

GENERAL ASSEMBLY OF NORTH CAROLINA

SESSION 1993

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HOUSE BILL 564*
Committee Substitute Favorable 5/3/93

Short Title: General Contractors' Fees.

(Public)

Sponsors:

Referred to:

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

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

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

- 25 (1) Building contractor, which shall include private, public, commercial,
26 industrial and residential buildings of all types;
- 27 (1a) Residential contractor, which shall include any general contractor
28 constructing only residences which are required to conform to the
29 North Carolina Uniform Residential Building Code (Vol. 1-B);
- 30 (2) Highway contractor;
- 31 (3) Public utilities contractors, which shall include those whose operations
32 are the performance of construction work on the following
33 subclassifications of facilities:
- 34 a. Water and sewer mains and water service lines and house and
35 building sewer lines as defined in the North Carolina State
36 Building Code, and water storage tanks, lift stations, pumping
37 stations, and appurtenances to water storage tanks, lift stations
38 and pumping stations;
- 39 b. Water and wastewater treatment facilities and appurtenances
40 thereto;
- 41 c. Electrical power transmission facilities, and primary and
42 secondary distribution facilities ahead of the point of delivery of
43 electric service to the customer;
- 44 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 (e) ~~Certificate~~ A certificate of license shall expire on the thirty-first day of
 32 December following ~~the its~~ issuance or renewal and shall become invalid 60 days from
 33 that date unless renewed, subject to the approval of the Board. Renewals may be
 34 effected any time during the month of January without reexamination, by the payment
 35 of a fee to the secretary of the Board of ~~seventy five dollars (\$75.00) ninety-five dollars~~
 36 (\$95.00) for an unlimited license, fifty dollars (\$50.00) sixty-five dollars (\$65.00) for an
 37 intermediate license and twenty five dollars (\$25.00) thirty-five dollars (\$35.00) for a
 38 limited license. Renewal applications shall be accompanied by evidence of continued
 39 financial responsibility satisfactory to the Board. Renewal applications received by the
 40 Board after January shall be accompanied by a late payment of ten dollars (\$10.00) for
 41 each month or part after January. After a lapse of two years no renewal shall be effected
 42 and the applicant shall fulfill all requirements of a new applicant as set forth in this
 43 section."

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

1 "(e) A certificate of license shall expire on the thirty-first day of December
2 following its issuance or renewal and shall become invalid 60 days from that date unless
3 renewed, subject to the approval of the Board. Renewals may be effected any time
4 during the month of January without reexamination, by the payment of a fee to the
5 secretary of the ~~Board of which~~ Board. The fee shall not exceed ~~ninety-five dollars~~
6 ~~(\$95.00)~~ one hundred dollars (\$100.00) for an unlimited license, ~~sixty-five dollars (\$65.00)~~
7 seventy-five dollars (\$75.00) for an intermediate license and ~~thirty-five dollars (\$35.00)~~
8 fifty dollars (\$50.00) for a limited license. No later than November 30 of each year, the
9 Board shall mail written notice of the amount of the renewal fees for the upcoming year
10 to the last address of record for each general contractor licensed pursuant to this Article.
11 Renewal applications shall be accompanied by evidence of continued financial
12 responsibility satisfactory to the Board. Renewal applications received by the Board
13 after January shall be accompanied by a late payment of ten dollars (\$10.00) for each
14 month or part after January. After a lapse of two years no renewal shall be effected and
15 the applicant shall fulfill all requirements of a new applicant as set forth in this section."
16 Sec. 3. Section 1 of this act is effective upon ratification. Section 2 of this
17 act becomes effective October 1, 1995.