

1 **Chapter 87.**

2 **Contractors.**

3 Article 1.

4 General Contractors.

5 **§ 87-1. "General contractor" defined; exceptions.**

6 (a) For the purpose of this Article any person or firm or corporation who for a fixed
7 price, commission, fee, or wage, undertakes to bid upon or to construct or who undertakes to
8 superintend or manage, on his own behalf or for any person, firm, or corporation that is not
9 licensed as a general contractor pursuant to this Article, the construction of any building,
10 highway, public utilities, grading or any improvement or structure where the cost of the
11 undertaking is thirty thousand dollars (\$30,000) or more, or undertakes to erect a North
12 Carolina labeled manufactured modular building meeting the North Carolina State Building
13 Code, shall be deemed to be a "general contractor" engaged in the business of general
14 contracting in the State of North Carolina.

15 (b) This section shall not apply to the following:

16 (1) Persons, firms, or corporations furnishing or erecting industrial equipment,
17 power plan equipment, radial brick chimneys, and monuments.

18 (2) Any person, firm, or corporation who constructs or alters a building on land
19 owned by that person, firm, or corporation provided (i) the building is
20 intended solely for occupancy by that person and his family, firm, or
21 corporation after completion; and (ii) the person, firm, or corporation
22 complies with G.S. 87-14. If the building is not occupied solely by the
23 person and his family, firm, or corporation for at least 12 months following
24 completion, it shall be presumed that the person, firm, or corporation did not
25 intend the building solely for occupancy by that person and his family, firm,
26 or corporation.

27 (3) Any person engaged in the business of farming who constructs or alters a
28 building on land owned by that person and used in the business of farming,
29 when the building is intended for use by that person after completion.
30 (1925, c. 318, s. 1; 1931, c. 62, s. 1; 1937, c. 429, s. 1; 1949, c. 936; 1953, c.
31 810; 1971, c. 246, s. 1; 1975, c. 279, s. 1; 1981, c. 783, s. 1; 1989, c. 109, s.
32 1; c. 653, s. 1; 1991 (Reg. Sess., 1992), c. 840, s. 1; 2011-376, s. 1.)
33

34 **§ 87-1.1. Exception for licensees under Article 2 or 4.**

35 G.S. 87-1 shall not apply to a licensee under Article 2 or 4 of this Chapter of the General
36 Statutes, G.S. 87-43 shall not apply to a licensee under Article 2 of this Chapter of the General
37 Statutes, and G.S. 87-21(a)(5) shall not apply to a licensee under Article 4 of this Chapter of the
38 General Statutes when the licensee is bidding and contracting directly with the owner of a
39 public building project if: (i) a licensed general contractor performs all work that falls within
40 the classifications in G.S. 87-10(b) and the State Licensing Board of General Contractor's rules;
41 and (ii) the total amount of the general contracting work so classified does not exceed a
42 percentage of the total bid price pursuant to rules established by the. Board; and (iii) a licensee
43 with the appropriate license under Article 2 or Article 4 of this Chapter performs all work that
44 falls within the classifications in Article 2 and Article 4 of this Chapter. (2003-231, s. 1;
45 2006-241, s. 2; 2006-259, s. 43; 2006-261, s. 3.)
46

47 **§ 87-1.2. Exception for specified Department of Transportation contractors.**

48 The letting of contracts for the types of projects specified in G.S. 136-28.14 shall not be
49 subject to the licensing requirement of this Article. (2006-261, s. 2.)
50

51 **§ 87-2. Licensing Board; organization.**

1 There is created the State Licensing Board for General Contractors consisting of nine
2 members appointed by the Governor for staggered five-year terms. Five of the members shall
3 be general contractors, one member shall be a registered engineer who practices structural
4 engineering, and three shall be public members. Of the general contractor members, one shall
5 have as the larger part of his business the construction of highways; one shall have as the larger
6 part of his business the construction of public utilities; one shall have as the larger part of his
7 business the construction of buildings; and two shall have as a larger part of their businesses the
8 construction of residences, one of whom shall be the holder of an unlimited general contractor's
9 license. The public members shall have no ties with the construction industry and shall
10 represent the interests of the public at large. Members shall serve until the expiration of their
11 respective terms and until their successors are appointed and qualified. Vacancies occurring
12 during a term shall be filled by appointment of the Governor for the remainder of the unexpired
13 term. The Governor may remove any member of the Board for misconduct, incompetency, or
14 neglect of duty. No Board member shall serve more than two complete consecutive terms.
15 (1925, c. 318, s. 2; 1979, c. 713, s. 1; 1991, c. 124, s. 1.)
16

17 **§ 87-3. Members of Board to take oath.**

18 Each member of the Board shall, before entering upon the discharge of the duties of his
19 office, take and file with the Secretary of State an oath in writing to properly perform the duties
20 of his office as a member of said Board and to uphold the Constitution of North Carolina and
21 the Constitution of the United States. (1925, c. 318, s. 3.)
22

23 **§ 87-4. First meeting of Board; officers; secretary-treasurer and assistants.**

