

GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2025

H

1

HOUSE BILL 421

Short Title: Motor Vehicle Dealers. (Public)

Sponsors: Representatives B. Jones, Tyson, and Ross (Primary Sponsors).
For a complete list of sponsors, refer to the North Carolina General Assembly web site.

Referred to: Transportation, if favorable, Rules, Calendar, and Operations of the House

March 18, 2025

1 A BILL TO BE ENTITLED
2 AN ACT TO CLARIFY VARIOUS MOTOR VEHICLE DEALER LAWS.
3 The General Assembly of North Carolina enacts:

4
5 **EXTEND DEALER LICENSE GRACE PERIOD**

6 **SECTION 1.** G.S. 20-295(b) reads as rewritten:

7 "(b) Pending License Renewal Grace Period. – When an application for license renewal
8 has been timely submitted prior to expiration of the license, the license shall remain valid for up
9 to ~~30 days~~ 60 days after the expiration date until the Division grants or denies the application.
10 The Division shall (i) ensure that any database maintained by the Division that indicates the status
11 of a license issued under this Article reflects that the license continues to be valid during this
12 period and (ii) send a temporary license to the renewal applicant for display to evidence extension
13 of the validity of the license to engage in business in this State while the Division reviews the
14 renewal application. The temporary license issued by the Division pursuant to this subsection
15 shall contain on its face the following notation: "This temporary license is issued pursuant to
16 G.S. 20-295 during a license renewal application review by the North Carolina Division of Motor
17 Vehicles and is valid to engage in business in this State with all rights and privileges of a
18 license."
19

20 **ALIGN DEALER LICENSE PLATE RENEWAL WITH DEALER LICENSE**
21 **RENEWALS**

22 **SECTION 2.** G.S. 20-79 reads as rewritten:

23 **"§ 20-79. Dealer license plates.**

24 ...

25 (c) Form and Duration. – A dealer license plate is subject to G.S. 20-63, except for the
26 requirement that the plate display the registration number of a motor vehicle and the requirement
27 that the plate be a "First in Flight" plate, a "First in Freedom" plate, or a "National/State Mottos"
28 plate. A dealer license plate must have a distinguishing symbol identifying the plate as a dealer
29 license plate. The symbol may vary depending upon the classification of dealer license plate
30 issued. The Division must provide suitably reduced sized license plates for motorcycle dealers
31 and manufacturers.

32 A dealer license plate is issued for a period of ~~one year~~ two years. The Division shall vary
33 the expiration dates of dealer registration renewals so that an approximately equal number expires
34 at the end of each month, quarter, or other period consisting of one or more ~~months~~ months to
35 coincide with G.S. 20-288(c). A dealer license plate may be transferred from one vehicle to



1 another. When the Division issues a dealer plate, it may issue a registration that expires at the
2 end of any monthly interval. When one of the following occurs, a dealer must surrender to the
3 Division all dealer license plates issued to the dealer:

- 4 (1) The dealer surrenders the license issued to the dealer under Article 12 of this
5 Chapter.
- 6 (2) The Division suspends or revokes the license issued to the dealer under Article
7 12 of this Chapter.
- 8 (3) The Division rescinds the dealer license plates because of a violation of the
9 restrictions on the use of a dealer license plate.

10 To obtain a dealer license plate after it has been surrendered, the dealer must file a new
11 application for a dealer license plate and pay the required fee for the plate.

12 (c1) Dealer Plate Mandatory Replacement. – Notwithstanding G.S. 20-63.1, registration
13 plates issued under this section shall be replaced every ~~three~~four years.

14"

15
16 **EFFECTIVE DATE**

17 **SECTION 3.** This act becomes effective October 1, 2025.