GENERAL ASSEMBLY OF NORTH CAROLINA SESSION 2009

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HOUSE BILL 884* Committee Substitute Favorable 5/11/09

Short Title:	Clarify Inspection Station Responsibilities.	(Public)
Sponsors:		
Referred to:		

March 31, 2009

A BILL TO BE ENTITLED

AN ACT TO CLARIFY SAFETY INSPECTION STATION AND SAFETY SELF-INSPECTOR RESPONSIBILITIES AND NOTICE REQUIREMENTS.

The General Assembly of North Carolina enacts:

SECTION 1. G.S. 20-183.7A reads as rewritten:

"§ 20-183.7A. Penalties applicable to license holders and suspension or revocation of license for safety violations.

- (a) Kinds of Violations. The civil penalty schedule established in this section applies to safety self-inspectors, safety inspection stations, and safety inspection mechanics. The schedule categorizes safety violations into serious (Type I), minor (Type II), and technical (Type III) violations. A serious violation is a violation of this Part or a rule adopted to implement this Part that directly affects the safety or emissions reduction benefits of the safety inspection program. A minor violation is a violation of this Part or a rule adopted to implement this Part that reflects negligence or carelessness in conducting a safety inspection or complying with the safety inspection requirements but does not directly affect the safety benefits or emission reduction benefits of the safety inspection program. A technical violation is a violation that is not a serious violation, a minor violation, or another type of offense under this Part.
 - (b) Penalty Schedule. The Division must take the following action for a violation:
 - Type I. For a first or second Type I violation within three years by a safety self-inspector or a safety inspection station, assess a civil penalty of two hundred fifty dollars (\$250.00) and suspend the license of the business for six months. For a third or subsequent Type I violation within three years by a safety self-inspector or a safety inspection station, assess a civil penalty of one thousand dollars (\$1,000) and revoke the license of the business for two years. For a first or second Type I violation within seven years by a safety inspection mechanic, assess a civil penalty of one hundred dollars (\$100.00) and suspend the mechanic's license for six months. For a third or subsequent Type I violation within seven years by a safety inspection mechanic, assess a civil penalty of two hundred fifty dollars (\$250.00) and revoke the mechanic's license for two years.
 - (2) Type II. For a first or second Type II violation within three years by a safety self-inspector or a safety inspection station, assess a civil penalty of one hundred dollars (\$100.00). For a third or subsequent Type II violation within three years by a safety self-inspector or a safety inspection station, assess a civil penalty of two hundred fifty dollars (\$250.00) and suspend the license of the business for 90 days. For a first or second Type II violation



- within seven years by a safety inspection mechanic, assess a civil penalty of fifty dollars (\$50.00). For a third or subsequent Type II violation within seven years by a safety inspection mechanic, assess a civil penalty of one hundred dollars (\$100.00) and suspend the mechanic's license for 90 days.
- (3) Type III. For a first or second Type III violation within seven years by a safety self-inspector, a safety inspection station, or a safety inspection mechanic, send a warning letter. For a third or subsequent Type III violation within seven years by the same safety license holder, assess a civil penalty of twenty-five dollars (\$25.00).
- (c) Station or Self-Inspector Responsibility. It is the responsibility of a safety inspection station and a safety self-inspector to supervise the safety inspection mechanics it employs. A violation by a safety inspection mechanic is considered a violation by the station or self-inspector for whom the mechanic is employed. A safety inspection station or safety self-inspector charged with a violation resulting from the actions of a safety inspection mechanic shall not result in a suspension or revocation of the license of the safety inspection station or safety self-inspector if the safety inspection station or safety self-inspector establishes that the safety inspection station or safety self-inspector has implemented and maintained reasonable procedures to ensure compliance with this Article, and the violation was committed by a safety inspection mechanic without prior actual knowledge of the safety inspection station or safety self-inspector license holder.
- (d) Multiple Violations. If a safety self-inspector, a safety inspection station, or a safety inspection mechanic commits two or more violations in the course of a single safety inspection, the Division shall take only the action specified for the most significant violation. <u>In any case where a safety inspection station or safety self-inspector is charged with a violation due to the actions of a safety inspection mechanic, and the Division believes multiple violations by the safety inspection mechanic occurred, the Division shall only charge a safety inspection station or safety self-inspector with one violation.</u>
- (e) Mechanic Training. A safety inspection mechanic whose license has been suspended or revoked must retake the course required under G.S. 20-183.4 and successfully complete the course before the mechanic's license can be reinstated. Failure to successfully complete this course continues the period of suspension or revocation until the course is completed successfully."

SECTION 2. G.S. 20-183.8B reads as rewritten:

"§ 20-183.8B. Civil penalties against license holders and suspension or revocation of license for emissions violations.

(a) Kinds of Violations. – The civil penalty schedule established in this section applies to emissions self-inspectors, emissions inspection stations, and emissions inspection mechanics. The schedule categorizes emissions violations into serious (Type I), minor (Type II), and technical (Type III) violations.

A serious violation is a violation of this Part or a rule adopted to implement this Part that directly affects the emission reduction benefits of the emissions inspection program. A minor violation is a violation of this Part or a rule adopted to implement this Part that reflects negligence or carelessness in conducting an emissions inspection or complying with the emissions inspection requirements but does not directly affect the emission reduction benefits of the emissions inspection program. A technical violation is a violation that is not a serious violation, a minor violation, or another type of offense under this Part.

- (b) Penalty Schedule. The Division must take the following action for a violation:
 - (1) Type I. For a first or second Type I violation by an emissions self-inspector or an emissions inspection station, assess a civil penalty of two hundred fifty dollars (\$250.00) and suspend the license of the business for six months. For a third or subsequent Type I violation within three years by

an emissions self-inspector or an emissions inspection station, assess a civil penalty of one thousand dollars (\$1,000) and revoke the license of the business for two years.

