# GENERAL ASSEMBLY OF NORTH CAROLINA SESSION 2009

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# HOUSE BILL 1532\*

|          | Short Title: Require License for Fire Alarm Contracting.      |   | (Public)    |  |
|----------|---|---|-------------|--|
|          | Sponsors:   | Representatives Barnhart; and Faison.   |             |  |
| _        | Referred to:  | Commerce, Small Business, and Entrepreneurship, if favorab<br>Government/State Personnel, if favorable, Finance.                                      | le, State   |  |
|          |   | April 23, 2009  |             |  |
| 1        |   | A BILL TO BE ENTITLED   |             |  |
| 2        | AN ACT TO   | REQUIRE THAT FIRE ALARM CONTRACTORS BE LICENSED   | IN THIS     |  |
| 3        |   | AND TO EXPAND THE ROLE OF THE STATE BOARD OF EXAMIN   |             |  |
| 4        | ELECTRICAL CONTRACTS TO ENCOMPASS THE LICENSURE OF FIRE ALARM |   |             |  |
| 5        | CONTRACTORS.  |   |             |  |
| 6        | W   | hereas, the General Assembly finds that the licensure of persons who in   | nstall fire |  |
| 7        | alarms is nec   | ressary in order to protect the life, health, and property of the general j   | public by   |  |
| 8        | ensuring that   | the installation of fire alarm systems is performed by persons who  | have the    |  |
| 9        | • •   | perience, training, and qualifications to install, test, and maintain those   | systems;    |  |
| 10       | Now, therefor   |   |             |  |
| 11       |   | Assembly of North Carolina enacts:  |             |  |
| 12       |   | <b>ECTION 1.</b> The title of Article 4 of Chapter 87 of the General Statutes   | reads as    |  |
| 13       | rewritten:  |   |             |  |
| 14       |   | "Article 4.   |             |  |
| 15       | CT.   | Electrical and Fire Alarm Contractors."   |             |  |
| 16       |   | ECTION 2.(a) G.S. 87-39 reads as rewritten:   |             |  |
| 17       |   | Board of Examiners; appointment; terms; chairman; meetings;   | quorum;     |  |
| 18       | -   | rincipal office; compensation; oath.  |             |  |
| 19       | . ,   | ne State Board of Examiners of Electrical and Fire Alarm Contract   |             |  |
| 20       |   | the State agency responsible for the licensing of persons engaging in electron transition within this State, and shall consist of one member from the |             |  |
| 21<br>22 |   | ontracting within this State, and shall consist of one member from t  |             |  |
| 22       | -   | partment of Insurance to be designated by the Commissioner of Insuration has satisfied the requirements for an unlimited license as defined in G.S.   |             |  |
| 23<br>24 |   | representative of the North Carolina Association of Electrical Contract   |             |  |
| 25       |   | the governing body of that organization; and five members to be app   |             |  |
| 26       |   | : one from the faculty of The Greater University of North Carolina who t  |             |  |
| 27       |   | in the field of electrical engineering, one who is serving as a chief   |             |  |
| 28       |   | municipality or county in North Carolina, one who has satisfied the requ  |             |  |
| 29       |   | ted license as defined in G.S. 87-43.3 and who is a representative of the   |             |  |
| 30       |   | ntractors Association operating a sole proprietorship, partnership or co  |             |  |
| 31       |   | orth Carolina which is actively engaged in the business of electrical co  |             |  |
| 32       |   | have no ties with the construction industry and who represent the inter-  | -           |  |
| 33       |   | e-the following members:  |             |  |
| 34       | $\underline{(1)}$   | -   | ce to be    |  |

One member from the North Carolina Department of Insurance to be designated by the Commissioner of Insurance.



