North Carolina Licensing Board
for General Contractors

- North Carolina General Contractor Licensing Statutes
- Homeowners Recovery Fund Laws
- Regulations for Contractors
- North Carolina Administrative Code

2025 Laws and Regulations Applicable to General Contracting in the State of North Carolina

North Carolina Licensing Board for General Contractors

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INTRODUCTION

In 1925 the North Carolina General Assembly established the authority of the North Carolina Licensing Board for Contractors, amending Chapter 318 of the Public Laws, designed for the purpose of safeguarding life, health and property and to promote public welfare. The licensing statutes which govern the North Carolina Licensing Board for General Contractors prescribe certain standards for persons, firms and corporations who enter into contracts for construction work in this state. The practice act providing specific regulatory authority over general contractors is found under N.C. General Statute §87, Article 1. Current laws in North Carolina define general contractors as persons, firms or corporations who enter into contracts for construction projects costing $40,000 or more.

The Board provides this publication free of charge to enhance public awareness and to inform the general public of the Board's purpose and function. Published in this book are the current North Carolina General Statutes applicable to the practice of general contracting, Chapter 87, Article 1 and 1A. Also included are references to general statutes pertaining to other important aspects of the construction industry in this state, and the rules and regulations of this agency set forth under the N.C. Administrative Code (Title 21, Chapter 12).

This publication supersedes previous editions or printings of these Articles and rules.

Other informative publications are provided by the Board upon request and without charge. Specific questions concerning the foregoing laws, rules and regulations applicable to the practice of general contracting should be referred to the Board office in Raleigh, North Carolina.

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GENERAL CONTRACTORS

LIMITATIONS

LIMITED – Up to $750,000.00 on any single project

INTERMEDIATE – Up to $1,500,000.00 on any single project

UNLIMITED – Not restricted as to the value of any single project

CLASSIFICATIONS

Building
Residential
Highway
Public Utilities
Specialty
Unclassified – (includes all of the above classifications)

EXAMINATIONS and LICENSURE (N.C. G.S. 87-10)

A qualifying examination is not an occupational license and does not grant the holder of such examination the authority to practice general contracting. Individuals may be licensed by their personal examinations or the examination of a responsible managing employee. Partnerships and corporations are licensed by examination of a responsible managing officer or member of the personnel of the applicant. If the qualifying party leaves, however, the licensee must replace the qualifying party within ninety (90) days or the license becomes invalid.

Licensees should not allow unlicensed persons, firms or corporations to use the general contractor's license with the licensee's permission. Although licensed general contractors may have an ownership interest in an unlicensed entity, the unlicensed contractor may not use a general contractor's license for any reason. Violators of the general contractor laws and regulations may be disciplined by the Licensing Board for General Contractors for allowing the use of a license by an unlicensed person or other entities. Appropriate sanctions may include suspension or revocation of license.

Licenses must be renewed annually by December 31 for the following year, or the license expires. If a license is not renewed within sixty (60) days following expiration, then it becomes "invalid," and the contractor becomes, in effect, unlicensed. Reexamination is required if a license is not renewed for four (4) years following expiration. After a lapse of four years, no renewal shall be effected and all requirements for a new license must be fulfilled, in accordance with G.S. 87-10.

This publication may not be sold for profit. This publication contains rules and general statutes which may be amended periodically — all such current amendments may not be reflected in this publication.

Published January 2025

AN ACT TO REGULATE THE PRACTICE OF GENERAL CONTRACTING

§87-1. "General contractor" defined; exceptions.

(a) For the purpose of this Article any person or firm or corporation who for a fixed price, commission, fee, or wage, undertakes to bid upon or to construct or who undertakes to superintend or manage, on his own behalf or for any person, firm, or corporation that is not licensed as a general contractor pursuant to this Article, the construction of any building, highway, public utilities, grading or any improvement or structure where the cost of the undertaking is forty thousand dollars ($40,000) or more, or undertakes to erect a North Carolina labeled manufactured modular building meeting the North Carolina State Building Code, shall be deemed to be a "general contractor" engaged in the business of general contracting in the State of North Carolina.

(b) This section shall not apply to the following:

(1) Persons, firms, or corporations furnishing or erecting industrial equipment, power plant equipment, radial brick chimneys, and monuments.

(2) Any person, firm, or corporation who constructs or alters a building on land owned by that person, firm, or corporation provided (i) the building is intended solely for occupancy by that person and his family, firm, or corporation after completion; and (ii) the person, firm, or corporation complies with G.S. 87-14. If the building is not occupied solely by the person and his family, firm, or corporation for at least 12 months following completion, it shall be presumed that the person, firm, or corporation did not intend the building solely for occupancy by that person and his family, firm, or corporation.

(3) Any person engaged in the business of farming who constructs or alters a building on land owned by that person and used in the business of farming, when the building is intended for use by that person after completion.

§87-1.1 Exception for licensees under Article 2 or 4.

G.S. 87-1 shall not apply to a licensee under Article 2 or 4 of this Chapter of the General Statutes, G.S. 87-43 shall not apply to a licensee under Article 2 of this Chapter of the General Statutes, and G.S. 87-21(a)(5) shall not apply to a licensee under Article 4 of this Chapter of the General Statutes when the licensee is bidding and contracting directly with the owner of a building project if all of the following apply:

(1) A licensed general contractor performs all work that falls within the classifications in G.S. 87-10(b) and the State Licensing Board of General Contractor's rules.

(2) The total amount of the general contracting work so classified does not exceed a percentage of the total bid price pursuant to rules established by the Board.

(3) A licensee with the appropriate license under Article 2 or Article 4 of this Chapter performs all work that falls within the classifications in Article 2 and Article 4 of this Chapter.

(4) The total amount of the work under the classifications in Article 2 of this Chapter does not exceed a percentage of the total bid price pursuant to rules established by the State Board of Examiners of Electrical Contractors.

(5) The total amount of the work under the classifications in Article 4 of this Chapter does not exceed a percentage of the total bid price pursuant to rules established by the State Board of Examiners of Plumbing, Heating, and Fire Sprinkler Contractors."

§87-1.2 Exception for specified Department of Transportation contractors.

The letting of contracts for the types of projects specified in G.S. 136-28.14 shall not be subject to the licensing requirement of this Article.

§87-2. Licensing Board; organization.

There is created the State Licensing Board for General Contractors consisting of nine members appointed by the Governor for staggered five-year terms. Five of the members shall be general contractors, one member shall be a registered engineer who practices structural engineering, and three shall be public members. Of the general contractor members, one shall have as the larger part of his business the construction of highways; one shall have as the larger part of his business the construction of public utilities; one shall have as the larger part of his business the construction of buildings; and two shall have as a larger part of their businesses the construction of residences, one of whom shall be the holder of an unlimited general contractor's license. The public members shall have no ties with the construction industry and shall represent the interests of the public at large. Members shall serve until the expiration of their respective terms and until their successors are appointed and qualified. Vacancies occurring during a term shall be filled by appointment of the Governor for the remainder of the unexpired term. The Governor may remove any member of the Board for misconduct, incompetency, or neglect of duty. No Board member shall serve more than two complete consecutive terms.

§87-3. Members of the Board to take oath.

Each member of the Board shall, before entering upon the discharge of the duties of his office, take and file with the Secretary of State an oath in writing to properly perform the duties of his office as a member of said Board and to uphold the Constitution of North Carolina and the Constitution of the United States.

§87-4. First meeting of the Board; officers; secretary-treasurer and assistants.

The said Board shall, within 30 days after its appointment by the Governor, meet in the City of Raleigh, at a time and place to be designated by the Governor, and organize by electing a chairman, a vice-chairman, and a secretary-treasurer, each to serve for one year. Said Board shall have power to make such bylaws, rules and regulations as it shall deem best, provided the same are not in conflict with the laws of North Carolina. The secretary-treasurer shall give bond in such sum as the Board shall determine, with such security as shall be approved by the Board, said bond to be conditioned for the faithful performance of the duties of his office and for the faithful accounting of all moneys and other property as shall come into his hands. The secretary-treasurer need not be a member of the Board, and the Board is hereby authorized to employ a full-time secretary-treasurer, and such other assistants and make such other expenditures as may be necessary to the proper carrying out of the provisions of this Article. Payment of compensation and reimbursement of expenses of Board members shall be governed by G.S. 93B-5.

§87-5. Seal of the Board

The Board shall adopt a seal for its own use. The seal shall have the words "North Carolina Licensing Board for General Contractors" and the secretary shall have charge, care and custody thereof.

§87-6. Meetings; notice; quorum.

The Board shall meet twice each year, once in April and once in October, for the purpose of transacting such business as may properly come before it. At the April meeting in each year the Board shall elect officers. Special meetings may be held at such times as the Board may provide in the bylaws it shall adopt. Due notice of each meeting and the time and place thereof shall be given to each member in such manner as the bylaws may provide. Five members of the Board shall constitute a quorum.

§87-7. Records of Board; disposition of funds.

The secretary-treasurer shall keep a record of the proceedings of the said Board and shall receive and account for all moneys derived from the operation of this Article. Any funds remaining in the hands of the secretary-treasurer to the credit of the Board after the expenses of the Board for the current year have been paid shall be paid over to the Greater University of North Carolina for the use of the School of Engineering through the North Carolina Engineering Foundation. The Board has the right, however, to retain at least ten percent (10%) of the total expense it incurs for a year's operation to meet any emergency that may arise. As an expense of the Board, said Board is authorized to expend such funds as it deems necessary to provide retirement and disability compensation for its employees.

§87-8. Records; roster of licensed contractors; report to Governor.

The secretary-treasurer shall keep a record of the proceedings of the Board and a register of all applicants for license showing for each the date of application, name, qualifications, place of business, place of residence, and whether license was granted or refused. The books and register of this Board shall be prima facie evidence of all matters recorded therein. A roster showing the names and places of business and of residence of all licensed general contractors shall be prepared by the secretary of the Board during the month of March of each year; the roster shall be printed by the Board out of funds of the Board as provided in G.S. 87-7, with copies being made available to contractors and members of the public, at cost, upon request, or furnished without cost, as directed by the Board. On or before the last day of March of each year the Board shall submit to the Governor a report of its transactions for the preceding year, and shall file with the Secretary of State a copy of the report, together with a complete statement of the receipts and expenditures of the Board, attested by the affidavits of the chairman and the secretary, and a copy of the roster of licensed general contractors.

§87-9. Compliance with Federal Highway Act, etc.; contracts financed by federal road funds; contracts concerning water or waste water systems.

Nothing in this Article shall operate to prevent the Department of Transportation from complying with any act of Congress and any rules and regulations pursuant thereto for carrying out the provisions of the Federal Highway Act, or shall apply to any person, firm or corporation proposing to submit a bid or enter into contract for any work to be financed in whole or in part with federal aid road funds in such a manner as will conflict with any act of Congress or any such rules and regulations promulgated pursuant thereto.

Neither shall anything in this Article prevent the State of North Carolina or any of its political subdivisions or their contractors from complying with any act of Congress and any rules and regulations promulgated pursuant thereto for carrying out the provisions of any federal program to assist in the planning, financing, or construction of drinking water or waste water processing, collection, and disposal systems and facilities.

§87-9.1. Ownership of real property: equipment; liability insurance.

(a) The Board shall have the power to acquire, hold, rent, encumber, alienate, and otherwise deal with real property in the same manner as a private person or corporation, subject only to approval of the Governor and the Council of State as to the acquisition, rental, encumbering, leasing, and sale of real property. Collateral pledged by the Board for an encumbrance is limited to the assets, income, and revenues of the Board.

(b) The Board may purchase or rent equipment and supplies and purchase liability insurance or other insurance to cover the activities of the Board, its operations, or its employees.

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

(a) Anyone seeking to be licensed as a general contractor in this State shall submit an application. Before being entitled to an examination, an applicant shall:

(1) Be at least 18 years of age.

(2) Possess good moral character as determined by the Board.

(3) Provide evidence of financial responsibility as determined by the Board.

(4) Submit the appropriate application fee.

(5) Consent to a criminal background check if required by the Board.

(al) The Board shall require an applicant to pay the Board or a provider contracted by the Board an examination fee not to exceed one hundred dollars ($100.00). In addition to the costs of any criminal background check, the Board shall also require an applicant to pay the Board a fee not to exceed one hundred twenty-five dollars ($125.00) if the application is for an unlimited license, one hundred dollars ($100.00) if the application is for an intermediate license, or seventy-five dollars ($75.00) if the application is for a limited license. The fees accompanying any application or examination 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 one million five hundred thousand dollars ($1,500,000), excluding the cost of land and any ancillary costs to improve the land; the holder of a limited license shall be entitled to act as general contractor for any single project with a value of up to seven hundred fifty thousand dollars ($750,000), excluding the cost of land and any ancillary costs to improve the land. The license certificate shall be classified in accordance with this section.

(a2) In determining an applicant's qualifications for licensure, the Board may utilize a criminal background check. If the Board uses a criminal background check, the provisions of G.S. 93B-8.l shall apply. The Board shall keep all information obtained from criminal background checks privileged in accordance with applicable State law and federal guidelines, and the information shall be confidential and not a public record under Chapter 132 of the General Statutes.

(a3) Records, papers. and other documentation containing personal information collected or compiled by the Board in connection with an application for examination, licensure, certification, or renewal or reinstatement, or the subsequent update of information shall not be considered public records within the meaning of Chapter 132 of the General Statutes.

(b) An applicant shall identify an individual who has successfully passed an examination approved by the Board who, for purposes of this section, shall be known as the "qualifier" or the "qualifying party" of the applicant. If the qualifier or the qualifying party seeks to take an examination the examination shall establish (i) the ability of the applicant to make a practical application of the applicant's knowledge of the profession of contracting; (ii) the qualifications of the applicant in reading plans and specifications, knowledge of relevant matters contained in the North Carolina State Building Code, knowledge of estimating costs, construction , ethics, and other similar matters pertaining to the contracting business; (iii) the knowledge of the applicant as to the responsibilities of a contractor to the public and of the requirements of the laws of the State of North Carolina relating to contractors, construction, and liens; and (iv) the applicant's knowledge of requirements of the Sedimentation Pollution Control Act of 1973, Article 4 of Chapter 113A of the General Statutes, and the rules adopted pursuant to that Article. If the qualifier or qualifying party passes the examination, upon review of the application and all relevant information, the Board shall issue a license to the applicant to engage in general contracting in the State of North Carolina, which may be limited as follows:

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

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

(2) Highway contractor.

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

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

b. Water and wastewater treatment facilities and appurtenances thereto.

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

d. Public communication distribution facilities.

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

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

(b1) Public utilities contractors constructing house and building sewer lines as provided in sub-subdivision a. of subdivision (3) of subsection (b) of this section shall, at the junction of the public sewer line and the house or building sewer line, install as an extension of the public sewer line a cleanout at or near the property line that terminates at or above the finished grade. Public utilities contractors constructing water service lines as provided in sub-subdivision a. of subdivision (3) of subsection (b) of this section shall terminate the water service lines at a valve, box, or meter at which the facilities from the building may be connected. Public utilities contractors constructing fire service mains for connection to fire sprinkler systems shall terminate those lines at a flange, cap, plug, or valve inside the building one foot above the finished floor. All fire service mains shall comply with the NFPA standards for fire service mains as incorporated into and made applicable by Volume V of the North Carolina Building Code.

(c) If an applicant is an individual, examination may be taken by his personal appearance for examination, or by the appearance for examination of one or more of his responsible managing employees. If an applicant is a copartnership, a corporation, or any other combination or organization, the examination may be taken by one or more of the responsible managing officers or members of the personnel of the applicant.

(c1) If the qualifier or qualifying party shall cease to be connected with the licensee, then the license shall remain in full force and effect for a period of 90 days. After 90 days, the license shall be invalidated, however the licensee shall be entitled to return to active status pursuant to all relevant statutes and rules promulgated by the Board. However, during the 90-day period described in this subsection, the licensee shall not bid on or undertake any additional contracts from the time such qualifier or qualifying party ceased to be connected with the licensee until the license is reinstated as provided in this Article.

(d) The Board may require a new application if a qualifier or qualifying party requests to take an examination a third or subsequent time.

(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 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 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 license numbers shall not be renewed.

§87-10.1. Licensing of nonresidents.

(a) Definitions. The following definitions apply in this section:

(1) Delinquent income tax debt. The amount of income tax due as stated in a final notice of assessment issued to a taxpayer by the Secretary of Revenue when the taxpayer no longer has the right to contest the amount.

(2) Foreign corporation—Defined in G.S. 55 1-40.

(3) Foreign entity—A foreign corporation, a foreign limited liability company, or a foreign partnership.

(4) Foreign limited liability company—Defined in G.S. 57C 1-03.

(5) Foreign partnership—Either of the following that does not have a permanent place of business in this State:

a. A foreign limited partnership as defined in G.S. 59-102.

b. A general partnership formed under the laws of a jurisdiction other than this State.

(b) Licensing. The Board shall not issue a certificate of license for a foreign corporation unless the corporation has obtained a certificate of authority from the Secretary of State pursuant to Article 15 of Chapter 55 of the General Statutes. The Board shall not issue a certificate of license for a foreign limited liability company unless the company has obtained a certificate of authority from the Secretary of State pursuant to Article 7 of Chapter 57C of the General Statutes.

(c) Information. Upon request, the Board shall provide the Secretary of Revenue on an annual basis the name, address, and tax identification number of every nonresident individual and foreign entity licensed by the Board. The information shall be provided in the format required by the Secretary of Revenue.

(d) Delinquents. If the Secretary of Revenue determines that any nonresident individual or foreign corporation licensed by the Board, a member of any foreign limited liability company licensed by the Board, or a partner in any foreign partnership licensed by the Board, owes a delinquent income tax debt, the Secretary of Revenue may notify the Board of these nonresident individuals and foreign entities and instruct the Board not to renew their certificates of license. The Board shall not renew the certificate of license of such nonresident individual or foreign entity identified by the Secretary of Revenue unless the Board receives a written statement from the Secretary that the debt either has been paid or is being paid pursuant to an installment agreement.

§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.

(5) Providers and instructors of continuing education courses.

(c) All Board-approved providers of the mandatory course shall register Board-approved instructors affiliated with the provider to 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 live or previously recorded and approved presentation by an approved instructor or instructors provided the presentation is either proctored by the approved provider or contains safeguards as approved by the Board that allow the approved provider 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 Internet-based e-learning 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, qualifier, or qualifying party for 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 required 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 annually request that the Board place the licensee's license in an inactive status and the license shall become invalid for that license year. 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 provider 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.

§87-11. Revocation of license; charges of fraud, negligence, incompetency, etc.; hearing thereon; reissuance of certificate.

(a) The Board shall have the power to refuse to issue or renew or revoke, suspend, or restrict a certificate of license or to issue a reprimand or take other disciplinary action if a general contractor licensed under this Article is found guilty of any fraud or deceit in obtaining a license, or gross negligence, incompetency, or misconduct in the practice of his or her profession, or willful violation of any provision of this Article. The Board shall also have the power to revoke, suspend, or otherwise restrict the ability of any person to act as a qualifying party for a license to practice general contracting, as provided in G.S. 87-10(c), for any copartnership, corporation or any other organization or combination, if that person committed any act in violation of the provisions of this section and the Board may take disciplinary action against the individual license held by that person.

(a1) Any person may prefer charges of fraud, deceit, negligence, or misconduct against any general contractor licensed under this Article. The charges shall be in writing and sworn to by the complainant and submitted to the Board. The charges, unless dismissed without hearing by the Board as unfounded or trivial, shall be heard and determined by the Board in accordance with the provisions of Chapter 150B of the General Statutes.

(b) The Board shall adopt and publish guidelines, consistent with the provisions of this Article, governing the suspension and revocation of licenses.

(c) The Board shall establish and maintain a system whereby detailed records are kept regarding complaints against each licensee. This record shall include, for each licensee, the date and nature of each complaint, investigatory action taken by the Board, any findings by the Board, and the disposition of the matter.

(d) The Board may reissue a license to any person, firm, or corporation whose license has been revoked: Provided, five or more members of the Board vote in favor of such reissuance for reasons the Board may deem sufficient.

The Board shall immediately notify the Secretary of State of its findings in the case of the revocation of a license or of the reissuance of a revoked license.

A certificate of license to replace any certificate lost, destroyed or mutilated may be issued subject to the rules and regulations of the Board.

(e) The Board shall be entitled to recover its reasonable administrative costs associated with the investigation and prosecution of a violation of this Article or rules or regulations of the Board up to a maximum of five thousand dollars ($5,000) for any licensee or qualifying party found to have committed any of the following:

(1) Fraud or deceit in obtaining a license.

(2) Gross negligence, incompetency, or misconduct in the practice of general contracting.

(3) Willful violation of any provision of this Article.

§87-12. Certificate evidence of license.

The issuance of a certificate of license or limited license by this Board shall be evidence that the person, firm, or corporation named therein is entitled to all the rights and privileges of a licensed or limited licensed general contractor while said license remains unrevoked or unexpired. A licensed general contractor holding a license which qualifies him for work as described in G.S. 87-10 shall be authorized to perform the said work without any additional occupational license, notwithstanding the provisions of any other occupational licensing statute. A license issued by another occupational licensing board having jurisdiction over any work described in G.S. 87-10 shall qualify such licensee to perform the work for which the license qualifies him without obtaining the license from the General Contractors Licensing Board. Nothing contained herein shall operate to relieve any general contractor from the necessity of compliance with other provisions of the law requiring building permits and construction in accordance with appropriate provisions of the North Carolina State Building Code.

§87-13. Unauthorized practice of contracting; impersonating contractor; false certificate; giving false evidence to Board; penalties.

Any person, firm, or corporation not being duly authorized who shall contract for or bid upon the construction of any of the projects or works enumerated in G.S. 87-1, without having first complied with the provisions hereof, or who shall attempt to practice general contracting in the State, except as provided for in this Article, and any person, firm, or corporation presenting or attempting to file as his own the licensed certificate of another or who shall give false or forged evidence of any kind to the Board or to any member thereof in maintaining a certificate of license or who falsely shall impersonate another or who shall use an expired or revoked certificate of license, or who falsely claims or suggests in connection with any business activities regulated by the Board that a person, firm, or corporation is licensed under this Chapter, and any architect or engineer who recommends to any project owner the award of a contract to anyone not properly licensed under this Article, shall be deemed guilty of a Class 2 misdemeanor. And the Board may, in its discretion, use its funds to defray the expense, legal or otherwise, in the prosecution of any violations of this Article. No architect or engineer shall be guilty of a violation of this section if his recommendation to award a contract is made in reliance upon current written information received by him from the appropriate Contractor Licensing Board of this State which information erroneously indicates that the contractor being recommended for contract award is properly licensed.

§87-13.1. Board may seek injunctive relief.

Whenever the Board determines that any person, firm or corporation has violated or is violating any of the provisions of this Article or rules and regulations of the Board promulgated under this Article, the Board may apply to the superior court for a restraining order and injunction to restrain the violation; and the superior courts have jurisdiction to grant the requested relief, irrespective of whether or not criminal prosecution has been instituted or administrative sanctions imposed by reason of the violation. When the Board prevails in actions brought under this section, the court shall award the Board its reasonable attorney's fee not to exceed five thousand dollars ($5,000) plus the costs associated with obtaining the relief and the investigation and prosecution of the violation.

