

GENERAL ASSEMBLY OF NORTH CAROLINA
1987 SESSION

CHAPTER 456
HOUSE BILL 398

AN ACT TO AMEND THE BEDDING LAW.

The General Assembly of North Carolina enacts:

Section 1. G.S. 130A-261(1) reads as rewritten:

"(1) 'Bedding' means any mattress, upholstered spring, sleeping bag, pad, comforter, cushion, pillow, decorative pillow, and any other item used principally for sleeping. This definition includes only those items which have a thickness of more than one inch. This definition also includes dual purpose furniture such as studio couches and sofa beds. The term 'mattress' does not include water bed liners, bladders or cylinders but does include padding or cushioning material which has a thickness of more than one inch."

Sec. 2. G.S.130A-262(c) reads as rewritten:

"(c) A person who sanitizes bedding shall attach to the bedding a yellow tag containing information required by the rules of the Commission ~~and shall affix to the bedding the adhesive stamp required by G.S. 130A-269.~~"

Sec. 3. G.S. 130A-265(a) reads as rewritten:

"(a) A tag of durable material approved by the Commission shall be sewed securely to all bedding. The tag shall be at least two inches by three inches in size ~~and shall have affixed to it the adhesive stamp or have a printed stamp exemption permit number provided for in G.S. 130A-269. The stamp shall be affixed so as not to interfere with the wording on the tag.~~"

Sec. 4. G.S. 130A-265(b) reads as rewritten:

"(b) The following shall be plainly stamped or printed upon the tag with ink in English:

- (1) The name and kind of material or materials used to fill the bedding which are listed in the order of their predominance;
- (2) A registration number obtained from the Department; and
- (3) In letters at least one-eighth inch high the words 'made of new material', if the bedding contains no previously used material; or the words 'made of previously used materials', if the bedding contains any previously used material; or the word 'secondhand' on any bedding which has been used but not remade; ~~and~~
- (4) ~~A stamp exemption permit number when requirements of G.S. 130A-269 are met.~~"

Sec. 5. G.S.130A-267(a) reads as rewritten:

"(a) No person shall sell any bedding in this State (whether manufactured within or without this State) which has not been manufactured, tagged, and labeled ~~and stamped~~ in the manner required by this Part and which does not otherwise comply with the provisions of this Part."

Sec. 6. G.S. 130A-268 reads as rewritten:

"§ ~~130A-268. Registration numbers; licenses.~~-(a) All persons manufacturing or sanitizing bedding in this State or manufacturing bedding to be sold in this State shall apply for a registration number on a form prescribed by the Secretary. Upon receipt of the ~~application~~ completed application and applicable fees, the Department shall issue to the applicant a certificate of registration showing the person's name and address, registration number and other pertinent information required by the rules of the Commission.

~~(b) For the purpose of defraying expenses incurred in the enforcement of the provisions of this Part, the following license fees are to be paid to the Department, deposited in the "bedding law fund" and expended in accordance with the provisions of G.S. 130A-270. Unless exempted, no person shall sanitize any bedding until the person has received a "sanitizer's license" upon the payment of twenty five dollars (\$25.00) for the calendar year to the Department. Unless exempted, no person shall manufacture any bedding in this State or manufacture bedding to be sold in this State until that person has secured a "manufacturer's license" upon the payment of twenty five dollars (\$25.00) for the calendar year to the Department.~~

~~(c) If a bedding manufacturing or sanitizing business is established after June 30, the license shall be furnished at half the annual fee and shall be valid for the remainder of the calendar year. The license may be transferred upon the sale of the business in accordance with the rules of the Commission.~~

~~(d) Licenses shall be kept conspicuously posted in the place of business of the licensee at all times.~~

~~(e) The Secretary may suspend a license of a person for up to six months for two or more serious violations of this Part or the rules of the Commission within any 12-month period."~~

Sec. 7. G.S.130A-269 reads as rewritten:

"§ ~~130A-269. Enforcement funds; stamps; stamp exemption permit~~ Payment of fees; licenses.-(a) ~~The Department shall administer and enforce this Part. The Department shall provide specially designated adhesive stamps for use under the provisions of this Part. Upon request and payment the Department shall furnish stamps at a rate of eighteen dollars (\$18.00) per 500 stamps.~~

~~(b) A person manufacturing bedding in North Carolina or manufacturing bedding to be sold in this State may, in lieu of purchasing and affixing the adhesive stamps, annually secure from the Department a stamp exemption permit and print the stamp exemption number on the label.~~

~~(c) A stamp exemption permit may be issued to a person who has done business in this State throughout the preceding calendar year at a cost determined annually by the total number of bedding units manufactured or sold in this State by the applicant during the calendar year immediately preceding the issuance of the permit at the rate of~~

eighteen dollars (\$18.00) for each 500 bedding units or fraction of 500 units. The Department shall administer and enforce this Part. A person who has done business in this State throughout the preceding calendar year shall obtain a license by paying a fee to the Department in an amount determined by the total number of bedding units manufactured, sold, or sanitized in this State by the applicant during the calendar year immediately preceding, at the rate of five and two tenths cents (5.2¢) per bedding unit. However, if this amount is less than fifty dollars (\$50.00), a minimum fee of fifty dollars (\$50.00) shall be paid to the Department.