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| (2)  | (2)   | One member who has satisfied the requirements         | for an unlimited license as   |
|  |   | defined in G.S. 87-43.3 and who is a represent        |                               |
|  |   | Association of Electrical Contractors to be design    | nated by the governing body   |
|  |   | of that organization.                                 |                               |
|  | (3)   | Nine members to be appointed by the Governor a        | a <u>s follows:</u>           |
|  |   | a. <u>One member from the faculty of The C</u>        | Greater University of North   |
|  |   | Carolina who teaches or does research                 | n in the field of electrica   |
|  |   | engineering.  |                               |
|  |   | b. One member who is serving as a chief               | ef electrical inspector of    |
|  |   | municipality or county in North Carolina.             | <u>.</u>                      |
|  |   | c. One member who has satisfied the req               | uirements for an unlimite     |
|  |   | license as defined in G.S. 87-43.3 and w              | ho is a representative of the |
|  |   | Carolinas Electrical Contractors Asso                 |                               |
|  |   | proprietorship, partnership, or corporatio            |                               |
|  |   | which is actively engaged in the business             |                               |
|  |   | <u>d.</u> <u>Two members who have no ties with th</u> | -                             |
|  |   | who represent the interest of the public at           | -                             |
|  |   | e. Four members operating a sole prop                 |                               |
|  |   | corporation located in North Carolina w               |                               |
|  |   | the business of turnkey installation, testi           | ng, and maintenance of fire   |
|  |   | alarm systems.  |                               |
|  | <u>(4)</u>  | Three members who are representatives of the N        |                               |
| (1)  | <b>1 1</b>  | Association to be designated by the governing bo      |                               |
| . ,  |   | pers of the Board shall serve staggered seven-year    |                               |
|  | his or her successor is designated or appointed, and is duly qualified. Vacancies   |   |                               |
| -  | luring a term shall be filled for the remainder of that term by the authority that  |   |                               |
|  |   | pointed the departing member.                         | plata tarma For purposas a    |
|  | Members of the Board shall not serve consecutive, complete terms. For purposes o section, only a term of less than seven years that results from the filling of a vacancy i |   |                               |
|  |   | erm; a term of less than seven years that results no  | <b>.</b> .                    |
| -  |   | pointment is not an incomplete term.                  | s from the successor's fat    |
| -  | -   | embers shall be residents of North Carolina durin     | σ their tenure on the Board   |
| . ,  |   | the Board may be removed by the authority that of     | 0                             |
|  |   | onduct, incompetency, or neglect of duty.             | designated of appointed the   |
|  |   | Board shall hold regular meetings quarterly and m     | ay hold meetings on call c    |
|  |   | hair shall be required to call a special meeting u    |                               |
|  |   | Board. At its regular first quarter meeting, the      |                               |
|  |   | hair and a vice-chair, each to serve for one year.    |                               |
| Board shall constitute a quorum. The principal office of the Board shall be at such place as     |   |   |                               |
| shall be designated by a majority of the members thereof. Payment of compensation and            |   |   |                               |
| reimbursement of expenses of Board members shall be governed by G.S. 93B-5.                      |   |   |                               |
|  |   | e entering upon the performance of his or her duti    |                               |
| of the Board shall take and file with the Secretary of State an oath in writing to properly      |   |   |                               |
| perform the duties of his or her office as a member of the Board, and to uphold the Constitution |   |   |                               |
| -  |   | a and the Constitution of the United States."         | I I                           |
| SECTION 2.(b) G.S. 87-41 reads as rewritten:   |   |   |                               |
| "§ 87-41. S  |   |   |                               |
| The Bo   | ard sh  | all adopt a seal for its own use, and the secretary   | -treasurer shall have charg   |
|  | . 1   | as f The seal shall have incerihed there are the sure |                               |

The Board shall adopt a seal for its own use, and the secretary-treasurer shall have charge
and custody thereof. The seal shall have inscribed thereon the words "Board of Examiners of
Electrical and Fire Alarm Contractors, State of North Carolina."

