

GENERAL ASSEMBLY OF NORTH CAROLINA  
1997 SESSION

S.L. 1997-335  
SENATE BILL 1059

AN ACT TO ENSURE THAT DEALER PLATES ARE USED ONLY ON VEHICLES DRIVEN FOR A BUSINESS PURPOSE OF THE DEALERSHIP AND TO LIMIT THE NUMBER OF TRANSPORTER PLATES THAT MAY BE ISSUED TO A DEALER.

The General Assembly of North Carolina enacts:

Section 1. G.S. 20-79(d) reads as rewritten:

"(d) Restrictions on Use. – A dealer license plate may be displayed only on a motor vehicle that meets all of the following requirements:

- (1) Is part of the inventory of the dealer.
- (2) Is not consigned to the dealer.
- (3) Is covered by liability insurance that meets the requirements of Article 9A of this Chapter.
- (4) Is not used by the dealer in another business in which the dealer is engaged.
- (5) Is driven on a highway by a person who ~~meets the following requirements and who~~ carries a copy of the registration card for the dealer plates issued to the dealer ~~and any demonstration permit issued to that person while driving the motor vehicle;~~ vehicle and who meets one of the following descriptions:
  - ~~a. Is an officer of the dealer, an employee of the dealer, or a person to whom the dealer has issued a demonstration permit.~~
  - ~~b. Is at least 18 years old unless the person is test driving the vehicle and has a demonstration permit or is an employee of the dealer and regularly works for the dealer at least 15 hours a week.~~
    - a. Has a demonstration permit to test-drive the motor vehicle and carries the demonstration permit while driving the motor vehicle.
    - b. Is an officer or sales representative of the dealer and is driving the vehicle for a business purpose of the dealer.
    - c. Is an employee of the dealer and is driving the vehicle in the course of employment.

A dealer may issue a demonstration permit for a motor vehicle to a person licensed to drive that type of motor vehicle. A demonstration permit authorizes each person

named in the permit to drive the motor vehicle described in the permit for up to 96 hours after the time the permit is issued. A dealer may, for good cause, renew a demonstration permit for one additional 96-hour period.

A dealer may not lend, rent, lease, or otherwise place a dealer license plate at the disposal of a person except as authorized by this subsection."

Section 2. G.S. 20-79.2 reads as rewritten:

**"§ 20-79.2. Transporter plates.**

(a) Who Can Get a Plate. – A person engaged in a business requiring the limited operation of a motor vehicle for any of the following purposes may obtain a transporter plate authorizing the movement of the vehicle for the specific purpose:

- (1) To facilitate the manufacture, construction, rebuilding, or delivery of new or used truck cabs or bodies between manufacturer, dealer, seller, or purchaser.
- (2) To repossess a motor vehicle.
- (3) To pick up a motor vehicle that is to be repaired or otherwise prepared for sale by a dealer, to road-test the vehicle, if it is repaired, within a 10-mile radius of the place where it is repaired, and to deliver the vehicle to the dealer.
- (4) To move a motor vehicle that is owned by the business and is a replaced vehicle offered for sale.
- (5) To take a motor vehicle either to or from a motor vehicle auction where the vehicle will be or was offered for sale.
- (6) To road-test a repaired truck whose GVWR is at least 15,000 pounds when the test is performed within a 10-mile radius of the place where the truck was repaired and the truck is owned by a person who has a fleet of at least five trucks whose GVWRs are at least 15,000 pounds and who maintains the place where the truck was repaired.
- (7) To move a mobile office, a mobile classroom, or a mobile or manufactured home.
- (8) To drive a motor vehicle that is at least 25 years old to and from a parade or another public event and to drive the motor vehicle in that event. A person who owns a motor vehicle that is at least 25 years old is considered to be in the business of collecting those vehicles.
- (9) To drive a motor vehicle that is part of the inventory of a dealer to and from a motor vehicle trade show or exhibition or to, during, and from a parade in which the motor vehicle is used.
- (10) To drive special mobile equipment in any of the following circumstances:
  - a. From the manufacturer of the equipment to a facility of a dealer.
  - b. From one facility of a dealer to another facility of a dealer.
  - c. From a dealer to the person who buys the equipment from the dealer.

(b) How to Get a Plate. – A person may obtain a transporter plate by filing an application with the Division and paying the required fee. An application must be on a form provided by the Division and contain the information required by the Division. The fee for a transporter plate is one-half the fee set in G.S. 20-87(5) for a passenger motor vehicle of not more than 15 passengers.

(b1) Number of Plates. – The total number of transporter and dealer plates issued to a dealer may not exceed the number of dealer plates that can be issued to the dealer under G.S. 20-79(b). This restriction does not apply to a person who is not a dealer. Transporter plates issued to a dealer shall bear the words 'Dealer-Transporter.'

(b2) Sanctions. – The following sanctions apply when a motor vehicle displaying a 'Dealer-Transporter' license plate is driven in violation of the restrictions on the use of the plate:

- (1) The individual driving the motor vehicle is responsible for an infraction and is subject to a penalty of fifty dollars (\$50.00).
- (2) The dealer to whom the plate is issued is subject to a civil penalty imposed by the Division of two hundred dollars (\$200.00).
- (3) The Division may rescind all dealer license plates issued to the dealer whose plate was displayed on the motor vehicle.

A penalty imposed under subdivision (1) of this subsection is payable to the county where the infraction occurred, as required by G.S. 14-3.1. A civil penalty imposed under subdivision (2) of this subsection shall be credited to the Highway Fund as nontax revenue.

(c) Form, Duration, and Transfer. – A transporter plate is a type of commercial license plate. A transporter plate issued to a dealer is issued on a fiscal-year basis. A transporter plate issued to a person who is not a dealer is issued on a calendar-year basis. During the ~~calendar~~-year for which it is issued, a person may transfer a transporter plate from one vehicle to another as long as the vehicle is driven only for a purpose authorized by subsection (a) of this section. The Division may rescind a transporter plate that is displayed on a motor vehicle driven for a purpose that is not authorized by subsection (a) of this section."

Section 3. Notwithstanding G.S. 20-79.2(c), as amended by this act, a transporter plate issued to a dealer for the 1997 calendar year expires June 30, 1998.

Section 4. This act becomes effective January 1, 1998.

In the General Assembly read three times and ratified this the 16th day of July, 1997.

s/ Dennis A. Wicker  
President of the Senate

s/ Harold J. Brubaker  
Speaker of the House of Representatives

s/ James B. Hunt, Jr.  
Governor

Approved 10:59 a.m. this 25th day of July, 1997