40 of origin to a processing plant or a point of further distribution.
41 b. Meats or agricultural crop products originating from a farm to
42 first market.

- 1 c. ~~Unprocessed forest~~ Forest products originating from a farm or
2 from woodlands to first market.
- 3 d. Livestock or poultry from their point of origin to first market.
- 4 e. Livestock by-products or poultry by-products from their point of
5 origin to a rendering plant.
- 6 f. Recyclable material from its point of origin to a scrap-processing
7 facility for processing. As used in this subpart, the terms
8 'recyclable' and 'processing' have the same meaning as in G.S.
9 130A-290(a).
- 10 g. Garbage collected by the vehicle from residences or garbage
11 dumpsters if the vehicle is fully enclosed and is designed
12 specifically for collecting, compacting, and hauling garbage from
13 residences or from garbage dumpsters. As used in this subpart,
14 the term 'garbage' does not include hazardous waste as defined in
15 G.S. 130A-290(a), spent nuclear fuel regulated under G.S. 20-
16 167.1, low-level radioactive waste as defined in G.S. 104E-5, or
17 radioactive material as defined in G.S. 104E-5."

18 Section 8. G.S. 20-116(d) reads as rewritten:

19 "(d) A single vehicle having two or more axles shall not exceed ~~35 feet in length the~~
20 following lengths of extreme overall dimensions inclusive of front and rear ~~bumpers.~~
21 bumpers:

<u>Axles</u>	<u>Length</u>
<u>2</u>	<u>35 feet</u>
<u>3</u>	<u>40 feet</u>
<u>4 or more</u>	<u>45 feet</u>

26 Provided, however, a bus or motor home with two axles shall not exceed 40 feet in length
27 overall of dimensions inclusive of front and rear bumpers. ~~A single vehicle having three~~
28 ~~axles shall not exceed 40 feet in length overall of dimensions inclusive of front and rear~~
29 ~~bumpers.~~ Provided, further, trucks transporting unprocessed cotton from farm to gin shall
30 not exceed 48 feet in length overall of dimensions inclusive of front and rear bumpers. A
31 truck-tractor and semitrailer shall be regarded as two vehicles for the purpose of
32 determining lawful length and license taxes."

33 Section 9. The Division of Motor Vehicles shall study the feasibility of
34 establishing a staggered registration system for commercial motor vehicles under the
35 International Registration Plan (IRP). The registration plan shall be coordinated with
36 other states which currently stagger IRP registrations to eliminate, insofar as possible,
37 multiple application dates for the same carrier. The registration plan shall provide for a
38 smooth transition to the staggered system providing for credits and partial fees, as
39 needed. The Division shall report the results of this study along with any legislation to
40 implement the staggered registration system to the Joint Legislative Transportation
41 Oversight Committee and the Fiscal Research Division by April 1, 1998.

42 Section 10. G.S. 20-382.2 reads as rewritten:

1 **"§ 20-382.2. Penalty for failure to comply with registration or insurance verification**
2 **requirements.**

3 (a) Acts. – A motor carrier who does any of the following is subject to a civil
4 penalty of ~~seventy-five dollars (\$75.00);~~ one thousand dollars (\$1,000):

5 (1) Operates a for-hire motor vehicle in this State without registering its
6 operations, as required by this Part.

7 (2) Operates a for-hire motor vehicle in interstate commerce in this State
8 that does not carry a copy of either an insurance registration receipt
9 issued to the motor carrier or a cab card with an identification stamp
10 issued for the vehicle, as required by G.S. 20-382.

11 (3) Operates a for-hire motor vehicle in intrastate commerce in this State
12 for which it has not verified it has insurance, as required by G.S. 20-
13 382.1.

14 (b) Payment. – When the Division finds that a for-hire motor vehicle is operated in
15 this State in violation of the registration and insurance verification requirements of this
16 Part, the motor vehicle may not be driven for a purpose other than to park the motor
17 vehicle until the penalty imposed under this section is paid unless the officer that imposes
18 the penalty determines that operation of the motor vehicle will not jeopardize collection
19 of the penalty. A motor carrier that denies liability for a penalty imposed under this
20 section may pay the penalty under protest and apply to the Division for a hearing.

21 (c) Hearing. – Upon receiving a request for a hearing, the Commissioner ~~must~~ shall
22 schedule a hearing within 30 days after receipt of the request. If after the hearing the
23 Commissioner determines that the motor carrier was not liable for the penalty, the
24 amount collected ~~must~~ shall be refunded. If after the hearing the Commissioner
25 determines that the motor carrier was liable for the penalty, the motor carrier may bring
26 an action in the Superior Court of Wake County against the Division for refund of the
27 penalty. A court of this State may not issue a restraining order or an injunction to restrain
28 or enjoin the collection of the penalty or to permit the operation of the vehicle without
29 payment of the penalty.

30 (d) Proceeds. – A penalty imposed under this section is payable to the Division.
31 Penalties collected under this section shall be credited to the Highway Fund as nontax
32 revenue.”

33 Section 11. This act becomes effective October 1, 1997.