For a first or second Type I violation by an emissions inspection mechanic, assess a civil penalty of one hundred dollars (\$100.00) and suspend the mechanic's license for six months. For a third or subsequent Type I violation within seven years by an emissions inspection mechanic, assess a civil penalty of two hundred fifty dollars (\$250.00) and revoke the mechanic's license for two years.

(2) Type II. – For a first or second Type II violation by an emissions self-inspector or an emissions inspection station, assess a civil penalty of one hundred dollars (\$100.00). For a third or subsequent Type II violation within three years by an emissions self-inspector or an emissions inspection station, assess a civil penalty of two hundred fifty dollars (\$250.00) and suspend the license of the business for 90 days.

For a first or second Type II violation by an emissions inspection mechanic, assess a civil penalty of fifty dollars (\$50.00). For a third or subsequent Type II violation within seven years by an emissions inspection mechanic, assess a civil penalty of one hundred dollars (\$100.00) and suspend the mechanic's license for 90 days.

- (3) Type III. For a first or second Type III violation by an emissions self-inspector, an emissions inspection station, or an emissions inspection mechanic, send a warning letter. For a third or subsequent Type III violation within three years by the same emissions license holder, assess a civil penalty of twenty-five dollars (\$25.00).
- (c) Station or Self-Inspector Responsibility. It is the responsibility of an emissions inspection station and an emissions self-inspector to supervise the emissions <u>inspection</u> mechanics it employs. A violation by an emissions inspector mechanic is considered a violation by the station or self-inspector for whom the mechanic is employed. <u>An emissions inspection station or emissions self-inspector charged with a violation resulting from the actions of an emissions inspection mechanic shall not result in a suspension or revocation of the emissions inspection station or emissions self-inspector license if the emissions inspection station or emissions self-inspector establishes that the emissions inspection station or emissions self-inspector has implemented and maintained reasonable procedures to ensure compliance with this Article, and the violation was committed by an emissions inspection mechanic without prior actual knowledge of the emissions inspection station or emissions self-inspector license holder.</u>
- (c1) Multiple Violations. If an emissions self-inspector, an emissions inspection station, or an emissions inspection mechanic commits two or more violations in the course of a single emissions inspection, the Division shall take only the action specified for the most significant violation. In any case where an emissions inspection station or emissions self-inspector is charged with a violation due to the actions of an emissions inspection mechanic, and the Division believes multiple violations by the emissions inspection mechanic occurred, the Division shall only charge an emissions inspection station or emissions self-inspector with one violation.
- (d) Missing Stickers. The Division must assess a civil penalty against an emissions inspection station, a windshield replacement station, or an emissions self-inspector that cannot account for an emissions inspection sticker issued to it. A station or a self-inspector cannot account for a sticker when the sticker is missing and the station or self-inspector cannot establish reasonable grounds for believing the sticker was stolen or destroyed by fire or another accident.

- (\$25.00) for each missing stickers. The amount of the penalty is twenty-five dollars (\$25.00) for each missing sticker. If a penalty is imposed under subsection (b) of this section as the result of missing stickers, the monetary penalty that applies is the higher of the penalties required under this subsection and subsection (b); the Division may not assess a monetary penalty as a result of missing stickers under both this subsection and subsection (b) of this section. Imposition of a monetary penalty under this subsection does not affect suspension or revocation of a license required under subsection (b) of this section.
- (e) Mechanic Training. An emissions inspection mechanic whose license has been suspended or revoked must retake the course required under G.S. 20-183.4A and successfully complete the course before the mechanic's license can be reinstated. Failure to successfully complete this course continues the period of suspension or revocation until the course is completed successfully."

SECTION 3. G.S. 20-183.8F(a) reads as rewritten:

"(a) Finding of Violation. – When an auditor of the Division finds that a violation has occurred that could result in the suspension or revocation of an inspection station license, a self-inspector license, a mechanic license, or the registration of a person engaged in the business of replacing windshields, the auditor must give the affected license holder written notice of the finding. The notice must be given within five business days after the completion of the investigation that resulted in the discovery of the violation. The notice must state the period of suspension or revocation that could apply to the violation and any monetary penalty that could apply to the violation. The notice must also inform the license holder of the right to a hearing if the Division charges the license holder with the violation. Failure to comply with the notice requirements of this section shall result in the dismissal of the charge of the violation against the license holder."

SECTION 4. G.S. 20-183.8G(f) reads as rewritten:

"(f) Decision. – Except as otherwise provided in this Article, a A decision made after a hearing on the imposition of a monetary penalty against a motorist for an emissions violation or on a Type I, II, or III emissions violation by an emissions license holder must uphold any monetary penalty, license suspension, license revocation, or warning required by G.S. 20-183.8A G.S. 20-183.7A, 20-183.8A, or G.S. 20-183.8B, respectively, if the decision contains a finding that the motorist or license holder committed the act for which the monetary penalty, license suspension, license revocation, or warning was imposed. A decision made after a hearing on any other action may uphold or modify the action."

SECTION 5. G.S. 20-183.8G is amended by adding a new subsection to read:

"(f1) Offers in Compromise. – In any case where a safety inspection station or safety self-inspector is charged with an administrative violation due to the actions of a safety inspection mechanic and the Division imposes a suspension or revocation of the license, the Commissioner may accept from the license holder an offer in compromise to pay a penalty of not more than two thousand dollars (\$2,000) to the Division in lieu of the suspension or revocation of the license. The Commissioner may accept an offer in compromise, or suspend or revoke the license, but may not take both actions."

SECTION 6. This act becomes effective December 1, 2009, and applies to offenses committed on or after that date.