(d) A stamp exemption permit may be issued to a person who has not done business in this State throughout the preceding calendar year upon an initial payment of seven hundred twenty dollars (\$720.00) per year, prorated in accordance with the quarter of the calendar year in which the person makes application for the permit. After submission of proof of business volume amounts in accordance with subsection (h) for that part of the preceding calendar year in which the person used a stamp exemption permit issued under this subsection, the Department shall determine the cost of the permit for that time period by using a rate of eighteen dollars (\$18.00) for each 500 bedding units or fraction of 500 units. If the person's initial payment is more than the cost of the permit, the Department shall make a refund or an adjustment to the cost of the next permit in the amount of the difference. If the initial payment is less than the cost of the permit, the person shall pay the difference to the Department. Payments, refunds and adjustments shall be made in accordance with rules adopted by the Commission. A person who has not done business in this State throughout the preceding calendar year shall obtain a license by paying an initial fee to the Department in the amount of seven hundred twenty dollars (\$720.00) for the first year in which business is done in this State, prorated in accordance with the quarter of the calendar year in which the person begins doing business. After submission of proof of business volume in accordance with subsection (h) of this section for the part of the preceding calendar year in which the person did business in this State, the Department shall determine the amount of fee for which the person is responsible for that time period by using a rate of five and two tenths cents (5.2¢) for each bedding unit. However, if this amount is less than fifty dollars (\$50.00), then the amount of the fee for which the person is responsible shall be fifty dollars (\$50.00). If the person's initial payment is more than the amount of the fee for which the person is responsible, the Department shall make a refund or adjustment to the cost of the fee due for the next year in the amount of the difference. If the initial payment is less than the amount of the fee for which the person is responsible, the person shall pay the difference to the Department.

(d1) Payments, refunds, and adjustments shall be made in accordance with rules adopted by the Commission.

(d2) Upon payment of the fees charged pursuant to subsections (c) and (d), or the first installment thereof as provided by rules adopted by the Commission, the Department shall issue a license to the person. Licenses shall be kept conspicuously posted in the place of business of the licensee at all times. The Secretary may suspend a license for a maximum of six months for two or more serious violations of this Part or of the rules of the Commission, within any 12-month period.

(e) A maximum ~~charge-fee~~ of seven hundred fifty dollars (\$750.00) shall be ~~made-charged~~ for units of bedding manufactured in this State but not sold in this State.

(f) For the ~~purpose of computing the cost of stamp exemption permits only~~ sole purpose of computing fees for which a person is responsible, the following definitions shall apply: One mattress is defined as one bedding unit; one upholstered spring is defined as one bedding unit; one pad is defined as one bedding unit; one sleeping bag is defined as one bedding unit; five comforters ~~or pillows, pillows or decorative pillows~~ are defined as one bedding unit; and any other item is defined as one bedding unit.

(g) An application for a ~~stamp exemption permit license~~ must be submitted on a form prescribed by the Secretary. No ~~stamp exemption permit license~~ may be issued to a person unless the person complies with the rules of the Commission governing the granting of ~~stamp exemption permits licenses~~.

(h) The Commission shall adopt rules for the proper enforcement of this section. The rules shall include provisions governing the type and amount of proof which must be submitted by the applicant to the Department in order to establish the number of bedding units that were, during the preceding calendar year:

- (1) Manufactured and sold in this State;
- (2) Manufactured outside of this State and sold in this State; and
- (3) Manufactured in this State but not sold in this State.

(i) The Commission may provide in its rules for additional proof of the number of bedding units sold during the preceding calendar year when it has reason to believe that the proof submitted by the manufacturer is incomplete, misleading or incorrect."

Sec. 8. G.S. 130A-271(b) reads as rewritten:

"(b) The Secretary may prohibit sale and place an 'off sale' tag on any bedding which is not made, sanitized, or tagged ~~or stamped~~ as required by this Part and the rules of the Commission. The bedding shall not be sold or otherwise removed until the violation is remedied and the Secretary has reinspected it and removed the 'off sale' tag.

Sec. 9. G.S.130A-272(a) reads as rewritten:

"(a) In cases where bedding is manufactured, sanitized or renovated in a plant or place of business which has qualified as a nonprofit agency for the blind or severely handicapped under P.L. 92-28, as amended, the responsible person shall satisfy the provisions of this Part and the rules of the Commission. However, the responsible persons at these plants or places of business shall not be required ~~to affix stamps or pay a license tax to pay fees in accordance with G.S. 130A-269 . Bedding made at these plants or places of business may be sold by any dealer without the stamps being affixed.~~"

Sec. 10. This act shall become effective January 1, 1988.

In the General Assembly read three times and ratified this the 23rd day of June, 1987.