

1 **ARTICLE 33 SUBSTITUTE A AS AMENDED**

2 RELATING TO BUSINESS REGULATION

3 SECTION 1. Sections 5-38-1, 5-38-2 and 5-38-8 of the General Laws in Chapter 5-38
4 entitled "Automobile Body Repair Shops" are hereby amended to read as follows:

5 **5-38-1. "Automobile body shop" defined.** -- Automobile body shop, referred to as
6 "auto body shop", includes any establishment, garage, or work area enclosed within a building
7 where repairs are made or caused to be made to motor vehicle bodies, including fenders,
8 bumpers, chassis and similar components of motor vehicle bodies as distinguished from the
9 chassis, seats, motor, transmission, and other accessories for propulsion and general running gear
10 of motor vehicles, except as provided in section 5-38-20.

11 **5-38-2. Duties of department of business regulation.** -- (a) ~~(1)~~ The department of
12 business regulation shall issue licenses as provided for in section 5-38-6; and shall authorize the
13 transfer of licenses and the establishment of new offices for previously licensed auto body repair
14 shops. ~~The department of business regulation shall act on all complaints from consumers, the~~
15 ~~insurance industry, and/or law enforcement agencies with regard to automobile body repair shop~~
16 ~~work.~~ In addition to licensing, the departments oversight of auto repair shops shall be limited to:

- 17 (1) Acting on complaints from consumers and law enforcement officials; and
18 (2) Revoking, suspending, or taking other disciplinary actions with respect to facilities,
19 corporations or persons licensed under this chapter; and

20 ~~(2)~~ The department of business regulation shall adopt reasonable rules and regulations
21 for the licensing of automobile body repair shops and schools for the instruction in automobile
22 body repair.

23 (b) To establish within the department of business regulation, divisions of commercial
24 licensing and regulation, the auto collision repair licensing advisory board consisting of nine (9)
25 members appointed by the governor, consisting of the following, who shall serve a term of five
26 (5) years:

- 27 (1) One president or his or her designee from an association of independent, non-
28 networked, Rhode Island auto body shops;
29 (2) Two (2) representatives from the department of business regulation;
30 (3) One from the association of new car dealers;

- 1 (4) One from the insurance industry;
- 2 (5) One from law enforcement;
- 3 (6) One from the general public; and
- 4 (7) One from the glass installation/repairers industry; and
- 5 (8) One from an association representing network or direct repair auto body repair shops.
- 6 (c) The board may adopt, amend, and rescind rules and regulations as necessary to carry
- 7 out the provisions of this chapter with the prior approval of the director.
- 8 (d) The board may oversee investigations of conduct deemed unprofessional against any
- 9 licensed facility, person, or corporation subject to this chapter and may hold hearings to
- 10 determine whether the charges are substantiated or unsubstantiated.
- 11 (e) The board may recommend to the director of the department of business regulation
- 12 that the director license qualified applicants.
- 13 (f) The board may meet at least once a month or more often upon the call of the
- 14 chairperson or director of the department of business regulation.
- 15 (g) To recommend to the director of the department of business regulation to revoke,
- 16 suspend or take other disciplinary action with respect to facilities, corporations or persons
- 17 licensed under this chapter.
- 18 (h) To adopt and publish with the prior approval of the director of the department of
- 19 business regulation rules of procedure and other regulations in accordance with the
- 20 Administrative Procedure Act, chapter 35 of title 42.
- 21 (i) The board members shall receive no compensation.
- 22 (j) Following each monthly board meeting, the board may, if consistent with the public
- 23 interest, submit any: (1) unresolved issue reasonably related to its jurisdiction under this statute to
- 24 the director of the department of business regulation for his or her review at his or her discretion;
- 25 or (2) seek a declaratory ruling pursuant to central management regulation 3 ("declaratory rulings
- 26 and petitions from the director") as to any unresolved issue within the scope of this statute.
- 27 (k) Board members shall continue to serve until their replacement is named.
- 28 ~~(l) The director will review whether it is economically necessary and administratively~~
- 29 ~~feasible for the department of business regulation to establish a labor rate for the auto collision~~
- 30 ~~repair industry. Such review shall include, but not be limited to, the department of business~~
- 31 ~~regulation's staffing and funding requirements. Further, the department of business regulation is~~
- 32 ~~authorized to immediately retain outside consultants for such review, to be funded by the~~
- 33 ~~legislature and/or the auto body collision repair industry. The director shall report his or her~~
- 34 ~~findings to the legislature no later than January 1, 2006.~~

1 **5-38-8. License fee.** -- ~~The~~ Effective December 31, 2009, the license fee for each year
2 shall be ~~one hundred fifty dollars (\$150)~~ three hundred dollars (\$300). If an applicant desires to
3 do business in more than one location, he, she, or it shall pay a separate fee of ~~one hundred fifty~~
4 ~~dollars (\$150)~~ three hundred dollars (\$300) for each location authorized by the department of
5 business regulation.

6 SECTION 2. Chapter 538 of the General Laws entitled "Automobile Body Repair
7 Shops" is hereby amended by adding thereto the following section:

8 **5-38-31. Reimbursement fee.** -- The director of the department of business regulation
9 may assess an automobile body shop for reimbursement of the department's actual expenses for
10 the investigation and hearing of significant auto body shop matters. An assessment may be sought
11 in the event that an automobile body shop does not prevail after a final judicial appeal.

