

**GENERAL ASSEMBLY OF NORTH CAROLINA  
SESSION 2019**

**SENATE BILL 55  
RATIFIED BILL**

AN ACT TO REVISE THE LAW GOVERNING THE LICENSURE OF CERTAIN GENERAL CONTRACTORS TO REQUIRE CONTINUING EDUCATION FOR THE PURPOSE OF ENHANCING THE PROFESSIONAL COMPETENCE AND PROFESSIONAL RESPONSIBILITY OF THOSE LICENSEES.

The General Assembly of North Carolina enacts:

**SECTION 1.** Article 1 of Chapter 87 of the General Statutes is amended by adding a new section to read:

**"§ 87-10.2. Continuing education.**

(a) As a condition of license renewal, at least one qualifier or qualifying party of a licensee holding a building contractor, residential contractor, or unclassified contractor license classification shall complete, on an annual basis, eight hours of continuing education approved in accordance with this section. Where an entity holding a building contractor, residential contractor, or unclassified contractor license classification has multiple qualifiers or qualifying parties, at least one qualifier or qualifying party of the licensee shall complete this requirement for the license to remain valid.

(b) Of the eight hours of annual continuing education required by this section, two hours shall be a mandatory course approved by the Board and the remaining six hours shall be elective courses approved by the Board. Each qualifier or qualifying party shall complete the mandatory course each year. Each qualifier or qualifying party may accumulate and carry forward up to four hours of elective course credit to the next calendar year. The Board shall evaluate and approve:

- (1) The content of continuing education courses.
- (2) Accreditation of continuing education sponsors and programs.
- (3) Computation of credit.
- (4) General compliance procedures.

(c) All prospective providers of the mandatory course shall attend a training program established, approved, and administered by the Board to ensure the quality and consistency of mandatory course information. All prospective providers of elective courses shall submit course materials and instructor qualifications for Board evaluation, approval, and accreditation.

(d) Continuing education credit hours may only be given for courses that are taught live by an instructor approved by the Board. To receive credit, a qualifier or qualifying party shall attend and view the live teaching of the course and shall certify this requirement in the manner required by the Board. Only the period of live instruction shall apply to the satisfaction of the continuing education requirement established by this section. Continuing education providers shall certify the attendance of course attendees and shall transmit the qualifier or qualifying party's certification to the Board. For the purposes of this subsection, "live instruction" includes credit hours presented by video or by Internet transmission of a previously recorded and approved presentation by an approved instructor or instructors provided the presentation is either proctored by the approved sponsor or contains safeguards as approved by the Board that allow the approved sponsor to certify that the qualifier or qualifying party has viewed the presentation. The Board shall implement procedures to ensure that qualifiers and qualifying parties may satisfy all of the



continuing education requirements of this section through approved courses offered by approved providers by Internet transmission.

(e) False certification of attendance shall be grounds for the suspension or revocation of the course provider's privilege to provide courses in this State. The Board may take disciplinary action against any licensee on account of a false certification of attendance by that licensee's qualifier or qualifying party at any continuing education course.

(f) The Board shall maintain and distribute to licensees and qualifiers, as appropriate, records of the educational coursework successfully completed by each qualifier or qualifying party, including the subject matter and the number of hours of each course.

(g) Continuing education requirements shall begin on January 1 of any calendar year and shall be completed by November 30 of that calendar year. The Board shall establish a 90-day grace period following November 30 of each calendar year for any qualifier or qualifying party who has failed to complete the continuing education requirement. Failure of the qualifier or qualifying party of the entity holding a building contractor, residential contractor, or unclassified contractor license classification to satisfy the annual continuing education requirement by the expiration of the grace period shall result in the license of the entity being invalidated until such time that continuing education and all other licensing requirements have been met.

(h) Any licensee who chooses not to complete the annual continuing education as required by this section may request that the Board place the licensee's license in an inactive status and the license shall become invalid. However, in order for the license to be maintained as inactive, the licensee shall pay the same annual renewal fee paid by active licensees. Should the licensee desire to return to active status, the qualifier or qualifying party of the licensee shall satisfactorily complete the following continuing education requirements prior to seeking reinstatement:

(1) If the licensee seeks reinstatement during the first two years after the license becomes inactive, the qualifier or qualifying party shall complete eight hours of continuing education, including the mandatory course offered during the year of reinstatement.

(2) If the licensee seeks reinstatement more than two years after the license becomes inactive, the qualifier or qualifying party shall complete 16 hours of continuing education, including the mandatory course offered during the year of reinstatement.

(i) The Board shall establish nonrefundable fees for the purpose of administering the continuing education program. The Board may charge the sponsor of a proposed course a nonrefundable fee not to exceed twenty-five dollars (\$25.00) per credit hour for the initial review of the course and a nonrefundable fee of twelve dollars and fifty cents (\$12.50) per credit hour for the annual renewal of a course previously approved. The Board shall require an approved course provider to pay a fee, not to exceed five dollars (\$5.00) per credit hour per qualifier or qualifying party, for each qualifier or qualifying party completing an approved continuing education course conducted by that provider.

(j) The Board may modify the continuing education requirements set forth in this Article in cases of certified illness or undue hardship as provided for in the rules of the Board.

(k) The Board may adopt rules to implement the requirements of this section."

**SECTION 2.** G.S. 87-10 reads as rewritten:

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

...

(e) A license shall expire on the first day of January following its issuance or renewal and shall become invalid 60 days from that date unless renewed, subject to the approval of the Board. Renewal applications shall be submitted with a fee not to exceed one hundred twenty-five dollars (\$125.00) for an unlimited license, one hundred dollars (\$100.00) for an intermediate license, and seventy-five dollars (\$75.00) for a limited license. Renewal applications shall be

accompanied by evidence of continued financial responsibility ~~satisfactory to the Board~~ and evidence of satisfactory completion of continuing education as required by G.S. 87-10.2. Renewal applications received by the Board on or after the first day of January shall be accompanied by a late payment of ten dollars (\$10.00) for each month or part after January.

(f) After a license has been ~~inactive~~-invalid for four years, a licensee shall not be permitted to renew the license, and the license shall be deemed archived. If a licensee wishes to be relicensed subsequent to the archival of the license, the licensee shall fulfill all requirements of a new applicant as set forth in this section. Archived licensed numbers shall not be renewed."

**SECTION 3.** The State Licensing Board for General Contractors shall adopt temporary rules to implement G.S. 87-10.2, as enacted by Section 1 of this act, and G.S. 87-10, as amended by Section 2 of this act. Notwithstanding G.S. 150B-21.1(d), the temporary rules required by this act shall remain in effect until the effective date of the permanent rule adopted to replace these temporary rules. The Board is exempt from the fiscal note requirement of G.S. 150B-21.4 in adopting rules to implement this act.

**SECTION 4.** Except as otherwise provided, this act is effective when it becomes law. The continuing education requirement established by G.S. 87-10.2(a), as enacted by Section 1 of this act, becomes effective January 1, 2020, and applies to licenses renewed on or after that date. The requirement that the State Licensing Board for General Contractors ensure that qualifiers and qualifying parties may satisfy all of the continuing education requirements by approved courses offered by Internet transmission, as provided in G.S. 87-10.2(d), as enacted by Section 1 of this act, becomes effective January 1, 2021.

In the General Assembly read three times and ratified this the 26<sup>th</sup> day of June, 2019.

s/ Daniel J. Forest  
President of the Senate

s/ Tim Moore  
Speaker of the House of Representatives

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Roy Cooper  
Governor

Approved \_\_\_\_\_ .m. this \_\_\_\_\_ day of \_\_\_\_\_, 2019