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

(a) Any person, firm, or corporation, upon making application to the building inspector or other authority of any incorporated city, town, or county in North Carolina charged with the duty of issuing building or other permits for the construction of any building, highway, sewer, grading, or any improvement or structure where the cost is to be forty thousand dollars ($40,000) or more, shall, before being entitled to a permit, satisfy the following:

(1) Furnish satisfactory proof to the inspector or authority that the applicant seeking the permit or another person contracting to superintend or manage the construction is licensed under this Article to carry out or superintend the construction or is exempt from licensure under G.S. 87-1(b). If an applicant claims an exemption from licensure pursuant to G.S.87-1(b)(2), the applicant for the building permit shall execute a verified affidavit attesting to the following:

a. That the applicant is the owner of the property on which the building is being constructed and if the applicant is a firm or corporation, that the person submitting the application is an owner, officer, or member of the firm or corporation that owns the property.

b. That the applicant will personally superintend and manage all aspects of the construction of the building and that the duty will not be delegated to any other person not licensed under this Article.

c. That the applicant will be personally present for all inspections required by the North Carolina State Building Code, unless the plans for the building were drawn and sealed by an architect licensed pursuant to Chapter 83A of the General Statutes.

The building inspector or other authority shall transmit a copy of the affidavit to the Board, which shall verify that the applicant was validly entitled to claim the exemption under G.S. 87-1(b)(2). If the Board determines that the applicant was not entitled to claim the exemption under G.S.87-1(b)(2), the building permit shall be revoked pursuant to G.S. 160D-1115.

(2) Furnish proof that the applicant has in effect Workers' Compensation insurance as required by Chapter 97 of the General Statutes.

(3) Any person, firm, or corporation, upon making application to the building inspector or such other authority of any incorporated city, town, or county in North Carolina charged with the duty of issuing building permits pursuant to G.S. 160D-1110 for any improvements for which the combined cost is to be forty thousand dollars ($40,000) or more, other than for improvements to an existing single-family residential dwelling unit as defined in G.S. 87-15.5(7) that the owner occupies as a residence, or for the addition of an accessory building or accessory structure as defined in the North Carolina Uniform Residential Building Code, the use of which is incidental to that residential dwelling unit, shall be required to provide to the building inspector or other authority the name, physical and mailing address, telephone number, facsimile number, and email address of the lien agent designated by the owner pursuant to G.S. 44A-11.1(a).

(b) It is unlawful for the building inspector or other authority to issue or allow the issuance of a building permit pursuant to this section unless and until the applicant has furnished evidence that the applicant has complied with subsection (a) of this section. Any building inspector or other authority that is subject to and violates this section is guilty of a Class 3 misdemeanor and subject only to a fine of not more than fifty dollars ($50.00).

§87-15. Copy of Article included in specifications, bid not considered unless contractor licensed.

All architects and engineers preparing plans and specifications for work to be contracted in the State of North Carolina shall include in their invitations to bidders and in the specifications a copy of this Article or such portions thereof as are deemed necessary to convey to the invited bidder, whether he be a resident or nonresident of this State and whether a license has been issued to him or not, the information that it will be necessary for him to show evidence of a license before his bid is considered.

§87-15.1. Reciprocity of licensing.

To the extent that other states which provide for the licensing of general contractors provide for similar action, the Board in its discretion may grant licenses of the same or equivalent classification to general contractors licensed by other states, without written examination upon satisfactory proof furnished to the Board that the

qualifications of such applicants are equal to the qualifications of holders of similar licenses in North Carolina and upon payment of the required fee.

§87-15.2. Public awareness program.

The Board shall establish and implement a public awareness program to inform the general public of the purpose and function of the Board.

§87-15.3. Identity of complaining party confidential.

Once a complaint has been filed with the Board against a licensee or an unlicensed general contractor, the Board may, in its discretion, keep the identity of a complaining party confidential and not a public record within the meaning of Chapter 132 of the General Statutes until a time no later than the receipt of the complaint by the full Board for a disciplinary hearing or injunctive action.

§87-15.4. Builder designations created.

(a) A licensee who successfully completes the educational requirements for accredited builder or accredited master builder, as established by the North Carolina Builders Institute (Institute), shall be designated by the Board as a "North Carolina Certified Accredited Residential Builder" or "North Carolina Certified Accredited Master Residential Builder," respectively. The Institute shall provide to the Board written certification of those licensees who have successfully completed the requirements for the designations. The certification shall remain in effect as long as: (i) the licensee's license is in effect pursuant to G.S. 87-10; and (ii) the licensee completes at least eight hours of continuing education each calendar year as certified by the Institute.

(b) The Board shall approve for designation a licensee who has successfully completed a course of study, deemed by the Board to be equivalent to the educational requirements under subsection (a) of this section, offered by a community college or by another provider, and who completes the requisite number of hours of continuing education required by the Board.

(c) The Board may use all powers granted to it under this Article to enforce the provisions of this section and ensure that the designations created by this section are conferred upon and used only by a licensee who complies with the provisions of this section and any rules adopted by the Board.

SECTION 2. Any individual currently licensed by the State Licensing Board of General Contractors (Board) who has successfully completed the requirements of G.S. 87-15.4, as enacted by Section 1 of this act, before the effective date of this act may be designated by the Board as a "North Carolina Certified Accredited Residential Builder" or "North Carolina Certified Accredited Master Residential Builder" upon submitting to the Board certification from the North Carolina Builders Institute of successful completion of the requirements of G.S. 87-15.4.

ARTICLE 1A. HOMEOWNERS RECOVERY FUND

§87-15.5. Definitions

The following definitions apply in this Article:

(1) Applicant.—The owner or former owner of a single-family residential dwelling unit who has suffered a reimbursable loss and has filed an application for reimbursement from the Fund.

(2) Board.—The State Licensing Board for General Contractors.

(3) Dishonest conduct.—Fraud or deceit in either of the following:

  (a) Obtaining a license under Article 1 of Chapter 87 of the General Statutes.

  (b) The practice of general contracting by a general contractor.

(4) Fund.—The Homeowners Recovery Fund.

(5) General contractor.—A person or other entity who meets any of the following descriptions:

(a) Is licensed under Article 1 of Chapter 87 of the General Statutes

(b) Fraudulently procures any building permit by presenting the license certificate of a general contractor.

(c) Fraudulently procures any building permit by falsely impersonating a licensed general contractor.

(6) Reimbursable loss.—A monetary loss that meets all of the following requirements:

(a) Results from dishonest or incompetent conduct by a general contractor in constructing or altering a single-family residential dwelling unit.

(b) Is not paid, in whole or in part, by or on behalf of the general contractor whose conduct caused the loss.

(c) Is not covered by a bond, a surety agreement, or an insurance contract.

(7) Single-family residential dwelling unit.—A separately owned residence for use of one or more persons as a housekeeping unit with space for eating, living, and permanent provisions for cooking and sanitation, whether or not attached to other such residences.

§87-15.6. Homeowners Recovery Fund

(a) The Homeowners Recovery Fund is established as a special account of the Board. The Board shall administer the Fund. The purpose of the Fund is to reimburse homeowners who have suffered a reimbursable loss in constructing or altering a single-family residential dwelling unit.

(b) Whenever a general contractor applies for the issuance of a permit for the construction of any single-family residential dwelling unit or for the alteration of an existing single-family residential dwelling unit, a city or county building inspector shall collect from the general contractor a fee in the amount of ten dollars ($10.00) for each dwelling unit to be constructed or altered under the permit. The city or county inspector shall forward nine dollars ($9.00) of each fee collected to the Board on a quarterly basis and the city or county may retain one dollar ($1.00) of each fee collected. The Board shall deposit the fees received into the Fund. The Board may accept donations and appropriations to the Fund. G.S. 87-7 shall not apply to the Fund.

The Board may suspend collection of this fee for any year upon a determination that the amount in the Fund is sufficient to meet likely disbursements from the Fund for that year. The Board shall notify city and county building inspectors when it suspends collection of the fee.

(c) The Board may adopt rules to implement this Article.

§87-15.7. Fund Administration

(a) The Board shall determine the procedure for applying to the Board for reimbursement from the Fund, for processing applications, for granting requests for reimbursement, and for the subrogation or assignment of the rights of any reimbursed applicant. The Board shall submit annually a report to the State Treasurer accounting for all monies credited to and expended from the Fund.

(b) The Board may use monies in the Fund only for the following purposes:

(1) To reimburse an applicant's reimbursable loss after approval by the Board.

(2) To purchase insurance to cover reimbursable losses when the Board finds it appropriate to do so.

(3) To invest amounts in the Fund that are not currently needed to reimburse losses and maintain adequate reserves in the manner in which State law allows fiduciaries to invest funds.

(4) To pay the expenses of the Board to administer the Fund, including employment of counsel to prosecute subrogation claims.

§87-15.8. Application for reimbursement

(a) The Board shall prepare a form to be used to apply for reimbursement from the Fund. Only a person whom the Board determines to meet all of the following requirements may be reimbursed from the Fund:

(1) Has suffered a reimbursable loss in the construction or alteration of a single-family residential dwelling unit owned or previously owned by that person.

(2) Did not, directly or indirectly, obtain the building permit in the person's own name or did use a general contractor.

(3) Has exhausted all civil remedies against the general contractor whose conduct caused the loss and, if applicable, the general contractor's estate, and has obtained a judgment against the general contractor that remains unsatisfied. This requirement is waived if the person is prevented from filing suit or obtaining a judgment against the contractor due to the automatic stay provision of section 362 of the U.S. Bankruptcy Code.

(4) Has complied with the applicable rules of the Board.

(b) The Board shall investigate all applications for reimbursement and may reject or allow part or all of a claim based on the amount of money in the Fund. The Board shall have complete discretion to determine the order, amount, and manner of payment of approved applications. All payments are a matter of privilege and not of right and no person has a right to reimbursement from the Fund as a third party beneficiary or otherwise. No attorney shall be compensated by the Board for prosecuting an application before it.

§87-15.9. Subrogation for reimbursement made

The Board is subrogated to an applicant who is reimbursed from the Fund in the amount reimbursed and may bring an action against the general contractor whose conduct caused the reimbursable loss, the general contractor's assets, or the general contractor's estate. The Board may enforce any claims it may have for restitution or otherwise, and may employ and compensate consultants, agents, legal counsel, and others it finds necessary and appropriate to carry out its authority under this section.

OTHER GENERAL STATUTES

§14-401.1. Misdemeanor to tamper with examination questions

Any person who, without authority of the entity who prepares or administers the examination, purloins, steals, buys, receives, or sells, gives or offers to buy, give, or sell any examination questions or copies thereof of any examination provided and prepared by law shall be guilty of a Class 2 misdemeanor.

§22C-2. Performance by subcontractor

Performance by a subcontractor in accordance with the provisions of its contract shall entitle it to payment from the party with whom it contracts. Payment by the owner to a contractor is not a condition precedent for payment to a subcontractor and payment by a contractor to a subcontractor is not a condition precedent for payment to any other subcontractor, and an agreement to the contrary is unenforceable.

§93B-3. Register of Persons licensed; information as to licensed status of individuals

Each occupational licensing board shall prepare a register of all persons currently licensed by the board and shall supplement said register annually by listing the changes made in it by reason of new licenses issued, licenses revoked or suspended, death, or any other cause. The board shall, upon request of any citizen of the State, inform the requesting person as to the licensed status of any individual.

§93B-4. Audit of occupational licensing boards; payment of costs

(a) The State Auditor shall audit occupational licensing boards from time to time to ensure their proper operation. The books, records, and operations of each occupational licensing board shall be subject to the oversight of the State Auditor pursuant to Article 5A of Chapter 147 of the General Statutes. In accordance with G.S. 147-64.7

(b) The State Auditor may contract with independent professionals to meet the requirements of this section. (b) Each occupational licensing board with a budget of at least fifty thousand dollars ($50,000) shall conduct an annual financial audit of its operations and provide a copy to the State Auditor.

§93B-8. Examination Procedures

(a) Each applicant for an examination given by any occupational licensing board shall be informed in writing or print of the required grade for passing the examination prior to the taking of such examination.

(b) Each applicant for an examination given by any occupational licensing board shall be identified, for purposes of the examination, only by number rather than by name.

(c) Each applicant who takes an examination given by any occupational licensing board, and does not pass such examination, shall have the privilege to review his examination in the presence of the board or a representative of the board. Except as provided in this subsection, an occupational licensing board shall not be required to disclose the contents of any examination or of any questions which have appeared thereon, or which may appear thereon in the future.

(d) Notwithstanding the provisions of this section, under no circumstances shall an occupational licensing board be required to disclose to an applicant questions or answers to tests provided by recognized testing organizations pursuant to contracts which prohibit such disclosures.

§93B-8.1 Use of Criminal History Records

(a) The following definitions apply in this section:

(1) Applicant.—An individual who makes application for licensure from a board.

(2) Board.—An occupational licensing board or a State agency licensing board as defined in G.S. 93B-1.

(3) Criminal history record.—A State or federal history of conviction of a crime, whether a misdemeanor or felony, that bears upon an applicant's or a licensee's fitness to be licensed or disciplined.

(4) Licensee.—An individual who has obtained a license to engage in or represent himself or herself to be a member of a particular profession or occupation.

(b) Unless federal law governing a particular board provides otherwise, a board may deny an applicant on the basis of a conviction of a crime only if the board finds that the applicant's criminal conviction history is directly related to the duties and responsibilities for the licensed occupation or the conviction is for a crime that is violent or sexual in nature. Notwithstanding any other provision of law, a board shall not automatically deny licensure on the basis of an applicant's criminal history, and no board shall deny an applicant a license based on a determination that a conviction is for a crime of moral turpitude. The board shall make its determination based on the factors specified in subsection (b1)of this section.

(b1) Before a board may deny an applicant a license due to a criminal conviction under subsection (b) of this section, the board shall specifically consider all of the following factors:

(1) The level and seriousness of the crime.

(2) The date of the crime.

(3) The age of the individual at the time of the crime.

(4) The circumstances surrounding the commission of the crime, if known.

(5) The nexus between the criminal conduct and the prospective duties of the applicant as a licensee.

(6) The prison, jail, probation, parole, rehabilitation, and employment records of the applicant since the date the crime was committed.

(6a) The completion of, or active participation in, rehabilitative drug or alcohol treatment.

(6b) A Certificate of Relief granted pursuant to G.S. 15A-173.2.

(7) The subsequent commission of a crime by the applicant.

(8) Any affidavits or other written documents, including character references.

(b2) If the board denies an applicant a license under this section, the board shall do all of the following:

(1) Make written findings specifying the factors in subsection (b1) of this section the board deemed relevant to the applicant and explaining the reason for the denial. The board's presiding officer shall sign the findings.

(2) Provide or serve a signed copy of the written findings to the applicant within 60 days of the denial.

(3) Retain a signed copy of the written findings for no less than five years.

(b3) Each board shall include in its application for licensure and on its public website all of the following information:

(1) Whether the board requires applicants to consent to a criminal history record check.

(2) The factors considered by th board under subsection (b1) of this section when making a determination of licensure.

(3) The appeals process pursuant to Chapter 150B of the General Statutes if the board denies an applicant licensure in whole or in part because of a criminal conviction.

(b4) If a board requires an applicant to submit a criminal history record, the board shall require the provider of the criminal history record to provide the applicant with access to the applicant's criminal history record or otherwise deliver a copy of the criminal history record to the applicant. If an applicant's criminal history includes matters that will or may prevent the board from issuing a license to the applicant, the board shall notify the applicant in writing of the specific issues in sufficient time for the applicant to provide additional documentation supporting the application for consideration by the board prior to any final decision to deny the application. After being notified of any potential issue with licensure due to one or more criminal convictions, an applicant shall have 30 days to respond by either correcting any inaccuracy in the criminal history record or submitting evidence of mitigation or rehabilitation for consideration by the board.

(b5) If, following a hearing, a board denies an application for licensure, the board's written order shall include specific reference to any criminal conviction considered as part or all of any basis for the denial and the rationale for the denial, as well as a reference to the appeal process and the applicant's ability to reapply. No applicant shall be restricted from reapplying for licensure for more than two years from the date of the most recent application.

(b6) Notwithstanding any other provisions in the law, an individual with a criminal history may petition a board at any time, including before the individual starts or completes any mandatory education or training requirements, for a predetermination of whether the individual's criminal history will likely disqualify the individual from obtaining a license. This petition shall include a criminal history record report obtained by the individual from a reporting service designated by the board, the cost of which shall be borne by the applicant. Criminal history records relating to a predetermination petition are not public records under Chapter 132 of the General Statutes. A board may predetermine that the petitioner's criminal history is likely grounds for denial of a license only after the board has applied the requirements of subsection (b) of this section. Each board shall delegate authority for the predetermination to its executive director or equivalent officer, or to a committee of the board, so that the predeterminations can be made in a timely manner. No board member having served on a predetermination committee for an individual shall be required to recuse in any later determinations or hear-

ings involving the same applicant. The board shall inform the individual of the board's determination within 45 days of receiving the petition from the individual. The board may charge a fee to recoup its costs not to exceed forty-five dollars ($45.00) for each petition. If the board determines an applicant would likely be denied licensure based on the individual's criminal history, the board shall notify the individual in writing of the following:

(1) The grounds and reasons for the predetermination.

(2) That the petitioner has the right to complete any requirements for licensure, to apply to the board, and to have the petitioner's application considered by the board under its application process.

(3) That further evidence of rehabilitation will be considered upon application.

(b7) A predetermination made under subsection (b6) of this section that a petitioner's criminal history would likely prevent licensure is not a final agency decision and does not entitle the individual to any right to judicial review under Article 4 of Chapter 150B of the General Statutes.

(b8) A predetermination made under subsection (b6) of this section that a petitioner is eligible for a license is binding if both of the following apply:

(1) The petitioner applies for licensure and fulfills all other requirements for the occupational license.

(2) The applicant's submitted criminal history was correct and remains unchanged at the time of application for a license.

(c) If a board requires an applicant to consent to a criminal history record check or use of fingerprints or other identifying information required by the State or National Repositories of Criminal Histories, the board may deny licensure to an applicant who refuses to consent.

(c1) Nothing in this section or in G.S. 93B-1 authorizes a board to require an applicant to consent to a criminal history record check or use of fingerprints or other identifying information required by the State or National Repositories of Criminal Histories as a condition of granting or renewing a license.

(d) This section does not apply to The North Carolina Criminal Justice Education and Training Standards Commission and the North Carolina Sheriffs' Education and Training Standards Commission."

SECTION 12. G.S. 130A-115

§ 130A-115. Death registration

(a) A death certificate for each death that occurs in this State shall be filed with the local registrar of the county in which the death occurred within five days after the death. If the place of death is unknown, a death certificate shall be filed within five days in the county where the dead body is found. If the death occurs in a moving conveyance, a death certificate shall be filed in the county in which the dead body was first removed from the conveyance.

(b) The funeral director or person acting as funeral director who first assumes custody of a dead body shall file the death certificate with the local registrar. The personal data shall be obtained from the next of kin or the best qualified person or source available. The funeral director or person acting as funeral director is responsible for obtaining the medical certification of the cause of death, stating facts relative to the date and place of burial, and filing the death certificate with the local registrar within five days of the death.

(c) The medical certification shall be completed and signed by the physician in charge of the patient's care for the illness or condition that resulted in death, except when the death falls within the circumstances described in G.S. 130A-383. In the absence of the physician or with the physician's approval, the certificate may be completed and signed by an associate physician, a physician assistant in a manner consistent with G.S. 90-18.1(e1), a nurse practitioner in a manner consistent with G.S. 90-18.2(e1), the chief medical officer of the hospital or facility in which the death occurred, or a physician who performed an autopsy upon the decedent under the following circumstances: the individual has access to the medical history of the deceased; the

individual has viewed the deceased at or after death; and the death is due to natural causes. In the absence of any individual otherwise authorized under this section, the death certificate may be completed by any other physician, physician assistant, or nurse practitioner who undertakes reasonable efforts to ascertain the events surrounding the patient's death. When specifically approved by the State Registrar, an electronic signature or facsimile signature of the physician, physician assistant, or nurse practitioner is acceptable. As used in this section, the term "electronic signature" has the same meaning as applies in G.S. 66-58.2. The physician, physician assistant, or nurse practitioner shall state the cause of death on the certificate in definite and precise terms. A certificate containing any indefinite terms or denoting only symptoms of disease or conditions resulting from disease as defined by the State Registrar shall be returned to the person making the medical certification for correction and more definite statement.

(c1) A physician, physician assistant, or nurse practitioner completing and signing a medical certification in accordance with subsection (c) of this section is not liable in civil damages for any acts or omissions relating to the medical certification so long as the cause of death is determined in good faith using the individual's best clinical judgment and consistent with current guidance provided by the applicable licensing board, unless the acts or omissions amount to wanton conduct or intentional wrongdoing. This immunity is in addition to any other legal immunity from liability to which these individuals may be entitled.

(d) The physician, physician assistant, nurse practitioner, or medical examiner making the medical certification as to the cause of death shall complete the medical certification no more than three days after death. The physician, physician assistant, nurse practitioner, or medical examiner may, in appropriate cases, designate the cause of death as unknown pending an autopsy or upon some other reasonable cause for delay but shall send the supplementary information to the local registrar as soon as it is obtained.

(e) In the case of death or fetal death without medical attendance, it is the duty of the funeral director or person acting as funeral director and any other person having knowledge of the death to notify the local medical examiner of the death. The body shall not be disposed of or removed without the permission of the medical examiner. If there is no county medical examiner, the Chief Medical Examiner shall be notified.

(f) A physician, physician assistant, or nurse practitioner, who completes a death certificate in good faith, and without fraud or malice, is immune from civil liability or professional discipline.

(g) Death certificates shall be filed electronically with the Office of Vital Records via the North Carolina Database Application for Vital Events (NCDAVE) system. No individual responsible for the certification of a death pursuant to subsection (c) of this section shall fail or refuse to certify the death certificate via the designated electronic death registration system. Notwithstanding subsection (f) of this section, the Department may impose an administrative penalty against any individual who willfully and knowingly violates this requirement in the amount of two hundred fifty dollars ($250.00) for the first violation, five hundred dollars ($500.00) for the second violation, and one thousand dollars ($1,000) for the third and each subsequent violation.

(h) The clear proceeds of penalties assessed under this section shall be remitted to the Civil Penalty and Forfeiture Fund in accordance with G.S. 115C-457.2."

§93B-8.2. Prohibit licensees from serving as investigators

No occupational licensing board shall contract with or employ a person licensed by the board to serve as an investigator or inspector if the licensee is actively practicing in the profession or occupation and is in competition with other members of the profession or occupation over which the board has jurisdiction. Nothing in this section shall prevent a board from (i) employing licensees who are not otherwise employed in the same profession or occupation as investigators or inspectors or for other purposes or (ii) contracting with licensees of the board to serve as expert witnesses or consultants in cases where special knowledge and experience is required, provided that the board limits the duties and authority of the expert witness or consultant to serving as an information resource to the board and board personnel.

§93B-9. Age Requirement

Except certifications issued by the North Carolina Criminal Justice Education and Training Standards Commission and the North Carolina Sheriffs' Education and Training Standards Commission pursuant to Chapters 17C, 17E, 74E, and 74G of the General Statutes, no occupational licensing board may require that an individual be more than 18 years of age as a requirement for receiving a license with the following exceptions: the North Carolina Criminal Justice Education and Training Standards Commission and the North Carolina Sheriffs' Education and Training Standards Commission may establish a higher age as a requirement for holding certification through either Commission.

