

GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2025

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SENATE BILL 401

Short Title: Dealer License Renewal Modifications. (Public)

Sponsors: Senators Jackson, Lazzara, and Sawyer (Primary Sponsors).

Referred to: Rules and Operations of the Senate

March 25, 2025

A BILL TO BE ENTITLED
AN ACT EXTENDING THE DEALER LICENSE RENEWAL GRACE PERIOD AND
ALIGNING DEALER REGISTRATION PLATE RENEWALS WITH DEALER LICENSE
RENEWALS.

The General Assembly of North Carolina enacts:

PART I. EXTEND DEALER LICENSE GRACE PERIOD

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

"§ 20-295. Action on application; grace period while application for license renewal is pending.

...

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

SECTION 1.(b) This section becomes effective October 1, 2025, and applies to licenses issued or renewed on or after that date.

PART II. ALIGN DEALER REGISTRATION PLATE RENEWAL WITH DEALER LICENSE RENEWALS

SECTION 2.(a) G.S. 20-79 reads as rewritten:

"§ 20-79. Dealer license plates.

...

(c) Form and Duration. – A dealer license plate is subject to G.S. 20-63, except for the requirement that the plate display the registration number of a motor vehicle and the requirement that the plate be a "First in Flight" plate, a "First in Freedom" plate, or a "National/State Mottos" plate. A dealer license plate must have a distinguishing symbol identifying the plate as a dealer license plate. The symbol may vary depending upon the classification of dealer license plate



1 issued. The Division must provide suitably reduced sized license plates for motorcycle dealers
2 and manufacturers.

3 A dealer license plate is issued for a period of ~~one year~~ two years. The Division shall vary
4 the expiration dates of dealer registration renewals so that an approximately equal number expires
5 at the end of each month, quarter, or other period consisting of one or more ~~months~~ months to
6 coincide with G.S. 20-288(c). A dealer license plate may be transferred from one vehicle to
7 another. When the Division issues a dealer plate, it may issue a registration that expires at the
8 end of any monthly interval. When one of the following occurs, a dealer must surrender to the
9 Division all dealer license plates issued to the dealer:

10 ...

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

13"

14 **SECTION 2.(b)** This section becomes effective October 1, 2025, and applies to
15 registration plates issued on or after that date.

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17 **PART III. EFFECTIVE DATE**

18 **SECTION 3.** Except as otherwise provided, this act is effective when it becomes
19 law.