



SENATE BILL 542: DOL Omnibus/Other Changes.

2023-2024 General Assembly

Committee:		Date:	September 12, 2023
Introduced by:	Sens. Galey, Barnes, Corbin	Prepared by:	Kellette Wade
Analysis of:	Third Edition		Staff Attorney

OVERVIEW: *Senate Bill 542 would:*

- *Add electronic communication as an allowable form of notice under youth employment statutes, the Elevator Safety Act of North Carolina, the Amusement Device Safety Act of North Carolina, the Passenger Tramway Safety Act, the Occupational Safety and Health Act of North Carolina, and the Controlled Substance Examination Regulation Act.*
- *Increase the civil penalty for a Wage and Hour Act record-keeping violation from \$250-\$2,000 to \$750-\$4,500 and allow electronic communication as an allowable form of notice.*
- *Make changes to the Uniform Boiler and Pressure Vessel Act including:*
 - *Adding new definitions for imminent danger and menace to public safety.*
 - *Clarifying exemptions from the Act for the following: pressure vessels used for storage of compressed gasses; air tanks used directly in the operation of trains; pressure vessels that meet specific limitations; and hot water supply boilers.*
 - *Adding electronic communication as an allowable form of notice.*
 - *Prohibiting a person from operating or allowing the operation of a boiler or pressure vessel after the Commissioner has refused to issue or renew, or revoked an inspection certificate for nonpayment of fees.*
 - *Combining the existing civil penalties into one penalty not to exceed \$500.*
- *Amend the definition of "Bar" as it relates to public health inspections and regulations.*
- *Make a technical correction to Session Law 2022-74.*
- *Repurpose certain Hurricane Dorian recovery funds for the Department of Transportation's Resilience Program.*
- *Amend the requirements and procedures that relate to public contracting for the Department of Transportation and outline specific requirements and procedures for public building contracts.*
- *Amend the Department of Transportation claim payment cap limits that relate to State liability under the North Carolina State Tort Claims Act and authorize the Department of Transportation to purchase and maintain an umbrella policy of commercial liability insurance.*
- *Require the Division of Motor Vehicles to study ways to modernize issuance of dealer plates.*
- *Require the Division of Motor Vehicles to implement a print-on-demand system for issuance of temporary registration plates.*
- *Authorize the Department of Transportation to contract with any railroad, Regional Public Transportation Authority, county, or city to allocate financial responsibility for passenger rail claims arising from services rendered to, or on behalf of, the Department of Transportation on the S-Line corridor, and further outlines insurance requirements for that purpose.*

Jeffrey Hudson
Director



Legislative Analysis
Division
919-733-2578

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- *Authorize the creation of a Rail Transportation Corridor Authority to establish, construct, maintain, and operate any structure, facility, improvement, etc. for commerce, public transportation, and any other rail services associated with rail corridors.*

BILL ANALYSIS:

Section 1.1: would allow electronic communication as an allowable form of notice under youth Employment statutes (G.S. 95-25.5).

Section 1.2: would increase the range of a civil penalty for a Wage and Hour Act record-keeping violation from \$250-\$2,000 to \$750-\$4,500 per employee, not to exceed \$4,500 and would allow electronic communication as an allowable form of notice.

Sections 2.1 – 2.5: would make the following changes to the Uniform Boiler and Pressure Vessel Act:

- Add definitions of imminent danger and menace to public safety.
- Amend and clarify exemptions from the Act for:
 - Pressure vessels used for temporary storage that meet certain conditions, excluding permanently installed vessels that are refilled on-site.
 - Air tanks used directly in the operation of trains if installed with proper pressure relief devices.
 - Pressure vessels with a quick actuating closure, that meet specific limitations.
 - Unfired hot water storage vessels with a nominal capacity not exceeding 120 gallons, maximum pressure not exceeding 160 psig or temperatures not exceeding 210 degrees Fahrenheit.
 - Certain pressure vessels providing potable water service.
- Allow electronic communication as an allowable form of notice.
- Prohibit an individual from operating or allowing the operation of a boiler or pressure vessel after the Commissioner has refused to issue or renew, or has revoked, an inspection certificate for nonpayment of fees.
- Combine the existing civil penalties for violations into one penalty not to exceed \$500 for each day any boiler or pressure vessel is verified by an inspected to be operated or used in a condition considered to be a menace to public safety or an imminent danger.

Sections 3.1 – 3.2: would allow electronic communication as an allowable form of notice under the Elevator Safety Act of North Carolina.