**SECTION 2.(c)** G.S. 87-41.1 reads as rewritten:

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|   | "§ 87-41.1. Definitions.  |  |
|   | As used in this Article, unless the context requires otherw       | vise:                                  |
|   | (1) A "qualified individual" is an individual w                   |  |
|   | classification as a result of having t                            | 1 1                                    |
|   | examination required by this Article for                          | 1 1 1 1                                |
|   | been certified as such by the Board pursua                        |  |
|   | • •   |  |
|   |   |  |
|   | on a license issued by the Board. A l                             | -                                      |
|   | specific duty and authority to supervise                          |  |
|   | contracting done by or in the name of a                           |  |
|   | license the qualified individual is so listed                     |  |
|   | (3) A licensee of the Board is a person liste                     | -                                      |
|   | partnership, firm or corporation that reg                         |  |
|   | qualified individual and which has been is                        | sued a license by the Board."          |
|   | <b>SECTION 2.(d)</b> G.S. 87-42 reads as rewritten:               |  |
|   | "§ 87-42. Duties and powers of Board.                             |  |
|   | In order to protect the life, health and property of the pu       |  |
|   | of Electrical and Fire Alarm Contractors shall provide for        |  |
|   | applicants for certification as a qualified individual, as define |  |
|   | receive all applications for certification as a qualified in      | 11                                     |
|   | licenses to be issued under this Article, shall examine all ap    | plicants to determine that each ha     |
|   | met the requirements for certification and shall discharge al     | l duties enumerated in this Article    |
|   | Applicants for certification as a qualified individual must be    | e at least 18 years of age and shal    |
|   | be required to demonstrate to the satisfaction of the Board       | their good character and adequate      |
|   | technical and practical knowledge concerning the safe and pr      | roper installation of electrical world |
|   | and equipment.equipment or fire alarms. The examination           | to be given for this purpose shall     |
|   | include, but not be limited to, to, either (i) the appropriate pr | covisions of the National Electrica    |
|   | Code as incorporated in the North Carolina State Building C       | ode, the analysis of electrical plan   |
|   | and specifications, estimating of electrical installations, and   | the fundamentals of the installation   |
|   | of electrical work and equipment.equipment; or (ii) the ar        | ppropriate provisions of the North     |
|   | Carolina Fire Prevention Code, and the chapters of the Nati       | onal Electrical Code related to fir    |
|   | alarm installation, testing, and maintenance, as adopted by       | the North Carolina Department o        |
|   | Insurance. Certification of qualified individuals shall be iss    | sued in the same classifications a     |
|   | provided in this Article for license classifications. The Boa     | rd shall prescribe the standards o     |
|   | knowledge, experience and proficiency to be required of qua       | 1                                      |
|   | for the various license classifications. The Board shall issu     |  |
|   | applicants meeting the requirements of this Article and of the    |  |
|   | prescribed by G.S. 87-44. The Board shall have power to ma        | 1 1                                    |
|   | to the performance of its duties and for the effective imple      |  |
|   | Article. The Board shall have the power to administer oaths       | 1                                      |
|   | attendance of persons and the production of papers and            | 1 1 0                                  |
|   | hearing, investigation, or proceeding conducted by it. Me         |  |
|   | sheriff or other appropriate official of any county of the        |  |
|   | subpoenas, and other papers given to them by the Chairman         |  |
|   | process issued by any court of record. Any person who negl        |  |
|   | issued by the Board shall be guilty of a Class 1 misdemeand       |  |
|   | to acquire, rent, encumber, alienate, and otherwise deal with     | _                                      |
|   | as a private person or corporation, subject only to approval of   | 1 1 0                                  |
|   | State. Collateral pledged by the Board for an encumbrance i       |  |
|   | revenues of the Board. The Board shall keep minutes of all        |  |
|   | 1   | 1 0 1                                  |
|   | accurate record of receipts and disbursements which shall be      | suidifed at the close of each tisse    |

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year by a certified public accountant, and the audit report shall be filed with the State of North
 Carolina in accordance with Chapter 93B of the General Statutes. Statutes. The Board shall
 consult with the Office of State Fire Marshal of the North Carolina Department of Insurance

4 from time to time regarding its oversight of fire alarm contractors."

