

GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2011

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HOUSE DRH50325-LUF-109 (04/07)

Short Title: Amend Locksmith Licensing Act/Increase Fees. (Public)

Sponsors: Representatives Collins, Burr, Lewis, and Steen (Primary Sponsors).

Referred to:

1 A BILL TO BE ENTITLED
2 AN ACT AMENDING THE LOCKSMITH LICENSING ACT AND AUTHORIZING THE
3 NORTH CAROLINA LOCKSMITH LICENSING BOARD TO INCREASE CERTAIN
4 FEES.

5 The General Assembly of North Carolina enacts:

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

7 "**§ 74F-3. Licenses ~~required~~required; use of locksmith tools.**

8 No person shall perform or offer to perform locksmith services in this State unless the
9 person has been licensed under the provisions of this Chapter. No person shall possess any
10 locksmith tools as defined under G.S. 74F-4(6) unless the person is licensed as a locksmith
11 under this Chapter or exempted from the provisions of this Chapter. A violation of this section
12 is a ~~Class 3 misdemeanor unless the conduct is covered under some other provision of law~~
13 ~~providing greater punishment.~~Class 1 misdemeanor for the first offense. Any subsequent
14 offense shall be a Class I felony."

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

16 "**§ 74F-4. Definitions.**

17 The following definitions apply in this Chapter:

- 18 (1) Apprentice. – A person who has been issued an apprenticeship designation
19 by the Board.
- 20 (1a) Board. – The North Carolina Locksmith Licensing Board.
- 21 (2) Code book. – A compilation, in any form, of key codes and combinations.
- 22 (3) License. – A certificate issued by the Board recognizing the person named
23 therein as having met the requirements to perform locksmith services as
24 defined in this Chapter.
- 25 (4) Locksmith. – A person who has been issued a license by the Board.
- 26 (5) Locksmith services. – ~~Repairing~~Services that include repairing, rebuilding,
27 rekeying, repinning, servicing, adjusting, or installing locks, mechanical or
28 electronic locking devices, access control devices, egress control devices,
29 safes, vaults, and safe-deposit boxes for compensation or other
30 consideration, including services performed by safe technicians. The
31 definition also includes any method of bypassing a locking mechanism of
32 any kind, whether in a commercial, residential, or automotive setting, for
33 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."

SECTION 3. G.S. 74F-6 is amended by adding a new subdivision to read:

"§ 74F-6. Powers of the Board.

The Board shall have the power and duty to:

(17) Authorize the chair, by majority vote, to issue subpoenas allowing the Board to obtain records of a person or company offering locksmith services, including employees, contractors, and subcontractors. Such records shall include invoices and receipts and any invoices and receipts that specifically pertain to locksmith tools, equipment, or parts."

SECTION 4. G.S. 74F-9 reads as rewritten:

"§ 74F-9. Fees.

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

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

SECTION 5. G.S. 74F-10(b) reads as rewritten:

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

SECTION 6. G.S. 74F-12(b) reads as rewritten:

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

SECTION 7. G.S. 74F-15 reads as rewritten:

"§ 74F-15. Disciplinary procedures.

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

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

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

SECTION 8. G.S. 74F-16 reads as rewritten:

1 **"§ 74F-16. Exemptions.**

2 The provisions of this Chapter do not apply to:

- 3 (1) An employee of a licensed locksmith when acting under the direct control
4 and supervision of the licensed locksmith. For purposes of this subdivision,
5 'direct control and supervision' means that a licensed locksmith is required to
6 physically accompany the employee to the premises where locksmith
7 services are to be performed.
- 8 (1a) An employee of a locksmith company performing administrative duties only.
9 For purposes of this section, 'administrative duties' means managing the
10 daily operations of an office in a locksmith company, including performing
11 clerical tasks, answering telephones, and greeting customers.
- 12 (2) A person working as an apprentice pursuant to G.S. 74F-7.1.
- 13 (3) A person or business required to be licensed or registered by the North
14 Carolina Alarm Systems Licensing Board pursuant to Chapter 74D of the
15 General Statutes, when acting within the scope and course of the alarm
16 systems license or registration.
- 17 (4) ~~An employee of a towing service or an automotive repair business providing~~
18 ~~services in the normal course of its business, a repossessor, a taxi cab~~
19 ~~service, a~~ A person or business providing any of the following services so
20 long as the person or business does not represent himself, herself, or itself as
21 a locksmith:
- 22 a. A towing service or its employee when providing lockout service for
23 a motor club or when necessary to move or tow a vehicle.
- 24 b. An automotive repair business or its employee when opening a
25 vehicle to perform service on a vehicle.
- 26 c. A repossessing company or its employee while repossessing a
27 vehicle.
- 28 d. A motor vehicle dealer as defined in G.S. 20-286(11), or a motor
29 club as defined in G.S. 58-69-1 when opening automotive locks in
30 the normal course of their duties, so long as the employee does not
31 represent himself or herself as a locksmith.
- 32 (5) A property owner, or the owner's employee, when providing locksmith
33 services on the property owner's property, so long as the owner or employee
34 does not represent himself or herself as a locksmith. For purposes of this
35 section, "property" means, but is not limited to, a hotel, motel, apartment,
36 condominium, commercial rental property, and residential rental property.
- 37 (6) A merchant, or retail or hardware store, when ~~it lawfully duplicates keys or~~
38 ~~installs, services, repairs, rebuilds, reprograms, rekeys, or maintains locks in~~
39 ~~the normal course of its business,~~ (i) rekeying a lock at the time of sale of the
40 lock or (ii) duplicating keys, except for transponder type keys that require
41 programming, so long as the merchant or store or its employee does not
42 represent itself itself, himself, or herself as a locksmith.
- 43 (7) A member of a law enforcement agency, fire department, or other
44 government agency ~~who, when acting within the scope and course of the~~
45 ~~member's employment with the agency or department, opens locked doors to~~
46 ~~vehicles, homes, or businesses when opening a locked door to a vehicle,~~
47 ~~home, or business in a life threatening emergency or during the investigation~~
48 ~~of a crime only.~~ of a crime only.
- 49 (8) A salesperson while demonstrating the use of locksmith tools to persons
50 licensed under this Chapter.

- 1 (9) A general contractor licensed under Article 1 of Chapter 87 of the General
2 Statutes when acting within the scope and course of the general contractor
3 license, or an agent or subcontractor of a licensed general contractor when
4 acting within the ordinary course of business.
- 5 (10) A person or business when lawfully installing or maintaining a safety lock
6 device on a wastewater system when the safety lock device is required by
7 permit or requested by the owner of the wastewater system, provided the
8 person or business does not represent itself as a locksmith. For purposes of
9 this subdivision, "wastewater system" has the same meaning as in
10 G.S. 130A-334.
- 11 (11) Any person or firm that sells gun safes or locking devices for firearms ~~when~~
12 ~~acting within the scope and~~ during the course of the sale of gun safes or
13 locking devices for ~~firearms, firearms,~~ so long as the person or firm or its
14 employee does not represent himself, herself, or itself as a locksmith.
- 15 (12) A person while performing a locksmith service in an emergency situation
16 without receiving any compensation for this service and who does not
17 advertise those services."

18 **SECTION 9.** This act is effective when it becomes law.