

GENERAL ASSEMBLY OF NORTH CAROLINA

SESSION 1993

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SENATE BILL 1175

Short Title: Registration Plate Surrender Penalty.

(Public)

Sponsors: Senators Speed; Lee, Carpenter, Smith, Cochrane, and Forrester.

Referred to: Judiciary II.

May 17, 1993

A BILL TO BE ENTITLED

**AN ACT TO IMPOSE A FINE FOR FAILURE TO SURRENDER A VEHICLE
REGISTRATION PLATE WITHIN TWENTY DAYS OF NOTICE OF
CANCELLATION OF FINANCIAL RESPONSIBILITY COVERAGE.**

The General Assembly of North Carolina enacts:

Section 1. G.S. 20-309(e) reads as rewritten:

"(e) Upon termination by cancellation or otherwise of an insurance policy provided in subsection (b) of this section, the insurer shall notify the Division of such termination; provided, no cancellation notice is required if the insurer issues a new insurance policy complying with this Article at the same time the insurer cancels or otherwise terminates the old policy, no lapse in coverage results, and the insurer sends the certificate of insurance form for the new policy to the Division. The Division, 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 10 days from date of notice given by the Division either:

(1) Certify to the Division that he had financial responsibility effective on or prior to the date of such termination; or

(2) In the case of a lapse in financial responsibility, pay a fifty dollar (\$50.00) civil penalty; and certify to the Division that he now has financial responsibility effective on the date of certification, that he did not operate the vehicle in question during the period of no financial responsibility with the knowledge that there was no financial

1 responsibility, and that the vehicle in question was not involved in a
2 motor vehicle accident during the period of no financial responsibility.

3 Failure of the owner to certify that he has financial responsibility as herein required
4 shall be **prima facie** evidence that no financial responsibility exists with regard to the
5 vehicle concerned and unless the owner's registration plate has on or prior to the date of
6 termination of insurance been surrendered to the Division by surrender to an agent or
7 representative of the Division designated by the Commissioner, or depositing the same
8 in the United States mail, addressed to the Division of Motor Vehicles, Raleigh, North
9 Carolina, the Division shall revoke the vehicle's registration for 30 days. The failure of
10 the owner to surrender the registration plate within 20 days from the date of notice
11 given by the Division in the manner described above shall subject the owner's drivers
12 license to revocation. The owner shall pay to the Division the sum of twenty-five
13 dollars (\$25.00) before the Division may reissue the revoked drivers license.

14 In no case shall any vehicle, the registration of which has been revoked for failure to
15 have financial responsibility, be reregistered in the name of the registered owner,
16 spouse, or any child of the spouse, or any child of such owner within less than 30 days
17 after the date of receipt of the registration plate by the Division of Motor Vehicles,
18 except that a spouse living separate and apart from the registered owner may register
19 such vehicle immediately in such spouse's name. Additionally, as a condition precedent
20 to the reregistration of the vehicle by the registered owner, spouse, or any child of the
21 spouse, or any child of such owner, except a spouse living separate and apart from the
22 registered owner, the payment of a restoration fee of fifty dollars (\$50.00) and the
23 appropriate fee for a new registration plate is required. Any person, firm or corporation
24 failing to give notice of termination shall be subject to a civil penalty of two hundred
25 dollars (\$200.00) to be assessed by the Commissioner of Insurance upon a finding by
26 the Commissioner of Insurance that good cause is not shown for such failure to give
27 notice of termination to the Division."

28 Sec. 2. This act becomes effective October 1, 1993.