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## **SECTION 2.(e)** G.S. 87-43 reads as rewritten:

### 6 "§ 87-43. Electrical <u>and fire alarm</u> contracting defined; licenses.

7 Electrical contracting shall be defined as engaging or offering to engage in the (a) 8 business of installing, maintaining, altering or repairing any electric work, wiring, devices, 9 appliances or equipment. No person, partnership, firm or corporation shall engage, or offer to 10 engage, in the business of electrical contracting within the State of North Carolina without 11 having received a license in the applicable classification described in G.S. 87-43.3 from the State Board of Examiners of Electrical and Fire Alarm Contractors in compliance with the 12 13 provisions of this Article, regardless of whether the offer was made or the work was performed 14 by a qualified individual as defined in G.S. 87-41.1. In each separate place of business operated by an electrical contractor at least one listed qualified individual shall be regularly on active 15 duty and shall have the specific duty and authority to supervise and direct all electrical wiring 16 17 or electrical installation work done or made by such separate place of business. Every person, 18 partnership, firm or corporation engaging in the business of electrical contracting shall display 19 a current certificate of license in his-its principal place of business and in each branch place of 20 business which he-it operates. Licenses issued hereunder shall be signed by the chairman and 21 the secretary-treasurer of the Board, under the seal of the Board. A registry of all licenses 22 issued to electrical contractors shall be kept by the secretary-treasurer of the Board, and said 23 registry shall be open for public inspection during ordinary business hours.

24 (b)Fire alarm contracting shall be defined as engaging or offering to engage in the 25 business of installing, maintaining, altering, or repairing any fire alarm. As used in this 26 subsection, the term "fire alarm" means a system or portion of a combination system that 27 consists of components and circuits arranged to monitor and annunciate the status of fire alarm 28 or supervisory signal initiating devices and to initiate the proper response to those signals. 29 Beginning October 1, 2009, no person, partnership, firm, or corporation shall engage in, or 30 offer to engage in, the business of fire alarm contracting within the State of North Carolina 31 without having received a license from the State Board of Examiners of Electrical and Fire 32 Alarm Contractors in compliance with the provisions of this Article, regardless of whether the 33 offer was made or the work was performed by a qualified individual as defined in G.S. 87-41.1. 34 In each separate place of business operated by a fire alarm contractor at least one listed 35 qualified individual shall be regularly on active duty and shall have the specific duty and 36 authority to supervise and direct all fire alarm work done or made by such separate place of 37 business. Every person, partnership, firm, or corporation engaging in the business of fire alarm 38 contracting shall display a current certificate of licenses in its principal place of business and in 39 each branch place of business which it operates. Licenses issued hereunder shall be signed by 40 the chairman and the secretary-treasurer of the Board under the seal of the Board. A registry of all licenses issued to fire alarm contractors shall be kept by the secretary-treasurer of the Board, 41 42 and said registry shall be open for public inspection during ordinary business hours." 43 SECTION 2.(f) G.S. 87-43.1 reads as rewritten:

## 44 "§ 87-43.1. Exceptions.

45 The provisions of this Article shall not apply:

- 46 (1) To the installation, construction or maintenance of facilities for providing 47 electric or fire alarm service to the public ahead of the point of delivery of 48 electric service to the customer;
- 49 (2) To the installation, construction, maintenance, or repair of telephone, 50 telegraph, <u>fire alarm, or signal systems</u>, by public utilities, or their corporate

