

GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2005

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HOUSE BILL 786*
Committee Substitute Favorable 5/5/05

Short Title: MV Dealer Technical Corrections.-AB

(Public)

Sponsors:

Referred to:

March 17, 2005

1 A BILL TO BE ENTITLED
2 AN ACT TO MAKE TECHNICAL CORRECTIONS TO THE MOTOR VEHICLE
3 DEALERS LICENSING ACT.

4 The General Assembly of North Carolina enacts:

5 **SECTION 1.** G.S. 20-287(a) reads as rewritten:

6 "(a) License Required. – It shall be unlawful for any new motor vehicle dealer,
7 used motor vehicle dealer, motor vehicle sales representative, manufacturer, factory
8 branch, factory representative, distributor, distributor branch, distributor representative,
9 or wholesaler to engage in business in this State without first obtaining a license as
10 provided in this Article. If any motor vehicle dealer acts as a motor vehicle sales
11 representative, the dealer shall obtain a motor vehicle sales representative's license in
12 addition to a motor vehicle dealer's license. A sales representative may have only one
13 license. The license shall show the name of ~~each~~the dealer or wholesaler employing the
14 sales representative. The following license holders may operate as a motor vehicle
15 dealer without obtaining a motor vehicle dealer's license or paying an additional fee: a
16 manufacturer, a factory branch, a distributor, and a distributor branch. Any of these
17 license holders who operates as a motor vehicle dealer may sell motor vehicles at retail
18 only at an established salesroom."

19 **SECTION 2.** G.S. 20-288(c) reads as rewritten:

20 "(c) **(Effective until January 1, 2006)** All licenses that are granted shall expire
21 unless sooner revoked or suspended, on June 30 of the year following date of issue.

22 (c) **(Effective January 1, 2006)** All licenses that are granted shall ~~expire~~be for a
23 period of one year from the date issued unless sooner revoked or suspended. The
24 Division shall vary the expiration dates of all licenses that are granted so that an equal
25 number of licenses expire at the end of each month, quarter, or other period consisting
26 of one or more months to coincide with G.S. 20-79(c)."

27 **SECTION 3.** G.S. 20-290 reads as rewritten:

28 "§ 20-290. Licenses to specify places of business; display of license and list of
29 salesmen; advertising.

1 (a) The license of a motor vehicle dealer shall list each of the dealer's established
2 salesrooms in this State. A license of a manufacturer, factory branch, distributor,
3 distributor branch, or wholesaler shall list each of the license holder's places of business
4 in this State. A license shall be conspicuously displayed at each place of business. In the
5 event the location of a business changes, the Division shall endorse the change of
6 location on the license, without charge.

7 (b) Each dealer shall keep a current list of his licensed salesmen, showing the
8 ~~names, addresses, and serial numbers of their licenses,~~ name of each licensed salesman,
9 posted in a conspicuous place in each place of business.

10 (c) Whenever any licensee places an advertisement in any newspaper or
11 publication, the ~~type and serial number of license~~ licensee's name shall appear ~~therein~~ in
12 the advertisement."

13 **SECTION 4.** G.S. 20-291 reads as rewritten:

14 "**§ 20-291. Representatives to carry license and display it on request; license to**
15 **name employer.**

16 Every person to whom a sales representative, factory representative, or distributor
17 representative license is issued shall carry the license when engaged in business, and
18 shall display it upon request. The license shall state the name of the representative's
19 employer. If the representative changes employers, the representative shall immediately
20 apply to the Division for a license that states the name of the representative's new
21 employer. The fee for issuing a license stating the name of a new employer is ~~one-half~~
22 the fee set in G.S. 20-289 for an annual license."

23 **SECTION 5.** This act becomes effective January 1, 2006.