

**01 NCAC 43B .0403 COMPLIANCE AND UTILIZATION**

(a) The state agency shall effect utilization reviews for compliance by donees with the terms, conditions, reservations and restrictions imposed by the Federal and state Government for any item of property having a unit acquisition cost of five thousand dollars (\$5,000) or more and any passenger motor vehicle.

(b) Compliance reviews shall include a survey of donee compliance with any special handling conditions or use limitations imposed on items of property.

(c) Compliance reviews shall also include a survey of donee compliance with the statutory requirement that items of donated property acquired by the donee be placed into use within one year of acquisition and used for one year thereafter. However, for items with a unit acquisition cost of five thousand dollars (\$5,000) or more and passenger motor vehicles, regardless of acquisition cost, except vessels 50 feet or more in length and aircraft with a unit acquisition cost of five thousand dollars (\$5,000) or more, the following restrictions shall apply:

- (1) Property shall be used only for the purpose(s) for which acquired and for no other purpose(s).
- (2) There shall be a period of restriction which will expire after such property has been used for the purpose(s) for which acquired for a period of 18 months, after being placed in use, on all passenger motor vehicles and other items of property with a unit acquisition cost of five thousand dollars (\$5,000) or more, except for such items as major equipment on which the state agency may designate a further period of restriction of up to three years and so indicates on the distribution document.
- (3) In the event property is not so used or handled as required above, but federal restrictions have expired, title and right to the possession of such property shall, at the option of the state agency, revert to the State of North Carolina and the donee shall release such property to such person as the state agency shall direct.

*History Note: Authority G.S. 143-64.1 to 143-64.5;  
Eff. February 1, 1976;  
Readopted Eff. February 27, 1979;  
Transferred from T01-05C Eff. November 25, 1986;  
Amended Eff. July 1, 1987;  
Transferred from T01-04G Eff. November 1, 1995;  
Amended Eff. February 1, 1996;  
Pursuant to G.S. 150B-21.3A, rule is necessary without substantive public interest Eff. March 6, 2018.*