

NC DMV MINIMUM DEALER LICENSE REQUIREMENTS

DEALER UNIT CONTACT INFORMATION:
NC DMV VEHICLE SERVICES DEALER UNIT
3129 MAIL SERVICE CENTER
RALEIGH, NC 27697-3129
(919) XXX-XXXX

1. OVERVIEW. The North Carolina Division of Motor Vehicles Dealer Unit monitors and updates information surrounding approximately 7,900 licensed automobile dealers and 44,000 licensed sales representatives. This section issues dealer/sales representative licenses, plates and 30-day markers to mail order and walk-in customers.

This section is also responsible for opening new dealerships and placing dealers out of business when their licenses have expired, been surrendered or revoked/suspended. The Dealer Unit is responsible for providing customer service in person, by correspondence and by telephone.

This unit which resides in the Raleigh, NC area is only location in North Carolina that provides Dealer licensing services.

2. NC DMV MINIMUM DEALER LICENSE REQUIREMENTS. The below information lists all requirements that are needed to complete prior to receiving a North Carolina Dealers License.

(a). Have an “established salesroom” (Retail) containing at least 96 square feet of floor space in a permanent, enclosed building, or separate and apart from any living quarters, residence, or other business and having a separate entrance.

(b). Have an “established office” (Wholesaler) containing at least 96 square feet of floor space in a permanent, enclosed building or structure which is accessible to Division personnel and is a place where books, records and files are required to be kept.

(c). Established salesroom and/or established office is required to be in compliance with all State, County and Municipal zoning ordinances or regulations.

(d). A sign designating the trade name of the business in block letters not less than three inches in height on a contrasting background.

(e). Must furnish a corporate surety bond or a cash bond in the amount of fifty thousand dollars (\$50,000) for one established salesroom and twenty-five thousand dollars (\$25,000) for each established salesroom.

(f). The Division must have evidence of an assumed name being filed with the Register of Deeds in the county in North Carolina where the business is maintained when such business is operated under any designation, name or style other than the real name of the owner or owners thereof or under its corporate name as it would appear on the dealer license certificate.

(g). If the business will be conducted as a corporation, articles of incorporation must have been filed with the North Carolina Secretary of State. The first page of the corporate charter must accompany application for license. A foreign corporation must procure a certificate of authority from the North Carolina Secretary of State before being licensed to operate in this State.

(h). Have a comprehensive liability insurance company policy or Garage Coverage Form-Automobile Dealer Supplementary Schedule policy number or binder number from the insurance company to cover dealer plates.

(i). Application for license must accurately describe the physical location of the business such as; street name, street number, city, state and zip code. If a post office box number or rural route number is used, the above information must be included. It is not permissible to have a mailing address different from the actual location of the business. Wholesale applicants must supply the Division with a telephone number at which such business may be contacted by agents of the Division concerning records and sales transactions.

(j). Applicants for a "used motor vehicle" dealer's license must show proof that within the last twelve months they have completed a 12 hour licensing course approved by the Division if seeking an initial license, and a 6 hour course approved by the Division if seeking a renewal of license. These educational requirements do not apply to the following-1.) Used motor vehicle dealer (applicants) who under NCGS 1.43-143.11 who complies with the educational requirements of NCGS 143-143.11B; 2.) Persons age 62 or older at time of application who are seeking the renewal of an Individual or Partnership license.

(k). Prior to license being issued, all of the above requirements must be in compliance and the established salesroom and/or office must be inspected and approved by the agent of the License and Theft Bureau. The record of inspection must accompany the application for license.

3. DEALER REQUIREMENTS. With requirements which are explained in Session Law 2019-91, you as the applicant, will need to certify to the following as you complete the above requirements. As you read through each statement, ensure that you CIRCLE each YES or NO and INITIAL where required. Your application may be delayed due to incorrect and/or missing information.

(1) The Division requires applicants to consent to a criminal history record check. Does the applicant consent? **Yes** or **No** (circle one) *Initial: _____

(2) I have been convicted of an offense set forth under N.C.G.S. 20-106, 20-106.1, 20-107 or 20-112 within 5 years next preceding the date of filing the application. **Yes** or **No** (circle one) *Initial: _____

(3) I have been convicted of a crime: (a) possibly related to the duties and responsibilities for holding a sales representative license; or (b) violent or sexual in nature. **Yes** or **No** (circle one) *Initial: _____ (The Division may deny an application if it determines that the conviction is directly related to the duties and responsibilities for holding such a license).

(4) I have previously been denied or had a license issued under the Dealer Licensing Act that was suspended or revoked. **Yes** or **No** (circle one) *Initial: _____

(5) I am familiar with and will comply with all the laws and regulations governing the conduct of motor vehicle salesmen or representatives and will cooperate with the Division in administering the North Carolina Motor Vehicle Dealers and Manufacturers Act. The information and certifications contained in this application are true and correct to the best of my knowledge and belief. **Yes** or **No** (circle one) *Initial: _____

In reviewing an application, the Division may only deny an application based on a conviction under the requirements of N.C.G.S. § 20-294 and N.C.G.S. § 93B-8.1. Upon review of the application where the applicant has a criminal conviction, the Division shall consider:

- (a) The level and seriousness of the crime.
- (b) The date of the crime.
- (c) The age of the person at the time of the crime.
- (d) The circumstances surrounding the commission of the crime, if known.
- (e) The nexus between the criminal conduct and the prospective duties of the applicant as a licensee.
- (f) The prison, jail, probation, parole, rehabilitation, and employment records of the applicant since the date the crime was committed.
- (g) The completion of, or active participation in, rehabilitative drug or alcohol treatment.
- (h) A Certificate of Relief granted pursuant to C.S. 15A-173.2.
- (i) The subsequent commission of a crime by the applicant.
- (j) Any affidavits or other written documents, including character references.

If you answered answer "YES" to questions (2) or (3) above indicating that you have such a conviction, you may attach any information relevant for the Division to consider in reviewing your application. Such information can include, but not be limited to, the considerations listed above in (a) through (j) that the Division shall consider.

Any material misstatement on this application and/or other grounds besides convictions listed under N.C.G.S. § 20-294 may authorize the denial of the application.

If the Division denies an application based on a conviction and/or other grounds listed under N.C.G.S. § 20-294, the applicant may appeal the denial under the procedures set forth under N.C.G.S. § 20-300, N.C.G.S. § 150B-45, and the remaining provisions of Article IV of Chapter 150B.