§93B-13. Revocation when licensing privilege forfeited for nonpayment of child support or for failure to comply with subpoena

(a) Upon receipt of a court order, pursuant to G.S. 50-13.12 and G.S. 110-142.1, revoking the occupational license of a licensee under its jurisdiction, an occupational licensing board shall note the revocation in its records, report the action within 30 days to the Department of Health and Human Services, and follow the normal post revocation rules and procedures of the board as if the revocation had been ordered by the board. The revocation shall remain in effect until the board receives certification by the clerk of superior court or the Department of Health and Human Services in an IV-D case that the licensee is no longer delinquent in child support payments, or, as applicable, that the licensee is in compliance with or is no longer subject to the subpoena that was the basis for the revocation.

(b) Upon receipt of notification from the Department of Health and Human Services that a licensee under an occupational licensing board's jurisdiction has forfeited the licensee's occupational license pursuant to G.S. 110-142.1, then the occupational licensing board shall send a notice of intent to revoke or suspend the occupational license of that licensee as provided by G.S. 110-142.1(d). If the license is revoked as provided by the provisions of G.S. 110-142.1, the revocation shall remain in effect until the board receives certification by the designated representative or the child support enforcement agency that the licensee is no longer delinquent in child support payments, or, as applicable, that the licensee is in compliance with or no longer subject to a subpoena that was the basis for the revocation.

(c) If at the time the court revokes a license pursuant to subsection (a) of this section, or if at the time the occupational licensing board revokes a license pursuant to subsection (b) of this section, the occupational licensing board has revoked the same license under the licensing board's disciplinary authority over licensees under its jurisdiction, and that revocation period is greater than the revocation period resulting from forfeiture pursuant to G.S. 50-13.12 or G.S. 110-142.1 then the revocation period imposed by the occupational licensing board applies.

(d) Immediately upon certification by the clerk of superior court or the child support enforcement agency that the licensee whose license was revoked pursuant to subsection (a) or (b) of this section is no longer delinquent in child support payments, the occupational licensing board shall reinstate the license. Immediately upon certification by the clerk of superior court or the child support enforcement agency that the licensee whose license was revoked because of failure to comply with a subpoena is in compliance with or no longer subject to the subpoena, the occupational licensing board shall reinstate the license. Reinstatement of a license pursuant to this section shall be made at no additional cost to the licensee.

§93B-14. Information on applicants for licensure

Every occupational licensing board shall require applicants for licensure to provide to the Board the applicant's social security number. This information shall be treated as confidential and may be released only as follows:

(1) To the State Child Support Enforcement Program of the Department of Health and Human

Services upon its request and for the purpose of enforcing a child support order.

(2) To the Department of Revenue for the purpose of administering the State's tax laws.

§93B-15. Payment of License fees by members of the Armed Forces; board waiver rules

(a) An individual who is serving in the Armed Forces of the United States and to whom G.S. 105-249.2 grants an extension of time to file a tax return is granted an extension of time to pay any license fee charged by an occupational licensing board as a condition of retaining a license granted by the board. The extension is for the same period that would apply if the license fee were a tax.

(b) Occupational licensing boards shall adopt rules to postpone or waive continuing education, payment of renewal and other fees, and any other requirements or conditions relating to the maintenance of licensure by an individual who is currently licensed by and in good standing with the board, is serving in the Armed Forces of the United States, and to whom G.S. 105-249.2 grants an extension of time to file a tax return.

§93B-15.1. Licensure for individuals with military training and experience; proficiency examination; licensure by endorsement for military spouses; temporary license

(a) Except as provided by subsection (a2) of this section, and notwithstanding any other provision of law, an occupational licensing board, or State agency licensing board, as defined in G.S. 93B-I, shall issue a license, certification, or registration to a military-trained applicant to allow the applicant to lawfully practice the applicant's occupation in this State if, upon application to an occupational licensing board or State Agency licensing board, the military-trained applicant satisfies the following conditions:

(1) Has been awarded a military occupational specialty and has done all of the following at a level that is substantially equivalent to or exceeds the requirements for licensure, certification, or registration of the occupational licensing board or State agency licensing board from which the applicant is seeking licensure, certification, or registration in this State: completed a military program of training, completed testing or equivalent training and experience as determined by the board, and performed in the occupational specialty.

(2) Has engaged in the active practice of the occupation for which the person is seeking a license, certification, or permit from the occupational licensing board or State agency licensing board in this State for at least two of the five years preceding the date of the application under this section.

(3) Has not committed any act in any jurisdiction that would have constituted grounds for refusal, suspension, or revocation of a license to practice that occupation in this State at the time the act was committed and has no pending complaints.

(4) Repealed by Session Laws 2017-28, s. 3, effective July 1, 2017, and applicable to applications submitted on or after that date.

(a1) No later than 15 days following receipt of an application from a military-trained applicant, an occupational licensing board or State agency licensing board shall either issue a license, certification, or registration or notify an applicant when the applicant's military training or experience does not satisfy the requirements for licensure, certification, or registration and specify the criteria or requirements that the board determined that the applicant failed to meet and the basis for that determination. If a military-trained applicant has a pending complaint under subdivision (3) of subsection (a) of this section, an occupational licensing board or State agency licensing board shall notify the applicant no later than 15 days following the board receiving written notice of the disposition of the pending complaint

(a2) An occupational licensing board, or State agency licensing board, as defined in G.S. 93B-1, shall issue a license, certification, or registration to a military-trained applicant to allow the applicant to lawfully practice the applicant's occupation in this State if the military-trained applicant, upon application to the occupational licensing board or State agency licensing board, satisfies the following conditions:

(1) Presents official, notarized documentation, such as a U.S. Department of Defense Form 214 (DD-214), or similar substantiation, attesting to the applicant's military occupational specialty certification and experience in an occupational field within the board's purview: and

(2) Passes a proficiency examination offered by the board to military-trained applicants in lieu of satisfying the conditions set forth in subsection (a) of this section: however, if an applicant fails the proficiency examination, then the applicant may be required by the board to satisfy those conditions.

In any case where a proficiency examination is not offered routinely by an occupational licensing board or State agency licensing board, the board shall design a fair proficiency examination for military-trained applicants to obtain licensure, certification, or registration under this section. If a proficiency examination is offered routinely by an occupational licensing board or State agency licensing board,, that examination shall satisfy the requirements of this section.

(b) Notwithstanding any other provision of law, an occupational licensing board or State agency licensing board,, as defined in G.S. 93B-1, shall issue a license, certification, or registration to a military spouse to allow the military spouse to lawfully practice the military spouse's occupation in this State if, upon application to an occupational licensing board or State agency licensing board,, the military spouse satisfies the following conditions:

(1) Holds a current license, certification, or registration from another jurisdiction, and that jurisdiction's requirements for licensure, certification, or registration are substantially equivalent to or exceed the requirements for licensure, certification, or registration of the occupational licensing board or State agency licensing board for which the applicant is seeking licensure, certification, or registration in this State.

(2) Can demonstrate competency in the occupation through methods as determined by the Board, such as having completed continuing education units or having had recent experience for at least two of the five years preceding the date of the application under this section.

(3) Has not committed any act in any jurisdiction that would have constituted grounds for refusal, suspension, or revocation of a license to practice that occupation in this State at the time the act was committed.

(4) Is in good standing and has not been disciplined by the agency that had jurisdiction to issue the license, certification, or permit; and has no pending complaints.

(5) Pays any fees required by the occupational licensing board for which the applicant is seeking licensure, certification, or registration in this State.

(b1) No later than 15 days following receipt of an application from a military spouse, an occupational licensing board or State agency licensing board shall either issue a license, certification, or registration or notify an applicant when the applicant's training or experience does not satisfy the requirements for licensure, certification, or registration and specify the criteria or requirements that the board determined that the applicant failed to meet and the basis for that determination. If an applicant who is a military spouse has a pending complaint under subdivision (4) of subsection (b) of this section, an occupational licensing board or State agency licensing board shall notify the applicant no later than 15 days following the board receiving written notice of the disposition of the pending complaint.

(c) All relevant experience of a military service member in the discharge of official duties or, for a military spouse, all relevant experience, including fulltime and part-time experience, regardless of whether in a paid or volunteer capacity, shall be credited in the calculation of years of practice in an occupation as required under subsection (a) or (b) of this section.

(c1) Each occupational licensing board or State agency licensing board shall publish on its Web site all of the following:

(1) A document that lists the specific criteria or requirements for licensure, registration, or certification by the board, with a description of the criteria or requirements that are satisfied by military training or experience as provided in this section, and any necessary documentation needed for obtaining the credit or satisfying the requirement.

(2) A document that includes a summary of the opportunities available to veterans and military spouses under this section.

(c2) The Secretary of the Department of Military and Veterans Affairs shall publish on the Department's Web site the information required under subsection (c1) of this section.

(d) A nonresident licensed, certified, or registered under this section shall be entitled to the same rights and subject to the same obligations as required of a resident licensed, certified, or registered by an occupational licensing board or State agency licensing board in this State.

(e) Nothing in this section shall be construed to apply to the practice of law as regulated under Chapter 84 of the General Statutes.

(f) An occupational licensing board or State agency licensing board shall issue a temporary practice permit to a military-trained applicant or a military spouse licensed, certified, or registered in another jurisdiction while the military-trained applicant or military spouse is satisfying the requirements for licensure under subsection (a) or (b) of this section no later than 15 days following receipt of an application, if that jurisdiction has licensure, certification, or registration standards substantially equivalent to the standards for licensure, certification, or registration of an occupational licensing board or State agency licensing board in this State. The temporary practice permit shall be issued using the same information as provided by the applicant in the licensure application and remain valid for the later of one year or the required renewal date for the occupation the temporary practice permit was issued for or until a license, certification, or registration is granted by the occupational licensing board or State agency licensing board. A temporary practice permit may be denied or revoked for a pending complaint after notice is provided to the military-trained applicant or military spouse as set forth under subsection (a1) or (b1) of this section.

(g) An occupational licensing board or State agency licensing board may adopt rules necessary to implement this section.

(h) Nothing in this section shall be construed to prohibit a military-trained applicant or military spouse from proceeding under the existing licensure, certification, or registration requirements established by an occupational licensing board or State agency licensing board in this State.

(i) In addition to the provisions for licensure provided by this section, a local board of education may request a three-year limited license for a military spouse who holds a current teaching license in another jurisdiction pursuant to G.S. 115C-270.20(a)(4a). The State Board of Education shall report the information specified in G.S. 93B-2(a)(9c) and (9d) in accordance with G.S. 93B-2.

(j) For the purposes of this section, the North Carolina Medical Board shall not be considered an occupational licensing board or State agency licensing board.

(k) An occupational licensing board or State agency licensing board shall not charge a military-trained applicant or a military spouse an initial application fee for a license, certification, registration, or temporary practice permit issued pursuant to this section. Nothing in this subsection shall be construed to prohibit an occupational licensing board or State agency licensing board from charging its ordinary fee for a renewal application or prohibit a third party from charging actual costs for a service such as a background check.

§136-28.14. Project contractor licensing requirements (See also Exception at G.S. §87-1.2)

The letting of contracts under this Chapter for the following types of projects shall not be subject to the licens-

ing requirements of Article 1 of Chapter 87 of the General Statutes:

(1) Routine maintenance and minor repair of pavements, bridges, roadside vegetation and plantings, drainage systems, concrete sidewalks, curbs, gutters, and rest areas.

(2) Installation and maintenance of pavement markings and markers, ground mounted signs, guardrail, fencing, and roadside vegetation and plantings.

§ 93B-15.1. Licensure for individuals with military training and experience; proficiency examination; licensure by endorsement for military spouses; temporary license.

(a) Except as provided by subsection (a2) of this section, and notwithstanding any other provision of law, an occupational licensing board, or State agency licensing board, as defined in G.S. 93B-1, shall issue a license, certification, or registration to a military-trained applicant to allow the applicant to lawfully practice the applicant's occupation in this State if, upon application to an occupational licensing board, board or State agency licensing board, the military-trained applicant satisfies the following conditions:

(1) Has been awarded a military occupational specialty and has done all of the following at a level that is substantially equivalent to or exceeds the requirements for licensure, certification, or registration of the occupational licensing board or State agency licensing board from which the applicant is seeking licensure, certification, or registration in this State: completed a military program of training, completed testing or equivalent training and experience, and performed in the occupational specialty.

(2) Has engaged in the active practice of the occupation for which the person is seeking a license, certification, or permit from the occupational licensing board or State agency licensing board in this State for at least two of the five years preceding the date of the application under this section.

(3) Has not committed any act in any jurisdiction that would have constituted grounds for refusal, suspension, or revocation of a license to practice that occupation in this State at the time the act was committed and has no pending complaints.

(4) Repealed by Session Laws 2017-28, s. 3, effective July 1, 2017, and applicable to applications submitted on or after that date.

(a1) No later than 30 15 days following receipt of an application, application from a military-trained applicant, an occupational licensing board or State agency licensing board shall either issue a license, certification, or registration or notify an applicant when the applicant's military training or experience does not satisfy the requirements for licensure, certification, or registration and shall specify the criteria or requirements that the board determined that the applicant failed to meet and the basis for that determination. If a military-trained applicant has a pending complaint under subdivision (3) of subsection (a) of this section, an occupational licensing board or State agency licensing board shall notify the applicant no later than 15 days following the board receiving written notice of the disposition of the pending complaint.

(a2) An occupational licensing board, board or State agency licensing board, as defined in G.S. 93B-1, shall issue a license, certification, or registration to a military-trained applicant to allow the applicant to lawfully practice the applicant's occupation in this State if the

military-trained applicant, upon application to the occupational licensing board:board or State agency licensing board, satisfies the following conditions:

(1) Presents official, notarized documentation, such as a U.S. Department of Defense Form 214 (DD-214), or similar substantiation, attesting to the applicant's military occupational specialty certification and experience in an occupational field within the board's purview; and

(2) Passes a proficiency examination offered by the board to military-trained applicants in lieu of satis-

fying the conditions set forth in subsection (a) of this section; however, if an applicant fails the proficiency examination, then the applicant may be required by the board to satisfy those conditions.

In any case where a proficiency examination is not offered routinely by an occupational licensing board, board or State agency licensing board, the board shall design a fair proficiency examination for military-trained applicants to obtain licensure, certification, or registration under this section. If a proficiency examination is offered routinely by an occupational licensing board, board or State agency licensing board, that examination shall satisfy the requirements of this section.

(b) Notwithstanding any other provision of law, an occupational licensing board, board or State agency licensing board, as defined in G.S. 93B-1, shall issue a license, certification, or registration to a military spouse to allow the military spouse to lawfully practice the military spouse's occupation in this State if, upon application to an occupational licensing board, board or State agency licensing board, the military spouse satisfies the following conditions:

(1) Holds a current license, certification, or registration from another jurisdiction, and that jurisdiction's requirements for licensure, certification, or registration are substantially equivalent to or exceed the requirements for licensure, certification, or registration of the occupational licensing board or State agency licensing board for which the applicant is seeking licensure, certification, or registration in this State.

(2) Can demonstrate competency in the occupation through methods as determined by the Board, such as having completed continuing education units or having had recent experience for at least two of the five years preceding the date of the application under this section.

(3) Has not committed any act in any jurisdiction that would have constituted grounds for refusal, suspension, or revocation of a license to practice that occupation in this State at the time the act was committed.

(4) Is in good standing; has not been disciplined by the agency that had jurisdiction to issue the license, certification, or permit; and has no pending complaints.

(5) Repealed by Session Laws 2017-28, s. 3, effective July 1, 2017, and applicable to applications submitted on or after that date.

(b1) No later than 15 days following receipt of an application from a military spouse, an occupational licensing board or State agency licensing board shall either issue a license, certification, or registration or notify an applicant when the applicant's training or experience does not satisfy the requirements for licensure, certification, or registration and specify the criteria or requirements that the board determined that the applicant failed to meet and the basis for that determination. If an applicant who is a military spouse has a pending complaint under subdivision (4) of subsection (b) of this section, an occupational licensing board or State agency licensing board shall notify the applicant no later than 15 days following the board receiving written notice of the disposition of the pending complaint.

(c) All relevant experience of a military service member in the discharge of official duties or, for a military spouse, all relevant experience, including full-time and part-time experience, regardless of whether in a paid or volunteer capacity, shall be credited in the calculation of years of practice in an occupation as required under subsection (a) or (b) of this section.

(c1) Each occupational licensing board or State agency licensing board shall publish a on its Web site all of the following:

(1) A document that lists the specific criteria or requirements for licensure, registration, or certification by the board, with a description of the criteria or requirements that are satisfied by military training or experience as provided in this section, and any necessary documentation needed for obtaining the credit or satisfying the requirement. The information required by this subsection shall be

published on the occupational licensing board's Web site and the Web site of the Department of Military and Veterans Affairs.

(2) A document that includes a summary of the opportunities available to veterans and military spouses under this section.

(c2) The Secretary of the Department of Military and Veterans Affairs shall publish on the Department's Web site the information required under subsection (c1) of this section.

(d) A nonresident licensed, certified, or registered under this section shall be entitled to the same rights and subject to the same obligations as required of a resident licensed, certified, or registered by an occupational licensing board or State agency licensing board in this State.

(e) Nothing in this section shall be construed to apply to the practice of law as regulated under Chapter 84 of the General Statutes.

(f) An occupational licensing board or State agency licensing board shall issue a temporary practice permit to a military-trained applicant or military spouse licensed, certified, or registered in another jurisdiction while the military-trained applicant or military spouse is satisfying the requirements for licensure under subsection (a) or (b) of this section no later than 15 days following receipt of an application, if that jurisdiction has licensure, certification, or registration standards substantially equivalent to the standards for licensure, certification, or registration of an occupation occupational licensing board or State agency licensing board in this State. The temporary practice permit shall be issued using the same information as provided by the applicant in the licensure application and remain valid for the later of one year or the required renewal date for the occupation the temporary practice permit was issued for or until a license, certification, or registration is granted by the occupational licensing board.board or State agency licensing board. A temporary practice permit may be denied or revoked for a pending complaint after notice is provided to the military-trained applicant or military spouse as set forth under subsection (a1) or (b1) of this section.

(g) An occupational licensing board or State agency licensing board may adopt rules necessary to implement this section.

(h) Nothing in this section shall be construed to prohibit a military-trained applicant or military spouse from proceeding under the existing licensure, certification, or registration requirements established by an occupational licensing board or State agency licensing board in this State.

(i) For the purposes of this section, the State Board of Education shall be considered an occupational licensing board when issuing teacher licenses under Article 17E of Subchapter V of

Chapter 115C of the General Statutes. In addition to the provisions for licensure provided by this section, a local board of education may request a three-year limited license for a military spouse who holds a current teaching license in another jurisdiction pursuant to G.S. 115C-270.20(a)(4a). The State Board of Education shall report the information specified in G.S. 93B-2(a)(9c) and (9d) in accordance with G.S. 93B-2.

(j) For the purposes of this section, the North Carolina Medical Board shall not be considered an occupational licensing board.board or State agency licensing board.

(k) An occupational licensing board or State agency licensing board shall not charge a military-trained applicant or a military spouse an initial application fee for a license, certification, registration, or temporary practice permit issued pursuant to this section. Nothing in this subsection shall be construed to prohibit an occupational licensing board or State agency licensing board from charging its ordinary fee for a renewal application or prohibit a third party from charging actual costs for a service such as a background check.

§ 160D-1110. Building permits.

(a) Except as provided in subsection (c) of this section, and subsection (h) of G.S. 160D-1110.1, no person shall commence or proceed with any of the following without first securing all permits required by the North

Carolina State Building Code and any other State or local laws applicable to any of the following activities:

(1) The construction, reconstruction, alteration, repair, movement to another site, removal, or demolition of any building or structure.

(2) The installation, extension, or general repair of any plumbing system, except that in any one- or two-family dwelling unit a permit is not required for the connection of a water heater that is being replaced if (i) the work is performed by a person licensed under G.S. 87-21 who personally examines the work at completion and ensures that a leak test has been performed on the gas piping and (ii) the energy use rate or thermal input is not greater than that of the water heater that is being replaced, there is no change in fuel, energy source, location, capacity, or routing or sizing of venting and piping, and the replacement is installed in accordance with the current edition of the North Carolina State Building Code.

(3) The installation, extension, alteration, or general repair of any heating or cooling equipment system.

(4) The installation, extension, alteration, or general repair of any electrical wiring, devices, appliances, or equipment, except that in any one- or two-family dwelling unit a permit is not required for repair or replacement of electrical lighting fixtures or devices, such as receptacles and lighting switches, or for the connection of an existing branch circuit to an electric water heater that is being replaced if all of the following requirements are met:

a. With respect to electric water heaters, the replacement water heater is placed in the same location and is of the same or less capacity and electrical rating as the original.

b. With respect to electrical lighting fixtures and devices, the replacement is with a fixture or device having the same voltage and the same or less amperage.

c. The work is performed by a person licensed under G.S. 87-43.

d. The repair or replacement installation meets the current edition of the North Carolina State Building Code, including the North Carolina Electrical Code.

However, a building permit is not required for the installation, maintenance, or replacement of any load control device or equipment by an electric power supplier, as defined in G.S. 62-133.8, or an electrical contractor contracted by the electric power supplier, so long as the work is subject to supervision by an electrical contractor licensed under Article 4 of Chapter 87 of the General Statutes. The electric power supplier shall provide the installation, maintenance, or replacement in accordance with (i) an activity or program ordered, authorized, or approved by the North Carolina Utilities Commission pursuant to G.S. 62-133.8 or G.S. 62-133.9 or (ii) a similar program undertaken by a municipal electric service provider, whether the installation, modification, or replacement is made before or after the point of delivery of electric service to the customer. This exemption applies to all existing installations.

(b) A building permit shall be in writing and shall contain a provision that the work done shall comply with the North Carolina State Building Code and all other applicable State and local laws. Nothing in this section requires a local government to review and approve residential building plans submitted to the local government pursuant to the North Carolina Residential Code, so long as the local government may review and approve the residential building plans as it deems necessary. If a local government chooses to review residential building plans for any structures subject to regulation under the North Carolina Residential Code, all initial reviews for the building permit shall be performed within 15 business days of submission of the plans. A local government shall not require residential building plans for one- and two-family dwellings to be sealed by a licensed engineer or licensed architect unless required by the North Carolina State Building Code. No building permits shall be issued unless the plans and specifications are identified by the name and address of their author. If the General Statutes require that plans for certain types of work be prepared only by a licensed architect or licensed

engineer, no building permit shall be issued unless the plans and specifications bear the North Carolina seal of a licensed architect or of a licensed engineer. When any provision of the General Statutes or of any ordinance or development or zoning regulation requires that work be done by a licensed specialty contractor of any kind, no building permit for the work shall be issued unless the work is to be performed by a licensed contractor.

(c) No permit issued under Article 9 of Chapter 143 of the General Statutes is required for any construction, installation, repair, replacement, or alteration costing forty thousand dollars ($40,000) or less and performed in accordance with the current edition of the North Carolina State Building Code in any single-family residence, farm building, or commercial building unless the work involves any of the following:

(1) The addition, repair, or replacement of load-bearing structures. However, no permit is required for replacement of windows, doors, exterior siding, or the pickets, railings, stair treads, and decking of porches and exterior decks that otherwise meet the requirements of this subsection.

(2) The addition or change in the design of plumbing. However, no permit is required for replacements otherwise meeting the requirements of this subsection that do not change size or capacity.

