



CHAPTER 20
ARTICLE 13 - THE VEHICLE FINANCIAL RESPONSIBILITY ACT OF 1957

N.C.G.S. § 20-309.2.

Insurer shall notify Division of actions on insurance policies.

SOURCE General Statutes of North Carolina, as published by the General Assembly	LAST AMENDMENT IN THIS TEXT No amendment history on record	RETRIEVED 21 September 2026, 04:03 UTC	SOURCE FINGERPRINT d1a40e3f65e0a889f7d76bd3 - eb3e75cf57d49a2395149ad6 - 048a772b774adb47
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- § 20-309.2(a)Notice Required. - An insurer shall notify the Division upon any of the following with regard to a motor vehicle liability policy:
- (1)

Issues a new or replacement policy.
- (2)

Terminates a policy, either by cancellation or failure to renew, unless the same insurer issues a replacement policy complying with this Article at the same time the insurer terminates the old policy and no lapse in coverage results.
- (3)

Reinstates a policy after the insurer has notified the Division of a cancellation or termination.
- (4)

(Effective July 1, 2026) A person subject to an inexperienced operator premium surcharge pursuant to G.S. 58-36-65(k) is added to or removed from the policy's coverage, or if a policy to which a person subject to the inexperienced operator surcharge pursuant to G.S. 58-36-65(k) was added has been canceled.

- § 20-309.2(a1)(Effective until July 1, 2026) Division Records. - The Division shall ensure that its records accurately reflect the insurance coverage status of each owner of a motor vehicle registered or required to be registered in this State by reconciling all notices received under this section pertaining to that motor vehicle owner. A termination notice received under subdivision (2) of subsection (a) of this section shall not be recorded as a lapse in financial responsibility or initiate action by the Division under G.S. 20-311 if an earlier notice received by the Division under this section establishes that the owner of the motor vehicle has met the duty to have continuous financial

responsibility for the vehicle, as required under G.S. 20-309, through a motor vehicle liability policy that is not the subject of the later termination notice.

- § 20-309.2(a1)** (Effective July 1, 2026) Division Records. - The Division shall ensure that its records accurately reflect the insurance coverage status of: (i) each owner of a motor vehicle registered or required to be registered in this State and (ii) persons subject to an inexperienced operator premium surcharge pursuant to G.S. 58-36-65 by reconciling all notices received under this section pertaining to that individual or motor vehicle owner. A termination notice received under subdivision (2) of subsection (a) of this section shall not be recorded as a lapse in financial responsibility or initiate action by the Division under G.S. 20-311 if an earlier notice received by the Division under this section establishes that the owner of the motor vehicle has met the duty to have continuous financial responsibility for the vehicle, as required under G.S. 20-309-, through a motor vehicle liability policy that is not the subject of the later termination notice.
- § 20-309.2(b)** Time Period. - An insurer shall notify the Division as required by subsection (a) of this section within 20 business days.
- § 20-309.2(c)** Form of Notice. - All insurers shall submit the notices required under this section by electronic means.
- § 20-309.2(d)** Trade Secret Protection. - The names of insureds and the beginning date and termination date of insurance coverage provided to the Division by an insurer under this section constitutes a designated trade secret under G.S. 132-1.2.
- § 20-309.2(e)** Civil Penalty. - The Commissioner of Insurance may assess a civil penalty of two hundred dollars (\$200.00) against an insurer that fails to notify the Division as required by this section. The Commissioner may waive the penalty if the insurer establishes good cause for the failure.
- § 20-309.2(f)** Clear Proceeds of Penalties. - The clear proceeds of all civil penalties, civil forfeitures, and civil fines that are collected by the Department of Transportation pursuant to this section shall be remitted to the Civil Penalty and Forfeiture Fund in accordance with G.S. 115C-457.2. (2006-213, s. 1; 2007-484, s. 7(b); 2021-185, ss. 7, 12(a); 2025-45, s. 8(c).)

APPARATUS II
5 AUTHORITIES

Authorities referenced

Every G.S. cross-reference appearing in the text of this section, in order of first appearance. Nothing is characterized; the operative language is quoted from the section itself.

REFERENCE	APPEARS IN	OPERATIVE LANGUAGE IN THIS SECTION
G.S. 58-36	(a)(4)	"inexperienced operator premium surcharge pursuant to"
G.S. 20-311	(a1)	"initiate action by the Division under"
G.S. 20-309	(a1)	"for the vehicle, as required under"
G.S. 132-1.2	(d)	"constitutes a designated trade secret under"
G.S. 115C-457.2	(f)	"and Forfeiture Fund in accordance with"

APPARATUS III

Citation

FULL SECTION
N.C. Gen. Stat. § 20-309.2 (2026).

PINPOINT
N.C. Gen. Stat. § 20-309.2(a) (2026).

Pinpoint keys are set in the left margin of the text rather than line numbers: subsection designators are stable across editions and paper sizes, line numbers are not.

COLOPHON

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