

State of North Carolina

ROY COOPER
GOVERNOR

September 24, 2018

EXECUTIVE ORDER NO. 63

**SUSPENSION OF ENFORCEMENT OF CERTAIN REQUIREMENTS REGARDING THE
SURRENDER OR RETENTION OF TITLE TO SALVAGE VEHICLES DAMAGED DUE
TO HURRICANE FLORENCE**

WHEREAS, Hurricane Florence (“Hurricane”) made landfall off the coast of North Carolina on or about 14 September 2018; and

WHEREAS, impacts from the Hurricane constitute a State of Emergency, as defined in N.C. Gen. Stat. § 166A-19.3(19); and

WHEREAS, Executive Order No. 51, declared a State of Emergency as defined in N.C. Gen. Stat. § 166A-19.3(19) for the entire State of North Carolina (the “Emergency Area”); and

WHEREAS, the President of the United States issued an emergency declaration, FEMA-3401-EM, for the State of North Carolina on 10 September 2018, providing, in part, for Public Assistance - Category B, including direct federal assistance to the state; and

WHEREAS, the President of the United States approved an Expedited Major Disaster Declaration, FEMA-4393-DR, for the State of North Carolina on 14 September 2018, which has since been amended to include additional counties (“FEMA Declaration”); and

WHEREAS, the State’s residents have suffered losses and will likely suffer imminent further widespread damage within the meaning of N.C. Gen. Stat. §§ 166A-19.3(3) and 166A-19.21(b); and

WHEREAS, N.C. Const. art. III § 5(4) vests the Governor with the duty to take care that the laws be faithfully executed; and

WHEREAS, N.C. Gen. Stat. § 166A-19.10(b) authorizes and empowers the Governor to make and amend orders, rules, and regulations within the limits of the authority conferred upon the Governor in the North Carolina Emergency Management Act; and

WHEREAS, the Secretary of the North Carolina Department of Transportation (“the Secretary”) is charged with overseeing and managing the Division of Motor Vehicles (“DMV”); and

WHEREAS, weather events associated with the Hurricane will likely result in the total or near-total loss of thousands of vehicles; and

WHEREAS, as a result, insurance carriers are anticipating a significant rise in claims; and

WHEREAS, N.C. Gen. Stat. § 20-109.1 governs the surrender or retention of title for Hurricane-damaged vehicles; and

WHEREAS, N.C. Gen. Stat. § 20-109.1(b) requires owners of Hurricane-damaged vehicles wishing to relinquish title to assign the title to their insurance carrier; and

WHEREAS, 19A N.C. Admin. Code 3C.0220(b) requires the notarization of any document surrendering or retaining the title to a Hurricane-damaged vehicle; and

WHEREAS, N.C. Gen. Stat. § 20-109.1(c) requires an owner of a Hurricane-damaged vehicle to submit a notarized owner-retained salvage claim prior to receipt of an insurance payout; and

WHEREAS, N.C. Gen. Stat. § 20-85 identifies the fees for salvaging title; and

WHEREAS, all state laws prohibiting fraud in connection with the surrender or retention of title to salvage vehicles remain in effect; and

WHEREAS, the current process to apply for a salvage a title may be burdensome for many residents in areas affected by the Hurricane; and

WHEREAS, promptly addressing the salvage title application process is essential to supporting Hurricane victims.

NOW, THEREFORE, by the authority vested in me as Governor by the Constitution and the laws of the State of North Carolina, **IT IS ORDERED**:

Section 1.

- (a) This Executive Order only relates to vehicles, as defined by N.C. Gen. Stat. § 20-40.1(49), which are owned in the North Carolina counties identified in the FEMA Declaration as of the effective date of this Executive Order (“FEMA Counties,” individually, “FEMA County”) and upon which a total loss claim has been paid to the owner solely because the vehicle has been damaged and rendered flood salvage by weather events associated with Hurricane Florence.
- (b) A salvage vehicle owner must produce documentation or other evidence to DMV personnel sufficient to establish the following:
 - i. The owner is a resident of a FEMA county, or owns a residence in a FEMA county;
 - ii. The salvage vehicle is registered in North Carolina;
 - iii. The owner has received a total loss claim; and
 - iv. The loss claim was paid solely because the salvage vehicle was damaged and rendered flood salvage by weather events associated with the Hurricane.
- (c) A used car dealer must produce documentation or other evidence to DMV personnel sufficient to establish the following:
 - i. The salvage vehicle is registered in North Carolina;
 - ii. The salvage vehicle is or was owned by an individual who resides in a FEMA county or owns a residence in a FEMA county;
 - iii. A total loss claim was paid to the owner; and
 - iv. The loss claim was paid solely because the salvage vehicle was damaged and rendered flood salvage by weather events associated with the Hurricane.
- (d) An insurer must produce documentation or other evidence to DMV personnel sufficient to establish the following:
 - i. The salvage vehicle is registered in North Carolina;
 - ii. The salvage vehicle is or was owned by an individual who resides in a FEMA county or owns a residence in a FEMA county;
 - iii. A total loss claim was paid to the owner; and
 - iv. The loss claim was paid solely because the salvage vehicle was damaged and rendered flood salvage by weather events associated with the Hurricane.

Section 2.

DMV shall suspend enforcement of the requirements arising under N.C. Gen. Stat. § 20-109.1(b) and 19A N.C. Admin. Code 3C.0220(b) that to assign or transfer title, the owner of a salvage vehicle or an individual possessing that owner’s power of attorney must authorize the assignment or transfer in the presence of a notary.

Section 3.

DMV shall suspend enforcement of the requirements arising under N.C. Gen. Stat. § 20-109.1(c) and 19A N.C. Admin. Code 3C.0220(b) that when a salvage vehicle owner wishes to keep the vehicle, the owner's signature or the signature of an individual possessing that owner's power of attorney must be notarized on an insurer-provided salvage form.

Section 4.

The certificates of title and registration cards for vehicles transferred pursuant to this Executive Order shall be branded consistent with N.C. Gen. Stat. §§ 20-70.1(a) and 20-70.1 (a1).

Section 5.

DMV shall suspend the collection of salvage title fees owed for vehicles pursuant to N.C. Gen. Stat. § 20-85, specifically fees collected pursuant to N.C. Gen. Stat. §§ 20-85(2), (4)-(6), (10).

Section 6.

Notwithstanding Section 1(a) of this Executive Order, a mobile home, for purposes of this Executive Order, shall be considered a vehicle unless it meets the following real property requirements listed in N.C. Gen. Stat § 105-273(13): it is a residential structure with the moving hitch, wheels, and axle removed, and is placed upon a permanent foundation either on land owned by the owner of the mobile home, or on land in which the owner has a leasehold interest pursuant to a lease with a primary term of a least twenty (20) years and the lease expressly provides for the disposition of the mobile home upon termination of the lease.


Section 7.

I hereby authorize the Secretary or the Secretary's designee to carry out this Executive Order and, consistent with applicable law, take any actions necessary to implement the measures herein.

Section 8.

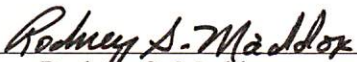
This Executive Order is effective as of 24 September 2018 and shall remain in effect for ninety (90) days.

IN WITNESS WHEREOF, I have hereunto signed my name and affixed the Great Seal of the State of North Carolina at the Capitol in the City of Raleigh, this 24th day of September in the year of our Lord two thousand and eighteen.



Roy Cooper
Governor

ATTEST:



Rodney S. Maddox
Chief Deputy Secretary of State

