

GENERAL ASSEMBLY OF NORTH CAROLINA

SESSION 1991

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HOUSE BILL 41

Short Title: Contractor License Limits.

(Public)

Sponsors: Representatives Easterling, Hasty, Ligon, Lineberry, Privette, Woodard; and Warner.

Referred to: State Government.

February 11, 1991

1 A BILL TO BE ENTITLED
2 AN ACT TO DECREASE THE PROJECT COST MINIMUM FOR APPLICABILITY
3 OF CONTRACTORS LICENSURE REQUIREMENTS AND TO CLARIFY
4 EXEMPTION PROVISIONS.

5 The General Assembly of North Carolina enacts:

6 Section 1. G.S. 87-1 reads as rewritten:

7 "**§ 87-1. 'General contractor' defined; exceptions.**

8 For the purpose of this Article any person or firm or corporation who for a fixed
9 price, commission, fee or wage, undertakes to bid upon or to construct or who
10 undertakes to superintend or manage, on his own behalf or for any person, firm or
11 corporation that is not licensed as a general contractor pursuant to this Article, the
12 construction of any building, highway, public utilities, grading or any improvement or
13 structure where the cost of the undertaking is ~~forty-five~~ twenty-five thousand dollars
14 ~~(\$45,000)~~ (\$25,000) or more, or undertakes to erect a North Carolina labeled
15 manufactured modular building meeting the North Carolina State Building Code, shall
16 be deemed to be a 'general contractor' engaged in the business of general contracting in
17 the State of North Carolina.

18 This section shall not apply to persons or firms or corporations furnishing or erecting
19 industrial equipment, power plant equipment, radial brick chimneys, and monuments.

20 This section shall not apply to any person or firm or corporation who constructs or
21 alters a building on land owned by that person, firm or corporation ~~when provided such~~
22 ~~building is intended for use by that person, firm or corporation after completion.~~ solely for
23 occupancy by that person and his family, firm, or corporation after completion; and

1 provided further that, if such building is not occupied solely by such person and his
2 family, firm or corporation for at least 12 months following completion, it shall be
3 presumed that the person, firm or corporation did not intend such building solely for
4 occupancy by that person and his family, firm or corporation.

5 This section shall not apply to any person engaged in the business of farming who
6 constructs or alters a building on land owned by that person and used in the business of
7 farming, when such building is intended for use by that person after completion, and
8 provided that the cost of the construction or alteration is less than forty-five thousand
9 dollars (\$45,000)."

10 Sec. 2. G.S. 87-14 reads as rewritten:

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

12 Any person, firm or corporation, upon making application to the building inspector
13 or such other authority of any incorporated city, town or county in North Carolina
14 charged with the duty of issuing building or other permits for the construction of any
15 building, highway, sewer, grading or any improvement or structure where the cost
16 thereof is to be ~~forty-five~~ twenty-five thousand dollars ~~(\$45,000)~~ (\$25,000) or more,
17 shall, before he be entitled to the issuance of such permit, furnish satisfactory proof to
18 such inspector or authority that he or another person contracting to superintend or
19 manage the construction is duly licensed under the terms of this Article to carry out or
20 superintend the same, and that he has paid the license tax required by the Revenue Act
21 of the State of North Carolina then in force so as to be qualified to bid upon or contract
22 for the work for which the permit has been applied; and it shall be unlawful for such
23 building inspector or other authority to issue or allow the issuance of such building
24 permit unless and until the applicant has furnished evidence that he is either exempt
25 from the provisions of this Article or is duly licensed under this Article to carry out or
26 superintend the work for which permit has been applied; and further, that the applicant
27 has paid the license tax required by the State Revenue Act then in force so as to be
28 qualified to bid upon or contract for the work covered by the permit; and such building
29 inspector, or other such authority, violating the terms of this section shall be guilty of a
30 misdemeanor and subject to a fine of not more than fifty dollars (\$50.00)."

31 Sec. 3. This act is effective upon ratification and applies to bids made,
32 projects undertaken, or permits applied for on or after that date.