

GENERAL ASSEMBLY OF NORTH CAROLINA  
SESSION 2019

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SENATE BILL 55

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

Sponsors: Senators Gunn, Newton, D. Davis (Primary Sponsors); J. Alexander, T. Alexander, Ballard, Bishop, Blue, Britt, Burgin, Chaudhuri, Clark, deViere, Edwards, Foushee, Garrett, Hise, B. Jackson, J. Jackson, Lowe, Marcus, McInnis, McKissick, Mohammed, Nickel, Perry, Peterson, Robinson, Searcy, Smith, Steinburg, Tillman, Van Duyn, Waddell, and Woodard.

Referred to: Rules and Operations of the Senate

February 14, 2019

A BILL TO BE ENTITLED

AN ACT TO REVISE THE LAW GOVERNING THE LICENSURE OF CERTAIN GENERAL CONTRACTORS TO REQUIRE CONTINUING EDUCATION FOR THE PURPOSE OF ENHANCING THE PROFESSIONAL COMPETENCE AND PROFESSIONAL RESPONSIBILITY OF THOSE LICENSEES.

The General Assembly of North Carolina enacts:

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

**"§ 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 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. The Board shall approve:

- (1) The content of continuing education courses.
- (2) Accreditation of continuing education sponsors and programs.
- (3) Computation of credit.
- (4) General compliance procedures.

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

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



1       (c) Continuing education credit hours may only be given for courses that are taught live  
2 by an instructor approved by the Board. To receive credit, a qualifier or qualifying party must  
3 attend and view the live teaching of the course and shall certify this requirement in the manner  
4 required by the Board. Only the period of live instruction shall apply to the satisfaction of the  
5 continuing education requirement established by this section. Continuing education providers  
6 shall certify the attendance of course attendees and shall transmit the qualifier or qualifying  
7 party's certification to the Board. For the purposes of this subsection, "live instruction" includes  
8 a maximum of two elective credit hours presented by video of a previously recorded and  
9 approved presentation by an approved instructor or instructors provided the presentation is  
10 proctored by the approved sponsor. False certification of attendance shall be grounds for the  
11 suspension or revocation of the course provider's privilege to provide courses in this State. The  
12 Board may take disciplinary action against any licensee on account of a false certification of  
13 attendance by that licensee's qualifier or qualifying party at any continuing education course. The  
14 Board shall maintain and distribute, as appropriate, records of the educational coursework  
15 successfully completed by each qualifier or qualifying party, including the subject matter and the  
16 number of hours of each course.

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

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

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

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

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

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

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

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

51       **"§ 87-10. Application for license; examination; certificate; renewal.**

1 ...

2 (e) A license shall expire on the first day of January following its issuance or renewal  
3 and shall become invalid 60 days from that date unless renewed, subject to the approval of the  
4 Board. Renewal applications shall be submitted with a fee not to exceed one hundred twenty-five  
5 dollars (\$125.00) for an unlimited license, one hundred dollars (\$100.00) for an intermediate  
6 license, and seventy-five dollars (\$75.00) for a limited license. Renewal applications shall be  
7 accompanied by evidence of continued financial responsibility ~~satisfactory to the Board and~~  
8 evidence of satisfactory completion of continuing education as required by G.S. 87-10.2.  
9 Renewal applications received by the Board on or after the first day of January shall be  
10 accompanied by a late payment of ten dollars (\$10.00) for each month or part after January.

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

15 **SECTION 3.** The State Licensing Board for General Contractors shall adopt  
16 temporary rules to implement G.S. 87-10.2 and G.S. 87-10, as enacted by Section 1 and Section  
17 2 of this act. Notwithstanding G.S. 150B-21.1(d), the temporary rules required by this act shall  
18 remain in effect until the effective date of the permanent rule adopted to replace these temporary  
19 rules. The Board is exempt from the fiscal note requirement of G.S. 150B-21.4 in adopting rules  
20 to implement this act.

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