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|                           | affiliates, when said work pertains to the services furnished butilities;           | by said public  |
| (3)                       | To any person in the course of his work as a bona fide e licensee of this Board;    | mployee of a    |
| (4)                       | To the installation, construction or maintenance of electrical                      | or fire alarm   |
|                           | equipment and wiring for temporary use by contractors in co                         |                 |
|                           | the work of construction;   |                 |
| (5)                       | To the installation, construction, maintenance or repair of <u>1</u>                | fire alarms or  |
|                           | electrical wiring, devices, appliances or equipment by pers                         |                 |
|                           | corporations, upon their own property when such property is n                       |                 |
|                           | the time for rent, lease, sale or gift, who regularly employ                        |                 |
|                           | electricians or mechanics for the purpose of installing, mainta                     |                 |
|                           | or repairing of electrical wiring, devices or equipmentdevices,                     |                 |
|                           | fire alarms used for the conducting of the business of said per                     |                 |
|                           | corporations;   |                 |
| (5a)                      | To any person who is himself and for himself installing,                            | maintaining,    |
|                           | altering or repairing fire alarms or electric work, wiring, devic                   | es, appliances  |
|                           | or equipment upon his own property when such property is n                          | ot intended at  |
|                           | the time for rent, lease, or sale;  |                 |
| (6)                       | To the installation, construction, maintenance or repair of f                       |                 |
|                           | electrical wiring, devices, appliances or equipment by State ir                     |                 |
|                           | private educational institutions which maintain a priva                             | ate electrical  |
|                           | department;   |                 |
| (7)                       | To the replacement of lamps and fuses and to the installation                       |                 |
|                           | of cord-connected appliances and equipment connected l                              |                 |
|                           | attachment plug-in devices to suitable receptacles which                            |                 |
|                           | permanently installed or to the servicing of appliances co                          |                 |
|                           | permanently installed junction box. This exception does                             |                 |
| <b>CE</b> CI              | permanently installed receptacles or to the installation of the junction $2(2) = 2$ | nction box."    |
|                           | <b>TION 2.(g)</b> G.S. 87-43.2 reads as rewritten:                                  |                 |
| "§ 87-43.2. Issue         |   | iconcod oc on   |
| • • •                     | rson, partnership, firm, or corporation shall be eligible to be l                   |                 |
|                           | <u>alarm</u> contractor and to have such license renewed, subject to the            | e provisions of |
| this Article, prov<br>(1) | At least one listed qualified individual shall be regularly em                      | ployed by the   |
| (1)                       | applicant at each separate place of business to have the spec                       |                 |
|                           | authority to supervise and direct <u>fire alarm or electrica</u>                    |                 |
|                           | <u>contracting, as applicable, done by or in the name of the license</u>            |                 |
| (2)                       | An application is filed with the Board which contains a                             |                 |
| (2)                       | ownership, states the names and official positions of all emplo                     |                 |
|                           | listed qualified individuals and provides such other information                    | •               |
|                           | may reasonably require;   |                 |
| (3)                       | The applicant, through an authorized officer or owner, shall ag                     | ree in writing  |
| (-)                       | to report to the Board within five days any additions to o                          |                 |
|                           | employment of listed qualified individuals; and                                     |                 |
| (4)                       | The applicant furnishes, upon the initial application for a licer                   | nse, a bonding  |
| ~ /                       | ability statement completed by a bonding company licensed t                         | -               |
|                           | in North Carolina, verifying the applicant's ability to furnish                     |                 |
|                           | bonds for <u>fire alarm or electrical contracting projects projects</u> ,           | -               |
|                           | having a value in excess of the project value limit for a li                        |                 |
|                           | established pursuant to G.S. 87-43.3 for the intermed                               |                 |
|                           | 1 A A A A A A A A A A A A A A A A A A A   |                 |

