

**GENERAL ASSEMBLY OF NORTH CAROLINA**  
**SESSION 2009**

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**HOUSE BILL 1105**  
**Committee Substitute Favorable 5/6/09**  
**Committee Substitute #2 Favorable 5/12/09**

Short Title: Amend Laws/Refrigeration Contractors.

(Public)

Sponsors:

Referred to:

April 7, 2009

1 A BILL TO BE ENTITLED  
2 AN ACT TO AMEND THE LAWS REGULATING REFRIGERATION CONTRACTORS.  
3 The General Assembly of North Carolina enacts:

4 **SECTION 1.** G.S. 87-58(a) reads as rewritten:

5 "(a) As applied in this Article, "refrigeration trade or business" is defined to include all  
6 persons, firms or corporations engaged in the installation, maintenance, servicing and repairing  
7 of refrigerating machinery, equipment, devices and components relating thereto and within  
8 limits as set forth in the codes, laws and regulations governing refrigeration installation,  
9 maintenance, service and repairs within the State of North Carolina or any of its political  
10 subdivisions. The provisions of this Article shall not repeal any wording, phrase, or paragraph  
11 as set forth in Article 2 of Chapter 87 of the General Statutes. This Article shall not apply to the  
12 replacement of lamps and fuses and to the installation and servicing of domestic household  
13 refrigerators and freezers or domestic ice-making appliances connected by means of attachment  
14 plug-in devices to suitable receptacles which have been permanently installed. The provisions  
15 of this Article shall not repeal any wording, phrase, or paragraph as set forth in Article 2 of  
16 Chapter 87 of the General Statutes. This Article shall not apply to any of the following:

17 (1) The installation of self-contained commercial refrigeration units equipped  
18 with an Original Equipment Manufacturer (OEM) molded plug that does not  
19 require the opening of service valves or replacement of lamps, fuses, and  
20 door gaskets.

21 (2) The installation and servicing of domestic household self-contained  
22 refrigeration appliances equipped with an OEM molded plug connected to  
23 suitable receptacles which have been permanently installed and do not  
24 require the opening of service valves.

25 (3) ~~employees~~-Employees of persons, firms, or corporations or persons, firms or  
26 corporations, not engaged in refrigeration contracting as herein defined, that  
27 install, maintain and service their own refrigerating machinery, equipment  
28 and devices.

29 (4) ~~The provisions of this Article shall not apply to any~~-Any person, firm or  
30 corporation engaged in the business of selling, repairing and installing any  
31 comfort cooling devices or systems."

32 **SECTION 2.** G.S. 87-58(d) reads as rewritten:

33 "(d) In order to protect the public health, comfort and safety, the Board shall prescribe  
34 the standard of experience to be required of an applicant for license and shall give an  
35 examination designed to ascertain the technical and practical knowledge of the applicant  
36 concerning the analysis of plans and specifications, estimating cost, fundamentals of



1 installation and design as they pertain to refrigeration; and as a result of the examination, the  
2 Board shall issue a certificate of license in refrigeration to applicants who pass the required  
3 examination and a license shall be obtained in accordance with the provisions of this Article,  
4 before any person, firm or corporation shall engage in, or offer to engage in the business of  
5 refrigeration contracting. The Board shall prescribe standards for and issue licenses for  
6 refrigeration contracting and for transport refrigeration contracting. A transport refrigeration  
7 contractor license is a specialty license that authorizes the licensee to engage only in transport  
8 refrigeration contracting. A refrigeration contractor licensee is authorized to engage in transport  
9 refrigeration and all other aspects of refrigeration contracting.

10 Each application for examination shall be accompanied by a check, post-office money order  
11 or cash in the amount of the annual license fee required by this Article. Regular examinations  
12 shall be given in the ~~months of April and October of each year and additional examinations~~  
13 ~~may be given at times the Board deems wise and necessary. Any person may demand in writing~~  
14 ~~a special examination and upon payment by the applicant of the cost of holding the~~  
15 ~~examination and the deposit of the amount of the annual license fee, the Board in its discretion~~  
16 ~~will fix a time and place for the examination.~~Board's office by appointment."

17 **SECTION 3.** G.S. 87-59(b) reads as rewritten:

18 "(b) The Board shall adopt and publish guidelines, rules and regulations, consistent with  
19 the provisions of this ~~Article, Article and Chapter 150B of the General Statutes~~, governing the  
20 suspension and revocation of licenses."

