

GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2009

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HOUSE DRH40001-MAfqq-62 (11/18)

Short Title: Motor Vehicle Repair Shop Regulation.

(Public)

Sponsors: Representative Martin.

Referred to:

A BILL TO BE ENTITLED

AN ACT TO ESTABLISH LICENSURE REQUIREMENTS FOR CERTAIN MOTOR
VEHICLE REPAIR SHOPS, COLLISION REPAIR ESTIMATORS, AND COLLISION
REPAIR TECHNICIANS.

The General Assembly of North Carolina enacts:

SECTION 1. Chapter 20 of the General Statutes is amended by adding a new
Article to read:

"Article 18.

"Motor Vehicle Repair Shops and Collision Repair Estimators and Technicians.

"§ 20-420. Short title.

This Article shall be known as the North Carolina Motor Vehicle Repair Shops and
Collision Repairs Licensure Act.

"§ 20-421. Purpose.

The General Assembly declares that in order to protect the safety and welfare of the people
of North Carolina against unqualified motor vehicle repair shops, collision repair estimators,
and collision repair technicians or improper motor vehicle or collision repair, it is necessary to
provide for the licensing and regulation of certain motor vehicle repair shops, collision repair
estimators, and collision repair technicians.

"§ 20-422. License required; exemptions.

(a) After July 1, 2006, no person shall own or operate a motor vehicle repair shop or
engage in business as a collision repair estimator or collision repair technician unless the person
has been properly licensed under the provisions of this Article. Any person violating the
provisions of this Article shall be guilty of a Class 3 misdemeanor.

(b) Nothing in this Article shall be construed to prohibit or affect:

(1) Practice by persons employed by any federal, State, or municipal agency.

(2) Practice by a person who is a student in an educational or certification
program approved by the Board.

(3) Employees of industrial firms that provide motor vehicle or collision repairs
for its customers on its own or leased premises.

(4) A person who repairs or maintains a motor vehicle owned or leased by that
person.

"§ 20-423. Definitions.

The following definitions apply in this Article:

(1) Board. – The North Carolina Board of Examiners for Motor Vehicle Repair
Shops and Collision Repairs.



- 1 (2) Collision repair. – The act of fixing damaged motor vehicles.
- 2 (3) Collision repair estimator. – A person who inspects a damaged vehicle and
- 3 determines the cost required to restore the vehicle to the condition it was in
- 4 before the damage.
- 5 (4) Collision repair technician. – A person who fixes damaged motor vehicles.
- 6 (5) Licensee. – A person who has been issued a license under this Article.
- 7 (6) Motor vehicle repair. – Any maintenance of or modifications or repairs to
- 8 motor vehicles or diagnostic work incident to the repairs, including the
- 9 rebuilding or restoring of rebuilt vehicles, bodywork, painting, and warranty
- 10 work.
- 11 (7) Motor vehicle repair shop. – Any building or part thereof where motor
- 12 vehicle repairs are performed for pay or reward, whether direct or indirect.

13 **§ 20-424. North Carolina Board of Examiners for Motor Vehicle Repair Shops and**

14 **Collision Repairs.**

15 (a) Composition and Terms. – The North Carolina Board of Examiners for Motor

16 Vehicle Repair Shops and Collision Repairs is created. The Board shall consist of seven

17 members who shall serve staggered terms. The initial Board members shall be appointed on or

18 before January 1, 2006, as follows:

- 19 (1) The General Assembly, upon the recommendation of the President Pro
- 20 Tempore of the Senate, shall appoint three members. One of these members
- 21 shall be the owner or operator of a motor vehicle repair shop who shall serve
- 22 a three-year term, one shall be a collision repair estimator who shall serve a
- 23 two-year term, and one shall be a collision repair technician who shall serve
- 24 a one-year term.
- 25 (2) The General Assembly, upon the recommendation of the Speaker of the
- 26 House of Representatives, shall appoint three members. One of these
- 27 members shall be the owner or operator of a motor vehicle repair shop who
- 28 shall serve a three-year term, one shall be a collision repair estimator who
- 29 shall serve a two-year term, and one shall be a collision repair technician
- 30 who shall serve a one-year term.
- 31 (3) The Governor shall appoint one public member who is a consumer of motor
- 32 vehicle repair or collision repair services or has an interest in the rights of
- 33 consumers who shall serve a three-year term.