(3) The addition, replacement, or change in the design of heating, air-conditioning, or electrical wiring, devices, appliances, or equipment, other than like-kind replacement of electrical devices and lighting fixtures.

(4) The use of materials not permitted by the North Carolina State Building Code.

(5) The addition of roofing, excluding replacement.

(6) Any changes to which the North Carolina Fire Code applies.

(d) A local government shall not do any of the following:

(1) Require more than one building permit for the complete installation or replacement of any natural gas, propane gas, or electrical appliance on an existing structure when the installation or replacement is performed by a person licensed under G.S. 87-21 or G.S. 87-43. The cost of the building permit for this work shall not exceed the cost of any one individual trade permit issued by that local government. The local government shall not increase the costs of any fees to offset the loss of revenue caused by this provision.

(2) Require more than one building permit for simultaneous projects at the time of the application located at the same address and subject to the North Carolina Residential Code.

(e) No building permit shall be issued pursuant to subsection (a) of this section or G.S. 160D-1110.1(h) for any land-disturbing activity, as defined in G.S. 113A-52, or for any activity covered by G.S. 113A-57, unless an erosion and sedimentation control plan for the site of the activity or a tract of land including the site of the activity has been approved under Article 4 of Chapter 113A of the General Statutes, the Sedimentation Pollution Control Act.

(f) Repealed by Session Laws 2023-46, s. 16, effective June 16, 2023.

(g) No building permit shall be issued pursuant to subdivision (1) of subsection (a) of this section for work costing forty thousand dollars ($40,000) or more unless the name, physical and mailing address, telephone number, facsimile number, and email address of the lien agent designated by the owner pursuant to G.S. 44A-11.1(a) are conspicuously set forth in the permit or in an attachment to the permit. This condition does not apply to improvements to an existing single-family residential dwelling unit as defined in G.S. 87-15.5 that the owner occupies as a residence or to the addition of an accessory building or accessory structure as defined in the North Carolina Residential Code, the use of which is incidental to that residential dwelling unit. The lien agent information for each permit issued pursuant to this subsection shall be maintained by the inspection department in the same manner and in the same location in which it maintains its record of building permits issued. When the improvements to a real property leasehold are limited to the purchase, transportation, and

setup of a manufactured home, as defined in G.S. 143-143.9, the purchase price of the manufactured home is excluded in determining whether the cost of the work is forty thousand dollars ($40,000) or more.

(h) No local government shall withhold a building permit or certificate of occupancy that otherwise would be eligible to be issued under this section to compel, with respect to another property or parcel, completion of work for a separate permit or compliance with land-use regulations under this Chapter unless otherwise authorized by law or unless the local government reasonably determines the existence of a public safety issue directly related to the issuance of a building permit or certificate of occupancy.

(h1) No local government may withhold a building permit under this section where the project does not propose to increase the design daily flow or wastewater strength of the existing system, and the property owner submits an on-site wastewater existing system inspection exemption affidavit. The property owner shall affirm that any modifications will meet local and State on-site wastewater system setback requirements pursuant to G.S. 130A-335.

(i) Violation of this section is a Class 1 misdemeanor. (2019-111, s. 2.4; 2020-3, s. 4.33(a); 2020-25, ss. 30, 51(a), (b), (d); 2021-192, s. 4(a); 2023-46, s. 16; 2023-90, s. 8.1(a); 2023-108, s. 2(e)-(g); 2023-142, s. 2(f).)

§160D-1113. Inspections of work in progress

Subject to the limitation imposed by G.S. 160D-1104(d), as the work pursuant to a permit progresses, local inspectors shall make as many inspections thereof as may be necessary to satisfy them that the work is being done according to the provisions of any applicable State and local laws and of the terms of the permit. Inexercising this power, members of the inspection department shall have a right to enter on any premises within the jurisdiction of the department at all reasonable hours for the purposes of inspection or other enforcement action, upon presentation of proper credentials. If a permit has been obtained by an owner exempt from licensure under G.S. 87-1(b)(2), no inspection shall be conducted without the owner being personally present, unless the plans for the building were drawn and sealed by an architect licensed pursuant to Chapter 83A of the General Statutes.

RULES & REGULATIONS

North Carolina Licensing Board for General Contractors
NORTH CAROLINA ADMINISTRATIVE CODE TITLE 21; CHAPTER 12

Title 21; Subchapter 12A—General Provisions

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SECTION .0100 — ORGANIZATION AND RESPONSIBILITIES OF BOARD

21 NCAC 12A .0101 Identification

The State Licensing Board for General Contractors, hereinafter referred to as the "North Carolina Licensing Board for General Contractors" or "the Board," is located in Raleigh, North Carolina; its mailing address is 5400 Creedmoor Road, Raleigh, North Carolina 27612. The Board website is www.nclbgc.org.

History Note: *Authority G.S. 87 2; Eff. February 1, 1976; Amended Eff. June 23, 1977; Readopted Eff. September 26, 1977; Amended Eff. December 1, 1985; January 1, 1983; Pursuant to G.S. 150B-21.3A, rule is necessary without substantive public interest Eff. July 23, 2016; Amended Eff. April 1, 2018; Recodified from 21 NCAC 12 .0101 Eff. January 2, 2020.*

21 NCAC 12A .0102 General Purpose of Board

(a) The purpose of the Board is to regulate persons who engage in activities which constitute the practice of general contracting as defined in G.S. 87-1 in order to safeguard the life, health and property of the people of North Carolina as well as promote the public welfare.

(b) The Board regulates the practice of general contracting by:

(1) determining the qualifications of persons seeking to enter the practice of general contracting and granting to those persons who have met the statutory requirements the privilege of entering the practice of general contracting;

(2) enforcing the provisions of the North Carolina General Statutes pertaining to general contractors; and

(3) enforcing the Board's Rules, which are designed to ensure a high degree of competence in the practice of general contracting.

History Note: *Authority G.S. 87-1; 87-2; Eff. February 1, 1976; Readopted Eff. September 26, 1977; Amended Eff. May 1, 1989; Pursuant to G.S. 150B-21.3A, rule is necessary without public interest Eff. July 23, 2016; Recodified from 21 NCAC 12 .0102 Eff. January 2, 2020.*

21 NCAC 12A .0103 Structure of Board

(a) Officers. Annually, during the April meeting, the Board shall elect from its members a Chairman and Vice-Chairman. The Chairman shall preside over all meetings of the Board and perform other duties as he or she may be directed to do by the Board. The Vice-Chairman shall function as Chairman if the Chairman is unavailable.

(b) Secretary-Treasurer. In addition to those duties and responsibilities required of him or her by G.S. 87-8, the Secretary-Treasurer, referred to as "Secretary-Treasurer" or "Executive Director," as the Board's Chief Administrative Officer, has the responsibility and power to:

(1) employ the clerical and legal services necessary to assist the Board in carrying out the requirements of the North Carolina General Statutes;

(2) purchase or rent whatever office equipment, stationery, or other miscellaneous articles as are necessary to keep the records of the Board;

(3) make expenditures from the funds of the Board by signing checks, or authorizing the designee of the Secretary-Treasurer to sign checks, for expenditures after the checks are signed by the Chairman or Vice-Chairman; and

(4) do such other acts as may be required of him or her by the Board.

(c) Official Meetings of the Board.

(1) Regular Meetings. Regular meetings shall be held during January, April, July and October of each year at the Board's office or at any other place so designated by the Board.

(2) Special Meetings. Special meetings shall be called and conducted in accordance with Article 33C of Chapter 143 of the North Carolina General Statutes.

(3) Notice of Meetings. Notice of all official meetings of the Board shall be given pursuant to Article 33C of Chapter 143 of the North Carolina General Statutes.

History Note: *Authority G.S. 87-2; 87-4; 87-6; 87-7; Eff. February 1, 1976; Readopted Eff. September 26, 1977; Amended Eff. April 1, 2014; August 1, 2002; January 1, 1992; May 1, 1989; January 1, 1983; Pursuant to G.S. 150B-21.3A, rule is necessary without substantive public interest Eff. July 23, 2016; Amended Eff. April 1, 2018; Recodified from 21 NCAC 12 .0103 Eff. January 2, 2020.*

SECTION .0200 — LICENSING REQUIREMENTS

21 NCAC 12A .0201 Definitions

The following definitions shall apply to the Rules in this Chapter:

(1) Completion: As used in G.S. 87-1(b), "completion" occurs upon issuance of a certificate of occupancy by the permitting authority with jurisdiction over the project.

(2) Cost of the undertaking: As used in G.S. 87-1(a), "cost of the undertaking" means the final price of a project, excluding the cost of land, as evidenced by the contract and any subsequent amendments, or in the absence of a contract, permit records, invoices, and cancelled checks.

(3) Misconduct: As used in G.S. 87-11, "misconduct" includes allowing an unlicensed person or entity to use a license or examination credential on an undertaking where a license is required. Misconduct also includes allowing a licensed person or entity to use a license or examination credential on an undertaking for which the user does not hold proper classification or limitation. Misconduct also includes dishonest or fraudulent conduct by a qualifier related to the attendance of a continuing education class described in G.S. 87-10.2.

(4) Personally: As used in G.S. 87-14(a)(1), "personally" means the physical presence of the owner of the property and excludes the use of a power of attorney.

(5) Solely for occupancy: As used in G.S. 87-1(b), "solely for occupancy" is restricted to the family of a person, the officers and shareholders of a firm or corporation, and guests and social invitees where no consideration is received. For purposes of G.S. 87-1(b)(2), "family" is defined as a spouse or other family member living in the same household.

(6) Value: As used in G.S. 87-10(a1), "value" means the same as "cost of the undertaking."

History Note: *Authority G.S. 87-1, 87-10, and 87-14; Eff. February 1, 1976; Readopted Eff. September 26, 1977; Amended Eff. January 1, 1983; Repealed Eff. May 1, 1989; Codifier approved agency's waiver request to reuse rule number; Eff. September 1, 2019 ; Recodified from 21 NCAC 12 .0201 Eff. January 2, 2020; Amended Eff. July 1, 2021.*

21 NCAC 12A .0202 Classification

(a) A general contractor shall be certified in one of the following five classifications:

(1) Building Contractor. This classification covers all building construction and demolition activity including: commercial, industrial, institutional, and all residential building construction. It includes installation of solar panels; parking decks; all site work, grading and paving of parking lots, driveways, sidewalks, and gutters; storm drainage, retaining or screen walls, and hardware and accessory structures; and indoor and outdoor recreational facilities including natural and artificial surface

athletic fields, running tracks, bleachers, and seating. It also covers work done under the specialty classifications of S(Concrete Construction), S(Insulation), S(Interior Construction), S(Marine and Freshwater Construction), S(Masonry Construction), S(Roofing), S(Metal Erection), S(Swimming Pools), and S(Asbestos), and S(Wind Turbine).

(2) Residential Contractor. This classification covers all construction and demolition activity pertaining to the construction of residential units that are required to conform to the Residential Building Code adopted by the Building Code Council pursuant to G.S. 143-138; all site work, driveways, sidewalks, and water and wastewater systems ancillary to the aforementioned structures and improvements; and the work done as part of such residential units under the specialty classifications of S(Insulation), S(Interior Construction), S(Masonry Construction), S(Roofing), S(Swimming Pools), and S(Asbestos). This classification also covers the installation of solar panels on residential units that are required to conform to the Residential Building Code.

(3) Highway Contractor. This classification covers all highway construction activity including: demolition, grading, paving of all types, installation of exterior artificial athletic surfaces, relocation of public and private utility lines ancillary to a principal project, bridge construction and repair, culvert construction and repair, parking decks, sidewalks, curbs, gutters and storm drainage. It also includes installation and erection of guard rails, fencing, signage, and ancillary highway hardware; covers paving and grading of airport and airfield runways, taxiways, and aprons, including the installation of fencing, signage, runway lighting and marking; and work done under the specialty classifications of S(Boring and Tunneling), S(Concrete Construction), S(Marine and Freshwater Construction), S(Railroad Construction), and H(Grading and Excavating).

(4) Public Utilities Contractor. This classification includes demolition and operations that are the performance of construction work on water and wastewater systems and on the subclassifications of facilities set forth in G.S. 87-10(b)(3). The Board shall issue a license to a public utilities contractor that is limited to any of the subclassifications set forth in G.S. 87-10(b)(3) for which the contractor qualifies. A public utilities contractor license covers work done under the specialty classifications of S(Boring and Tunneling), PU(Communications), PU(Fuel Distribution), PU(Electrical-Ahead of Point of Delivery), PU(Water Lines and Sewer Lines), PU(Water Purification and Sewage Disposal), and S(Swimming Pools).

(5) Specialty Contractor. This classification covers all construction operation and performance of contract work outlined as follows:

(A) H(Grading and Excavating). This classification covers the digging, moving, and placing of materials forming the surface of the earth, excluding air and water, in such a manner that the cut, fill, excavation, grade, trench, backfill, or any similar operation may be executed with the use of hand and power tools and machines used for these types of digging, moving, and material placing. It covers work on earthen dams and the use of explosives used in connection with all or any part of the activities described in this Subparagraph. It also includes clearing and grubbing, and erosion control activities.

(B) S(Boring and Tunneling). This classification covers the construction of underground or underwater passageways by digging or boring through and under the earth's surface, including the bracing and compacting of such passageways to make them safe for the purpose intended. It includes preparation of the ground surfaces at points of ingress and egress.

(C) PU (Communications). This classification covers the demolition and installation of the following:

(i) all types of pole lines, and aerial and underground distribution cable for telephone systems;

(ii) aerial and underground distribution cable for cable TV and master antenna TV systems capable of transmitting R.F. signals;

(iii) underground conduit and communication cable including fiber optic cable; and

(iv) microwave systems and towers, including foundations and excavations where required, when the microwave systems are being used for the purpose of transmitting R.F. signals; and installation of PCS or cellular telephone towers and sites.

(D) S(Concrete Construction). This classification covers the construction, demolition, and installation of foundations, pre-cast silos, and other concrete tanks or receptacles, prestressed components, and gunite applications, but excludes bridges, streets, sidewalks, curbs, gutters, driveways, parking lots, and highways.

(E) PU(Electrical-Ahead of Point of Delivery). This classification covers the construction, installation, alteration, maintenance, or repair of an electrical wiring system, including sub-stations or components thereof, which is or is intended to be owned, operated, and maintained by an electric power supplier, such as a public or private utility, a utility cooperative, or any other properly franchised electric power supplier, for the purpose of furnishing electrical services to one or more customers. This classification includes the construction of solar arrays.

(F) PU(Fuel Distribution). This classification covers the construction, installation, alteration, maintenance, or repair of systems for distribution of petroleum fuels, petroleum distillates, natural gas, chemicals, and slurries through pipeline from one station to another. It includes all excavating, trenching, and backfilling in connection therewith. It covers the installation, replacement, and removal of above ground and below ground fuel storage tanks.

(G) PU(Water Lines and Sewer Lines). This classification covers demolition and construction work on water and sewer mains, water service lines, and house and building sewer lines, as defined in the North Carolina State Building Code, and covers water storage tanks, lift stations, pumping stations, and appurtenances to water storage tanks, lift stations and pumping stations. It includes pavement patching, backfill, and erosion control as part of construction.

(H) PU(Water Purification and Sewage Disposal). This classification covers the demolition and performance of construction work on water and wastewater systems; water and wastewater treatment facilities; and all site work, grading, and paving of parking lots, driveways, sidewalks, and curbs and gutters that are ancillary to such construction of water and wastewater treatment facilities. It covers the work done under the specialty classifications of S(Concrete Construction), S(Insulation), S(Interior Construction), S(Masonry Construction), S(Roofing), and S(Metal Erection) as part of the work on water and wastewater treatment facilities.

(I) S(Insulation). This classification covers the installation, alteration, or repair of materials classified as insulating media used for the non-mechanical control of temperatures in the construction of residential and commercial buildings. It does not include the insulation of mechanical equipment, and lines and piping that are ancillary to the building.

(J) S(Interior Construction). This classification covers the installation and demolition of acoustical ceiling systems and panels, load bearing and non-load bearing partitions, lathing and plastering, flooring and finishing, interior recreational surfaces, window and door installation, and installation of fixtures, cabinets, and millwork. It includes the removal of asbestos and replacement with non-toxic substances.

(K) S(Marine and Freshwater Construction). This classification covers all marine and freshwater construction and repair activities and all types of marine and freshwater construction and demolition in deep-water installations and in harbors, inlets, sounds, bays, channels, canals, rivers, lakes, ponds, or any navigable waterway; it covers dredging, construction, and installation of pilings, piers, decks, slips, docks, and bulkheads. It does not include other structures that may be constructed on docks, slips, and piers.

(L) S(Masonry Construction). This classification covers the demolition and installation, with or without the use of mortar or adhesives, of the following:

(i) brick, concrete block, gypsum partition tile, pumice block, or other lightweight and facsimile units and products common to the masonry industry;

(ii) installation of fire clay products and refractory construction; and

(iii) installation of rough cut and dressed stone, marble panels and slate units, and installation of structural glazed tile or block, glass brick or block, and solar screen tile or block.

(M) S(Railroad Construction). This classification covers the demolition, building, construction, and repair of railroad lines including:

(i) the clearing and filling of rights-of-way;

(ii) shaping, compacting, setting, and stabilizing of road beds;

(iii) setting ties, tie plates, rails, rail connectors, frogs, switch plates, switches, signal markers, retaining walls, dikes, fences, and gates; and

(iv) construction and repair of tool sheds and platforms.

(N) S(Roofing). This classification covers the installation, demolition, and repair of roofs and decks on residential, commercial, industrial, and institutional structures requiring materials that form a water-tight and weather-resistant surface. The term "materials" for purposes of this Subparagraph includes cedar, cement, asbestos, clay tile and composition shingles, all types of metal coverings, wood shakes, single ply and built-up roofing, protective and reflective roof and deck coatings, sheet metal valleys, flashings, gravel stops, gutters and downspouts, and bituminous including torch down roof systems. Any insulation material installed as a component of a torch down roofing system shall be included as work covered under this classification.

(O) S(Metal Erection). This classification covers:

(i) the field fabrication, demolition, erection, repair, and alteration of architectural and structural shapes, plates, tubing, pipe and bars, not limited to steel or aluminum, that are or may be used as structural members for buildings, equipment, and structure; and

(ii) the layout, assembly and erection by welding, bolting, riveting, or fastening in any manner metal products as curtain walls, tanks of all types, hoppers, structural members for buildings, towers, stairs, conveyor frames, cranes and crane runways, canopies, carports, guard rails, signs, steel scaffolding as a permanent structure, rigging, flagpoles, fences, steel and aluminum siding, bleachers, fire escapes, and seating for stadiums, arenas, and auditoriums.

(P) S(Swimming Pools). This classification covers the construction, demolition, service, and repair of all swimming pools. It includes:

(i) excavation and grading;

(ii) construction of concrete, gunite, , fiberglass, metal-walled with liner, steel-walled with liner and plastic-type pools, pool decks, and walkways, and tiling and coping; and

(iii) installation of all equipment including pumps, filters, and chemical feeders. It does not include direct connections to a sanitary sewer system or to portable water lines, nor the grounding and bonding of any metal surfaces or the making of any electrical connections.

(Q) S(Asbestos). This classification covers renovation or demolition activities involving the repair, maintenance, removal, isolation, encapsulation, or enclosure of Regulated Asbestos Containing Materials (RACM) for any commercial, industrial, or institutional building,

whether public or private. It also covers all types of residential building construction involving RACM during renovation or demolition activities. This specialty is required only when the cost of asbestos activities as described herein are equal to or exceed thirty thousand dollars ($30,000).

(R) S(Wind Turbine). This classification covers the construction, demolition, installation, and repair of wind turbines, wind generators, and wind power units. It includes assembly of blades, generator, turbine structures, and towers. It also includes ancillary foundation work, field fabrication of metal equipment, and structural support components.

(b) An applicant may be licensed in more than one classification of general contracting provided the applicant meets the qualifications for the classifications, which includes passing the examinations for the classifications requested by the applicant. The license granted to an applicant who meets the qualifications for all of the classifications set forth in the rules of this Section shall be designated "unclassified."

History Note: *Authority G.S. 87-1; 87-10; Eff. February 1, 1976; Readopted Eff. September 26, 1977; Amended Eff. June 1, 1994; June 1, 1992; May 1, 1989; January 1, 1983; Temporary Amendment Eff. February 18, 1997; Amended Eff. April 1, 2014; June 1, 2011; September 1, 2009; April 1, 2004; April 1, 2003; August 1, 2002; April 1, 2001; August 1, 2000; August 1, 1998; Pursuant to G.S. 150B-21.3A, rule is necessary without substantive public interest Eff. July 23, 2016; Amended Eff. September 1, 2019; April 1, 2018; Recodified from 21 NCAC 12 .0202 Eff. January 2, 2020; Amended Eff. January 1, 2022; Amended Eff. January 1, 2023; Amended Eff. December 1, 2023.*

21 NCAC 12A .0203 Limitation of License

History Note: *Authority G.S. 87-1; 87-10;*
Eff. February 1, 1976;
Readopted Eff. September 26, 1977;
Amended Eff. January 1, 1983;
Repealed Eff. May 1, 1989;
Recodified from 21 NCAC 12 .0203 Eff. January 2, 2020

21 NCAC 12A .0204 Limitation of License: Eligibility

(a) All licenses shall have an appropriate limitation as set forth in this Rule.

(b) Limited License. The applicant for a limited license shall:

(1) meet the requirements set out in G.S. 87-10 and Section .0400 of this Chapter;

(2) have current assets that exceed the total current liabilities by at least seventeen thousand dollars ($17,000) or have a total net worth of at least eighty thousand dollars ($80,000);

(3) pass the examination which shall contain subject matter related to the specific contracting classification chosen by the applicant with a score as set out in Rule .0404 of this Chapter; and

(4) if the applicant or any owner, principal, or qualifier is in bankruptcy or has been in bankruptcy within five years prior to the filing of the application, provide to the Board an agreed-upon procedures report on a form provided by the Board or an audited financial statement with a classified balance sheet as part of the application. This requirement shall not apply to shareholders of an applicant that is a publicly traded corporation.

(c) Intermediate License. The applicant for an intermediate license shall:

(1) meet the requirements set out in G.S. 87-10 and Section .0400 of this Chapter;

(2) have current assets that exceed the total current liabilities by at least seventy-five thousand dollars ($75,000), as reflected in an agreed-upon procedures report on a form provided by the Board or an audited financial statement prepared by a certified public accountant or an independent accountant who is engaged in the public practice of accountancy; and

(3) pass the examination which shall contain subject matter related to the specific contracting classification chosen by the applicant with a score as set out in Rule .0404 of this Chapter.

(d) Unlimited License. The applicant for an unlimited license shall:

(1) meet the requirements set out in G.S. 87-10 and Section .0400 of this Chapter;

(2) have current assets that exceed the total current liabilities by at least one hundred fifty thousand dollars ($150,000), as reflected in an agreed-upon procedures report on a form provided by the Board or an audited financial statement prepared by a certified public accountant or an independent accountant who is engaged in the public practice of accountancy;

(3) pass the examination which shall contain subject matter related to the specific contracting classification chosen by the applicant with a score as set out in Rule .0404 of this Chapter.