21 **SECTION 4.** G.S. 87-59(d) reads as rewritten:

22 "(d) In a case in which the Board is entitled to convene a hearing to consider a charge  
23 under this section, the Board may accept an offer to compromise the charge, whereby the  
24 accused shall pay to the Board a penalty not to exceed one thousand dollars (\$1,000). The funds  
25 derived from the penalty shall be ~~deposited into the General Fund, remitted to the Civil Penalty~~  
26 ~~and Forfeiture Fund in accordance with G.S. 115C-457.2."~~

27 **SECTION 5.** G.S. 87-61 reads as rewritten:

28 "**§ 87-61. Violations made misdemeanor; employees of licensees excepted.**

29 Any person, firm or corporation who shall engage in or offer to engage in, or carry on the  
30 business of refrigeration contracting as defined in this Article, without first having been  
31 licensed to engage in the business, or businesses, as required by the provisions of this Article;  
32 or any person, firm or corporation holding a refrigeration license under the provisions of this  
33 Article who shall practice or offer to practice or carry on any type of refrigeration contracting  
34 not authorized by the license; or any person, firm or corporation who shall give false or forged  
35 evidence of any kind to the Board, or any member thereof, in obtaining a license, or who shall  
36 falsely impersonate any other practitioner of like or different name, or who shall use an expired  
37 or revoked license, or who shall violate any of the provisions of this Article, shall be guilty of a  
38 Class ~~2-3~~ 2 misdemeanor. The Board may, in its discretion, use its funds to defray the costs and  
39 expenses, legal or otherwise, in the prosecution of any violation of this Article. Employees,  
40 while working under the supervision and jurisdiction of a person, firm or corporation licensed  
41 in accordance with the provisions of this Article, shall not be construed to have engaged in the  
42 business of refrigeration contracting."

43 **SECTION 6.** G.S. 87-61.1 reads as rewritten:

44 "**§ 87-61.1. Board may seek injunctive ~~relief, relief~~; retain counsel.**

45 (a) Whenever it appears to the Board that any person, firm or corporation is violating  
46 any of the provisions of this Article or of the rules and regulations promulgated under this  
47 Article, the Board may apply to the superior court for a restraining order and injunction to  
48 restrain the violation; and the superior courts have jurisdiction to grant the requested relief,  
49 irrespective of whether or not criminal prosecution has been instituted or administrative  
50 sanctions imposed by reason of the violation.

1       (b) The Board may employ or retain legal counsel for matters and purposes the Board  
2 deems fit and proper, subject to G.S. 114-2.3."

3       **SECTION 7.** Article 5 of Chapter 87 of the General Statutes is amended by adding  
4 the following new section to read:

5 **"§ 87-63.1. Ownership of real property; equipment; liability insurance.**

6       (a) The Board shall have the power to acquire, hold, rent, encumber, alienate, and  
7 otherwise deal with real property in the same manner as a private person or corporation, subject  
8 only to the approval of the Governor and the Council of State. Collateral pledged by the Board  
9 for an encumbrance is limited to the assets, income, and revenues of the Board.

10       (b) The Board may purchase or rent equipment and supplies and purchase liability  
11 insurance or other insurance to cover the activities of the Board, its operations, or its  
12 employees."

13       **SECTION 8.** G.S. 87-64 reads as rewritten:

14 **"§ 87-64. Examination and license fees; annual renewal.**

15       Each applicant for a license by examination shall pay to the Board of Refrigeration  
16 Examiners a nonrefundable examination fee in an amount not to exceed the sum of forty dollars  
17 (\$40.00). In the event the applicant successfully passes the examination, the examination fee  
18 shall be applied to the license fee required of licensees for the current year in which the  
19 examination was taken and passed.

20       The license of every person licensed under the provisions of this statute shall be annually  
21 renewed. Effective January 1, 2012, the Board may require, as a prerequisite to the annual  
22 renewal of a license, that licensees complete continuing education courses in subjects related to  
23 refrigeration contracting to ensure the safe and proper installation of commercial and transport  
24 refrigeration work and equipment. On or before November 1 of each year the Board shall cause  
25 to be mailed an application for renewal of license to every person who has received from the  
26 Board a license to engage in the refrigeration business, as heretofore defined. On or before  
27 January 1 of each year every licensed person who desires to continue in the refrigeration  
28 business shall forward to the Board a renewal fee in an amount not to exceed forty dollars  
29 (\$40.00) together with the application for renewal. Upon receipt of the application and renewal  
30 fee the Board shall issue a renewal certificate for the current year. Failure to renew the license  
31 annually shall automatically result in a forfeiture of the right to engage in the refrigeration  
32 business. Any licensee who allows the license to lapse may be reinstated by the Board upon  
33 payment of a fee not to exceed seventy-five dollars (\$75.00). Any person who fails to renew a  
34 license for two consecutive years shall be required to take and pass the examination prescribed  
35 by the Board for new applicants before being licensed to engage further in the refrigeration  
36 business."

37       **SECTION 9.** Section 3 of this act becomes effective October 1, 2009. Section 5 of  
38 this act becomes effective December 1, 2009, and applies to offenses occurring on or after that  
39 date. Section 8 of this act becomes effective January 1, 2012. The remainder of this act is  
40 effective when it becomes law.