

**GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2019**

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SENATE BILL 625

Short Title: Adjust LPA Pay Rates/DMV Advertising. (Public)

Sponsors: Senator Tillman (Primary Sponsor).

Referred to: Rules and Operations of the Senate

April 4, 2019

A BILL TO BE ENTITLED

AN ACT TO ADJUST LICENSE PLATE AGENCY PAY RATES AND REQUIRE THE
DIVISION OF MOTOR VEHICLES TO INCLUDE COMMISSION CONTRACTOR
OPTION IN DIVISION ADVERTISING.

The General Assembly of North Carolina enacts:

SECTION 1. G.S. 20-63(h) reads as rewritten:

"(h) Commission Contracts for Issuance of Plates and Certificates. – All registration plates, registration certificates, and certificates of title issued by the Division, outside of those issued from the office of the Division located in Wake, Cumberland, or Mecklenburg Counties and those issued and handled through the United States mail, shall be issued insofar as practicable and possible through commission contracts entered into by the Division for the issuance of the plates and certificates in localities throughout North Carolina, including military installations within this State, with persons, firms, corporations or governmental subdivisions of the State of North Carolina. The Division shall make a reasonable effort in every locality, except as noted above, to enter into a commission contract for the issuance of the plates and certificates and a record of these efforts shall be maintained in the Division. In the event the Division is unsuccessful in making commission contracts, it shall issue the plates and certificates through the regular employees of the Division. Whenever registration plates, registration certificates, and certificates of title are issued by the Division through commission contract arrangements, the Division shall provide proper supervision of the distribution. Nothing contained in this subsection allows or permits the operation of fewer outlets in any county in this State than are now being operated.

The terms of a commission contract entered under this subsection shall specify the duration of the contract and either include or incorporate by reference standards by which the Division may supervise and evaluate the performance of the commission contractor. The duration of an initial commission contract may not exceed eight years and the duration of a renewal commission contract may not exceed two years. The Division may award monetary performance bonuses, not to exceed an aggregate total of ninety thousand dollars (\$90,000) annually, to commission contractors based on their performance.

The amount of compensation payable to a commission contractor is determined on a per transaction basis. The standard transaction rate is two dollars (\$2.00). The collection of the highway use tax and the removal of ~~an inspection~~ a registration stop are each considered a separate transaction for which ~~one dollar and thirty cents (\$1.30)~~ compensation at three-fourths the standard transaction rate shall be paid. The collection of a civil penalty imposed by G.S. 20-311 for a lapse in financial responsibility is a separate transaction for which compensation at two times the standard transaction rate shall be paid. The issuance of a limited



1 registration "T" sticker and the collection of property tax are each considered a separate
2 transaction for which compensation at the rate of one dollar and thirty cents (\$1.30) and one
3 dollar and eight cents (\$1.08) respectively, shall be paid by counties and municipalities as a cost
4 of the combined motor vehicle registration renewal and property tax collection system.

5 The performance at the same time of one or more of the transactions below is considered a
6 single transaction for which ~~one dollar and forty six cents (\$1.46)~~ compensation at the standard
7 transaction rate shall be paid:

8 ...

9 (7) Receipt of the ~~civil penalty~~ restoration fee imposed by G.S. 20-311 for
10 registering a vehicle after a lapse in financial responsibility or receipt of the
11 restoration fee imposed by that statute. ~~responsibility.~~

12"

13 **SECTION 2.** Article 3 of Chapter 20 of the General Statutes is amended by adding
14 a new section to read:

15 **"§ 20-63.03 Division advertising must include commission contractor option.**

16 When the Division advertises the methods by which a vehicle owner may title or register a
17 vehicle, the advertising must include the option to obtain a title or register a vehicle at the office
18 of a commission contractor. The advertising may not encourage the public to choose one method
19 over another or state or imply that choosing to title or register a vehicle at the office of a
20 commission contractor is a less desirable option."

21 **SECTION 3.** This act becomes effective October 1, 2019. Section 1 applies to
22 amounts collected and transactions performed on or after that date.