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| 1   | classification and in excess of the project value | le limit for an intermediate    |
| 2   | license established pursuant to G.S. 87-43.3      |                                 |
| 3   | classification. In lieu of furnishing the bond    |                                 |
| 4   | applicant may submit for evaluation and specific  |                                 |
| 5   | information certifying the adequacy of the ap     | plicant's financial ability to  |
| 6   | engage in projects of the license classification  |                                 |
| 7   | ability statement or other financial information  | n must be submitted in the      |
| 8   | same name as the license to be issued. If th      | e firm for which a license      |
| 9   | application is filed is owned by a sole prop      | prietor, the bonding ability    |
| 10  | statement or other financial information may be   | furnished in either the firm    |
| 11  | name or the name of the proprietor. However, if   | the application is submitted    |
| 12  | in the name of a sole proprietor, the application | nt shall submit information     |
| 13  | verifying that the person in whose name the appl  | lication is made is in fact the |
| 14  | sole proprietor of the firm.                      |                                 |
| 1 5 |   |                                 |

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(5) Repealed by Session Laws 1989, c. 709, s. 5.

16 (b) A license shall indicate the names and classifications of all listed qualified 17 individuals employed by the applicant. A license shall be cancelled if at any time no listed 18 qualified individual is regularly employed by the applicant; provided, that work begun prior to 19 such cancellation may be completed under such conditions as the Board shall direct; and 20 provided further that no work for which a license is required under this Article may be bid for, 21 contracted for or initiated subsequent to such cancellation until said license is reinstated by the 22 Board."

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**SECTION 2.(h)** G.S. 87-43.3 reads as rewritten:

## 24 "§ 87-43.3. Classification of licenses.

25 An electrical contracting license shall be issued in one of the following classifications: 26 Limited, under which a licensee shall be permitted to engage in a single electrical contracting 27 project of a value, as established by the Board, not in excess of one hundred thousand dollars 28 (\$100,000) and on which the equipment or installation in the contract is rated at not more than 29 600 volts; Intermediate, under which a licensee shall be permitted to engage in a single 30 electrical contracting project of a value, as established by the Board, not in excess of two 31 hundred thousand dollars (\$200,000); Unlimited, under which a licensee shall be permitted to 32 engage in any electrical contracting project regardless of value; and such other special 33 Restricted classifications as the Board may establish from time to time to provide, (i) for the 34 licensing of persons, partnerships, firms or corporations wishing to engage in special restricted 35 electrical contracting, under which license a licensee shall be permitted to engage only in a 36 specific phase of electrical contracting of a special, limited nature, and (ii) for the licensing of 37 persons, partnerships, firms or corporations wishing to engage in electrical contracting work as 38 an incidental part of their primary business, which is a lawful business other than electrical 39 contracting, under which license a licensee shall be permitted to engage only in a specific phase 40 of electrical contracting of a special, limited nature directly in connection with said primary 41 business. The Board may establish appropriate standards for each classification, such standards 42 not to be inconsistent with the provisions of G.S. 87-42. The Board may, by rule, modify the 43 project value limitations up to the maximum amounts set forth in this section for limited and 44 intermediate licenses no more than once every three years based upon an increase or decrease in the project cost index for electrical projects in this State. A licensed fire alarm contractor 45 shall be permitted to engage in any fire alarm contracting project regardless of value. No initial 46 47 or renewal fire alarm contracting license shall be issued unless the applicant first provides the 48 Board with a copy of a certificate of insurance for the rating of fire alarm installation." 49 SECTION 2.(i) G.S. 87-44 reads as rewritten:

50 "**§ 87-44. Fees; license term.** 

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The Board shall collect a fee from each applicant before granting or renewing a license 1 2 under the provisions of this Article; the annual license fee for the limited classification 3 electrical contracting license shall not exceed one hundred dollars (\$100.00) for each principal 4 and each branch place of business; the annual license fee for the intermediate classification 5 electrical contracting license shall not exceed one hundred fifty dollars (\$150.00) for each principal and each branch place of business; the annual license fee for the unlimited 6 7 classification electrical contracting license shall not exceed two hundred dollars (\$200.00) for 8 each principal and each branch place of business; and the annual license fee for the special 9 restricted classifications and for the single-family detached residential dwelling electrical 10 contracting license shall not exceed one hundred dollars (\$100.00) for each principal and each branch place of business. The annual license fee for the fire alarm contracting license shall not 11 12 exceed two hundred dollars (\$200.00) for each principal and each branch place of business.

