

GENERAL ASSEMBLY OF NORTH CAROLINA

SESSION 1997

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HOUSE BILL 209

Short Title: Motor Vehicle Salvage Changes.

(Public)

Sponsors: Representatives Bowie, McMahan, Barbee, Miner; and Sexton.

Referred to: Transportation, if favorable, Judiciary I.

February 17, 1997

A BILL TO BE ENTITLED

AN ACT TO REDUCE BY HALF THE NUMBER OF SALVAGE INSPECTIONS PERFORMED BY DMV ENFORCEMENT AND TO ELIMINATE ISSUANCE OF UNBRANDED TITLES FOR VEHICLES BRANDED IN OTHER STATES.

The General Assembly of North Carolina enacts:

Section 1. G.S. 20-71.3 reads as rewritten:

"§ 20-71.3. Titles and registration cards to be branded.

Motor Vehicle certificates of title and registration cards issued pursuant to G.S. 20-57 shall be branded. As used herein 'branded' means that the title and registration card shall contain a designation that discloses if the vehicle is classified as (a) Flood Vehicle, (b) Non-U.S.A. Vehicle, (c) Reconstructed Vehicle, (d) Salvage Motor Vehicle, or (e) Salvage Rebuilt Vehicle or other classification authorized by law. Any motor vehicle damaged by collision or other occurrence up to six model years old which is to be retitled in this State shall be subject to preliminary and final inspections by the Enforcement Section of the Division, and the Division shall refuse to issue a title to a vehicle up to six model years old which has not undergone a preliminary inspection. These inspections serve as an antitheft measure and in no way should be construed to certify the safety or roadworthiness of a vehicle. Any motor vehicle which has been branded in another state shall be branded with the nearest applicable brand specified in this section, except that no junk vehicle or vehicle that has been branded junk in another state shall be titled or

1 registered. ~~A motor vehicle titled in another state and damaged by collision or other occurrence~~
2 ~~may be repaired and an unbranded title issued in North Carolina only if the cost of repairs,~~
3 ~~including parts and labor, does not exceed seventy five percent (75%) of its fair market retail~~
4 ~~value.—~~The Commissioner shall prepare necessary forms and may adopt regulations
5 required to carry out the provisions of this Part 3A. The title shall reflect the branding
6 until surrendered to or cancelled by the Commissioner."

7 Section 2. G.S. 20-71.4 reads as rewritten:

8 **"§ 20-71.4. Failure to disclose damage to a vehicle shall be a misdemeanor.**

9 (a) It shall be unlawful and constitute a Class 2 misdemeanor for any transferor
10 who knows or reasonably should know that a motor vehicle has been involved in a
11 collision or other occurrence to the extent that the cost of repairing that vehicle exceeds
12 twenty-five percent (25%) of its fair market retail value, or that the motor vehicle is, or
13 was, a flood vehicle, a reconstructed vehicle, or a salvage motor vehicle, to fail to
14 disclose that fact in writing to the transferee prior to transfer of any vehicle up to ~~five~~six
15 model years old. Failure to disclose any of the above information will also result in civil
16 liability under G.S. 20-348. The Commissioner may prepare forms to carry out the
17 provisions of this section.

18 (b) It shall be unlawful for any person to remove the title or supporting documents
19 to any motor vehicle from the State of North Carolina with the intent to conceal damage
20 (or damage which has been repaired) occurring as a result of a collision or other
21 occurrence. Violation of this statute shall constitute a Class 2 misdemeanor."

22 Section 3. This act becomes effective July 1, 1997.