

GENERAL ASSEMBLY OF NORTH CAROLINA

SESSION 1993

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HOUSE BILL 564*

Short Title: General Contractors' Fees.

(Public)

Sponsors: Representatives Black; and Cummings.

Referred to: Finance.

March 25, 1993

A BILL TO BE ENTITLED

AN ACT TO INCREASE THE EXAMINATION FEE AND THE FEES FOR
ANNUAL RENEWALS OF ALL TYPES OF LICENSES FOR GENERAL
CONTRACTORS.

The General Assembly of North Carolina enacts:

Section 1. G.S. 87-10 reads as rewritten:

"§ 87-10. Application for license; examination; certificate; renewal.

(a) Anyone seeking to be licensed as a general contractor in this State shall file an application for an examination on a form provided by the Board, at least 30 days before any regular or special meeting of the Board accompanied by an examination fee of ~~twenty-five dollars (\$25.00)~~ fifty dollars (\$50.00) and by the sum of one hundred dollars (\$100.00) if the application is for an unlimited license, the sum of seventy-five dollars (\$75.00) if the application is for an intermediate license or the sum of fifty dollars (\$50.00) if the application is for a limited license; the fees and sum accompanying any application shall be nonrefundable. The holder of an unlimited license shall be entitled to act as general contractor without restriction as to value of any single project; the holder of an intermediate license shall be entitled to act as general contractor for any single project with a value of up to five hundred thousand dollars (\$500,000); the holder of a limited license shall be entitled to act as general contractor for any single project with a value of up to two hundred fifty thousand dollars (\$250,000); and the license certificate shall be classified in accordance with this section. Before being entitled to an examination an applicant must show to the satisfaction of the Board from the application and proofs furnished that the applicant is possessed of a good character and is otherwise qualified as to competency, ability, integrity, and

1 financial responsibility, and that the applicant has not committed or done any act,
2 which, if committed or done by any licensed contractor would be grounds under the
3 provisions hereinafter set forth for the suspension or revocation of contractor's license,
4 or that the applicant has not committed or done any act involving dishonesty, fraud, or
5 deceit, or that the applicant has never been refused a license as a general contractor nor
6 had such license revoked, either in this State or in another state, for reasons that should
7 preclude the granting of the license applied for, and that the applicant has never been
8 convicted of a felony involving moral turpitude, relating to building or contracting, or
9 involving embezzlement or misappropriation of funds or property entrusted to the
10 applicant: Provided, no applicant shall be refused the right to an examination, except in
11 accordance with the provisions of Chapter 150B of the General Statutes.

12 (b) The Board shall conduct an examination, either oral or written, of all
13 applicants for license to ascertain the ability of the applicant to make a practical
14 application of his knowledge of the profession of contracting, under the classification
15 contained in the application, and to ascertain the qualifications of the applicant in
16 reading plans and specifications, knowledge of estimating costs, construction, ethics and
17 other similar matters pertaining to the contracting business and knowledge of the
18 applicant as to the responsibilities of a contractor to the public and of the requirements
19 of the laws of the State of North Carolina relating to contractors, construction and liens.
20 If the results of the examination of the applicant shall be satisfactory to the Board, then
21 the Board shall issue to the applicant a certificate to engage as a general contractor in
22 the State of North Carolina, as provided in said certificate, which may be limited into
23 five classifications as the common use of the terms are known – that is,

- 24 (1) Building contractor, which shall include private, public, commercial,
25 industrial and residential buildings of all types;
26 (1a) Residential contractor, which shall include any general contractor
27 constructing only residences which are required to conform to the
28 North Carolina Uniform Residential Building Code (Vol. 1-B);
29 (2) Highway contractor;
30 (3) Public utilities contractors, which shall include those whose operations
31 are the performance of construction work on the following
32 subclassifications of facilities:
33 a. Water and sewer mains and water service lines and house and
34 building sewer lines as defined in the North Carolina State
35 Building Code, and water storage tanks, lift stations, pumping
36 stations, and appurtenances to water storage tanks, lift stations
37 and pumping stations;
38 b. Water and wastewater treatment facilities and appurtenances
39 thereto;
40 c. Electrical power transmission facilities, and primary and
41 secondary distribution facilities ahead of the point of delivery of
42 electric service to the customer;
43 d. Public communication distribution facilities; and

1 e. Natural gas and other petroleum products distribution facilities;
2 provided the General Contractors Licensing Board may issue
3 license to a public utilities contractor limited to any of the
4 above subclassifications for which the general contractor
5 qualifies, and

6 (4) Specialty contractor, which shall include those whose operations as
7 such are the performance of construction work requiring special skill
8 and involving the use of specialized building trades or crafts, but
9 which shall not include any operations now or hereafter under the
10 jurisdiction, for the issuance of license, by any board or commission
11 pursuant to the laws of the State of North Carolina.