The Board shall establish a system for the renewal of licenses with varying expiration dates. However, all licenses issued by the Board shall expire one year after the date of issuance. Licenses shall be renewed by the Board, subject to G.S. 87-44.1 and G.S. 87-47, after receipt and evaluation of a renewal application from a licensee and the payment of the required fee. The application shall be upon a form provided by the Board and shall require such information as the Board may prescribe. Renewal applications and fees shall be due 30 days prior to the license expiration date.

Upon failure to renew by the expiration date established by the Board, the license shall be automatically revoked. This license may be reinstated by the Board, subject to G.S. 87-44.1 and G.S. 87-47, upon payment of the license fee, an administrative fee of twenty-five dollars (\$25.00), and all fees for the lapsed period during which the person, partnership, firm or corporation engaged in <u>fire alarm or electrical contracting</u>, and, further, upon the satisfaction of such experience requirements during the lapse as the Board may prescribe by rule.

The Board may collect fees from applicants for examinations in an amount not to exceed one hundred twenty-five dollars (\$125.00), except the fee for a specially arranged examination shall not exceed two hundred dollars (\$200.00). In addition, the Board may collect an examination review fee, not to exceed twenty-five dollars (\$25.00), from failed examinees who apply for a supervised review of their failed examinations."

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**SECTION 2.(j)** G.S. 87-44.1 reads as rewritten:

32 "§ 87-44.1. Continuing education courses required.

33 Beginning July 1, 1991, the Board may require as prerequisite to the annual renewal of a 34 license that every listed qualified individual complete continuing education courses in subjects 35 relating to fire alarm or electrical contracting, as appropriate, to assure the safe and proper 36 installation of fire alarm and electrical work and equipment in order to protect the life, health, 37 and property of the public. The listed qualified individual shall complete, during the 12 months 38 immediately preceding license renewal, a specific number of hours of continuing education 39 courses approved by the Board prior to enrollment. The Board shall not require more than 10 40 hours of continuing education courses per 12 months and such continuing education courses 41 shall include those taught at a community college as approved by the Board. The listed 42 qualified individual may accumulate and carry forward not more than two additional years of 43 the annual continuing education requirement. Attendance at any course or courses of 44 continuing education shall be certified to the Board on a form provided by the Board and shall 45 be submitted at the time the licensee makes application to the Board for its license renewal and 46 payment of its license renewal fee. This continuing education requirement may be waived by 47 the Board in cases of certified illness or undue hardship as provided for in the Rules of the 48 Board."

50 "**§ 87-45. Funds.** 

<sup>49</sup> SECTION 2.(k) G.S. 87-45 reads as rewritten:

The fees collected for examinations and licenses under this Article shall be used for the 1 2 expenses of the State Board of Examiners of Electrical and Fire Alarm Contractors in carrying 3 out the provisions of this Article. No expenses of the Board or compensation of any member or 4 employee of the Board shall be payable out of the treasury of the State of North Carolina; and 5 neither the Board nor any member or employee thereof shall have any power or authority to 6 make or incur any expense, debt or other financial obligation binding upon the State of North 7 Carolina. Any funds remaining in the hands of the secretary-treasurer to the credit of the Board 8 after all expenses of the Board for the current fiscal year have been fully provided for shall be 9 paid over to the North Carolina Engineering Foundation, Inc., for the benefit of the electrical 10 engineering department of the Greater University of North Carolina. Provided, however, the Board shall have the right to maintain an amount, the cumulative total of which shall not 11 12 exceed twenty percent (20%) of gross receipts for the previous fiscal year of its operation as a 13 maximum contingency or emergency fund."

