

GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2011

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HOUSE BILL 889
PROPOSED COMMITTEE SUBSTITUTE H889-PCS30392-SVf-30

Short Title: Amend Locksmith Licensing Act/Increase Fees.

(Public)

Sponsors:

Referred to:

May 5, 2011

A BILL TO BE ENTITLED

AN ACT AMENDING THE LOCKSMITH LICENSING ACT AND AUTHORIZING THE
NORTH CAROLINA LOCKSMITH LICENSING BOARD TO INCREASE CERTAIN
FEES.

The General Assembly of North Carolina enacts:

SECTION 1. G.S. 74F-3 reads as rewritten:

"§ 74F-3. **Licenses required.**

No person shall perform or offer to perform locksmith services in this State unless the person has been licensed under the provisions of this Chapter. A violation of this section is a Class 31 misdemeanor unless the conduct is covered under some other provision of law providing greater punishment."

SECTION 2. G.S. 74F-4 reads as rewritten:

"§ 74F-4. **Definitions.**

The following definitions apply in this Chapter:

- (1) Apprentice. – A person who has been issued an apprenticeship designation by the Board.
- (1a) Board. – The North Carolina Locksmith Licensing Board.
- (2) Code book. – A compilation, in any form, of key codes and combinations.
- (3) License. – A certificate issued by the Board recognizing the person named therein as having met the requirements to perform locksmith services as defined in this Chapter.
- (4) Locksmith. – A person who has been issued a license by the Board.
- (5) Locksmith services. – Repairing Services that include repairing, rebuilding, rekeying, repinning, servicing, adjusting, or installing locks, mechanical or electronic locking devices, access control devices, egress control devices, safes, vaults, and safe-deposit boxes for compensation or other consideration, including services performed by safe technicians. The definition also includes any method of bypassing a locking mechanism of any kind, whether in a commercial, residential, or automotive setting, for compensation.
- (6) Locksmith tools. – Any tools that are designed or used to open a mechanical or electrical locking device in a way other than that which was intended by the manufacturer."



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1 **SECTION 3.** G.S. 74F-9 reads as rewritten:

2 "**§ 74F-9. Fees.**

3 The Board shall establish fees ~~not exceeding~~in the following amounts:

- | | | |
|-----------------|-------------------------------|-------------------------------------|
| 4 (1) | Issuance of a license | \$100.00 <u>\$300.00</u> |
| 5 (2) | Renewal of a license | \$100.00 <u>\$300.00</u> |
| 6 (3) | Examination | \$200.00 |
| 7 (4) | Reinstatement | \$150.00 <u>\$250.00</u> |
| 8 (5) | Late fees | \$150.00 <u>\$300.00</u> |
| 9 (6) | Apprentice <u>license fee</u> | \$100.00 <u>\$300.00</u> |
| 10 (7) | Apprentice transfer fee | \$25.00." |

11 **SECTION 4.** G.S. 74F-10(b) reads as rewritten:

12 "(b) All licenses shall expire three years after the date they were issued unless renewed.
13 All applications for renewal shall be filed with the Board and shall be accompanied by the
14 renewal fee as required by G.S. 74F-9. A license that has expired for failure to renew may be
15 reinstated after the applicant pays the ~~late-renewal, late,~~ and reinstatement fees as required by
16 G.S. 74F-9. If an applicant whose license has expired can show good cause to the Board the
17 reason for allowing the license to expire, the Board, in its discretion, may adjust the renewal
18 and reinstatement fees accordingly."