34 Initial Board members appointed on or before January 1, 2006, do not have to be licensed

35 upon appointment. However, once licensure requirements are established, those initial Board

36 members shall satisfy the applicable requirements for licensure pursuant to this Article.

37 Upon the expiration of the terms of the initial Board members, each member shall be

38 appointed for a term of three years and shall serve until a successor is appointed and qualified.

39 No member may serve more than two consecutive terms.

40 (b) Qualifications. – All members of the Board shall reside in this State and shall

41 represent the various geographical areas or congressional districts of the State.

42 (c) Vacancies. – A vacancy shall be filled in the same manner as the original

43 appointment, except that all unexpired terms in seats appointed by the General Assembly shall

44 be filled in accordance with G.S. 120-122. Appointees to fill vacancies shall serve the

45 remainder of the unexpired term and until their successors have been duly appointed and

46 qualified.

47 (d) Removal. – The Board may remove any of its members for neglect of duty,

48 incompetence, or unprofessional conduct. A member subject to disciplinary proceedings as a

49 licensee shall be disqualified from participating in the official business of the Board until the

50 charges have been resolved.

1 (e) Compensation. – Each member of the Board shall receive per diem and
2 reimbursement for travel and subsistence as provided in G.S. 93B-5.

3 (f) Officers. – The officers of the Board shall be a chair, a vice-chair, and other officers
4 deemed necessary by the Board to carry out the purposes of this Article. All officers shall be
5 elected annually during the first meeting of the calendar year by the Board for one-year terms
6 and shall serve until their successors are elected and qualified.

7 (g) Meetings. – The Board shall hold at least two meetings each year to conduct
8 business and to review the standards and rules for issuing licenses under this Article. The Board
9 shall adopt rules governing the calling, holding, and conducting of regular and special
10 meetings. A majority of Board members shall constitute a quorum.

11 **"§ 20-425. Powers and duties.**

12 The Board shall have the following powers and duties:

- 13 (1) Administer and enforce the provisions of this Article.
- 14 (2) Adopt rules as may be necessary to carry out the provisions of this Article.
- 15 (3) Examine and determine the qualifications and fitness of applicants for
16 licensure and renewal of licensure.
- 17 (4) Issue, renew, deny, suspend, or revoke licenses and conduct any disciplinary
18 actions authorized by this Article.
- 19 (5) Set fees as provided in G.S. 20-429.
- 20 (6) Establish and approve continuing education requirements for persons
21 licensed under this Article.
- 22 (7) Receive and investigate complaints from members of the public.
- 23 (8) Conduct investigations for the purpose of determining whether violations of
24 this Article or grounds for disciplining licensees exist.
- 25 (9) Conduct administrative hearings in accordance with Article 3A of Chapter
26 150B of the General Statutes.
- 27 (10) Maintain a record of all proceedings conducted by the Board and make
28 available to licensees and other concerned parties an annual report of all
29 Board action.
- 30 (11) Maintain a list of the names and addresses of all persons licensed by the
31 Board.
- 32 (12) Employ and fix the compensation of personnel that the Board determines is
33 necessary to carry out the provisions of this Article and incur other expenses
34 necessary to perform the duties of the Board.
- 35 (13) Adopt a seal containing the name of the Board for use on all licenses and
36 official reports issued by the Board.
- 37 (14) Prescribe standards of ethical conduct for automotive glasswork, automotive
38 glass repair work, and flat glasswork.