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# **SECTION 2.(I)** G.S. 87-46 reads as rewritten:

# 15 "§ 87-46. Responsibility of licensee; nonliability of Board.

Nothing in this Article shall relieve the holder or holders of licenses issued under the 16 17 provisions hereof from complying with the building or electrical codes or statutes or ordinances 18 of the State of North Carolina, or of any county or municipality thereof now in force or 19 hereafter enacted. Nothing in this Article shall be construed as relieving the holder of any 20 license issued hereunder from responsibility or liability for negligent acts on the part of such 21 holder in connection with electrical contracting work; nor shall the State Board of Examiners of 22 Electrical and Fire Alarm Contractors be accountable in damages, or otherwise for the 23 negligent act or acts of any holder of such license."

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**SECTION 2.(m)** G.S. 87-47(a1) reads as rewritten:

25 "(a1) The following activities are prohibited:

- (1) Offering to engage or engaging in electrical <u>or fire alarm</u> contracting without being licensed.
- (2) Selling, transferring, or assigning a license, regardless of whether for a fee.
- (3) Aiding or abetting an unlicensed person, partnership, firm, or corporation to offer to engage or to engage in electrical <u>or fire alarm contracting</u>.
  - (4) Being convicted of a crime involving fraud or moral turpitude.
- (5) Engaging in fraud or misrepresentation to obtain a certification, obtain or renew a license, or practice electrical <u>or fire alarm</u> contracting.
  - (6) Engaging in false or misleading advertising.
- Engaging in malpractice, unethical conduct, fraud, deceit, gross negligence, gross incompetence, or gross misconduct in the practice of electrical or fire alarm contracting."
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- **SECTION 2.(n)** G.S. 87-48 reads as rewritten:

# 39 "§ 87-48. Penalty for violation of Article; powers of Board to enjoin violation.

40 (a) Any person, partnership, firm or corporation who shall violate any of the provisions 41 of this Article or any rule of the Board adopted pursuant to this Article or who shall engage or 42 offer to engage in the business of installing, maintaining, altering or repairing within the State 43 of North Carolina any <u>fire alarm or electric wiring</u>, devices, appliances or equipment without 44 first having obtained a license under the provisions of this Article shall be guilty of a Class 2 45 misdemeanor.

(b) Whenever it shall appear to the State Board of Examiners of Electrical <u>and Fire</u> Alarm Contractors that any person, partnership, firm or corporation has violated, is violating, or threatens to violate any provisions of this Article, the Board may apply to the courts of the State for a restraining order and injunction to restrain such practices. If upon such application the court finds that any provision of this Article is being violated, or a violation thereof is threatened, the court shall issue an order restraining and enjoining such violations, and such

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relief may be granted regardless of whether criminal prosecution is instituted under the provisions of this Article. The venue for actions brought under this subsection shall be the superior court of any county in which such acts are alleged to have been committed or in the county where the defendants in such action reside."

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**SECTION 2.(0)** G.S. 87-50 reads as rewritten:

## 6 "**§ 87-50. Reciprocity.**

7 To the extent that other states which provide for the licensing of electrical <u>or fire alarm</u> 8 contractors provide for similar action, the Board may grant licenses of the same or equivalent 9 classification to electrical <u>or fire alarm</u> contractors licensed by other states without written 10 examination upon satisfactory proof furnished to the Board that the qualifications of such 11 applicants are equal to the qualifications of holders of similar licenses in North Carolina and 12 upon payment of the required fee."

**SECTION 3.** Notwithstanding G.S. 87-43(b), any person, partnership, firm, or corporation licensed in this State pursuant to G.S. 87-43(a) when this act becomes effective shall not be required to obtain a separate fire alarm contracting license before engaging in fire alarm contracting. However, once that license expires, the person, partnership, firm, or corporation must obtain a fire alarm contracting license as required by G.S. 87-43(b) before engaging in further fire alarm contracting.

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**SECTION 4.** This act is effective when it becomes law.