19 **SECTION 5.** G.S. 74F-12(b) reads as rewritten:

20 "~~(b) Every person advertising locksmith services performed by the person shall include~~
21 ~~in the advertisement the identification number that is printed on the license issued by the~~
22 ~~Board. All advertisements for locksmith services shall include a valid license number issued by~~
23 ~~the Board. The license number of the owner of the locksmith company shall satisfy the~~
24 ~~requirements of this subsection."~~

25 **SECTION 6.** G.S. 74F-15 reads as rewritten:

26 "**§ 74F-15. Disciplinary procedures.**

27 (a) The Board may deny or refuse to renew, suspend, or revoke a license or
28 apprenticeship designation if the licensee, apprentice, or applicant:

- 29 (1) Gives false information to or withholds information from the Board in
30 procuring or attempting to procure a license.
31 (2) Has been convicted of or pled guilty or no contest to any of the crimes listed
32 in G.S. 74F-18(a)(2).
33 (3) Has demonstrated gross negligence, incompetency, or misconduct in
34 performing locksmith services.
35 (4) Has willfully violated any of the provisions of this Chapter.

36 (b) The Board may assess the costs of disciplinary action, including attorneys' fees,
37 against an applicant or licensee found to be in violation of this Chapter or rules adopted by the
38 Board."

39 **SECTION 7.** G.S. 74F-16 reads as rewritten:

40 "**§ 74F-16. Exemptions.**

41 The provisions of this Chapter do not apply to:

- 42 (1) An employee of a licensed locksmith when acting under the direct control
43 and supervision of the licensed locksmith. For purposes of this subdivision,
44 'direct control and supervision' means that a licensed locksmith is required to
45 physically accompany the employee to the premises where locksmith
46 services are to be performed.
47 (1a) An employee of a locksmith company performing administrative duties only.
48 For purposes of this section, 'administrative duties' means managing the
49 daily operations of an office in a locksmith company, including performing
50 clerical tasks, answering telephones, and greeting customers.
51 (2) A person working as an apprentice pursuant to G.S. 74F-7.1.

- 1 (3) A person or business required to be licensed or registered by the North
2 Carolina Alarm Systems Licensing Board pursuant to Chapter 74D of the
3 General Statutes, when acting within the scope and course of the alarm
4 systems license or registration.
- 5 (4) An employee of a towing service or an automotive repair business providing
6 services in the normal course of its business, a reposessor, a taxi cab
7 service, a motor vehicle dealer as defined in G.S. 20-286(11), or a motor
8 club as defined in G.S. 58-69-1 when opening automotive locks in the
9 normal course of their duties, so long as the employee does not represent
10 himself or herself as a locksmith.
- 11 (5) A property owner, or the owner's employee, when providing locksmith
12 services on the property owner's property, so long as the owner or employee
13 does not represent himself or herself as a locksmith. For purposes of this
14 section, "property" means, but is not limited to, a hotel, motel, apartment,
15 condominium, commercial rental property, and residential rental property.
- 16 (6) A merchant, or retail or hardware store, when it lawfully duplicates keys or
17 installs, services, repairs, rebuilds, reprograms, rekeys, or maintains locks in
18 the normal course of its business, so long as the merchant or store does not
19 represent itself as a locksmith.
- 20 (7) A member of a law enforcement agency, fire department, or other
21 government agency who, when acting within the scope and course of the
22 member's employment with the agency or department, opens locked doors to
23 vehicles, homes, or businesses.
- 24 (8) A salesperson while demonstrating the use of locksmith tools to persons
25 licensed under this Chapter.
- 26 (9) A general contractor licensed under Article 1 of Chapter 87 of the General
27 Statutes when acting within the scope and course of the general contractor
28 license, or an agent or subcontractor of a licensed general contractor when
29 acting within the ordinary course of business.
- 30 (10) A person or business when lawfully installing or maintaining a safety lock
31 device on a wastewater system when the safety lock device is required by
32 permit or requested by the owner of the wastewater system, provided the
33 person or business does not represent itself as a locksmith. For purposes of
34 this subdivision, "wastewater system" has the same meaning as in
35 G.S. 130A-334.
- 36 (11) Any person or firm that sells gun safes or locking devices for firearms when
37 acting within the scope and course of the sale of gun safes or locking devices
38 for firearms.
- 39 (12) A person while performing a locksmith service in an emergency situation
40 without receiving any compensation for this service and who does not
41 advertise those services."

42 **SECTION 8.** This act is effective when it becomes law.