Sections 4.1 – 4.2: would allow electronic communication as an allowable form of notice under the Amusement Device Safety Act of North Carolina.

Sections 5.1 – 5.2: would allow electronic communication as an allowable form of notice under the Passenger Tramway Safety Act.

Section 6.1: would allow electronic communication as an allowable form of notice under the Occupational Safety and Health Act of North Carolina and require the employer to notify the Director in writing that an employee wishes to contest a citation or request an informal conference.

Section 7.1: would allow electronic communication as an allowable form of notice under the Controlled Substance Examination Regulation Act.

Section 8.5: would amend the definition of "Bar" as it relates to public health inspections and regulations.

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Section 8.7: would make a technical correction to Section 20.4(b) of S.L. 2022-74.

Section 9.1: Section 1.7 of S.L. 2019-251 appropriated \$36,000,000 from the General Fund to the Department of Transportation, \$30,000,000 of which was to be used for current and future activities related to Hurricane Dorian recovery such as debris removal and repair of highway infrastructure damage.

This section would specify that any remaining funds under that provision for Hurricane Dorian recovery would be repurposed for the Department of Transportation's Resilience Program.

Section 10.1: Article 8 of Chapter 143 outlines requirements and procedures that relate to public contracting and outlines specific requirements and procedures for public building contracts.

This section would specify that the general provisions, except for advertising and contract award provisions, of this article do not apply to building contracts entered into by the Department of Transportation for the construction, alteration, or repair of facilities jointly occupied by personnel of the Division of Motor Vehicles and the North Carolina Highway Patrol, and further specifies that Department of Transportation and the Department of Administration have sole responsibility for these contracts.

Section 11.1: Current law outlines the requirements and limits that relate to State liability under the North Carolina State Tort Claims Act which include certain claim payment caps for claims against the State.

This section would raise the claim cap from one million dollars to three million dollars for the Department of Transportation and would authorize the Department of Transportation to purchase and maintain an umbrella policy of commercial liability insurance providing coverage in an amount up to ten million dollars.

Section 12.1: Under G.S. 20-79, the Division of Motor Vehicles issues license plates to dealers for use on vehicles in a dealer's inventory subject to restrictions set out in statute. The number of plates a dealer may be issued depends on the number of vehicles sold and the number of sales representatives the dealer employs in a 12-month period.

This section would direct the Division of Motor Vehicles to study ways to modernize and improve issuance of dealer plates and to report its findings and recommendations to the General Assembly no later than December 31, 2023.

Section 13.1: would direct the Division of Motor Vehicles to implement a new statewide system to allow issuers of temporary registration plates to print the plates on-site at the time of issuance in a manner that allows the vehicle owner's information to be electronically associated with the plate and transferred to the Division of Motor Vehicles. The system would have to be implemented no later than January 1, 2024. Mandatory participation by issuers of temporary registration plates would be required beginning October 1, 2024. The Division of Motor Vehicles would be directed to enter into contracts with qualified vendors for establishment and support of the system, and new statutory provisions in G.S. 20-79.1B would provide minimum standards for the system.

Section 14.1: Current law authorizes cities, counties, and Regional Public Transportation Authorities to contract with railroads to allocate financial responsibility for passenger rail services claims, and outlines insurance requirements for parties involved in, or affected by, passenger rail services.

This section would authorize the Department of Transportation to contract with any railroad, Regional Public Transportation Authority, county, or city under certain conditions to allocate financial responsibility for passenger rail claims arising from services rendered to, or on behalf of, the Department of Transportation on the S-Line corridor, and further outlines insurance requirements for that purpose.

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Section 15.1: Under current law, public transportation authorities are authorized by Articles 25, 26, and 27 of Chapter 160A, for the purpose of operating certain transportation systems in specified areas of the State.

This section would authorize the elected boards of any three or more counties and each municipality containing a portion of a rail corridor to create a Rail Transportation Corridor Authority to establish, construct, purchase, maintain, equip, and operate any structure, facility, or improvement to aid commerce, public transportation, and any other rail services associated with rail corridors. The section defines an authority's territorial jurisdiction, service area, method of creation and termination, governance structure, and powers and authorities.

EFFECTIVE DATE: Section 8.5 would be effective January 1, 2024. Section 8.7 would be retroactively effective July 1, 2022. Section 11.1 would be effective when it becomes law and apply retroactively to January 1, 2021. Except as otherwise provided, the act would be effective when it becomes law.

**Amy Darden, Legislative Analysis Division, contributed to this summary.*