(e) Surety Bonds. In lieu of demonstrating the level of working capital as required in Subparagraphs (c)(2) and (d)(2) of this Rule or net worth under Subparagraph (b)(2) of this Rule, an applicant may obtain a surety bond from a surety authorized to transact surety business in North Carolina pursuant to G.S. 58 Articles 7, 16, 21, or 22. The surety shall maintain a rating from A.M. Best, or its successor rating organization, of either Superior (A++ or A+) or Excellent (A or A-). The bond shall be continuous in form and shall be maintained in effect for as long as the applicant maintains a license to practice general contracting in North Carolina or until the applicant demonstrates the required level of working capital as required by Subparagraphs (c)(2) and (d)(2) of this Rule. The applicant shall submit proof of a surety bond meeting the requirements of this Rule with the application form and subsequent annual license renewal forms. The applicant shall maintain the bond in the amount of one hundred seventy-five thousand dollars ($175,000) for a limited license, five hundred thousand dollars ($500,000) for an intermediate license, and one million dollars ($1,000,000) for an unlimited license. The bond shall list the State of North Carolina as obligee and be for the benefit of any person who is damaged by an act or omission of the applicant constituting breach of a construction contract, breach of a contract for the furnishing of labor, materials, or professional services to construction undertaken by the applicant, or by an unlawful act or omission of the applicant in the performance of a construction contract. The bond required by this Rule shall be in addition to and not in lieu of any other bond required of the applicant by law, regulation, or any party to a contract with the applicant. Should the surety cancel the bond, the surety and the applicant both shall notify the Board within 30 days in writing. If the applicant fails to provide written proof of financial responsibility in compliance with this Rule within 30 days of the bond's cancellation, then the applicant's license shall be suspended until written proof of compliance is provided.

(f) Financial statements, accounting, and reporting standards. Financial statements submitted by applicants to the Board shall be no older than twelve months from the date of submission. Financial statements shall conform to United States "generally accepted accounting principles" (GAAP). The Board may require non-GAAP financial statements from applicants wherein the only exception to GAAP is that such presentation is necessary to ascertain the working capital or net worth of the particular applicant. Examples of the circumstances when non-GAAP presentation may be necessary to ascertain the working capital or net worth of the applicant shall be when the only exception to GAAP is that assets and liabilities are classified as "current" and "noncurrent" on personal financial statements and when the only exception to GAAP is that the particular applicant is not combined with a related entity into one financial statement pursuant to AICPA Financial Interpretation 46R (ASC 810). The terminologies, working capital, balance sheet with current and fixed assets, current and long term liabilities, and any other accounting terminologies, used herein shall be construed in accordance with GAAP Standards as promulgated by the Financial Accounting Standards Board (FASB). The terminologies, audited financial statement, unqualified opinion, and any other auditing terminologies used herein shall be construed in accordance with those standards referred to as "generally accepted auditing standards" (GAAS) as promulgated by the American Institute of Certified Public Accountants (AICPA).

History Note: *Authority G.S. 87-1; 87-10; Eff. February 1, 1976; Readopted Eff. September 26, 1977; Amended Eff. January 1, 1983; Repealed Eff. May 1, 1989; Recodified from 21 NCAC 12 .0203 Eff. January 2, 2020.*

21 NCAC 12A .0205 Qualifier

(a) The qualifier for the applicant shall be a responsible managing employee, officer, or member of the personnel of the applicant. A person may serve as a qualifier for no more than two licenses. A qualifier's examination credentials shall archive if the qualifier does not serve as a qualifier for an active licensee for a period of four consecutive years. Once a qualifier's examination credentials archive, he or she shall retake the examination and earn a passing grade in accordance with Rule .0404 of this Chapter to serve as a qualifier.

(b) Subject to the provisions of G.S. 150B and Section .0800 of these Rules, the Board may reject the application of an applicant seeking qualification by employment of a person who has already passed an examination if such person has previously served as qualifier for a licensee that has been disciplined by the Board.

(c) A licensee shall notify the Board in writing in the event a qualifier ceases to be connected with the licensee. The notice shall include the date on which the qualifier was last connected with the licensee and shall be submitted no later than 10 days after the date of separation. A qualifier shall also be required to notify the Board in writing in such circumstances. After such notice is filed with the Board in writing, or the Board determines that the qualifier is no longer connected with the licensee, and if there are no additional qualifiers for the licensee, the license shall be invalidated in accordance with G.S. 87-10.

(d) Persons associated with a firm or corporation may take the required examination on behalf of the firm or corporation as described in G.S. 87-10. A partner may take an examination on behalf of a partnership.

(e) "Responsible managing" as used in G.S. 87-10 means a person who is engaged in the work of the applicant a minimum of 20 hours per week or a majority of the hours operated by the applicant, whichever is less. If the person described herein is not an owner, officer, or partner of the applicant or licensee, the person must be a W-2 employee.

(f) "Members of the personnel" as used in G.S. 87-10 means a person who is a responsible managing employee of the applicant or licensee. A member of the personnel must be a W-2 employee and shall not be an independent contractor. contractor of the applicant or licensee.

(g) An applicant or licensee may have more than one qualifier. If one person associated with the applicant fails, and another passes, the license shall be granted to that applicant. A license shall be issued only in the classification held by a qualifier who has passed an examination in that classification.

History Note: *Authority G.S. 87-1; 87-4; 87-10; 87-11(a); Eff. February 1, 1976; Readopted Eff. September 26, 1977; Amended Eff. April 1, 2014; July 1, 2008; April 1, 2006; August 1, 2000; June 1, 1994; June 1, 1992; May 1, 1989; July 1, 1987; Pursuant to G.S. 150B-21.3A, rule is necessary without substantive public interest Eff. July 23, 2016; Amended Eff. September 1, 2019; September 1, 2018; April 1, 2018; Recodified from 21 NCAC 12 .0205 Eff. January 2, 2020.*

21 NCAC 12A .0206 Joint Venture

History Note: *Authority G.S. 87-1; 87-10; Eff. February 1, 1976; Readopted Eff. September 26, 1977; Repealed Eff. May 1, 1989; Recodified from 21 NCAC 12 .0206 Eff. January 2, 2020.*

21 NCAC 12A .0207 Joint Venture

A joint venture may practice general contracting in North Carolina if every principal or member of the joint venture is licensed to practice general contracting in North Carolina with the appropriate classification and at least one principal has the appropriate limitation, or if the joint venture obtains a general contracting license in its own name in accordance with G.S. 87-10 and these Rules. If an LLC is a joint venturer, all members and managers of the LLC shall be licensed to practice general contracting in North Carolina with the appropriate classification and limitation.

History Note: *Authority G.S. 87 1; 87 10; Eff. June 1, 1992; Pursuant to G.S. 150B-21.3A, rule is necessary without substantive public interest Eff. July 23, 2016; Amended Eff. April 1, 2018; Recodified from 21 NCAC 12 .0207 Eff. January 2, 2020.*

21 NCAC 12A .0208 Construction Management

(a) The phrase "undertakes to superintend or manage" as used in G.S. 87-1 to describe a person, firm, or corporation deemed to be a general contractor means that the person, firm, or corporation shall be responsible for superintending or managing the construction of an entire project, and either contracts directly with subcontractors to perform the construction for the project or is compensated for superintending or managing the project based upon the cost of the project or the time taken to complete the project. The person, firm, or corporation shall hold a general contracting license in the classifications and limitation applicable to the construction of the project.

(b) The phrase "undertakes to superintend or manage" described in Paragraph (a) of this Rule shall not include the following:

(1) an architect or engineer licensed in North Carolina who is supervising the execution of design plans for the project owner and who does not contract directly with subcontractors to perform the construction for the project; or

(2) subject to the conditions stated within this Subparagraph and Paragraph (c), any person, firm, or corporation retained by an owner of real property as a consultant, agent, or advisor to perform development-related functions, including:

(A) assisting with site planning and design;

(B) formulating a development scheme;

(C) obtaining zoning and other entitlements;

(D) tenant selection and negotiation;

(E) interfacing and negotiating with the general contractor, engineer, architect, other construction and design professionals, and other development consultants with whom the land owner separately contracts, including, negotiating contracts on the owner's behalf, assisting with scheduling issues, ensuring that any disputes between such parties are resolved to the owner's satisfaction, and otherwise ensuring that such parties are proceeding in an efficient, coordinated manner to complete the project;

(F) providing cost estimates, bids, and budgeting;

(G) monitoring the progress of development activities performed by other parties;

(H) arranging and negotiating governmental incentives and entitlements; and

(I) selecting and sequencing sites for development.

(c) The exclusions set forth in Subparagraph (b)(2) shall not apply, however, unless the following conditions are satisfied:

(1) the owner has retained a licensed general contractor or licensed general contractors to construct the entire project or to directly superintend and manage all construction work in which the person, firm, or corporation has any involvement and that would otherwise require the use of a licensed general contractor; and

(2) the use of the person, firm, or corporation will not impair the general contractor's ability to communicate directly with the owner and to verify the owner's informed consent and ratification of the directions and decisions made by the person, firm, or corporation to the extent that such directions or decisions affect the construction activities otherwise requiring the use of a licensed general contractor. For the purposes of this Subparagraph, the general contractor shall be entitled to make a written demand for written verification from the owner of any directions given or decisions made by such a person, firm, or corporation on the owner's behalf. In that regard, if the general contrac-

tor delivers a written request directly to the owner asking that the owner confirm in writing that the owner desires that the general contractor perform consistent with a direction or decision made by such person, firm, or corporation:

(A) the general contractor shall not be obligated to follow such direction or decision in question until such time as the owner provides written verification of the direction or decision; and

(B) if the third party person, firm, or corporation whose direction or decision is being questioned by the general contractor attempts to itself provide the confirmation requested from the owner by the general contractor as provided above, such person, firm, or corporation shall be deemed to be "undertaking to superintend or manage" as described in Paragraph (a) of this Rule.

History Note: *Authority G.S. 87-1; 87-4; Eff. May 1, 1995; Amended Eff. June 1, 2010; Pursuant to G.S. 150B-21.3A, rule is necessary without substantive public interest Eff. July 23, 2016; Amended Eff. September 1, 2019; April 1, 2018; Recodified from 21 NCAC 12 .0208 Eff. January 2, 2020.*

21 NCAC 12A .0209 Assumed Name Application

(a) Any application made pursuant to G.S. 87-10 shall be accompanied by a Certificate of Assumed Name filed in accordance with Chapter 66, Article 14A of the General Statutes. Applications submitted to the Board on behalf of corporations, limited liability companies, and partnerships shall be accompanied by a copy of any documents required to be filed with the North Carolina Secretary of State's office, such as Articles of Incorporation or Certificate of Authority.

(b) All licensees shall comply with the requirements of G.S. 66-71.4 and shall notify the Board within 30 days of any change in the name in which the licensee is conducting business in the State of North Carolina.

(c) No applicant or licensee shall use or adopt an assumed name used by any other licensee, or any name so similar to an assumed name used by another licensee that could confuse or mislead the public.

(d) No applicant or licensee that is a legal entity registered with the North Carolina Secretary of State shall use or adopt an assumed name of a separate legal entity registered with the North Carolina Secretary of State

History Note: *Authority G.S. 66-71.4; 87-1; 87-4; 87-10; Eff. August 1, 2000; Amended Eff. April 1, 2014; Pursuant to G.S. 150B-21.3A, rule is necessary without substantive public interest Eff. July 23, 2016; Amended Eff. September 1, 2018; Recodified from 21 NCAC 12 .0209 Eff. January 2, 2020; Amended Eff. March 1, 2022.*

21 NCAC 12A .0210 Building Projects

If a building project is performed pursuant to G.S. 87-1.1, the total amount of work to be performed by all licensed general contractors shall not exceed 25% of the total bid price. A licensed general contractor shall hold the applicable classifications and limitation for the work undertaken by such licensed general contractor.

History Note: *Authority G.S. 87-1.1; 87-4; Eff. April 1, 2004. Pursuant to G.S. 150B-21.3A, rule is necessary without substantive public interest Eff. July 23, 2016; Recodified from 21 NCAC 12 .0210 Eff. January 2, 2020; Amended Eff. March 1, 2022*

21 NCAC 12A .0211 Multiunit Buildings

(a) If a project consists of the construction or alteration of one or more buildings that fall under the requirements of the North Carolina Building Code, all structures and units on the same parcel of land shall be considered as a single project.

(b) If a project consists of the construction or alteration of one or more buildings that fall under the requirements of the North Carolina Residential Code, only structures and units on the same parcel of land shall be considered as one project.

(c) The North Carolina State Building Code standards are hereby incorporated by reference, including

subsequent amendments and editions. The current Code may be found online at https://www.ncosfm.gov/codes/codes-current-and-past.

History Note: *Authority G.S. 87-1; 87-4; 87-10; Eff. August 11, 2009; Amended Eff. April 1, 2010; Pursuant to G.S. 150B-21.3A, rule is necessary without substantive public interest Eff. July 23, 2016; Amended Eff. April 1, 2018; Recodified from 21 NCAC 12 .0211 Eff. January 2, 2020.*

21 NCAC 12A .0212 Permits And Inspections

(a) A licensee shall obtain all necessary building permits from the local Code Enforcement Agency before commencing any work for which a building permit is required. After obtaining the necessary building permits, a licensee shall obtain all required inspections and assure that all inspections required by codes adopted by the N.C. Building Code Council are passed by the local Code Enforcement Official or a designee. Absent a written acknowledgement by a local Code Enforcement Official, a licensee shall not be relieved of his, her, or its responsibility to complete all required inspections until a certificate of compliance or the equivalent is obtained from the local Code Enforcement Agency.

(b) A licensee shall not allow a building permit to be obtained or allow his, her, or its license number to appear on a building permit application unless:

(1) the licensee is the owner of the property; or

(2) the licensee has an agreement with the property owner or his or her designee to perform work described in the building permit.

(c) Failure to comply with this Rule shall constitute misconduct as described in G.S. 87-11.

History Note: *Authority G.S. 87-1; 87-11; 87-14; 160A-417; 160D-1110; Eff. July 1, 2021.*

SECTION .0300 — APPLICATION PROCEDURE

21 NCAC 12A .0301 General

History Note: *Authority G.S. 87 1; 87 10; Eff. February 1, 1976; Readopted Eff. September 26, 1977; Amended Eff. May 1, 1989; Pursuant to G.S.150B-21.3A, rule is necessary without substantive public interest Eff. July 23, 2016; Repealed Eff. April 1, 2018; Recodified from 21 NCAC 12 .0301 Eff. January 2, 2020.*

21 NCAC 12A .0302 Request

History Note: *Authority G.S. 87 1; 87 10; 150B-19(5); Eff. February 1, 1976; Amended Eff. June 23, 1977; Readopted Eff. September 26, 1977; Amended Eff. May 1, 2006; December 1, 1995; June 1, 1992; Pursuant to G.S. 150B-21.3A, rule is necessary without substantive public interest Eff. July 23, 2016; Repealed Eff. April 1, 2018; Recodified from 21 NCAC 12 .0302 Eff. January 2, 2020*

21 NCAC 12A .0303 Application for Licensure

(a) General. Applications for licensure shall contain the following:

(1) the Social Security Number of examinees and qualifiers and tax identification numbers for corporate applicants;

(2) the applicant's contact information;

(3) the name of business under which the licensee will be operating, if any;

(4) requested designation of license limitation and classifications;

(5) information about all crimes of which the applicant has been convicted;

(6) certified copies of court records reflecting information regarding all crimes of which the applicant and qualifiers have been convicted;

(7) information indicating whether the applicant or qualifiers has any disciplinary history with the Board or any other occupational licensing, registration, or certification agency;

(8) information establishing financial responsibility as required by G.S. 87-10(a) and Rule .0204 of this Chapter;

(9) letters of reference as prescribed in Rule .0308 of this Chapter

(10) the application fee as set forth in Rule .0304 of this Chapter.

(b) Criminal Background Check. In addition to the requirements set forth above, all new applicants shall consent to criminal background checks to be performed by a third-party vendor identified by the Board. The cost of the background check shall be paid directly to the vendor. The qualifiers of all new applicants shall submit to the background check. Additionally, the following individuals shall submit to the background check, based upon the entity or person applying for the license:

(1) Sole proprietor license: The sole proprietor;

(2) Corporation: The president;

(3) Limited liability company: All managers and members;

(4) Partnerships (including limited liability partnerships): All partners.

(c) Reciprocity. Applicants based on reciprocity shall submit with the application form a copy of the applicant's license in the other state, certified by the other state licensing board as being a copy of a valid license. Applicants shall have taken and passed the exam offered in the state from which they are seeking reciprocity, or an examination offered by the National Association of State Contractors Licensing Agencies (NASCLA). Applicants shall also be required to take and pass the Board's North Carolina law, rule, and building code examination prior to licensure.

History Note: *History Note: Authority G.S. 87 1; 87-4; 87 10; Eff. February 1, 1976; Readopted Eff. September 26, 1977; Amended Eff. May 1, 1989; Pursuant to G.S. 150B-21.3A, rule is necessary without substantive public interest Eff. July 23, 2016; Amended Eff. September 1, 2019; April 1, 2018; Recodified from 21 NCAC 12 .0303 Eff. January 2, 2020; Amended Eff. January 1, 2023; March 1, 2022.*

21 NCAC 12A .0304 Fees

(a) The Board shall charge the following fees:

(1) Application for limited license: $75.00;

(2) Application for intermediate license: $100.00;

(3) Application for unlimited license: $125.00;

(4) Application for increase in limitation: $100.00 for increase to intermediate license and $125.00 for increase to unlimited license;

(5) Late renewal: $10.00 per month for every month or part after the first day of January.

(b) All fees charged by the Board shall be non-refundable.

History Note: *Authority G.S. 87 1; 87 10; Eff. February 1, 1976; Readopted Eff. September 26, 1977; Amended Eff. January 1, 1983; Repealed Eff. May 1, 1989; Codifier approved agency's waiver request to reuse rule number; Eff. April 1, 2018; Recodified from 21 NCAC 12 .0304 Eff. January 2, 2020; Temporary Amendment Eff. January 7, 2020.*

21 NCAC 12A .0305 Filing Address

History Note: *Authority G.S. 87 1; 87 10; Eff. February 1, 1976; Amended Eff. June 23, 1977; Readopted Eff. September 26, 1977; Amended Eff. May 1, 1989; Pursuant to G.S. 150B-21.3A, rule is necessary without substantive public interest Eff. July 23, 2016; Repealed Eff. April 1, 2018; Recodified from 21 NCAC 12 .0305 Eff. January 2, 2020.*

21 NCAC 12A .0306 Filing Deadline

History Note: *Authority G.S. 87-1; 87-10; Eff. February 1, 1976; Readopted Eff. September 26, 1977; Amended Eff. June 1, 1994; June 1, 1992; Repealed Eff. April 1, 2001; Recodified from 21 NCAC 12 .0306 Eff. January 2, 2020.*

21 NCAC 12A .0307 Notice of Approval

History Note: *Authority G.S. 87-1; 87-10; Eff. February 1, 1976; Readopted Eff. September 26, 1977; Amended Eff. May 1, 1989; Repealed Eff. August 1, 2000; Recodified from 21 NCAC 12 .0307 Eff. January 2, 2020.*

21 NCAC 12A .0308 Character References

(a) Each applicant shall submit to the Board three written evaluations from character references which attest [or state] the reference's knowledge of and experience with the applicant. If the applicant is a firm, business, partnership, or corporation, character references shall be for the qualifier, as defined in G.S. 87-10(b), and each signatory of the application. If the applicant is a sole proprietorship, character references shall be for the applicant itself.

(b) All character references shall include:

(1) name of the person submitting the reference;

(2) mailing address, phone number, and email address of the person submitting the reference;

(3) date of the reference; and

(4) information regarding the reference's knowledge of and experience with the applicant or person about whom the reference is being provided.

(c) Character references shall be completed and dated no more than 12 months prior to the date the reference is submitted to the Board.

History Note: *Authority G.S. 87 1; 87 10; Eff. February 1, 1976; Readopted Eff. September 26, 1977; Amended Eff. May 1, 1989; Pursuant to G.S. 150B-21.3A, rule is necessary without substantive public interest Eff. July 23, 2016; Amended Eff. September 1, 2019; Recodified from 21 NCAC 12 .0308 Eff. January 2, 2020; Amended Eff. December 1, 2023.*

21 NCAC 12A .0309 Licensure for Military-Trained Applicant; Licensure for Military Spouse

(a) Licensure for a military-trained applicant. Upon receipt of a request for licen- sure pursuant to G.S. 93B-15.1 from a military trained applicant, the Board shall issue a license to the applicant who satisfies the following conditions:

(1) submission of a complete Application for License to Practice General Contracting;

(2) submission of a license fee in accordance with G.S. 87-10;

(3) providing documentation to satisfy the conditions set out in G.S. 93B-15.1(a)(1)and (2); and

(4) providing documentation that the applicant has not committed any act in any jurisdiction that would constitute grounds for refusal, suspension, or revocation of a license in North Carolina at the time the act was committed.

(b) Licensure for a military spouse. Upon receipt of a request for licensure pursuant to G.S. 93B-15.1 from a military spouse, the Board shall issue a license to the applicant who satisifies the following conditions:

(1) submission of a complete Application for License to Practice General Contracting;

(2) submission of a license fee in accordance with G.S. 87-10;

(3) submission of written documentation demonstrating that the applicant is married to an active member of the U.S. military;

(4) providing documentation to satisfy conditions set out in G.S. 93B-15.1(b)(1)and (2);

(5) providing documentation that the applicant has not committed any act in any jurisdiction that would constitute grounds for refusal, suspension, or revocation of a license in North Carolina at the time the act was committed; and

(6) is in good standing and has not been disciplined by any agency that had jurisdiction to issue the license, certification, or permit.

History Note: *Authority G.S. 87-4; 93B-15.1; Eff. April 1, 2014; Pursuant to G.S. 150B-21.3A, rule is necessary without substantive public interest Eff. July 23, 2016; Recodified from 21 NCAC 12 .0309 Eff. January 2, 2020.*

SECTION .0400 — EXAMINATION

21 NCAC 12A .0401 General

History Note: *Authority G.S. 87-1; 87-10; 87-15.1; Eff. February 1, 1976;Readopted Eff. September 26, 1977; Repealed Eff. May 1, 1989; Recodified from 21 NCAC 12 .0401 Eff. January 2, 2020.*

21 NCAC 12A .0402 Subject Matter

(a) Examinations for licensure shall ascertain the following:

(1) The criteria set out in G.S. 87-10(b); and

(2) The qualifiers's knowledge of the practice of general contracting within the specific classification(s) he or she is seeking to be qualified as described in Rule .0202 of this Chapter.

(b) As a part of the Board's examination process, all applicants, including those seeking reciprocity from other jurisdictions, shall be tested on the Board's laws and rules.

History Note: *Authority G.S. 87 1; 87 10; Eff. February 1, 1976; Readopted Eff. September 26, 1977; Amended Eff. August 1, 2000; June 1, 1994; May 1, 1989; Pursuant to G.S. 150B-21.3A, rule is necessary without substantive public interest Eff. July 23, 2016; Repealed Eff. April 1, 2018; Codifier approved agency's waiver request to reuse rule number;Eff. September 1, 2019; Recodified from 21 NCAC 12 .0402 Eff. January 2, 2020.*

21 NCAC 12A .0403 Number of Examinations Taken

An applicant must take one different examination for each classification of general contracting for which the applicant seeks licensure.

