

North Carolina Licensing Board for General Contractors

April 30, 2021

Joint Legislative Admin. Procedure Oversight Committee 545 Legislative Office Building 300 N. Salisbury St. Raleigh, NC 27603

RE: Annual Report of Activities for 2020

Dear Sir:

The North Carolina Licensing Board for General Contractors pursuant to §93B-2(a) is pleased to present to you this report of its activities for 2020.

The Licensing Board is comprised of nine members, serving 5-year staggered terms. The Board currently employs 18 full-time persons. As charged by our governing legislation at Chapter §87 Article 1 of the North Carolina General Statutes, the purpose of the Board is to regulate the practice of general contracting in North Carolina by evaluating licensure applications for specific criteria by granting licenses to qualified contractors. The Board also imposes disciplinary action in appropriate cases by suspending or revoking the licenses of general contractors who violate provisions of the Board's disciplinary statute. The Board receives no state funding to conduct its operations. Rather, the Board is receipt-supported, being funded entirely by application, licensing and education fees charged to contractors located in North Carolina as well as in other states, US Territories, and foreign countries.

Applicants must pass an examination before being licensed unless they are admitted by reciprocity. Once an examination has been passed, reexamination is not required unless a license has lapsed for a period of four or more years (N.C.G.S. §87-10(f). All failing candidates are entitled to a review of their exam, thereby allowing the candidate an opportunity to determine which examination questions were answered incorrectly.

As of December 31, 2020, there were 28,751 general contractors licensed to operate in North Carolina. North Carolina's general contractor licensing laws provide that persons, firms or corporations who bid upon or who construct projects costing \$30,000 or more are first required to be licensed to practice general contracting.

In 2020, a total of 2,682 persons, firms or corporations applied to the Board for licensure and 2,333 examinations were administered. The overall pass rate for examinations

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given in 2020 was 59%. The Board granted 1,676 general contractors licenses to persons, firms, or corporations in 2020. There were no known applicants seeking licensure with military training.

For the year 2020, the Board received 763 sworn complaints regarding contractors. In 2020, the Board revoked or suspended 48 licenses, issued 53 formal reprimands, obtained 68 injunctions and 1 conviction for criminal contempt of court in Superior Court against unlicensed contractors for the unlicensed practice of general contracting. In other formal administrative action by the Board last year, 7 applicants were either conditionally delayed or denied issuance or reinstatement of licensure or the authorization to take an examination.

The Homeowners Recovery Fund is administered by the Board to reimburse homeowners in North Carolina who have suffered a reimbursable loss in the construction or alteration of a single-family dwelling in this state. There were 7 Recovery Fund Hearings conducted in 2020 allowing eligible claimants to present claims before the Board for reimbursement. A total of \$283,699.00 was awarded to eligible claimants.

In 2020 there were no amendments to Chapter 87 of the General Statutes. The Board amended, adopted, or repealed twenty (20) rules under 21 NCAC 12 which became effective on September 1, 2020. The Board's current Laws & Rules can be found on the Board website at www.nclbgc.org.

Enclosed, pursuant to §93B-2(b) please find financial statements for fiscal year(s) ended December 31, 2019 and 2020. We hope that you have found this description of the Board's activities helpful.

Sincerely,

C. Frank Wiesner
Executive Director

2020 Members of the Licensing Board:

Lee Thomason, Chairman

Robyn Hicks-Guinn Henry Lanier

Lisa Piercy, Vice-Chairman Benton Albritton

Bobby Lasater, P.E.

John Cooper

George Ratchford (appointed 9/24/20)

Lyle D. Gardner

J. David Stike (Expired 12/31/19 served through 9/24/20)