

GENERAL ASSEMBLY OF NORTH CAROLINA

SESSION 1991

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HOUSE BILL 330
Committee Substitute Favorable 4/11/91
Third Edition Engrossed 4/17/91
Senate Transportation Committee Substitute Adopted 5/22/91

Short Title: Motor Vehicle Dealer-Definition.

(Public)

Sponsors:

Referred to:

March 26, 1991

A BILL TO BE ENTITLED

AN ACT TO AMEND THE DEFINITION OF MOTOR VEHICLE DEALER.

The General Assembly of North Carolina enacts:

Section 1. G.S. 20-286(11) reads as rewritten:

"(11) 'Motor vehicle dealer' and 'dealer' mean ~~any person, firm, association, or corporation engaged in the business of selling motor vehicles, or who holds or held at the time a cause of action under this Article accrued, a valid sales and service agreement, franchise or contract, granted by the manufacturer or distributor for the retail sale of said manufacturer's or distributor's new motor vehicles. any person who:~~

- a. For commission, money or other thing of value, buys, sells, exchanges (either outright or on conditional sale, bailment lease, chattel mortgage, or otherwise), or arranges, offers, attempts to solicit, or attempts to negotiate, on behalf of others the sale, purchase, or exchange of an interest in five or more motor vehicles within any 12 consecutive months, whether or not the motor vehicles are owned by that person; or
- b. Is engaged, wholly or in part, in the business of selling new motor vehicles or new or used motor vehicles, or used motor vehicles only, whether or not the motor vehicles are owned by

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- 1 that person, and sells five or more motor vehicles within any 12
2 consecutive months; or
- 3 c. Offers to sell, displays, or permits the display for sale for any
4 form of compensation five or more motor vehicles within any
5 12 consecutive months; or
- 6 d. Is primarily engaged in the leasing or renting of motor vehicles
7 to others and who sells or offers to sell those vehicles at retail.
- 8 The term 'motor vehicle dealer' or 'dealer' does not include:
- 9 a. Receivers, trustees, administrators, executors,
10 guardians, or other persons appointed by or acting under the
11 judgment or order of any court; or
- 12 b. Public officers while performing their official duties;
13 or
- 14 c. Persons disposing of motor vehicles acquired for
15 their own use or the use of a family member, and actually so
16 used, when the ~~same shall vehicles~~ have been ~~so~~ acquired and
17 used in good faith and not for the purpose of avoiding the
18 provisions of this Article; or
- 19 d. ~~Persons, firms or corporations~~ Persons who ~~shall~~ sell
20 motor vehicles as an incident to their principal business but
21 who are not engaged primarily in the selling of motor
22 vehicles. This category includes ~~finance companies~~ financial
23 institutions who ~~shall~~ sell repossessed motor vehicles and
24 insurance companies who sell motor vehicles to which they
25 have taken title as an incident of payments made under
26 policies of insurance and who do not maintain a used car lot
27 or building with one or more employed motor vehicle
28 salesmen.
- 29 e. ~~Persons, firms or corporations~~ Persons manufacturing,
30 distributing or selling trailers and semitrailers weighing not
31 more than 750 pounds and carrying not more than ~~1,500~~ a
32 1,500 pound load.
- 33 f. A licensed real estate broker or salesman who sells a
34 mobile home for the owner as an incident to the sale of land
35 upon which the mobile home is located.
- 36 g. An employee of an organization arranging for the purchase or
37 lease by the organization of vehicles for use in the
38 organization's business.
- 39 h. Any publication, broadcast, or other communications media
40 when engaged in the business of advertising, but not otherwise
41 arranging for the sale of motor vehicles owned by others.
- 42 i. Any person dealing solely in the sale or lease of vehicles
43 designed exclusively for off-road use.

- 1 j. Any real property owner who leases any interest in property for
2 use by a dealer.
3 k. Any person acquiring any interest in a motor vehicle for a
4 family member."

5 Sec. 2. This act becomes effective October 1, 1991.