

GENERAL ASSEMBLY OF NORTH CAROLINA

SESSION 1997

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SENATE BILL 1008

Short Title: Insulating Specialty Contractors.

(Public)

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Sponsors: Senator Hoyle.

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Referred to: Commerce.

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April 21, 1997

A BILL TO BE ENTITLED

1 AN ACT TO AUTHORIZE THE STATE LICENSING BOARD FOR GENERAL  
2 CONTRACTORS TO ISSUE AN INSULATING SPECIALTY CONTRACTOR'S  
3 LICENSE AND TO PERMIT ONLY PERSONS LICENSED AS BUILDING,  
4 RESIDENTIAL, OR INSULATION SPECIALTY CONTRACTORS TO INSTALL,  
5 ALTER, OR REPAIR INSULATING MEDIA.  
6

7 The General Assembly of North Carolina enacts:

8 Section 1. Chapter 87 of the General Statutes is amended by adding a new  
9 section to read:

10 "**§ 87-1.1. License required to install, alter, or repair insulating media.**

11 Only those persons, firms, or corporations that are licensed under this Article as a  
12 building, residential, or insulating specialty contractor shall, when working on behalf of  
13 any person, firm, or corporation that is not so licensed or when subcontracting with a  
14 general contractor, install, alter, or repair insulating media as permitted upon the issuance  
15 of an insulating specialty contractor's license under G.S. 87-10(b)(5) if the cost, fixed  
16 price, commission, fee, or wage for the undertaking is five hundred dollars (\$500.00) or  
17 more."

18 Section 2. G.S. 87-10(b) reads as rewritten:

19 "(b) The Board shall conduct an examination, either oral or written, of all applicants  
20 for license to ascertain the ability of the applicant to make a practical application of his

1 knowledge of the profession of contracting, under the classification contained in the  
2 application, and to ascertain the qualifications of the applicant in reading plans and  
3 specifications, knowledge of estimating costs, construction, ethics and other similar  
4 matters pertaining to the contracting business and knowledge of the applicant as to the  
5 responsibilities of a contractor to the public and of the requirements of the laws of the  
6 State of North Carolina relating to contractors, construction and liens. If the results of the  
7 examination of the applicant shall be satisfactory to the Board, then the Board shall issue  
8 to the applicant a certificate to engage as a general contractor in the State of North  
9 Carolina, as provided in said certificate, which may be limited into ~~five~~six classifications  
10 as the common use of the terms are known – that is,

11 (1) Building contractor, which shall include private, public, commercial,  
12 industrial and residential buildings of all ~~types~~types.

13 (1a) Residential contractor, which shall include any general contractor  
14 constructing only residences which are required to conform to the  
15 residential building code adopted by the Building Code Council  
16 pursuant to ~~G.S. 143-138~~G.S. 143-138.

17 (2) Highway ~~contractor~~contractor.

18 (3) Public utilities contractors, which shall include those whose operations  
19 are the performance of construction work on the following  
20 subclassifications of facilities:

21 a. Water and sewer mains and water service lines and house and  
22 building sewer lines as defined in the North Carolina State  
23 Building Code, and water storage tanks, lift stations, pumping  
24 stations, and appurtenances to water storage tanks, lift stations  
25 and pumping ~~stations~~stations.

26 b. Water and wastewater treatment facilities and appurtenances  
27 ~~thereto~~thereto.

28 c. Electrical power transmission facilities, and primary and  
29 secondary distribution facilities ahead of the point of delivery of  
30 electric service to the ~~customer~~customer.

31 d. Public communication distribution ~~facilities~~and facilities.

32 e. Natural gas and other petroleum products distribution facilities;  
33 provided the General Contractors Licensing Board may issue  
34 license to a public utilities contractor limited to any of the above  
35 subclassifications for which the general contractor ~~qualifies~~and  
36 qualifies.

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

1           (5) Insulating specialty contractor, which shall include those whose  
2           operations as such are the installation, alteration, or repair of materials  
3           classified as insulating media and used for the nonmechanical control of  
4           temperatures in the construction of residential dwellings intended for  
5           single-family occupancy. This classification does not include the  
6           insulation of mechanical equipment or ancillary lines and piping.

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

10           Section 3. G.S. 87-14 reads as rewritten:

11 **"§ 87-14. Regulations as to issue of building permits.**

12           Any person, firm or corporation, upon making application to the building inspector or  
13 such other authority of any incorporated city, ~~town~~ town, or county in North Carolina  
14 charged with the duty of issuing building or other permits for the construction of any  
15 building, highway, sewer, ~~grading~~ grading, or any improvement or structure where the  
16 cost thereof is to be thirty thousand dollars (\$30,000) or more, or for the installation,  
17 alteration, or repair of insulating media as described in G.S. 87-10(b)(5) if the cost of the  
18 undertaking is five hundred dollars (\$500.00) or more, shall, before ~~he~~ he or ~~she~~ she is  
19 entitled to the issuance of such permit, furnish satisfactory proof to ~~such~~ the inspector or  
20 authority that (i) he or she or another person contracting to superintend or manage the  
21 construction is duly licensed under the terms of this Article to carry out or superintend  
22 the ~~same, and that same,~~ (ii) he or she has paid the license tax required by the Revenue Act  
23 of the State of North Carolina then in force so as to be qualified to bid upon or contract  
24 for the work for which the permit has been ~~applied, and that applied,~~ and (iii) he or she has  
25 in effect Workers' Compensation insurance as required by Chapter 97 of the General  
26 ~~Statutes; and it Statutes.~~ It shall be unlawful for ~~such~~ the building inspector or other  
27 authority to issue or allow the issuance of ~~such~~ a building permit unless and until the  
28 applicant has furnished evidence that ~~he~~ (i) the applicant is either exempt from the  
29 provisions of this Article or is duly licensed under this Article to carry out or superintend  
30 the work for which permit has been ~~applied; and further, that applied,~~ (ii) the applicant has  
31 paid the license tax required by the State Revenue Act then in force so as to be qualified  
32 to bid upon or contract for the work covered by the ~~permit; and further, that permit, and~~  
33 (iii) the applicant has in effect Workers' Compensation insurance as required by Chapter  
34 97 of the General Statutes. Any building inspector or other such authority who is subject  
35 to and violates the terms of this section shall be guilty of a Class 3 misdemeanor and  
36 subject only to a fine of not more than fifty dollars (\$50.00)."

37           Section 4. This act becomes effective July 1, 1998, and applies to all bids  
38 submitted and all contracts entered into on and after that date.