

GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2017

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HOUSE BILL 308

Short Title: No Insurance While Driving/Tow Vehicle. (Public)

Sponsors: Representatives Cleveland, Clampitt, Collins, and Millis (Primary Sponsors).
For a complete list of sponsors, refer to the North Carolina General Assembly web site.

Referred to: Insurance, if favorable, Judiciary I

March 13, 2017

A BILL TO BE ENTITLED

AN ACT TO REQUIRE THE TOWING AND STORAGE OF A VEHICLE BEING OPERATED
BY A DRIVER WHO IS CHARGED WITH FAILING TO MAINTAIN FINANCIAL
RESPONSIBILITY.

The General Assembly of North Carolina enacts:

SECTION 1. G.S. 20-313 reads as rewritten:

"§ 20-313. Operation of motor vehicle without financial responsibility a misdemeanor.

(a) Punishment. – On or after July 1, 1963, any owner of a motor vehicle registered or required to be registered in this State who shall operate or permit such motor vehicle to be operated in this State without having in full force and effect the financial responsibility required by this Article shall be guilty of a Class 3 misdemeanor.

(b) Evidence. – Evidence that the owner of a motor vehicle registered or required to be registered in this State has operated or permitted such motor vehicle to be operated in this State, coupled with proof of records of the Division of Motor Vehicles indicating that the owner did not have financial responsibility applicable to the operation of the motor vehicle in the manner certified by him for purposes of G.S. 20-309, shall be prima facie evidence that such owner did at the time and place alleged operate or permit such motor vehicle to be operated without having in full force and effect the financial responsibility required by the provisions of this Article.

(c) Towing and Storage. – At the time a person is charged with a violation of subsection (a) of this section, the charging law enforcement officer shall have the vehicle driven by the person towed and stored. A person in custody of a vehicle towed and stored pursuant to this subsection may charge a reasonable fee for storage not to exceed ten dollars (\$10.00) per calendar day. A person in custody of a vehicle towed and stored pursuant to this subsection shall release the vehicle to its owner when both of the following conditions are met:

(1) The owner presents proof of financial responsibility required by this Article covering the vehicle for a period of at least six months to the charging law enforcement agency. The charging law enforcement agency shall present the owner with documentation acknowledging that the owner has complied with the requirement set forth in this subdivision.

(2) The owner submits to the person in custody of the vehicle (i) the documentation provided by the charging law enforcement agency pursuant to subdivision (1) of this subsection and (ii) payment in full of any towing and storage costs.

(d) Failure of Owner to Obtain Release. – Notwithstanding G.S. 44A-2(d), if the owner of a motor vehicle towed and stored pursuant to subsection (c) of this section does not obtain release of the vehicle within 90 days from the date the vehicle was towed and stored, the person in



1 custody of the motor vehicle has a mechanics' lien on the motor vehicle for the full amount of the
2 towing and storage costs incurred since the motor vehicle was towed and stored and may dispose
3 of the motor vehicle pursuant to Article 1 of Chapter 44A of the General Statutes.

4 (e) Construction. – If the person charged with a violation of subsection (a) of this section
5 is also charged with a violation of law arising out of the same transaction that requires seizure of
6 the vehicle, nothing in this section shall be construed to alter or supersede the law requiring
7 seizure of the vehicle."

8 **SECTION 2.** G.S. 44A-2(d) reads as rewritten:

9 "(d) Any person who repairs, services, tows, or stores motor vehicles in the ordinary course
10 of the person's business pursuant to an express or implied contract with an owner or legal
11 possessor of the motor vehicle, except for a motor vehicle seized pursuant to ~~G.S.~~
12 ~~20-28.3~~, G.S. 20-28.3 or towed and stored pursuant to G.S. 20-313, has a lien upon the motor
13 vehicle for reasonable charges for such repairs, servicing, towing, storing, or for the rental of one
14 or more substitute vehicles provided during the repair, servicing, or storage. This lien shall have
15 priority over perfected and unperfected security interests. Payment for towing and storing a motor
16 vehicle seized pursuant to G.S. 20-28.3 shall be as provided for in G.S. 20-28.2 through
17 G.S. 20-28.5. Payment for towing and storing a motor vehicle pursuant to G.S. 20-313 shall be as
18 provided in G.S. 20-313."

19 **SECTION 3.** This act becomes effective December 1, 2017, and applies to charges
20 filed on or after that date.