

GENERAL ASSEMBLY OF NORTH CAROLINA

SESSION 1993

H

1

HOUSE BILL 1775

Short Title: Make Dealer Plate Law Consistent.

(Public)

---

Sponsors: Representatives Luebke, Jarrell, Arnold, Braswell, Gamble, B. Miller, Ramsey, Spears, and Tallent.

---

Referred to: Transportation.

---

May 26, 1994

A BILL TO BE ENTITLED

AN ACT TO RESOLVE A CONFLICT IN THE DEALER LICENSE PLATE LAW CONCERNING THE USE OF DEALER LICENSE PLATES ON VEHICLES USED BY A DEALER IN A BUSINESS THAT IS SEPARATE FROM THE BUSINESS OF SELLING MOTOR VEHICLES.

The General Assembly of North Carolina enacts:

Section 1. G.S. 20-79(d), as amended by Section 169.4 of Chapter 321 of the 1993 Session Laws and by Section 2 of Chapter 440 of the 1993 Session Laws, reads as rewritten:

"(d) Restrictions on Use. – A dealer license plate may be displayed only on a motor vehicle that meets all of the following requirements:

- (1) Is part of the inventory of the dealer.
- (2) Is not consigned to the dealer.
- (3) Is covered by liability insurance that meets the requirements of Article 9A of this Chapter.
- (4) Is not used by the dealer in another business in which the dealer is engaged.
- (5) Is driven on a highway by a person who meets the following requirements and who carries a copy of the registration card for the dealer plate displayed on the motor vehicle and any demonstration permit issued to that person while driving the motor vehicle:
  - a. Is an officer of the dealer, an employee of the dealer, or a person to whom the dealer has issued a demonstration permit.

1                   b.     Is at least 18 years old unless the person is test-driving the  
2                             vehicle and has a demonstration permit or is an employee of the  
3                             dealer and regularly works for the dealer at least 15 hours a  
4                             week.

5             A dealer may issue a demonstration permit for a motor vehicle to a person licensed  
6 to drive that type of motor vehicle. A demonstration permit authorizes each person  
7 named in the permit to drive the motor vehicle described in the permit for up to 96  
8 hours after the time the permit is issued. A dealer may, for good cause, renew a  
9 demonstration permit for one additional 96-hour period.

10            A dealer may not lend, rent, lease, or otherwise place a dealer license plate at the  
11 disposal of a person except as authorized by this subsection.

12            ~~A dealer who sells, trades, or services farm tractors may use a dealer license plate on  
13 a vehicle that is owned by the dealer and is used to haul farm tractors or any other farm-  
14 related equipment sold, traded, or serviced by the dealer."~~

15            Sec. 2. This act becomes effective July 1, 1994.