39 **"§ 20-426. Qualifications for licensing collision repair estimators and collision repair**
40 **technicians; examination.**

41 (a) An applicant shall be licensed as a collision repair estimator if the applicant meets
42 all of the following qualifications:

- 43 (1) Has obtained a high school diploma or equivalent.
- 44 (2) Is at least 18 years of age.
- 45 (3) Is of good moral and ethical character.
- 46 (4) Has successfully completed the application process.
- 47 (5) Has completed a collision repair estimator course through a nationally
48 recognized organization as approved by the Board, a Board-approved
49 community college program, or other Board-approved certification program.
- 50 (6) Provides evidence that he or she has met all proper safety training
51 requirements for collision repair work.

- 1 (7) Has at least one year of work experience as a collision repair estimator
- 2 before applying for licensure under this Article.
- 3 (8) Has successfully passed an examination administered or approved by the
- 4 Board.
- 5 (9) Pays the required fee under G.S. 20-429.

6 (b) An applicant shall be licensed as a collision repair technician if the applicant meets
 7 all of the following qualifications:

- 8 (1) Has obtained a high school diploma or equivalent.
- 9 (2) Is at least 18 years of age.
- 10 (3) Is of good moral and ethical character.
- 11 (4) Has successfully completed the application process.
- 12 (5) Has completed a collision repair technician course through a nationally
- 13 recognized organization as approved by the Board, a Board-approved
- 14 community college program, or other Board-approved certification program.
- 15 (6) Provides evidence that he or she has met all proper safety training
- 16 requirements for collision repair work.
- 17 (7) Has at least one year of work experience as a collision repair technician
- 18 before applying for licensure under this Article.
- 19 (8) Has successfully passed an examination administered or approved by the
- 20 Board.
- 21 (9) Pays the required fee under G.S. 20-429.

22 (c) At least twice a year, the Board shall cause the examination required in this section
 23 to be given to the applicants at a time and place to be determined by the Board. Any applicant
 24 who fails to pass the first examination may retake the examination in accordance with rules
 25 adopted by the Board.

26 **"§ 20-427. Licensing of motor vehicle repair shops.**

27 (a) The Board shall issue a license to operate a motor vehicle repair shop to any
 28 applicant who submits a properly completed application, on a form approved by the Board,
 29 pays the required fee, and is determined, after inspection, to be in compliance with the
 30 provisions of this Article and rules adopted by the Board.

31 (b) The applicant shall list all persons who perform motor vehicle repairs in the shop
 32 and shall identify each as an employee.

33 (c) A motor vehicle repair shop shall be allowed to operate for a period of 30 days
 34 while the Board inspects and determines the shop's compliance with this Article and the
 35 Board's rules. If the Board is unable to complete the inspection within 30 days, the shop will be
 36 authorized to operate until the inspection can be completed.

37 (d) A license to operate a motor vehicle repair shop shall not be transferable from one
 38 location to another or from one owner to another.

39 **"§ 20-428. Reciprocity.**

40 Upon filing an application and payment of the required fee, the Board may issue a license
 41 without examination to an applicant who is licensed to operate a motor vehicle repair shop or
 42 licensed as a collision repair estimator or a collision repair technician in another state or
 43 territory if the requirements for licensure in that state or territory are substantially equal to the
 44 requirements for licensure in this State as determined by the Board.

45 **"§ 20-429. Fees.**

46 The Board shall establish fees not to exceed the following amounts:

47 (1) <u>Issuance of a license</u>	<u>\$200.00</u>
48 (2) <u>Renewal of a license</u>	<u>\$200.00</u>
49 (3) <u>Examination</u>	<u>\$250.00</u>
50 (4) <u>Reinstatement</u>	<u>\$150.00</u>
51 (5) <u>Late fees</u>	<u>\$150.00.</u>

1 **"§ 20-430. Motor vehicle repair shop records.**

2 (a) Each motor vehicle repair shop shall maintain repair records, which shall include
3 written repair estimates and repair invoices. A customer's records shall be available to the
4 customer for inspection and copying for a period of at least 12 months. The motor vehicle
5 repair shop may charge a reasonable fee for copying. The customer may not remove the
6 original records from the premises. The Board shall have access to these records and may
7 inspect or copy these records during regular business hours as necessary.

