

**NORTH CAROLINA GENERAL ASSEMBLY**

**LEGISLATIVE FISCAL NOTE**

**BILL NUMBER:** Senate Bill 431 (First Edition)

**SHORT TITLE:** Adjust License Thresholds for Inflation

**SPONSOR(S):** Senator Hoyle

**FISCAL IMPACT**

**Yes ( )      No (X)      No Estimate Available ( )**

**FY 2001-02   FY 2002-03   FY 2003-04   FY 2004-05   FY 2005-06**

**REVENUES**

**EXPENDITURES**

**PRINCIPAL DEPARTMENT(S) &  
PROGRAM(S) AFFECTED:** North Carolina Licensing Board for General Contractors

**EFFECTIVE DATE:** This act is effective when it becomes law.

**BILL SUMMARY:** This bill adjusts the value thresholds of limited and intermediate licenses for inflation under the laws regulating general contractors.

**ASSUMPTIONS AND METHODOLOGY:** This bill has no local or state government impact. While not requested by the North Carolina Licensing Board for General Contractors, the Board does endorse the bill. The project value for an intermediate license was last increased in 1981 from \$425,000 to \$500,000 (1981 SL, CH 739). Based on the Internet CPI calculator created by the Federal Reserve Bank of Minneapolis, the \$500,000 project value in 1981 is worth \$981,848 in 2001 dollars. This bill proposes only a \$700,000 project limit. The value of a single project with a limited license was increased from \$175,000 to \$250,000 in 1989 (1989 SL, CH 431). Again using the CPI calculator, the value of \$250,000 in 2001 dollars is \$359,879. The bill proposal is for \$350,000.

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**APPROVED BY:** James D. Johnson

**DATE:** March 25, 2001



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