12 Public utilities contractors constructing water service lines and house and building
13 sewer lines as provided in (3)a above shall terminate said lines at a valve, box, meter, or
14 manhole or cleanout at which the facilities from the building may be connected.

15 (c) If an applicant is an individual, examination may be taken by his personal
16 appearance for examination, or by the appearance for examination of one or more of his
17 responsible managing employees, and if a copartnership or corporation, or any other
18 combination or organization, by the examination of one or more of the responsible
19 managing officers or members of the personnel of the applicant, and if the person so
20 examined shall cease to be connected with the applicant, then in such event the license
21 shall remain in full force and effect for a period of 30 days thereafter, and then be
22 canceled, but the applicant shall then be entitled to a reexamination, all pursuant to the
23 rules to be promulgated by the Board: Provided, that the holder of such license shall not
24 bid on or undertake any additional contracts from the time such examined employee
25 shall cease to be connected with the applicant until said applicant's license is reinstated
26 as provided in this Article.

27 (d) Anyone failing to pass this examination may be reexamined at any regular
28 meeting of the Board upon payment of an examination fee of ~~twenty five dollars (\$25.00).~~
29 fifty dollars (\$50.00). Anyone requesting to take the examination a third or subsequent
30 time shall submit a new application with the appropriate examination and license fees.
31 Certificate of license shall expire on the thirty-first day of December following the
32 issuance or renewal and shall become invalid 60 days from that date unless renewed,
33 subject to the approval of the Board. Renewals may be effected any time during the
34 month of January without reexamination, by the payment of a fee to the secretary of the
35 Board of ~~seventy five dollars (\$75.00) which shall not exceed ninety-five dollars (\$95.00)~~
36 for unlimited license, fifty dollars (\$50.00) sixty-five dollars (\$65.00) for intermediate
37 license and twenty five dollars (\$25.00) thirty-five dollars (\$35.00) for limited license.
38 The Board may set renewal fees annually without engaging in rule making. No later
39 than November 30 of each year, the Board shall mail written notice of the amount of the
40 renewal fees for the upcoming year to the last address of record for each general
41 contractor licensed pursuant to this Article. Renewal applications shall be accompanied
42 by evidence of continued financial responsibility satisfactory to the Board. Renewal
43 applications received by the Board after January shall be accompanied by a late
44 payment of ten dollars (\$10.00) for each month or part after January. After a lapse of

1 two years no renewal shall be effected and the applicant shall fulfill all requirements of
2 a new applicant as set forth in this section."

3 Sec. 2. G.S. 87-10(d), as amended by Section 1 of this act, reads as rewritten:

4 "(d) Anyone failing to pass this examination may be reexamined at any regular
5 meeting of the Board upon payment of an examination fee of fifty dollars (\$50.00).
6 Anyone requesting to take the examination a third or subsequent time shall submit a
7 new application with the appropriate examination and license fees. Certificate of license
8 shall expire on the thirty-first day of December following the issuance or renewal and
9 shall become invalid 60 days from that date unless renewed, subject to the approval of
10 the Board. Renewals may be effected any time during the month of January without
11 reexamination, by the payment of a fee to the secretary of the Board of which shall not
12 exceed ~~ninety-five dollars (\$95.00)~~ one hundred dollars (\$100.00) for unlimited license,
13 ~~sixty-five dollars (\$65.00)~~ seventy-five dollars (\$75.00) for intermediate license and ~~thirty-~~
14 ~~five dollars (\$35.00)~~ fifty dollars (\$50.00) for limited license. The Board may set renewal
15 fees annually without engaging in rule making. No later than November 30 of each
16 year, the Board shall mail written notice of the amount of the renewal fees for the
17 upcoming year to the last address of record for each general contractor licensed
18 pursuant to this Article. Renewal applications shall be accompanied by evidence of
19 continued financial responsibility satisfactory to the Board. Renewal applications
20 received by the Board after January shall be accompanied by a late payment of ten
21 dollars (\$10.00) for each month or part after January. After a lapse of two years no
22 renewal shall be effected and the applicant shall fulfill all requirements of a new
23 applicant as set forth in this section."

24 Sec. 3. Section 1 of this act is effective upon ratification. Section 2 of this
25 act becomes effective October 1, 1995.