

NORTH CAROLINA GENERAL ASSEMBLY
1975 SESSION

CHAPTER 302
SENATE BILL 384

AN ACT TO REWRITE G.S. 20-309(e) TO PROVIDE FOR NOTICE OF TERMINATION
RATHER THAN INTENT TO TERMINATE BY CARRIERS OF MOTOR VEHICLE
LIABILITY INSURANCE COVERAGE AND PENALTY FOR NONCOMPLIANCE.

The General Assembly of North Carolina enacts:

Section 1. G.S. 20-309(e) is hereby rewritten to read as follows:

"(e) Upon termination by cancellation or otherwise of an insurance policy provided in subsection (d), the insurer shall forthwith notify the North Carolina Department of Motor Vehicles of such termination. Where the insurance policy is terminated by the insured, the insurer shall forthwith notify the Department of Motor Vehicles that such insurance policy has been terminated. The Department of Motor Vehicles upon receiving notice of cancellation or termination of an owner's financial responsibility as required by this Article, shall notify such owner of such cancellation or termination, and such owner shall, to retain the registration plate for the vehicle registered or required to be registered, within 15 days from date of notice given by the Department, certify to the Department that he has financial responsibility effective on or prior to the date of such cancellation or termination. Failure by the owner to certify that he has financial responsibility as herein required shall be prima facie evidence that no financial responsibility exists with regard to the vehicle concerned and, unless the owner's registration plate has been surrendered to the Department of Motor Vehicles by surrender to an agent or representative of the Department of Motor Vehicles and so designated by the Commissioner of Motor Vehicles or depositing the same in the United States mail, addressed to the Department of Motor Vehicles, Raleigh, North Carolina, the Department of Motor Vehicles shall revoke the owner's registration plate for 60 days. In no case shall any vehicle, the registration of which has been revoked for failure to have financial responsibility, be registered in the name of the registered owner, spouse, or any child of the spouse or any child of such owner, within less than 60 days after the date of receipt of the registration plate by the Department, except that a spouse living separate and apart from the registered owner may reregister such vehicle immediately in such spouse's name. As a condition precedent to the registration of the vehicle, the owner shall pay the appropriate fee for a new registration plate. Any person, firm or corporation failing to give notice of termination as required herein shall be subject to a civil penalty of two hundred dollars (\$200.00) to be assessed by the Commissioner of Insurance upon a finding by the Commissioner of Insurance that good cause is not shown for such failure to give notice of termination to the Department of Motor Vehicles."

Sec. 2. This act shall become effective July 1, 1975.

In the General Assembly read three times and ratified, this the 15th day of May,
1975.