History Note: *Authority G.S. 87-1; 87-10; Eff. February 1, 1976; Readopted Eff. September 26, 1977; Amended Eff. May 1, 1989; Pursuant to G.S. 150B-21.3A, rule is necessary without substantive public interest Eff. July 23, 2016; Recodified from 21 NCAC 12 .0403 Eff. January 2, 2020.*

21 NCAC 12A .0404 Passing Grade

Persons taking the examination shall receive a score of at least 70 in order to pass the examination.

History Note: *Authority G.S. 87 1; 87 10; Eff. February 1, 1976; Readopted Eff. September 26, 1977; Amended Eff. January 1, 1983; Repealed Eff. May 1, 1989; Codifier approved agency's waiver request to reuse rule number; Eff. April 1, 2018; Recodified from 21 NCAC 12 .0404 Eff. January 2, 2020.*

21 NCAC 12A .0405 Examination Schedule

Upon approval of the application by the Board, applicants will be notified as to the instructions for scheduling the required examination or examinations. Applicants may receive details from the examinations provider concerning the actual date, time and location to report for the examination or examinations requested.

History Note: *Authority G.S. 87-1; 87-10; Eff. February 1, 1976; Readopted Eff. September 26, 1977; Amended Eff. August 1, 2000; May 1, 1989; Pursuant to G.S. 150B-21.3A, rule is necessary without substantive public interest Eff. July 23, 2016; Recodified from 21 NCAC 12 .0405 Eff. January 2, 2020.*

21 NCAC 12A .0406 Filing Deadline

21 NCAC 12A .0407 Re-Examination

History Note: *Authority G.S. 87-1; 87-10; Eff. February 1, 1976; Readopted Eff. September 26, 1977; Amended Eff. January 1, 1993; Repealed Eff. May 1, 1989; Recodified from 21 NCAC 12 .0406 and .0407 Eff. January 2, 2020.*

21 NCAC 12A .0408 Person Taking Examination

History Note: *Authority G.S. 87 1; 87 10; Eff. February 1, 1976; Readopted Eff. September 26, 1977; Amended Eff. April 1, 2006; September 1, 1992; May 1, 1989; Pursuant to G.S. 150B-21.3A, rule is necessary without substantive public interest Eff. July 23, 2016; Repealed Eff. April 1, 2018; Recodified from 21 NCAC 12 .0408 Eff. January 2, 2020.*

21 NCAC 12A .0409 Review Workshop Charge

History Note: *Authority G.S. 87-10; 150B-19(5)d; Eff. June 1, 1992; Repealed Eff. April 1, 2004; Recodified from 21 NCAC 12 .0409 Eff. January 2, 2020.*

21 NCAC 12A .0410 Failing Examination

History Note: *Authority G.S. 87-10; Eff. December 1, 1995; Amended Eff. August 1, 2000; Pursuant to G.S. 150B-21.3A, rule is necessary without substantive public interest Eff. July 23, 2016; Repealed Eff. April 1, 2018; Recodified from 21 NCAC 12 .0410 Eff. January 2, 2020.*

SECTION .0500 — LICENSE

21 NCAC 12A .0501 License Granted

(a) License numbers shall be included on all contracts and bids.

(b) If a licensee files Articles of Dissolution or the N.C. Department of the Secretary of State withdraws the licensee's Certificate of Authority, the Board shall archive the license.

(c) A licensee shall notify the Board within 30 days of a change in ownership or a filing with the N.C. Department of the Secretary of State that amends or changes the corporate structure of the licensed entity.

(d) A licensee shall notify the Board within 30 days of a change in address or phone number.

History Note: *Authority G.S. 87 1; 87 10; 87 12;Eff. February 1, 1976; Readopted Eff. September 26, 1977; Amended Eff. May 1, 1989;Pursuant to G.S. 150B-21.3A, rule is necessary without substantive public interest Eff. July 23, 2016; Amended Eff. September 1, 2019; April 1, 2018; Recodified from 21 NCAC 12 .0501 Eff. January 2, 2020;Amended Eff. January 1, 2022.*

21 NCAC 12A .0502 Temporary License

The Board shall issue a temporary license only as required by G.S. 93B-15.1.

History Note: *Authority G.S. 87 1; 87 10; Eff. February 1, 1976; Readopted Eff. September 26, 1977; Pursuant to G.S. 150B-21.3A, rule is necessary without substantive public interest Eff. July 23, 2016; Amended Eff. April 1, 2018; Recodified from 21 NCAC 12 .0502 Eff. January 2, 2020.*

21 NCAC 12A .0503 Renewal of License

(a) Applications for renewal of license shall contain the following:

(1) the Social Security Number of the applicant and qualifier(s) and tax identification number for corporations, LLCs, or partnerships;

(2) the applicant's contact information;

(3) the name of business under which licensee will be operating, if any;

(4) information regarding any changes made in the status of the licensee's business, since the initial application or last renewal was submitted to the Board, whichever is later;

(5) confirmation of license limitation and classifications;

(6) information about all crimes of which the applicant has been convicted since the initial application or last renewal was submitted to the Board, whichever is later;

(7) documentation regarding all crimes referenced above;

(8) information indicating whether the applicant has any disciplinary history with any other occupational licensing, registration, or certification agency since the initial application or last renewal was submitted to the Board, whichever is later;

(9) an attestation that the applicant maintains continued financial responsibility pursuant to Rule .0204 of this Chapter;

(10) if applicable, proof that the surety bond is maintained in compliance with Rule .0204 of this Chapter; and

(11) the application fee and any accrued late fees as set forth in Rule .0304 of this Chapter.

(b) A licensee shall submit an audited financial statement as evidence of continued financial responsibility in accordance with Rule .0204 of this Chapter if the Board finds that the licensee is insolvent, financially unstable, or unable to meet its financial responsibilities based upon the information provided in the renewal application.

(c) A licensee shall provide the Board with a copy of any bankruptcy petition filed by the licensee within 30 days of its filing. A licensee in bankruptcy shall provide to the Board an agreed-upon procedures report on a form provided by the Board or an audited financial statement with a classified balance sheet as part of any application for renewal.

(d) A corporate license shall not be renewed unless it is in good standing with the N.C. Department of the Secretary of State.

(e) Upon receipt of a written request by or on behalf of a licensee who is currently in good standing with the Board, is serving in the armed forces of the United States, and to whom G.S. 105-249.2 grants an extension of time to file a tax return, the Board shall grant that same extension of time for complying with renewal application deadlines, for paying renewal fees, and for meeting any other requirement or conditions related to the maintenance or renewal of the license issued by the Board. The applicant shall furnish to the Board a copy of the military orders or the extension approval by the Internal Revenue Service or by the North Carolina Department of Revenue.

(f) If a licensee's status is invalid for reasons other than those set forth in G.S. 87-10.2(h) and the licensee requests to renew his, her, or its license, the licensee must submit proof of completion of six elective hours of continuing education for each year not previously renewed and for the current license year and two mandatory hours for the current year.

History Note: *Authority G.S. 87-1; 87-4;87-10; 87-12; 87-13; 93B-15; Eff. February 1, 1976; Readopted Eff. September 26, 1977; ARRC Objection March 19, 1987; Amended Eff. May 1, 1989; August 1, 1987; Temporary Amendment Eff. June 28, 1989 for a period of 155 Days to Expire on December 1, 1989; Amended Eff. December 1, 1989;RRC Removed Objection of March 19, 1987 Eff. August 20, 1992 based on subsequent amendment; Amended Eff. September 1, 1992; Temporary Amendment Eff. May 31, 1996; Amended Eff. April 1, 2014; June 1, 2011; June 1, 2003; April 1, 2003; August 1, 2002; April 1, 1997; Pursuant to G.S. 150B-21.3A, rule is necessary without substantive public interest Eff. July 23, 2016; Amended Eff. September 1, 2019; April 1, 2018; Recodified from 21 NCAC 12 .0503 Eff. January 2, 2020; Temporary Amendment Eff. January 2, 2020. Amended Eff. September 1, 2020; Amended Eff. July 1, 2021.*

21 NCAC 12A .0504 Increase in Limitation

(a) General. A person, firm, or corporation holding a valid license to engage in the practice of general contracting in North Carolina may apply for a different limitation by making application for such different limitation with the Board. The application shall contain the following:

(1) the Social Security Number of individual applicant, qualifier(s), and tax identification number for corporations, LLCs, or partnerships;

(2) the applicant's contact information;

(3) the exact name of the business as reflected on the previously issued license that is subject to the limitation increase application;

(4) information regarding any changes made in the status of the licensee's business since the initial application or last renewal was submitted to the Board, whichever is later;

(5) confirmation of license limitation and classifications;

(6) requested limitation;

(7) an audited financial statement prepared in accordance with Rule .0204 of this Chapter;

(8) if applicable, proof that the surety bond is maintained in compliance with Rule .0204 of this Chapter; and

(9) the application fee as set forth in Rule .0304 of this Chapter.

(b) Eligibility. An applicant shall be eligible for a new limitation if he or she possesses the qualifications necessary in accordance with Rule .0204 of this Chapter, except that he or she shall not be required to take a written exam.

History Note: *Authority G.S. 87 1; 87-4; 87 10; Eff. February 1, 1976; Amended Eff. June 23, 1977; Readopted Eff. September 26, 1977; Amended Eff. May 1, 1989; January 1, 1983; Temporary Amendment Eff. June 28, 1989, for a period of 155 days to expire on December 1, 1989; Amended Eff. August 1, 2000; December 1, 1989; Pursuant to G.S. 150B-21.3A, rule is necessary without substantive public interest Eff. July 23, 2016; Amended Eff. April 1, 2018; Recodified from 21 NCAC 12 .0504 Eff. January 2, 2020.*

21 NCAC 12A .0505 Maintaining Current Address; Notification

(a) All licensees, applicants, and qualifiers shall notify the Board of any change in mailing address, phone number, or email address within 30 days from the date of the change. Notice shall be given in writing or through the Board's website portal for licensees.

(b) Notification from the Board shall be deemed received if mailed to the address provided by the licensee and shown in the records of the Board.

History Note: *Authority G.S. 87 8; Eff. June 1, 1992; Pursuant to G.S. 150B-21.3A, rule is necessary without substantive public interest Eff. July 23, 2016; Amended Eff. April 1, 2018; Recodified from 21 NCAC 12 .0505 Eff. January 2, 2020.*

21 NCAC 12A .0506 Charge for Status of Licensure

The Board shall charge persons requesting a verified copy of all or part of its roster of licensed contractors a fee to cover the cost of copying and mailing.

History Note: *Authority G.S. 87 8; 87 13; 150B-19(5); Eff. June 1, 1992; Amended Eff. May 1, 2006; May 1, 1995; Pursuant to G.S. 150B-21.3A, rule is necessary without substantive public interest Eff. July 23, 2016; Amended Eff. April 1, 2018; Recodified from 21 NCAC 12 .0506 Eff. January 2, 2020.*

21 NCAC 12A .0507 Fund Suspension

In the event the Board's authority to expend funds is suspended pursuant to G.S. 93B-2, the Board shall continue to issue and renew licenses and all fees tendered shall be placed in an escrow account maintained by

the Board for this purpose. Once the Board's authority is restored, the funds shall be moved from the escrow account into the general operating account.

History Note: *Authority G.S. 87-4; 93B-2; Eff. June 1, 2011; Pursuant to G.S. 150B-21.3A, rule is necessary without substantive public interest Eff. July 23, 2016; Recodified from 21 NCAC 12 .0507 Eff. January 2, 2020.*

21 NCAC 12A .0508 Reporting Criminal Convictions and Disciplinary Actions

(a) Any licensee who is convicted of any felony or misdemeanor, or who is disciplined by or enters into a conciliation agreement or consent order with any governmental agency in connection with any occupational license, shall file with the Board a Criminal Conviction Disciplinary Action Reporting Form of such conviction or action within 60 days of the final judgment, order, or disposition in the case. The Criminal Conviction Disciplinary Action Reporting Form is available on the Board's website at www.nclbgc.org or upon request to the Board. In the Form,the licensee shall set forth the following:

(1) full legal name of individual reporting the conviction or conciliation;

(2) physical and mailing address;

(3) license number;

(4) telephone number;

(5) email address;

(6) date of birth; and

(7) description of the criminal conviction and disciplinary action, including the jurisdiction and file number.

(b) For the purposes of reporting under this Rule, the individuals required to report the above-listed information are the same as those required to submit to a criminal background check and identified in Rule .0303 of this Subchapter.

History Note: *Authority G.S. 87-10; Eff. March 1, 2022*

SECTION .0600 — RULE-MAKING PROCEDURES

21 NCAC 12A .0601 Petitions

21 NCAC 12A .0602 Notice

21 NCAC 12A .0603 Hearings

21 NCAC 12A .0604 Emergency Rules

21 NCAC 12A .0605 Declaratory Rulings

History Note: *Authority G.S. 150A-12; 150A-12(d); 150A-13; 150A-16; 150A-17; Eff. February 1, 1976; Amended Eff. June 23, 1977; Readopted Eff. September 26, 1977; Repealed Eff. January 1, 1983 Recodified from 21 NCAC 12 .0601-.0605 Eff. January 2, 2020.*

21 NCAC 12A .0606 Rule-Making

History Note: *Authority G.S. 150A-11; 150A-14; Eff. January 1, 1983; Amended Eff. December 1, 1985; Repealed Eff. September 1, 1988; Recodified from 21 NCAC 12 .0606 Eff. January 2, 2020.*

21 NCAC 12A .0607 Waiver

The Board may waive any rule in this Chapter that is not statutorily required upon its own initiative or if a licensee, qualifier, continuing education course provider, or continuing education course instructor submits a written request. Factors the Board shall use in determining whether to grant the waiver are:

(1) degree of disruption to the Board;

(2) cost to the Board;

(3) degree of benefit to the public;

(4) whether the requesting party had control over the circumstances that required the requested waiver;

(5) notice to and opposition by the public;

(6) need for the waiver; and

(7) previous requests for waivers submitted from the requesting party.

History Note: *Authority G.S. 87-10.2(j); 150B-19; Emergency Adoption Eff. April 24, 2020; Temporary Adoption Eff. July 24, 2020; Eff. July 1, 2021.*

SECTION .0700 — BOARD DISCIPLINARY PROCEDURES

21 NCAC 12A .0701 Improper Practice

(a) Complaint. Any person who believes that a licensed general contractor is in violation of the provisions of G.S. 87-11 may file a complaint with the Board against a licensee, qualifier, or both by setting forth in writing those charges and swearing to their authenticity. The complaint shall be submitted to the Board and include the complainant's contact information, project location, and name of the licensee, qualifier, or both.

(b) Preliminary or Threshold Determination:

(1) A complaint filed in accordance with G.S. 87-11(a1) shall be forwarded to a staff investigator for investigation. Within 30 days, the Board shall forward a written notice of the complaint to the licensee and qualifier(s) against whom the charge is made. The notice shall request a response from the licensee and qualifier(s). The Board shall send notice of the charge and of the alleged facts or alleged conduct by first class mail to the last known address and by email to the address of the licensee and qualifier(s).

(2) After the investigation is complete, the charge shall be referred to the review committee. The review committee shall consist of the following individuals:

(A) one member of the Board;

(B) the Secretary-Treasurer or his designee; and

(C) a staff person agreed upon by the individuals listed above.

(3) Based upon the complaint and investigation, the review committee shall recommend to the Board that:

(A) The charge be dismissed;

(B) When the charge is admitted as true by the licensee and qualifier(s), the Board accept the licensee's and qualifier(s') admission of guilt and order the licensee and qualifier(s) not to commit in the future the act or acts admitted by him to have been violated and not to violate any of the acts of misconduct specified in G.S. 87-11 at any time in the future; or

(C) The charge, whether admitted or denied, be presented to the full Board for a hearing and determination by the Board on the merits of the charge in accordance with the substantive and procedural requirements of the provisions of Section .0800 of this Chapter and the provisions of G.S. 87-11. Prior to the charges being heard and determined by the Board, it may be resolved by consent order.

History Note: *Authority G.S. 87-4; 87-11; 150B-3; 150B-38; Eff. February 1, 1976; Readopted Eff. September 26, 1977; Amended Eff. April 1, 2014; June 1, 2011; April 1, 2006; April 1, 2003; May 1, 1989; Pursuant to G.S.*

150B-21.3A, rule is necessary without substantive public interest Eff. July 23, 2016; Amended Eff. April 1, 2018; Recodified from 21 NCAC 12 .0701 Eff. January 2, 2020.

21 NCAC 12A .0702 Unlicensed Practice

(a) Complaint. Any person who believes that a person, firm, or corporation is in violation of the acts specified in G.S. 87-13 may file a complaint against that person, firm, or corporation. The complaint shall be filed with the Board and include the complainant's contact information, project location, and name of alleged violator.

(b) Preliminary or Threshold Determination:

(1) A complaint filed in accordance with G.S. 87-13 shall be forwarded to a staff investigator for investigation. Board staff shall investigate the charge to determine whether there is probable cause to believe that a party against whom a charge has been brought violated the provisions of G.S. 87-13.

(2) After the investigation is complete, the charge shall be referred to the review committee. The review committee shall consist of the following individuals:

(A) one member of the Board;

(B) the Secretary-Treasurer or his designee; and

(C) a staff person agreed upon by the individuals listed above.

(3) Based upon the complaint and investigation, if the review committee determines that probable cause exists that a person, firm, or corporation is practicing general contracting without a license, it shall recommend to the Board that injunctive relief be sought. If the Board concurs with the review committee's recommendation, the investigation shall be forwarded to Board counsel to seek injunctive relief. If the review committee does not believe that the person, firm, or corporation is practicing general contracting without a license, it shall recommend to the Board dismissal of the complaint. Once dismissed, the Board shall notify the complainant.

History Note: *Authority G.S. 87-1; 87-4; 87-13; 87-13.1; Eff. February 1, 1976; Readopted Eff. September 26, 1977; Amended Eff. April 1, 2014; June 1, 2011; May 1, 1989; Pursuant to G.S. 150B-21.3A, rule is necessary without substantive public interest Eff. July 23, 2016; Amended Eff. April 1, 2018; Recodified from 21 NCAC 12 .0702 Eff. January 2, 2020.*

21 NCAC 12A .0703 Fee for Submittal of Bad Check

(a) The Board shall charge the maximum processing fee allowed by G.S. 25-3-506 if a check submitted to the Board is returned by a financial institution because of insufficient funds or because the drawer did not have an account at that bank.

(b) Until such time as the drawer of the bad check has paid the prescribed fee, the drawer shall not be eligible to take an examination, review an examination, obtain a license, or have the license renewed. For the purpose of this Rule, "prescribed fee" shall mean the sum of:

(1) the maximum processing fee allowed by G.S. 25-3-506;

(2) the renewal or application fee, whichever is applicable; and

(3) the late payment fee described in G.S. 87-10(e).

(c) Any license that has been issued or renewed based on a check which is returned to the Board shall be invalid until such time as the drawer has paid the prescribed fee. The invalidity of the license or renewal shall commence on the date of the issuance of the license or renewal.

(d) Payment of the prescribed fee to the Board shall be made in the form of a cashier's check, money order, credit card, or debit card.

(e) In the event the drawer of the bad check fails to pay the prescribed fee, during which time the license or renewal lapses for four years, the license shall not be renewed and the licensee for whom the check was to benefit shall fulfill all requirements of a new applicant set forth in G.S. 87-10 and Rules .0303 and .0503 of this Chapter.

History Note: *Authority G.S. 25-3-506; 87-4; 87-10; Eff. January 1, 1983; Amended Eff. April 1, 2014; April 1, 2003; May 1, 1989; Pursuant to G.S. 150B-21.3A, rule is necessary without substantive public interest Eff. July 23, 2016; Amended Eff. April 1, 2018; Recodified from 21 NCAC 12 .0703 Eff. January 2, 2020.*

SECTION .0800 — CONTESTED CASES

21 NCAC 12A .0801 General Rules

21 NCAC 12A .0802 Opportunity for Licensee or Applicant to Have Hearing

21 NCAC 12A .0803 Notice of Contemplated Board Action: Request for Hearing

.21 NCAC 12A 0804 Request for Hearing

21 NCAC 12A .0805 Granting Hearing Request

21 NCAC 12A .0806 Notice of Hearing

21 NCAC 12A .0807 Who Shall Hear Contested Case

21 NCAC 12A .0808 Place of Hearing

21 NCAC 12A .0809 Intervention

21 NCAC 12A .0810 Hearing Officers

21 NCAC 12A .0811 Conduct of Contested Case

21 NCAC 12A .0812 Discovery

21 NCAC 12A .0813 Depositions

21 NCAC 12A .0814 Conduct of Hearing

21 NCAC 12A .0815 Decision of Board

History Note: *Authority G.S. 1A-1; Rule 24; 1A-1; Rules 26 through 33; 87-10; 87-11; 87-15.1; 150A-3; 150A-23; 150A-23(a); 150A-24 through; 150A-33; 150A-36; 150A-37; Eff. February 1, 1976; Amended Eff. June 23, 1977; Readopted Eff. September 26, 1977; Repealed Eff. January 1, 1983; Recodified from 21 NCAC 12 .0801-.0815 Eff. January 2, 2020.*

21 NCAC 12A .0816 Administrative Hearing

History Note: *Authority G.S. 150A-11; 150A-14; Eff. January 1, 1983; Amended Eff. December 1, 1985; Repealed Eff. September 1, 1988; Recodified from 21 NCAC 12 .0816 Eff. January 2, 2020.*

21 NCAC 12A .0817 Right to Hearing

History Note: *Authority G.S. 87 11(b); 150B 11; 150B 38; Eff. September 1, 1988; Pursuant to G.S. 150B-21.3A, rule is necessary without substantive public interest Eff. July 23, 2016; Repealed Eff. April 1, 2018; Recodified from 21 NCAC 12 .0817 Eff. January 2, 2020.*

21 NCAC 12A .0818 Request for Hearing

(a) A person aggrieved as defined by G.S. 150B-2 may submit a request for a hearing pursuant to G.S. 150B-38 before the Board in writing to the Board's office, with the request bearing the notation: REQUEST FOR ADMINISTRATIVE HEARING. The request shall contain the following information:

(1) name and address of the aggrieved person;

(2) a statement of the action taken by the Board that is challenged; and

(3) a statement of the way in which the aggrieved person has been aggrieved.

(b) Upon receipt of a request for a hearing, the Board shall acknowledge the request and schedule a hearing.

History Note: *Authority G.S. 87-4; 87-11; 150B-38; Eff. September 1, 1988; Amended Eff. June 1, 2011; August 1, 2002; Pursuant to G.S. 150B-21.3A, rule is necessary without substantive public interest Eff. July 23, 2016; Amended Eff. April 1, 2018; Recodified from 21 NCAC 12 .0818 Eff. January 2, 2020.*

21 NCAC 12A .0819 Granting or Denying Hearing Request

a) The Board shall decide whether to grant a request for a hearing.

(b) The denial of request for a hearing shall be issued immediately upon decision, and in no case later than 60 days after the submission of the request. Such denial shall contain a statement of the reasons leading the Board to deny the request.

(c) Approval of a request for a hearing shall be signified by the issuing of a notice as required by G.S. 150B-38(b).

History Note: *Authority G.S. 87-11(b); 150B-38; Eff. September 1, 1988; Amended Eff. July 1, 2008; Pursuant to G.S. 150B-21.3A, rule is necessary without substantive public interest Eff. July 23, 2016; Recodified from 21 NCAC 12 .0819 Eff. January 2, 2020.*

21 NCAC 12A .0820 Notice of Hearing

(a) The Board shall give the party or parties in a contested case a notice of hearing not less than 15 days before the hearing. Said notice shall comply with G.S. 150B-38(b).