8 (b) The Board shall establish rules for written motor vehicle repair estimates, disclosure
9 statements, and repair invoices.

10 **"§ 20-431. License renewal; display of license; license nontransferable.**

11 (a) All licenses shall expire one year after the date they were issued unless renewed. At
12 least 30 days before the expiration date of a license, the Board shall send the licensee an
13 application and notice of renewal of license. All applications for renewal shall be filed with the
14 Board and shall be accompanied by the renewal fee as required by G.S. 20-429. A license that
15 has expired for failure to renew may be reinstated after the applicant pays the late and
16 reinstatement fees as required by G.S. 20-429. The Board may establish any other license
17 renewal requirements as necessary pursuant to rules adopted by the Board.

18 (b) The Board shall replace any license that is lost, destroyed, or mutilated, subject to
19 rules established by the Board.

20 (c) Every motor vehicle repair shop, collision repair estimator, or collision repair
21 technician issued a license under this Article shall display the license prominently in his or her
22 place of business, and the license number shall appear on all proposals, contracts, or requests
23 for permits issued by municipalities.

24 (d) A license may not be transferred or assigned.

25 **"§ 20-432. Grounds for disciplinary action.**

26 The Board may deny, revoke, suspend, refuse to renew, censure, or reprimand a licensee or
27 an applicant or place a licensee on probation for any of the following:

- 28 (1) Operating a motor vehicle repair shop or practicing as a collision repair
29 estimator or collision repair technician in violation of the provisions of this
30 Article or any rules adopted by the Board.
- 31 (2) Obtaining or attempting to obtain a license by fraud or misrepresentation.
- 32 (3) Having been convicted of a felony in the courts of this State or any other
33 state.
- 34 (4) Gross negligence in operating or working in a motor vehicle repair shop or
35 in the provision of collision repair services that results in injury to another.
- 36 (5) Engaging in dishonorable, unethical, or unprofessional conduct of a
37 character likely to deceive, defraud, or harm the public.
- 38 (6) Habitual intoxication or addiction to the use of drugs.
- 39 (7) Directly or indirectly giving or receiving a fee, commission, rebate, or other
40 form of compensation for a service not actually rendered.
- 41 (8) Failure to respond to a written request for information by the Board within
42 60 days.
- 43 (9) Having had a license or certification revoked or suspended or other
44 disciplinary action taken by authorities of another state or territory.
- 45 (10) Aiding or abetting a person not licensed in this State who directly or
46 indirectly operates a motor vehicle repair shop or performs collision repair
47 services requiring a license.
- 48 (11) Has made material misstatements in the application for licensure or renewal.
- 49 (12) Has demonstrated gross negligence, incompetency, or misconduct in
50 operating or working in a motor vehicle repair shop or in the performance of
51 collision repair services.

1 **"§ 20-433. Injunctive relief.**

2 The Board may apply to the superior court for an order enjoining violations of this Article.
3 Upon a showing by the Board that any person has violated this Article, the court may grant
4 injunctive relief."

5 **SECTION 2.** Any person who submits proof to the Board that the person has
6 owned or operated a motor vehicle repair shop or practiced as a collision repair estimator or
7 collision repair technician full-time for at least five consecutive years prior to the effective date
8 of this act, has completed a nationally recognized certification program in motor vehicle repair
9 or collision repair services as approved by the Board, or is certified as a collision repair
10 estimator or collision repair technician by a nationally recognized organization approved by the
11 Board may be granted the appropriate license upon completion of an inspection, in the case of a
12 motor vehicle repair shop, and investigation of the applicant's work history by the Board, and
13 payment of the required fee under G.S. 20-429, enacted in Section 1 of this act, without having
14 to satisfy the requirements of G.S. 20-426, enacted in Section 1 of this act. All persons who do
15 not make application to the Board within one year of the effective date of this act shall be
16 required to complete all requirements prescribed by the Board and to otherwise comply with
17 the provisions of Article 18 of Chapter 20 of the General Statutes, enacted by Section 1 of this
18 act.

19 **SECTION 3.** This act becomes effective October 1, 2009.