12 SECTION 3. Chapter 27-29 of the General Laws entitled "Unfair Competition and
13 Practices" is hereby amended by adding thereto the following section:

14 **27-29-4.6. Reimbursement fee.** -- The director of the department of business regulation
15 may assess an insurer for reimbursement of the department's actual expenses for the investigation
16 and hearing of significant auto body shop matters relating to insurers. In addition, an assessment
17 may be sought in the event that an insurer does not prevail after a final judicial appeal.

18 SECTION 4. Sections 42-14.2-6 and 42-14.2-7 of the General Laws in Chapter 42-14.2
19 entitled "Department of Business Regulation - Automobile Wrecking and Salvage Yards" are
20 hereby amended to read as follows:

21 **42-14.2-6. License fee.** -- Every application to the department for renewal of an existing
22 license or the issuance of a new license shall be accompanied by a fee of ~~one hundred and twenty~~
23 ~~dollars (\$120)~~ two hundred fifty dollars (\$250) per annum, payable to the state of Rhode Island.
24 In the event the application is denied, the fee shall be returned to the applicant.

25 **42-14.2-7. Display and transfer of license.** -- Every license hereunder issued shall
26 specify the location of each wrecking yard or salvage yard and must be conspicuously displayed
27 at that location, or if the licensee wishes to change his or her location, an application shall be filed
28 with the department requesting the change, and the permission of the department shall be
29 necessary for a change of location. The license shall not be transferable or assignable without the
30 express written consent of the department which shall, if it approves the transfer or assignment,
31 issue a new license to the transferee or assignee subject to the terms and conditions of this
32 chapter; provided, however, that the full fee of ~~sixty dollars (\$60.00)~~ two hundred fifty dollars
33 (\$250) per annum for each year of the term of license shall be paid in full for the new license
34 regardless of the unexpired term of the license to be transferred.

1 SECTION 5. Sections 5-57-2, 5-57-3, and 5-57-9 of the General Laws in Chapter 5-57
2 entitled "Burglar and Hold-Up Alarm Businesses" are hereby amended to read as follows:

3 **5-57-2. Definitions.** – For the purpose of this chapter, the following terms, phrases,
4 words and their derivations have the meaning given in this chapter. When not inconsistent with
5 the context, words used in the plural number include the singular number and words used in the
6 singular number include the plural number:

7 (1) "Alarm agent" means any individual employed within this state by an alarm business,
8 whose duties include the altering, installing, maintaining, moving, repairing, replacing, selling or
9 servicing of an alarm system or responding to or causing others to respond to an alarm system.

10 (2) "Alarm business" means and includes any business, both resident and non-resident,
11 engaged in the installation, maintenance, alteration, repair, replacement, or servicing of alarm
12 systems or which responds to or causes others to respond to those alarm systems at a protected
13 premises within this state. Any "alarm business" licensed under this chapter must maintain a
14 twenty-four (24) hour per day service structure, the terms and conditions of which or procedures
15 for implementation are established by the licensing authority through rules and regulations.

16 (3) "Alarm system" means an assembly of equipment and devices (or a single device such
17 as a solid state unit which plugs directly into a 110-volt AC line) designed to detect and signal an
18 unauthorized intrusion into premises or to signal an attempted robbery at premises and with
19 respect to that signal police or private guards are expected to respond. Fire alarm systems and
20 alarm systems which monitor temperature, humidity, or any other condition not directly related to
21 the detection of an unauthorized intrusion into premises or an attempted robbery at premises are
22 excluded from the provisions of this chapter.

23 (4) "Department" means the ~~department of business regulation~~ [division of professional](#)
24 [regulation within the department of labor and training.](#)

25 (5) "Director" means ~~the~~ director of the ~~department of business regulation~~ [labor and](#)
26 [training.](#)

27 (6) "Licensing authority" means the ~~department of business regulation~~ [labor and training.](#)

28 (7) "Notify by mail", when used to notify applicant of approval of license or I.D. card; or
29 when used to forward license or permanent I.D. card to licensee or I.D. card holder means first
30 class mail. When used to notify applicant, licensee, or I.D. card holder of intent to refuse or deny
31 application, or suspend or revoke the license or I.D. card, or to notify a licensee, applicant, or I.D.
32 card holder of final, refusal, denial, suspension, or revocation of that application, license or I.D.
33 card, the term "notify by mail" means certified mail, return receipt requested.

34 (8) "Owner" means a person who holds an interest of twenty-five percent (25%), directly

1 or indirectly, or more in an alarm business.

2 (9) "Person" means an individual, firm, partnership, corporation, or organization of any
3 nature.

4 (10) "Principal corporate officer" means the president, vice president, treasurer, secretary
5 and comptroller as well as any other person who performs functions for the corporation
6 corresponding to those performed by the preceding officers.

7 (11) "Subscriber" means a person or business, which buys or obtains an alarm system and
8 has a contract with an alarm business to monitor and/or service the alarm system.

9 **5-57-3. Licensing authority – Creation.** – The department of ~~business regulation~~ [labor](#)
10 [and training](#) shall carry out the functions and duties conferred upon it by this chapter and shall be
11 referred to, in that context, as "the licensing authority".

12 **5-57-9. Licensing authority – Staff.** – The director of ~~business regulation~~ [labor and](#)
13 [training](#) has the authority to hire and terminate the clerical and professional personnel, including a
14 chief licensing examiner, to handle daily operations of the licensing authority that are necessary
15 to enable it to fulfill its mandate under the provisions of this chapter. All the expenses shall be
16 paid out of the general fund, and the state controller is authorized and directed to draw his or her
17 orders upon the general treasurer upon receipt by him or her of properly authenticated vouchers
18 signed by the director, ~~or deputy director of the department of business regulation.~~

19 SECTION 6. This article shall take effect as of July 1, 2008.

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