(b) Based upon information received, if the Board determines that the public health, safety, or welfare requires emergency action, it may issue an order summarily suspending a license or exam credentials. Upon service of the order, the licensee or qualifier to whom the order is directed shall cease the practice of general contracting in North Carolina. The Board shall give notice of hearing pursuant to G.S. 150B 38 following service of the order. The suspension shall remain in effect pending issuance by the Board of a final agency decision pursuant to G.S. 150B 42.

History Note: *Authority G.S. 87-4; 87 11(b); 150B 3(c); 150B 38; Eff. October 1, 1988; Pursuant to G.S. 150B-21.3A, rule is necessary without substantive public interest Eff. July 23, 2016; Amended Eff. April 1, 2018; Recodified from 21 NCAC 12 .00820 Eff. January 2, 2020.*

21 NCAC 12A .0821 Who Shall Hear Contested Cases

All administrative hearings will be conducted by the Board, a panel consisting of a majority of the members of the Board, or an administrative law judge designated to hear the case pursuant to G.S. 150B-40(e).

History Note: *Authority G.S. 87-11(b); 150B-11; 150B-38; 150B-40; Eff. October 1, 1988. Pursuant to G.S. 150B-21.3A, rule is necessary without substantive public interest Eff. July 23, 2016; Recodified from 21 NCAC 12 .0821 Eff. January 2, 2020.*

21 NCAC 12A .0822 Informal Procedures

The Board and the party or parties may agree in advance to simplify the hearing by: decreasing the number of issues to be contested at the hearing; accepting the validity of certain proposed evidence; accepting the findings in some other case with relevance to the case at hand; or agreeing to such other matters as may expedite the hearing.

History Note: *Authority G.S. 87-11(b); 150B-11; 150B-41; Eff. October 1, 1988. Pursuant to G.S. 150B-21.3A, rule is necessary without substantive public interest Eff. July 23, 2016; Recodified from 21 NCAC 12 .0822 Eff. January 2, 2020.*

21 NCAC 12A .0823 Petition for Intervention

(a) A person desiring to intervene in a contested case must file a written petition with the Board's office. The request should bear the notation: PETITION TO INTERVENE IN THE CASE OF (Name of case).

(b) The petition must include the following information:

(1) The name and address of petitioner;

(2) The business or occupation of petitioner, where relevant;

(3) A full identification of the hearing in which petitioner is seeking to intervene;

(4) The statutory or non-statutory grounds for intervention;

(5) Any claim or defense in respect of which intervention is sought; and

(6) A summary of the arguments of evidence petitioner seeks to present.

(c) The person desiring to intervene shall serve copies of the petition on all parties to the case.

(d) If the Board determines to allow intervention, notice of that decision will be issued promptly to all parties, and to the petitioner. In cases of discretionary intervention, such notification will include a statement of any limitations of time, subject matter, evidence or whatever else is deemed necessary, which are imposed on the intervenor.

(e) If the Board's decision is to deny intervention, the petitioner will be notified promptly. Such notice will be in writing, identifying the reasons for the denial, and will be issued to the petitioner and all parties.

History Note: *Authority G.S. 87-11(b); 150B-11; 150B-38; Eff. October 1, 1988. Pursuant to G.S. 150B-21.3A, rule is necessary without substantive public interest Eff. July 23, 2016; Recodified from 21 NCAC 12 .0823 Eff. January 2, 2020.*

21 NCAC 12A .0824 Types of Intervention

(a) Intervention of Right. A petition to intervene as of right, as provided in the North Carolina Rules of Civil Procedure, Rule 24, will be granted if the petitioner meets the criteria of that rule and the petition is timely.

(b) Permissive Intervention. A petition to intervene permissibly as provided in the North Carolina Rules of Civil Procedure, Rule 24, will be granted if the petitioner meets the criteria of that rule and the Board determines that:

(1) There is sufficient legal or factual similarity between the petitioner's claimed rights, privileges, or duties and those of the parties to the hearing; and

(2) Permitting intervention by the petitioner as a party would aid the purpose of the hearing.

(c) The Board may allow discretionary intervention, with whatever limits and restrictions are deemed appropriate.

History Note: *Authority G.S. 87-11(b); 150B-11; 150B-38; Eff. September 1, 1988. Pursuant to G.S. 150B-21.3A, rule is necessary without substantive public interest Eff. July 23, 2016; Recodified from 21 NCAC 12 .0824 Eff. January 2, 2020.*

21 NCAC 12A .0825 Disqualification of Board Members

History Note: *Authority G.S. 87-11(b); 150B-11; 150B-38; 150B-40; Eff. October 1, 1988; Expired effective August 1, 2016 pursuant to G.S. 150B-21.3A; Recodified from 21 NCAC 12 .0825 Eff. January 2, 2020.*

21 NCAC 12A.0826 Failure to Appear

Should a party fail to appear at a scheduled hearing, the Board may proceed with the hearing and make its decision in the absence of the party, provided that the party has been given notice in accordance with G.S. 150B-38 and unless otherwise directed by law. The Board may order a continuance in order to give the party another opportunity to appear as determined on a case by case basis and upon good cause shown.

History Note: *Authority G.S. 87-4; 87 11(b); 150B 38; 150B 40; Eff. October 1, 1988; Pursuant to G.S. 150B-21.3A, rule is necessary without substantive public interest Eff. July 23, 2016; Amended Eff. April 1, 2018; Recodified from 21 NCAC 12 .0826 Eff. January 2, 2020.*

21 NCAC 12A .0827 Subpoenas

(a) Requests for subpoenas for the attendance and testimony of witnesses or for the production of documents, either at a hearing or for the purposes of discovery, shall:

(1) be made in writing to the Board;

(2) identify any document sought;

(3) include the full name and home or business address of all persons to be subpoenaed; and

(4) if known, the date, time, and place for responding to the subpoena.

The Board shall issue the requested subpoenas within three days of receipt of the request.

(b) Subpoenas shall contain the following:

(1) the caption of the case;

(2) the name and address of the person subpoenaed;

(3) the date, hour, and location of the hearing in which the witness is commanded to appear;

(4) a particularized description of the books, papers, records, or objects the witness is directed to bring with him to the hearing, if any;

(5) the identity of the party on whose application the subpoena was issued;

(6) the date of issue;

(7) the signature of the presiding officer or his designee; and

(8) a "return of service." The "return of service" form as filled out, shall show:

(A) the name and capacity of the person serving the subpoena;

(B) the date on which the subpoena was delivered to the person directed to make service;

(C) the date on which service was made;

(D) the person on whom service was made;

(E) the manner in which service was made; and

(F) the signature of the person making service.

(c) Subpoenas shall be served in a manner set forth in Rule 45 of the N.C. Rules of Civil Procedure.

(d) Any person receiving a subpoena from the Board may object thereto by filing a written objection to the subpoena with the Board's office. Written objections shall comply with Rule 45 of the N.C. Rules of Civil Procedure.

(e) The party who requested the subpoena may file a written response to the objection. The written response shall be served by the requesting party on the objecting witness with filing the response with the Board.

(f) After receipt of the objection and response thereto, if any, the Board shall issue a notice to the party who requested the subpoena and the party challenging the subpoena to be scheduled as soon as practicable, at which time evidence and testimony may be presented, limited to the narrow questions raised by the objection and response.

(g) Promptly after the close of such hearing, a majority of the Board members with voting authority will rule on the challenge and issue a written decision. A copy of the decision will be issued to all parties and made a part of the record.

History Note: *Authority G.S. 87 11(b); 150B 38; 150B-39; 150B 40; Eff. October 1, 1988; Pursuant to G.S. 150B-21.3A, rule is necessary without substantive public interest Eff. July 23, 2016; Amended Eff. April 1, 2018; Recodified from 21 NCAC 12 .0827 Eff. January 2, 2020.*

21 NCAC 12A .0828 Witnesses

Any party may be a witness and may present witnesses on the party's behalf at the hearing. All oral testimony at the hearing shall be under oath or affirmation and shall be recorded. At the request of a party or upon the Board's own motion, the presiding officer may exclude witnesses from the hearing room to preserve the integrity of the testimony presented at the hearing. At the request of a party, witness, or the Board, a witness shall appear by videoconference, via live face-to-face video. Requests to appear by videoconference are to be directed to the Board or the Board's attorney not less than two business days prior to the date of the hearing.

History Note: *Authority G.S. 87 11(b); 150B 38; 150B 40; Eff. September 1, 1988; Pursuant to G.S. 150B-21.3A, rule is necessary without substantive public interest Eff. July 23, 2016; Recodified from 21 NCAC 12 .0828 Eff. January 2, 2020. 2020; Amended Eff. December 1, 2023.*

21 NCAC 12A .0829 Final Decision

In all cases heard by the Board, the Board shall issue a final written decision within 60 days following the close of the hearing. This decision will be the prerequisite "final agency decision" for the right to judicial review.

History Note: *Authority G.S. 87-4; 87 11(b); 150B 38; 150B 42; Eff. September 1, 1988; Pursuant to G.S. 150B-21.3A, rule is necessary without substantive public interest Eff. July 23, 2016; Amended Eff. April 1, 2018; Recodified from 21 NCAC 12 .0829 Eff. January 2, 2020.*

21 NCAC 12A .0830 Proposals for Decisions

(a) If an administrative law judge hears a contested case pursuant to G.S. 150B-40(e), a party may file written exception and alternative finding of facts and conclusions of law to the "proposal for decision" issued by the administrative law judge. The written exceptions and alternative findings of facts and conclusions of law shall be received by the Board within 10 days after the party has received the "proposal for decision" as drafted by the administrative law judge.

(b) Any exceptions shall be written and refer specifically to pages of the record or otherwise identify the occurrence to which exception is taken. The exceptions must be filed with the Board within ten days of the receipt of the proposal for decision. The written exceptions shall bear the notation: EXCEPTIONS TO THE PROCEEDINGS IN THE CASE OF (Name of case).

(c) Pursuant to G.S. 150B-40(e), any party may present oral argument to the Board upon request. The request must be included with the written exceptions.

(d) Upon receipt of request for further oral argument, Board staff shall issue notice to all parties designating time and place for such oral argument.

(e) The Board's final decision shall be a part of the record, a copy shall be given to all parties, and shall be the "final agency decision" for the right to judicial review. The final written decision shall be issued by the Board within 60 days from the date oral arguments were presented to the Board. If there are no oral arguments presented, the final written decision shall be issued within 60 days of the date on which the Board rendered its decision.

History Note: *Authority G.S. 87-4; 87 11(b); 150B 38; 150B 40; Eff. September 1, 1988; Amended Eff. July 1, 2008; Pursuant to G.S. 150B-21.3A, rule is necessary without substantive public interest Eff. July 23, 2016; Amended Eff. April 1, 2018; Recodified from 21 NCAC 12 .0830 Eff. January 2, 2020.*

SECTION .0900 — HOMEOWNERS RECOVERY FUND

21 NCAC 12A .0901 Definitions

The following definitions apply to the Board's administration of the Homeowners Recovery Fund established pursuant to Article 1A, Chapter 87 of the General Statutes:

(1) "Constructing or altering" means contracting for the construction or alteration of a single-family residential dwelling unit.

(2) "Dishonest conduct" means conduct described in G.S. 87-15.5(3).

(3) "Incompetent conduct" means conduct which demonstrates a lack of ability or fitness to discharge a duty associated with undertaking to construct or alter a single-family residential dwelling or the supervision of such construction
or alteration.

(4) "Owner or former owner" means a person who contracted with a general contractor for the construction or purchase of a single-family residential dwelling unit. "Owner or former owner" does not include a person who is a spouse, child, parent, grandparent, sibling, partner, associate, officer, or employee of a general contractor whose conduct caused a reimbursable loss. In addition, the term does not include general contractors or any financial or lending institution, or any owner or former owner of a single-family residential dwelling unit that has been the subject of an award from the Homeowners Recovery Fund resulting from the same dishonest or incompetent conduct. "Owner or former owner" does not include the owner of real property who purchased, owned, constructed, altered, or contracted for construction or alteration of a single-family residential dwelling unit without intending to occupy the single-family residential dwelling unit as a residence.

(5) "Substantial completion" means that degree of completion of a project, improvement or specified area or portion thereof whereupon the owner can use the same for its intended use.

(6) "Separately owned residence" means a building whose construction is governed by the Building Code Council pursuant to G.S. 143-138.

History Note: *Authority G.S. 87-15.6; Eff. January 4, 1993; Amended Eff. April 1, 2014; July 1, 2008; April 1, 2007; April 1, 2001; August 1, 2000; August 1, 1998; Recodified from 21 NCAC 12 .0901 Eff. January 2, 2020.*

21 NCAC 12A .0902 Management of Fund

(a) The Secretary-Treasurer, as the Board's Chief Administrative Officer, shall:

(1) Establish a special account of the Board for those monies collected pursuant to G.S. 87-15.6(b);

(2) Make expenditures from the fund as authorized by G.S. 87-15.7(b) by signing checks for expenditures after the checks are signed by the Chairman.

(b) Until such time as the fund initially reaches two hundred fifty thousand dollars ($250,000.00),or at any time thereafter that the fund has insufficient assets in excess of two hundred fifty thousand dollars ($250,000.00) to pay outstanding claims, the Secretary-Treasurer shall not disburse any payments to an applicant for recovery. Any applicant who is awarded payment from the fund, however, shall hold a vested right for payment once the fund reaches a sufficient level. Authorized payments which cannot be made due to lack of funds will be paid as funds become available, beginning with those payments which have been unsatisfied for the longest period of time.

(c) Monies forwarded to the Board pursuant to G.S. 87-15.6(b) for deposit into the fund shall be accompanied by a verified statement signed by the city or county inspector on a form provided by the Board. The form shall require information concerning the number of permits issued by the reporting inspections department from which the recovery fund fee was collected and the total dollar amount due to the fund for that particular quarter.

History Note: *Authority G.S. 87-15.6; 87-15.7; 87-15.8; Eff. January 4, 1993; Pursuant to G.S. 150-B-21.3A, rule is necessary without substantive public interest Eff. July 23, 2016; Recodified from 21 NCAC 12 .0902 Eff. January 2, 2020.*

21 NCAC 12A .0903 Application for Payment

(a) Homeowners meeting the requirements of G.S. 87-15.8 who wish to file for reimbursement from the Homeowners Recovery Fund shall provide the following information on an application prescribed by the Board:

1) the applicant's name and address,

2) the amount of the claim,

3) a description of the acts of the general contractor which constitute the grounds for the claim claim, and

4) a statement that the applicant has exhausted all civil remedies or the general contractor has filed for bankruptcy.

Requests for the application form shall be directed to the Board at the address shown in Rule .0101 of this Chapter.

(b) If the applicant has exhausted all civil remedies pursuant to G.S. 87-15.8(3)(a), the application shall include certified copies of the complaint, judgment, and return of execution marked as unsatisfied."

(c) If the applicant is claiming against a general contractor that was a corporation dissolved no later than one year after the date of discovery by the applicant of the facts constituting the dishonest or incompetent conduct, then the applicant shall include certified copies of documents evidencing the dissolution.

(d) If the applicant has been precluded from filing suit, obtaining a judgment, or otherwise proceeding due to the bankruptcy of the general contractor, then the applicant shall submit a certified copy of the bankruptcy petition, any proof of claim, and documents from the bankruptcy court or trustee certifying that the applicant has not and will not receive any payment from the bankruptcy proceeding.

(e) If the applicant is claiming against the estate of a deceased general contractor, then the applicant shall submit a statement from the administrator of the estate certifying that the applicant has not and will not receive any payment from the estate.

(f) If the applicant includes copies of a judgment and return of execution marked as unsatisfied, the applicant must demonstrate that the writ of execution was filed in the following counties:

(1) where the project at issue was located;

(2) where the contractor's last known principal place of business was located; and

(3) if the contractor was a licensee of the Board, the county in which the last address provided to the Board was located.

History Note: *Authority G.S. 87-15.6; 87-15.7; 87-15.8; Eff. January 4, 1993; Amended Eff. March 1, 2005; August 1, 1998; Pursuant to G.S. 150-B-21.3A, rule is necessary without substantive public interest Eff. July 23, 2016; Amended Eff. September 1, 2019; Recodified from 21 NCAC 12 .0903 Eff. January 2, 2020.*

21 NCAC 12A .0904 Filing Deadline and Service

(a) Applicants seeking recovery from the fund shall be forever barred unless application is made within one year after termination of all proceedings, including appeals, in connection with an unsatisfied judgment obtained against a general contractor. Claims based upon the bankruptcy, death, or dissolution of the general contractor shall be forever barred unless application is made within three years from the date of discovery by the applicant of the facts constituting the dishonest or incompetent conduct or within six years of substantial completion of the construction or alteration of the residence in question, whichever comes first.

(b) Applications shall be filed at the address shown in Rule .0101 of this Chapter. The Board shall serve a copy of the application upon the general contractor who allegedly caused the loss. Service shall be accomplished by certified mail, return receipt requested, or other methods authorized by G.S. 150B-38(c).

History Note: *Authority G.S. 87-15.6; 87-15.7; 87-15.8; Eff. January 4, 1993;Amended Eff. April 1, 2007; August 1, 1998; Recodified from 21 NCAC 12 .0904 Eff. January 2, 2020.*

21 NCAC 12A .0905 Multiple Claims

(a) Any time the Board has notice of more than one application or potential claim for payment from the fund arising out of the conduct of a single general contractor, the Board may, in its discretion, direct that all applications filed before a date determined by the Board, be consolidated for hearing.

(b) When consolidation is appropriate, the Board shall issue to the general contractor, the applicants and potential claimants, an Order of Consolidation setting forth the deadline for filing all applications to be consolidated. On or before the deadline, the Board may, in its discretion, either extend the deadline or issue to the general contractor and all applicants notice of the time, date and place set for a hearing on the consolidated applications.

(c) Claims for which the Board has received no notice or for which no application has been filed prior to the deadline set forth in the Order of Consolidation shall not be considered by the Board until after the completion of all proceedings relating to the consolidated applications and payment thereon.

History Note: *Authority G.S. 87-15.6; 87-15.7; Eff. January 4, 1993; Pursuant to G.S. 150-B-21.3A, rule is necessary without substantive public interest Eff. July 23, 2016; Recodified from 21 NCAC 12 .0905 Eff. January 2, 2020.*

21 NCAC 12A .0906 Processing of Claim Application

(a) Staff shall refer a filed application to the Recovery Fund Review Committee.

The Recovery Fund Review Committee is a committee made up of the following individuals:

(1) one member of the Board;

(2) the legal counsel of the Board; and

(3) the Secretary-Treasurer.

(b) Within 30 days after service of a copy of the application upon the general contractor, the general contractor may file a response to the application setting forth answers and defenses. Responses shall be filed with the Board and copies shall be served on the applicant.

(c) The Committee shall dismiss a claim if an applicant fails to respond to an inquiry from the Committee or its representative within six months of receipt of the inquiry.

(d) After all preliminary evidence has been received, the Committee shall make a recommendation regarding the disposition of the application. From the evidence,
it shall recommend to the Board that:

(1) the application be dismissed as meritless; or

(2) the application and charges contained therein be presented to the Board for a hearing and determination by the Board on the merits of the application.

(e) The Committee shall give notice of the recommendation to the applicant and the general contractor within 10 days of the Committee's decision. The Committee is not required to notify the parties of the reasons for its recommendation. The decision of the Board is final.

History Note: *Authority G.S. 87-4; 87-15.6; 87-15.7; 87-15.8; Eff. January 4, 1993; Amended Eff. April 1, 2007; Pursuant to G.S. 150-B-21.3A, rule is necessary without substantive public interest Eff. July 23, 2016; Recodified from 21 NCAC 12 .0906 Eff. January 2, 2020.*

21 NCAC 12A .0907 Homeowners Recovery Fund Hearing

(a) If it is determined by the Recovery Fund Review Committee that the Board should conduct a hearing on an application, the Board shall give the applicant and general contractor notice of hearing not less than 15 days before the hearing. Notice of hearing to the general contractor shall be sufficient if mailed to the last known address of the general contractor at least 15 days prior to the date of the hearing. The notice shall contain the following information:

(1) The name, position, address and telephone number of a person at the offices of the Board to contact for further information or discussion;

(2) The date, time, and place for a pre-hearing conference, if any; and

(3) Any other information being relevant to informing the parties as to the procedure of the hearing.

(b) All homeowners recovery fund hearings shall be conducted by the Board or a panel consisting of a majority of the members of the Board.

(c) The provisions of 21 NCAC 12 .0825 governing disqualification of Board members shall also govern hearings conducted pursuant to this Section.

(d) Should a party fail to appear at a hearing, the Board may proceed with the hearing and make its decision in the absence of the party, provided that the party has been given proper notice.

(e) Any party may be a witness and may present witnesses on the party's behalf at the hearing. The Board staff may also present evidence and participate at the hearing. All oral testimony at the hearing shall be under oath or affirmation. At the request of a party, the presiding officer may exclude witnesses from the hearing room so that they cannot hear the testimony of other witnesses.

(f) At the hearing, the applicant shall be required to show:

(1) He has suffered a reimbursable loss as defined in G.S. 87-15.5(6) and Rule .0901(c) of this Chapter in the construction or alteration of a single-family dwelling unit owned or previously owned by that person, provided, that if there have been findings entered in a contested civil action relevant to the issue of whether the applicant has suffered a reimbursable loss, then such findings shall be presumed as established for purposes of this Section subject to rebuttal by the general contractor;

(2) He did not, directly or indirectly, obtain the building permit in his own name or did use a general contractor;

(3) He has made application within one year after the termination of all judicial proceedings, including appeals, in connection with the unsatisfied judgment or within the period prescribed in Rule .0904(a) of this Chapter for claims based upon the automatic stay provisions of Section 362 of the U.S. Bankruptcy Code;

(4) He has diligently pursued his remedies against the general contractor and on any applicable bond, surety agreement or insurance contract, and attempted execution on the judgments against all judgment debtors without success.

(g) The general contractor shall be permitted to participate in the hearing as a party and shall have recourse to all appropriate means of defense, including the examination of witnesses.

History Note: *Authority G.S. 87-15.5; 87-15.6; 87-15.7; 87-15.8; Eff. January 4, 1993; Amended Eff. August 1, 2000; Pursuant to G.S. 150-B-21.3A, rule is necessary without substantive public interest Eff. July 23, 2016; Recodified from 21 NCAC 12 .0907 Eff. January 2, 2020.*

21 NCAC 12A .0908 Order Directing Payment From Fund

After any hearing, the Board may find that an applicant should be paid from the fund and the Board may enter an Order requiring payment from the fund in whatever sum the Board deems appropriate in accordance with the limitations contained in Rule .0910 of this Chapter. All payments are a matter of privilege and not of right.

History Note: *Authority G.S. 87-15.5; 87-15.6; 87-15.7; 87-15.8; Eff. January 4, 1993; Pursuant to G.S. 150-B-21.3A, rule is necessary without substantive public interest Eff. July 23, 2016; Recodified from 21 NCAC 12 .0908 Eff. January 2, 2020.*

21 NCAC 12A .0909 Settlement of Claims

The claim or claims forming the basis of an application for recovery from the fund may be compromised and settled by the applicant and the general contractor after the filing of the application. The parties shall notify the Board immediately of any such settlement. Payment of the claim, in whole or in part, by the general contractor as part of a settlement will result in the claim no longer being a "reimbursable loss" as defined by G.S. 87-15.5(6)(b), and the claim will be dismissed by the Board.

