

HOUSE BILL 821: Driver's License Expiration Moratorium.

2025-2026 General Assembly

Committee: House Finance. If favorable, re-refer to Rules, **Date:** May 6, 2025

Calendar, and Operations of the House

Introduced by: Reps. Adams, Kidwell, Schietzelt Prepared by: Trina Griffin Staff Attorney

Analysis of: PCS to First Edition

H821-CSSVf-14

OVERVIEW: House Bill 821 would extend the validity of drivers licenses up to two years past their expiration date for purposes of driving. The extension would expire on December 31, 2027. The bill would also direct the Joint Legislative Transportation Oversight Committee to review the studies and/or recommendations of the Committee, the Department of Transportation, or the Office of the State Auditor regarding the delays and staffing shortages experienced by DMV and to report its findings and make any legislative proposals designed to alleviate those issues to the 2026 Regular Session of the General Assembly.

CURRENT LAW: The North Carolina Division of Motor Vehicles currently issues standard Class C drivers licenses in accordance with statutory requirements set out in G.S. 20-7. The duration of licenses issued to persons aged 18-66 is generally eight years. The Division of Motor Vehicles requires in person renewal of drivers licenses at least every other renewal.

BILL ANALYSIS: House Bill 821 would extend the validity of Class C drivers licenses for up to two years after the date they expired only for purposes of establishing the licensee's driving privilege. The extension would not apply to any license that is otherwise revoked, suspended, or cancelled. It would also not apply to REAL ID licenses that have been valid for at least eight years.

The bill would also direct the Joint Legislative Transportation Oversight Committee to review the studies or audits conducted or commissioned by, or any recommendations made by, the Committee, the Department of Transportation, or the Office of the State Auditor regarding the delays and staffing shortages occurring at DMV and to report its findings, and make any legislative proposals designed to alleviate those issues, to the 2026 Regular Session of the General Assembly.

EFFECTIVE DATE: The act would be effective when it becomes law and would apply to drivers licenses that expire on or after that date. The act would expire on December 31, 2027.

BACKGROUND: Section 41.14C of S.L. 2023-134 directed the Legislative Services Officer, in conjunction with the Joint Legislative Transportation Oversight Committee, to select a consultant to study the feasibility and advisability of further privatizing and modernizing DMV to provide a more citizen-friendly service model to the taxpayers of this State. The study was conducted by the Institute for Transportation Research and Education (ITRE) at NC State University and a PhD from the Bryan School of Business and Economics at UNC-Greensboro and released in April of 2024, titled "Opportunities for Modernizing and Improving NCDMV Operations." In addition, the Office of the State Auditor is currently engaged in an audit of DMV.

Wendy Ray, counsel to House Transportation, substantially contributed to this summary.

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