

GENERAL ASSEMBLY OF NORTH CAROLINA  
SESSION 2019

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HOUSE PRINCIPAL CLERK

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HOUSE BILL DRH20001-Ndf-1A\*

Short Title: Continuing Education for General Contractors. (Public)

Sponsors: Representatives Potts, Brody, Howard, and Clemmons (Primary Sponsors).

Referred to:

1 A BILL TO BE ENTITLED  
2 AN ACT TO REVISE THE LAW GOVERNING THE LICENSURE OF CERTAIN GENERAL  
3 CONTRACTORS TO REQUIRE CONTINUING EDUCATION FOR THE PURPOSE OF  
4 ENHANCING THE PROFESSIONAL COMPETENCE AND PROFESSIONAL  
5 RESPONSIBILITY OF THOSE LICENSEES.

6 The General Assembly of North Carolina enacts:

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

9 **§ 87-10.2. Continuing education.**

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

17 (b) Of the eight hours of annual continuing education required by this section, two hours  
18 shall be a mandatory course approved by the Board and the remaining six hours shall be elective  
19 courses approved by the Board. The Board shall approve:

20 (1) The content of continuing education courses.

21 (2) Accreditation of continuing education sponsors and programs.

22 (3) Computation of credit.

23 (4) General compliance procedures.

24 All prospective providers of the mandatory course shall attend a training program established,  
25 approved, and administered by the Board to ensure the quality and consistency of mandatory  
26 course information. Each qualifier or qualifying party must complete the mandatory course each  
27 year.

28 All prospective providers of elective courses shall submit course materials and instructor  
29 qualifications for Board evaluation, approval, and accreditation. Each qualifier or qualifying  
30 party may accumulate and carry forward up to four hours of elective course credit to the next  
31 calendar year.

32 (c) Continuing education credit hours may only be given for courses that are taught live  
33 by an instructor approved by the Board. To receive credit, a qualifier or qualifying party must  
34 attend and view the live teaching of the course and shall certify this requirement in the manner  
35 required by the Board. Only the period of live instruction shall apply to the satisfaction of the  
36 continuing education requirement established by this section. Continuing education providers



1 shall certify the attendance of course attendees and shall transmit the qualifier or qualifying  
2 party's certification to the Board. For the purposes of this subsection, "live instruction" includes  
3 a maximum of two elective credit hours presented by video of a previously recorded and  
4 approved presentation by an approved instructor or instructors provided the presentation is  
5 proctored by the approved sponsor. False certification of attendance shall be grounds for the  
6 suspension or revocation of the course provider's privilege to provide courses in this State. The  
7 Board may take disciplinary action against any licensee on account of a false certification of  
8 attendance by that licensee's qualifier or qualifying party at any continuing education course. The  
9 Board shall maintain and distribute, as appropriate, records of the educational coursework  
10 successfully completed by each qualifier or qualifying party, including the subject matter and the  
11 number of hours of each course.

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

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

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

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

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

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

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

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

46 **"§ 87-10. Application for license; examination; certificate; renewal.**

47 ...

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

1 license, and seventy-five dollars (\$75.00) for a limited license. Renewal applications shall be  
2 accompanied by evidence of continued financial responsibility ~~satisfactory to the Board~~ and  
3 evidence of satisfactory completion of continuing education as required by G.S. 87-10.2.  
4 Renewal applications received by the Board on or after the first day of January shall be  
5 accompanied by a late payment of ten dollars (\$10.00) for each month or part after January.

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

10 **SECTION 3.** The State Licensing Board for General Contractors shall adopt  
11 temporary rules to implement G.S. 87-10.2 and G.S. 87-10, as enacted by Section 1 and Section  
12 2 of this act. Notwithstanding G.S. 150B-21.1(d), the temporary rules required by this act shall  
13 remain in effect until the effective date of the permanent rule adopted to replace these temporary  
14 rules. The Board is exempt from the fiscal note requirement of G.S. 150B-21.4 in adopting rules  
15 to implement this act.

16 **SECTION 4.** This act becomes effective January 1, 2020, and applies to licenses  
17 renewed on or after that date.