History Note: *Authority G.S. 87-15.6; 87-15.7; 87-15.8; Eff. January 4, 1993; Pursuant to G.S. 150-B-21.3A, rule is necessary without substantive public interest Eff. July 23, 2016; Recodified from 21 NCAC 12 .0909 Eff. January 2, 2020.*

21 NCAC 12A .0910 Limitations; Pro Rata Distribution

(a) Payments from the fund for an approved application shall not exceed an amount equal to 10 percent of the total amount in the fund at the time the application is approved by the Board. All applications considered by the Board at the same meeting shall be subject to the same limitation.

(b) Consequential damages, multiple or punitive damages, civil or criminal penalties or fines, incidental damages, special damages, interest, and court costs shall not constitute monetary losses.

History Note: *Authority G.S. 87-15.6; 87-15.7; 87-15.8; Eff. March 1, 1993; Pursuant to G.S. 150-B-21.3A, rule is necessary without substantive public interest Eff. July 23, 2016; Recodified from 21 NCAC 12 .0910 Eff. January 2, 2020.*

21 NCAC 12A .0911 Subrogation of Rights

When the Board has paid from the fund any sum to the applicant, the Board shall be subrogated to the rights of the applicant and the applicant shall assign to the Board all of his rights, title, and interest in the claim to the extent of the amount paid from the fund.

History Note: *Authority G.S. 87-15.6; 87-15.7; 87-15.9; Eff. January 4, 1993; Pursuant to G.S. 150-B-21.3A, rule is necessary without substantive public interest Eff. July 23, 2016; Recodified from 21 NCAC 12 .0911 Eff. January 2, 2020.*

21 NCAC 12A .0912 Actions Against General Contractor

Nothing contained in these Rules shall prohibit or limit the authority of the Board to take disciplinary action against its licensees or to seek injunctive relief against those persons who have engaged in the unauthorized practice of general contracting. Stipulations made between the general contractor and the applicant as part of settlement or compromise of any claim shall not be binding on the Board in any disciplinary proceeding or action for injunction.

History Note: *Authority G.S. 87-11; 87-13; 87-13.1; 87-15.6; Eff. January 4, 1993; Pursuant to G.S. 150-B-21.3A, rule is necessary without substantive public interest Eff. July 23, 2016; Recodified from 21 NCAC 12 .0912 Eff. January 2, 2020.*

SUBCHAPTER 12B—CONTINUING EDUCATION

SECTION .0100 — GENERAL

21 NCAC 12B .0101 General

(a) To ensure continuing efforts on the part of licensed general contractors to remain current with new developments in all aspects of general contracting and to encourage better business practices and safety in the profession, continuing education is required as a condition of license renewal. If required pursuant to G.S. 87-10.2(a), a licensee shall submit, as a part of his or her renewal application, evidence that he or she has met the

Board's continuing education requirements as set forth in this Section. Except as provided in Rule .0104 of this Subchapter, renewal applications that do not contain this information shall be deemed incomplete.

(b) This Subchapter shall apply to all aspects of continuing education as set forth in G.S. 87-10.2.

(c) For the purposes of this Subchapter, the terms "sponsor" and "provider" shall be synonymous.

History Note: *Authority G.S. 87-10.2; Temporary Adoption Eff. January 2, 2020; Eff. September 1, 2020.*

21 NCAC 12B .0102 Continuing Education Credit

(a) Beginning with renewals filed for the 2021 license year, a licensee shall designate at least one qualifier who shall complete eight continuing education (CE) hours during the year preceding renewal.

(b) For the purposes of this Subchapter, "elective courses" are defined as courses relating to the subject matter of general contracting as described in G.S. 87-1 and 87-10 that address general business practices, including business planning, contracts, liability exposure, human resources, basic accounting, financial statements, and safety.

(c) One credit hour is equal to 50 minutes of instructional time.

History Note: *Authority G.S. 87-1; 87-10; 87-10.2;Temporary Adoption Eff. January 2, 2020; Eff. September 1, 2020.*

21 NCAC 12B .0103 Continuing Education Records; Audit

(a) A licensee shall maintain records of a qualifier's attendance at continuing education programs for which CE credit has been approved for four years following the processing date of the renewal application to which the CE credits were applied.

(b) Compliance with annual CE requirements shall be determined through a random audit process conducted by the Board. Licensees selected for auditing shall provide the Board with the following documentation of the CE activities claimed for the renewal period:

(1) attendance verification records; and

(2) information regarding course content, instructors, and sponsoring organization.

(c) Licensees selected for audit shall submit all requested information to the Board within 21 calendar days after the date the licensee was notified by the Board of the audit.

(d) Failure to maintain compliance with the Board's continuing education requirements shall result in the licensee's status being changed to invalid except as set forth in G.S. 87-10.2(h).

History Note: *Authority G.S. 87-10.2(h); Temporary Adoption Eff. January 2, 2020.*

21 NCAC 12B .0104 Extension of Time

(a) The Board shall grant a licensee an extension of time to complete CE requirements during a period of service in the Armed Forces of the United States upon submission of the following to the Board:

(1) written request for an extension; and

(2) documentation that the licensee or his or her qualifier is serving in the Armed Forces of the United States and is eligible for an extension of time to file a tax return pursuant to G.S. 105-249.2.

(b) The Board shall grant a licensee an extension of time to obtain CE requirements if he or she or his or her qualifier has a disability or illness that prevents him or her from complying with CE requirements. In order to receive the waiver, a licensee shall provide the Board with the following:

(1) written request for waiver; and

(2) documentation that describes the disability or illness and explains how the disability or illness prevents the licensee's qualifier from complying with the Board's CE requirements. Documentation includes a letter from a licensed physician, nurse practitioner (NP), or physician assistant (PA).

(c) Where on a case-by-case basis the Board determines that due to an undue hardship (such as natural disaster or illness of family member) the licensee could not reasonably be expected to comply with the Board's CE requirements, the licensee shall be granted an extension of time in which to obtain the required CE credits. To be considered for an extension of time, a licensee shall submit the following:

(1) written request for extension; and

(2) documentation that supports the reason for the extension.

(d) The Board shall grant a waiver of CE requirements upon submission of documentation that a licensee or his or her qualifier is in active duty while serving in the Armed Forces and is or has been deployed for at least eight months during the twelve-month period during which CE credits were required.

(e) An extension granted under Paragraphs (b) or (c) of this Rule shall not exceed one year. Prior to the expiration of the one year extension of time, a licensee may request an additional extension in accordance with this Rule. Except as set out in Paragraph (a) of this Rule, the Board shall grant no more than two consecutive extensions.

History Note: *Authority G.S. 87-10.2(j); 93B-15; 105-249.2; Temporary Adoption Eff. January 2, 2020; Eff. September 1, 2020.*

21 NCAC 12B .0105 Inactive Status

(a) Applications for inactive status as described in G.S. 87-10.2(h) shall contain the following:

(1) license name and number issued by the Board;

(2) name(s) of qualifier(s);

(3) if required, proof of active license status with the Board; and

(4) certification that the individual submitting the request is authorized by the licensee to do so.

(b) If a licensee on inactive status fails to renew his or her license as of January 1 of the following year, the license shall become invalid in accordance with Article 1, Chapter 87 and the rules set forth in 21 NCAC 12A.

(c) A licensee on inactive status who wishes to return to active status shall submit an application to the Board that contains the following information:

(1) license name and number issued by the Board;

(2) name(s) of qualifier(s) and the classifications in which they qualify;

(3) application renewal fee and, if applicable, late fees as set out in G.S. 87-10(e) and Rule .0304 in 21 NCAC 12A .0304; and

(4) proof of completion of continuing education requirements as set forth in G.S. 87-10.2(h).

History Note: *Authority G.S. 87-1; 87-10; 87-10.2(h);Temporary Adoption Eff. January 2, 2020; Eff. September 1, 2020.*

SECTION .0200 — PROVIDERS

21 NCAC 12B .0201 Application For Initial Approval of Continuing Education Provider

(a) Only continuing education providers approved by the Board shall be eligible to offer continuing education courses. If a third party advertises or hosts an approved course, all materials advertising the course shall include the approved provider's name.

(b) Prospective providers of all courses shall obtain written approval from the Board to conduct courses prior to conducting courses and prior to advertising or otherwise representing that the course is or may be approved for general contractor continuing education credit in North Carolina. No retroactive approval to conduct continuing education courses will be granted.

(c) Any entity seeking initial approval to be a continuing education provider shall apply using a form available on the Board's website that requires the applicant to set forth:

(1) the legal name of applicant and any assumed business name;

(2) the applicant's mailing address, telephone number, and email address;

(3) the SOS ID number issued by the NC Secretary of State, if applicable;

(4) the legal names of the provider's owners, members, managers, or partners;

(5) the name of a continuing education coordinator who shall serve as the contact person for the provider; and

(6) the signature of the applicant or its legal designee.

(d) The name of any course provider shall not be identical or similar so as to cause confusion to the name of any other approved continuing education course provider.

(e) Continuing education providers shall notify the Board in writing within 10 days of any change in business name, ownership interest, continuing education coordinator, address, business telephone number, or email address.

History Note: *Authority G.S. 87-10.2; Temporary Adoption Eff. January 2, 2020; Eff. September 1, 2020; Amended Eff. January 1, 2023.*

21 NCAC 12B .0202 Expiration and Renewal of Provider Approval

(a) All Board approvals issued to providers shall expire annually on December 1 following issuance of approval.

(b) A provider shall submit an application for renewal of its approval within 45 days immediately preceding expiration of approval on a form available on the Board's website. The provider renewal application form shall include:

(1) the provider's name;

(2) the provider ID number issued by the Board;

(3) the name of the provider's designated continuing education coordinator;

(4) the provider's mailing address, telephone number, and web address, if applicable;

(5) any change in the provider's business entity; and

(6) the signature of the provider or its legal designee.

(c) If a provider's approval has expired, the provider shall submit an application as a new applicant.

History Note: *Authority G.S. 87-10.2; Temporary Adoption Eff. January 2, 2020; Eff. September 1, 2020.*

21 NCAC 12B .0203 Denial or Withdrawal of Provider Approval

(a) The Board may deny or withdraw approval of any continuing education provider upon finding that the provider or the continuing education coordinator in the employ of the provider:

(1) made any false statements or presented any false, incomplete, or incorrect information in connection with an application for course or provider approval or renewal;

(2) made any false statements in course advertisement or promotional materials;

(3) provided false, incomplete, or incorrect information in connection with any reports the continuing education provider is required to submit to the Board;

(4) delivered CE course content that infringed upon copyright or any intellectual property right of another;

(5) provided the Board a check or credit card for required fees that was not honored by a financial institution or bank or returned for insufficient funds;

(6) collected money from licensees and qualifiers for a continuing education course but refused or failed to provide the promised instruction;

(7) intentionally provided false, incomplete, or misleading information relating to general contractors licensing, education matters, or the qualifier's education requirements or license status;

(8) failed to submit the CE Roster Reports as required by Rule .0206 of this Subchapter;

(9) failed to submit the per student fee as required by 21 NCAC 12A .0304; or

(10) failed to comply with any other provision of this Chapter.

(b) A licensed general contractor and its qualifier(s) shall be subject to discipline pursuant to G.S. 87-11 if the licensee or its qualifier(s) engages in dishonest, fraudulent, or improper conduct in connection with the operations of a continuing education course provider if that licensee or qualifier(s):

(1) has an ownership interest in the course provider;

(2) is the designated continuing education coordinator for the course provider; or

(3) is an instructor for the course provider.

(c) When ownership of an approved continuing education provider is transferred to a separate legal entity, the provider's approval is not transferable and shall terminate on the effective date of the transfer. All courses shall be completed by the effective date of the transfer. The transferring owner shall report course completion(s) to the Board. The new entity shall obtain an original continuing education provider approval as required by Rule .0202 of this Subchapter prior to advertising courses, registering students, accepting tuition, conducting courses, or otherwise engaging in any provider operations.

History Note: *Authority G.S. 87-10.2(b) and (c);; Temporary Adoption Eff. January 2, 2020; Eff. September 1, 2020; Amended Eff. January 1, 2022; Eff. September 1, 2020; Amended Eff. July 1, 2021*

21 NCAC 12B .0204 Attendance; Roster Reports and Certificates

(a) Qualifiers shall provide proof of identity upon arrival at a class session.

(b) At the conclusion of any continuing education course, the provider shall submit to the Board a CE Roster Report verifying each qualifier's completion of the course. The CE Roster Report shall be submitted to the Board and shall contain the following:

(1) provider's name;

(2) provider's ID number assigned by the Board;

(3) course instructor's name and ID number;

(4) course's name and ID number;

(5) course completion date;

(6) name and qualifier ID number of each student who completed the course; and

(7) name, qualifier ID number, and reason given for each student who requested but was denied credit by the provider.

(c) Providers shall submit the CE Roster Report electronically to the Board within seven calendar days following the end of any course, but in no case later than December 7.

(d) Providers shall submit the per student fee required by 21 NCAC 12A .0304 with the CE Roster Report.

(e) Providers shall provide a course completion certificate to each student who completes an approved continuing education course. Providers shall provide a printed or electronic certificate to a student within 10 days following the course, but in no case later than December 7, for any course completed prior to that date.

(f) A student shall not be issued a completion certificate and shall not be reported to the Board as having completed a course unless the student satisfies the attendance requirements set forth in this Subchapter.

History Note: *Authority G.S. 87-10.2(d) and (e); Temporary Adoption Eff. January 2, 2020; Eff. September 1, 2020; Amended Eff. July 1, 2021.*

21 NCAC 12B .0205 Course Scheduling

Continuing education providers shall not offer, conduct, or allow a student to complete any continuing education course between December 1 and December 31, inclusive.

History Note: *Authority G.S. 87-10.2(b); Temporary Adoption Eff. January 2, 2020; Eff. September 1, 2020.*

21 NCAC 12B .0206 Records And Board Review

(a) All providers shall retain on file for four years records of student registration and attendance for each session of an approved continuing education course that is conducted and shall make such records available to the Board upon request during an investigation.

(b) Providers shall admit any Board authorized representative to monitor any continuing education class without prior notice. Such representatives shall not be required to register or pay any fee and shall not be reported as having completed the course.

History Note: *Authority G.S. 87-10.2(b); Temporary Adoption Eff. January 2, 2020; Eff. September 1, 2020.*

SECTION .0300 – COURSES

21 NCAC 12B .0301 Course Requirements

(a) All continuing education courses shall:

(1) cover subject matter related to the practice of general contracting and offer knowledge or skills that will enable general contractors to better serve consumers and the public interest;

(2) offer two or four continuing education credit hours;

(3) include materials for students that provide the information to be presented in the course; and

(4) be taught only by an instructor who possesses education or experience in a field directly related to the course.

(b) Mandatory courses shall cover subject matter as established by the Board.

(c) Providers shall submit all elective courses to the Board for approval pursuant to Rule .0302 of this Subchapter.

(d) Elective courses shall be related to the practice of general contracting as set forth in Article 1 of Chapter 87 in the North Carolina General Statutes. Instructional time and materials shall be utilized for instructional purposes only.

(e) All elective courses shall include the following disclaimer within the first three pages or slides of the course materials: THE NORTH CAROLINA LICENSING BOARD FOR GENERAL CONTRACTORS HAS APPROVED THIS COURSE ONLY AS TO ITS RELEVANCE TO THE PRACTICE OF GENERAL CONTRACTING IN NORTH CAROLINA. THE COURSE PROVIDER AND INSTRUCTOR ARE RESPONSIBLE FOR THE ACCURACY OF THE CONTENT AND COMPLIANCE WITH ALL STATE AND FEDERAL LAWS DURING THE ADMINISTRATION OF THE COURSE.

(f) Providers shall obtain approval from the Board before making any changes in the content of a prior approved elective course. Requests for approval of changes shall be made in writing.

History Note: *Authority G.S 87-10.2(b); Temporary Adoption Eff. January 2, 2020; Amended Eff. July 1, 2021.*

21 NCAC 12B .0302 Approval and Renewal of Elective Course

(a) Prior to obtaining the Board's written approval of a continuing education elective course, providers shall not offer, advertise, or otherwise represent that any continuing education elective course is, or may be, approved for continuing education credit in North Carolina.

(b) A provider seeking initial approval of a proposed elective course shall complete an application on a form available on the Board's website that requires the applicant to set forth the following:

(1) title of the proposed elective course;
(2) provider's legal name, address, and telephone number;
(3) continuing education coordinator's name;
(4) provider's ID number, if previously approved;
(5) credit hours awarded for completing the course;
(6) subject matter of the course as evidenced by course outlines, PowerPoint slides, videos, or other similar materials;
(7) identity of the course content owner;
(8) written permission of the course content owner, if other than the applicant;
(9) certification that the course content does not infringe upon any copyright or any intellectual property right of another;
(10) identity of prospective instructors; and
(11) signature of the provider or its legal designee.

(c) The application for initial approval shall be accompanied by a copy of the elective course guide, which shall include course objectives, learning objectives for each topic, a timed outline, instructional methods and aids to be employed, and all materials that will be provided to students.

(d) A provider seeking approval to offer an already approved elective course shall complete an application on a form available on the Board's website that requires the applicant to submit the following:

(1) title of the elective course;
(2) applicant's legal name, address, and telephone number;
(3) applicant's continuing education coordinator's name;
(4) applicant's continuing education provider code, if previously approved;
(5) identity of the course content owner;
(6) written permission of the course content owner, if other than the applicant;
(7) certification that the course content does not infringe upon any copyright or any intellectual property right of another;
(8) identity of prospective instructors;
(9) signature of the provider or its legal designee; and
(10) certification that there have been no changes to the course materials since the course was last approved.

(e) If the course will be taught by any method other than live, in-person, in-class instruction, the provider shall, if requested, make the presentation available and accessible to the Board at no cost to the Board during the Board's operating hours. In case of an internet-based course, the Board shall be provided access to the course at a date and time set by the Board and shall not be charged any fee for such access.

(f) All applications for approval and renewal of elective courses shall be accompanied by fees as required by 21 NCAC 12A .0304.

(g) Board approval of all continuing education elective courses shall expire on December 1 of each year.

(h) In order to obtain approval for an expired continuing education elective, a course provider shall submit an application for initial approval.

(i) Courses offered prior to Board approval shall not be eligible for continuing education credit.

History Note: *Authority G.S. 87-10.2(b); Temporary Adoption Eff. January 2, 2020; Eff. September 1, 2020; Amended Eff. January 1, 2022.*

21 NCAC 12B .0303 Mandatory Course

(a) The Board shall annually develop a Mandatory course as described in G.S. 87-10.2(b) and shall provide instructional materials for use by providers.

(b) Only approved continuing education providers shall offer the Mandatory course to students. Only approved instructors pursuant to Rule .0401 of this Subchapter shall instruct the Mandatory course.

(c) Providers shall obtain written approval from the Board prior to offering, advertising, or otherwise representing that any Update course is being offered for continuing education credit in North Carolina.

(d) A provider seeking approval to offer the Mandatory course shall submit an application form available on the Board's website that shall require the following:

(1) provider's legal name, address, telephone number, and website:

(2) continuing education coordinator's name;

(3) if applicable, provider's ID number assigned by the Board;

(4) if applicable, name and instructor ID number of prospective instructors; and

(5) signature of the applicant or its legal designee.

(e) A provider may obtain approval from the Board to offer the Mandatory course by requesting it on the application or renewal of the provider's approval.

(f) All supplemental materials distributed to Mandatory course attendees shall be developed solely by the Board or its designee. Such materials shall be distributed to each student taking the Mandatory course.

(g) Board approval to offer Mandatory courses shall expire annually on November 30 following issuance of approval. Providers shall apply for renewal of approval to offer Mandatory courses along with the renewal of provider approval required in Rule .0202 of this Subchapter.

(h) All Mandatory course materials developed by the Board are the sole property of the Board and are subject to the protection of federal copyright laws. Violation of the Board's copyright with regard to these materials shall be grounds for disciplinary action or other action as permissible by law.

History Note: *Authority G.S. 87-10.2(c); Temporary Adoption Eff. January 2, 2020; Eff. September 1, 2020.*

SECTION .0400 – INSTRUCTORS

21 NCAC 12B .0401 Application And Criteria For Initial Instructor Approval

(a) A provider seeking initial instructor approval shall submit an application on a form available on the Board's website that requires the instructor applicant to indicate the course(s) for which he or she is seeking approval and set forth the instructor applicant's:

(1) legal name, address, email address, and telephone number;

(2) general contractor's license number, qualifier ID number, and instructor ID number, if any, assigned by the Board;

(3) education background, including specific general contracting education;

(4) experience in the general contracting industry;

(5) professional licenses or certifications held by the prospective instructor;

(6) teaching experience, if any; and

(7) signature of the prospective instructor.

(b) Prior to teaching the Mandatory course, an instructor shall attend the Board's Mandatory Instructor Seminar for the designated license year.

(c) Approved instructors who are also qualifiers shall receive one hour of CE credit for each one hour of class instruction. Approved instructors shall only receive instruction credit once per course. Course providers shall be responsible for payment of all CE fees for instructors seeking CE credit.

History Note: *Authority G.S. 87-10.2(b) and (d); Temporary Adoption Eff. January 2, 2020; Eff. September 1, 2020; Amended Eff. January 1, 2022.*

21 NCAC 12B .0402 Renewal And Expiration of Instructor Approval

(a) Board approval of instructors shall expire annually on December 1 following issuance of Board approval.

(b) A provider shall file an application for a previously approved instructor renewal no less than 30 days immediately preceding expiration of approval. The instructor renewal application shall include the instructor's:

(1) legal name, address, email address, and telephone number;

(2) general contractor's license number and qualifier ID number, if applicable, and instructor ID number assigned by the Board;

(3) course name(s) and course number(s) for which the provider is seeking approval as an instructor; and

(4) signature.

(c) In order to reinstate an instructor approval that has been expired for less than six months, the former instructor shall meet the requirements set forth in Paragraph (b) of this Rule.

(d) If an instructor approval has been expired for more than six months, the provider shall file an application for initial instructor approval pursuant to Rule .0401 of this Subchapter.

History Note: *Authority G.S. 87-10.2(d); Temporary Adoption Eff. January 2, 2020; Eff. September 1, 2020.*

21 NCAC 12B .0403 Denial or Withdrawal of Instructor Approval

The Board may deny or withdraw approval of any instructor applicant or approved instructor upon finding that the instructor or instructor applicant:

(1) has failed to meet the criteria for approval described in Rule .0401 of this Subchapter or the criteria for renewal of approval described in Rule .0402 of this Subchapter at the time of application or at any time during an approval period;

(2) made any false statements or presented any false, incomplete, or incorrect information in connection with an application for approval or renewal of approval or any report that is required to be submitted in accordance with this Subchapter;

(3) has failed to submit to the Board any report, course examination, or video recording required by this Subchapter;

(4) has failed to demonstrate the ability to teach any elective or Mandatory course in a manner consistent with the course materials;

(5) engaged in any other improper, fraudulent, or dishonest conduct as determined by the Board; or

(6) failed to comply with any other provisions of this Chapter.

History Note: *Authority G.S. 87-10.2(d); Temporary Adoption Eff. January 2, 2020; Eff. September 1, 2020.*