

GENERAL ASSEMBLY OF NORTH CAROLINA  
SESSION 2019

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HOUSE BILL 162\*

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

Sponsors: Representatives Potts, Brody, Howard, and Clemmons (Primary Sponsors).  
*For a complete list of sponsors, refer to the North Carolina General Assembly web site.*

Referred to: Regulatory Reform, if favorable, Finance, if favorable, Rules, Calendar, and Operations of the House

February 26, 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.

(c) Continuing education credit hours may only be given for courses that are taught live by an instructor approved by the Board. To receive credit, a qualifier or qualifying party must attend and view the live teaching of the course and shall certify this requirement in the manner



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

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

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

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

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

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

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

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

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

48 **"§ 87-10. Application for license; examination; certificate; renewal.**

49 ...

50 (e) A license shall expire on the first day of January following its issuance or renewal  
51 and shall become invalid 60 days from that date unless renewed, subject to the approval of the

1 Board. Renewal applications shall be submitted with a fee not to exceed one hundred twenty-five  
2 dollars (\$125.00) for an unlimited license, one hundred dollars (\$100.00) for an intermediate  
3 license, and seventy-five dollars (\$75.00) for a limited license. Renewal applications shall be  
4 accompanied by evidence of continued financial responsibility ~~satisfactory to the Board and~~  
5 evidence of satisfactory completion of continuing education as required by G.S. 87-10.2.  
6 Renewal applications received by the Board on or after the first day of January shall be  
7 accompanied by a late payment of ten dollars (\$10.00) for each month or part after January.

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

12 **SECTION 3.** The State Licensing Board for General Contractors shall adopt  
13 temporary rules to implement G.S. 87-10.2 and G.S. 87-10, as enacted by Section 1 and Section  
14 2 of this act. Notwithstanding G.S. 150B-21.1(d), the temporary rules required by this act shall  
15 remain in effect until the effective date of the permanent rule adopted to replace these temporary  
16 rules. The Board is exempt from the fiscal note requirement of G.S. 150B-21.4 in adopting rules  
17 to implement this act.

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