



NORTH CAROLINA GENERAL ASSEMBLY

Session 2019

Legislative Fiscal Note

Short Title: Continuing Education for General Contractors.
Bill Number: Senate Bill 55 (Second Edition)
Sponsor(s): Senators Gunn, Newton, and D. Davis

SUMMARY TABLE

FISCAL IMPACT OF S.B. 55, V.2 (\$ in millions)

	<u>FY 2019-20</u>	<u>FY 2020-21</u>	<u>FY 2021-22</u>	<u>FY 2022-23</u>	<u>FY 2023-24</u>
North Carolina Licensing Board for General Contractors Impact					
Board Revenue	-	-	-	-	-
Less Board Expenditures	-	-	-	-	-

NET BOARD IMPACT	No Estimate Available - Refer to Fiscal Analysis section				
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FISCAL IMPACT SUMMARY

House Bill 55 (Second Edition) adds a required continuing education component to the licensure of certain general contractors by the North Carolina Licensing Board for General contractors. The bill directs the Board to establish the following nonrefundable administrative fees and permits the Board to charge fees in the specified amounts, ranging from \$12.50 to \$25.00, for the initial and annual review of proposed courses. It requires the Board to charge a fee no more than \$5 per credit hour, per qualifier or qualifying party, to an approved course provider for each qualifier or qualifying party completing an approved continuing education course conducted by that provider.

FISCAL ANALYSIS

House Bill 55 (Second Edition) establishes three new fees for the North Carolina Licensing Board for General Contractors. It allows the Board to charge a fee, not to exceed \$25.00 per credit hour, for the initial review of a course and a fee, not to exceed \$12.50 per credit hour, for the annual renewal of a course previously approved. Also, it establishes a fee to be paid for by an approved course provider, not to exceed \$5.00 per credit hour per qualifier, for each qualifier completing an approved continuing education course conducted by that provider.

The initial review of a two hour course would generate \$50.00 in revenue for the Board. Each annual renewal of a previously approved two hour course would generate \$25.00 in revenue for the Board. However, since this would be providing a service not currently available, it is not

possible to provide an estimate on how many course providers or continuing education courses will be offered in North Carolina.

The \$5.00 per credit hour per qualifier would be paid to the North Carolina Licensing Board for General Contractors by the course provider. Each qualifier would be required to complete eight hours of continuing education per year, including two hours of a mandatory course and six hours of an elective course. According to the Board, there are currently 30,000 qualifiers that would be required to complete the continuing education requirements on an annual basis. Those qualifiers would amass a total of 240,000 hours of continuing education, which would generate \$1.2 million in additional revenue for the Board.

TECHNICAL CONSIDERATIONS

N/A.

DATA SOURCES

NORTH CAROLINA LICENSING BOARD FOR GENERAL CONTRACTORS

LEGISLATIVE FISCAL NOTE – PURPOSE AND LIMITATIONS

This document is an official fiscal analysis prepared pursuant to Chapter 120 of the General Statutes and rules adopted by the Senate and House of Representatives. The estimates in this analysis are based on the data, assumptions, and methodology described in the Fiscal Analysis section of this document. This document only addresses sections of the bill that have projected direct fiscal impacts on State or local governments and does not address sections that have no projected fiscal impacts.

CONTACT INFORMATION

Questions on this analysis should be directed to the Fiscal Research Division at (919) 733-4910.

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