



SENATE BILL 385: Clarify/Auto Dealers Regulatory Req.

2019-2020 General Assembly

Committee: Senate Rules and Operations of the Senate	Date: May 6, 2019
Introduced by: Sen. B. Jackson	Prepared by: Jeremy Ray
Analysis of: Second Edition	Staff Attorney

OVERVIEW: *Senate Bill 385 would make various changes to the motor vehicle laws of North Carolina which regulate motor vehicle dealers and licensing.*

BACKGROUND: Article 12 of Chapter 20 of the General Statutes covers Motor Vehicle Dealers and Manufacturers Licensing Law.

BILL ANALYSIS:

SECTIONS 1 and 2. would allow individuals who have applied for a sales representative license to engage in related professional activities while their application is still pending, if actively and directly supervised by a licensed sales representative or motor vehicle dealer, and make other conforming changes.

SECTION 3. would require an application for a motor vehicle dealer license (new or used) to be accompanied by an application for a dealer plate, and to certify in the application whether the applicant or parent, subsidiary, affiliate, or any other entity related to the applicant, is a manufacturer, factory branch, factory representative, distributor, distributor branch, distributor representative, or wholesaler. If so, the applicant would be required to state whether it contends it qualifies for a motor vehicle dealer license under an exception to the prohibition of the issuance of a license for such applicants, as provided in G.S. 20-305.2(a).

SECTION 4. would require any rule, change in law, or other action that directs or requires a new or adjusted fee or tax, a new or amended form prescribed by the Division, or any other change applicable to a motor vehicle sold or leased by a motor vehicle dealer, apply only to sales and leases *made on or after* the effective date of the new or adjusted fee or tax, new or amended form prescribed by the Division, or other change. This would prohibit application of such changes to a motor vehicle sale or lease made prior to the effective date of such changes.

EFFECTIVE DATE: This act is effective when it becomes law.

Karen Cochrane-Brown
Director



Legislative Analysis
Division
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