24 The said Board shall, within 30 days after its appointment by the Governor, meet in the City
25 of Raleigh, at a time and place to be designated by the Governor, and organize by electing a
26 chairman, a vice-chairman, and a secretary-treasurer, each to serve for one year. Said Board
27 shall have power to make such bylaws, rules and regulations as it shall deem best, provided the
28 same are not in conflict with the laws of North Carolina. The secretary-treasurer shall give
29 bond in such sum as the Board shall determine, with such security as shall be approved by the
30 Board, said bond to be conditioned for the faithful performance of the duties of his office and
31 for the faithful accounting of all moneys and other property as shall come into his hands. The
32 secretary-treasurer need not be a member of the Board, and the Board is hereby authorized to
33 employ a full-time secretary-treasurer, and such other assistants and make such other
34 expenditures as may be necessary to the proper carrying out of the provisions of this Article.
35 Payment of compensation and reimbursement of expenses of board members shall be governed
36 by G.S. 93B-5. (1925, c. 318, s. 4; 1941, c. 257, s. 4; 1947, c. 611; 1951, c. 453; 1979, c. 713, s.
37 6.)
38

39 **§ 87-5. Seal of Board.**

40 The Board shall adopt a seal for its own use. The seal shall have the words "North Carolina
41 Licensing Board for General Contractors" and the secretary shall have charge, care and custody
42 thereof. (1925, c. 318, s. 5; 1979, c. 713, s. 7.)
43

44 **§ 87-6. Meetings; notice; quorum.**

45 The Board shall meet twice each year, once in April and once in October, for the purpose of
46 transacting such business as may properly come before it. At the April meeting in each year the
47 Board shall elect officers. Special meetings may be held at such times as the Board may
48 provide in the bylaws it shall adopt. Due notice of each meeting and the time and place thereof
49 shall be given to each member in such manner as the bylaws may provide. Five members of the
50 Board shall constitute a quorum. (1925, c. 318, s. 6; 1979, c. 713, s. 8.)
51

1 **§ 87-7. Records of Board; disposition of funds.**

2 The secretary-treasurer shall keep a record of the proceedings of the said Board and shall
3 receive and account for all moneys derived from the operation of this Article. Any funds
4 remaining in the hands of the secretary-treasurer to the credit of the Board after the expenses of
5 the Board for the current year have been paid shall be paid over to the Greater University of
6 North Carolina for the use of the School of Engineering through the North Carolina
7 Engineering Foundation. The Board has the right, however, to retain at least ten percent (10%)
8 of the total expense it incurs for a year's operation to meet any emergency that may arise. As an
9 expense of the Board, said Board is authorized to expend such funds as it deems necessary to
10 provide retirement and disability compensation for its employees. (1925, c. 318, s. 7; 1953, c.
11 805, s. 1; 1959, c. 1184.)
12

13 **§ 87-8. Records; roster of licensed contractors; report to Governor.**

14 The secretary-treasurer shall keep a record of the proceedings of the Board and a register of
15 all applicants for license showing for each the date of application, name, qualifications, place of
16 business, place of residence, and whether license was granted or refused. The books and
17 register of this Board shall be prima facie evidence of all matters recorded therein. A roster
18 showing the names and places of business and of residence of all licensed general contractors
19 shall be prepared by the secretary of the Board during the month of March of each year; the
20 roster shall be printed by the Board out of funds of the Board as provided in G.S. 87-7, with
21 copies being made available to contractors and members of the public, at cost, upon request, or
22 furnished without cost, as directed by the Board. On or before the last day of March of each
23 year the Board shall submit to the Governor a report of its transactions for the preceding year,
24 and shall file with the Secretary of State a copy of the report, together with a complete
25 statement of the receipts and expenditures of the Board, attested by the affidavits of the
26 chairman and the secretary, and a copy of the roster of licensed general contractors. (1925, c.
27 318, s. 8; 1937, c. 429, s. 2; 1985, c. 630, s. 1; 1993, c. 148, s. 1.)
28

29 **§ 87-9. Compliance with Federal Highway Act, etc.; contracts financed by federal road
30 funds; contracts concerning water or waste water systems.**

31 Nothing in this Article shall operate to prevent the Department of Transportation from
32 complying with any act of Congress and any rules and regulations promulgated pursuant
33 thereto for carrying out the provisions of the Federal Highway Act, or shall apply to any
34 person, firm or corporation proposing to submit a bid or enter into contract for any work to be
35 financed in whole or in part with federal aid road funds in such manner as will conflict with any
36 act of Congress or any such rules and regulations promulgated pursuant thereto.

37 Neither shall anything in this Article prevent the State of North Carolina or any of its
38 political subdivisions or their contractors from complying with any act of Congress and any
39 rules and regulations promulgated pursuant thereto for carrying out the provisions of any
40 federal program to assist in the planning, financing, or construction of drinking water or waste
41 water processing, collection, and disposal systems and facilities. (1939, c. 230; 1971, c. 246, s.
42 2; 1973, c. 507, s. 5; 1977, c. 464, s. 34; 1989, c. 159.)
43

44 **§ 87-9.1. Ownership of real property; equipment; liability insurance.**

45 (a) The Board shall have the power to acquire, hold, rent, encumber, alienate, and
46 otherwise deal with real property in the same manner as a private person or corporation, subject
47 only to approval of the Governor and the Council of State as to the acquisition, rental,
48 encumbering, leasing, and sale of real property. Collateral pledged by the Board for an
49 encumbrance is limited to the assets, income, and revenues of the Board.

1 (b) The Board may purchase or rent equipment and supplies and purchase liability
2 insurance or other insurance to cover the activities of the Board, its operations, or its
3 employees. (1999-349, s. 1.)
4

5 **§ 87-10. Application for license; examination; certificate; renewal.**

6 (a) Anyone seeking to be licensed as a general contractor in this State shall file an
7 application for an examination on a form provided by the Board, at least 30 days before any
8 regular or special meeting of the Board. The Board may require the applicant to pay the Board
9 or a provider contracted by the Board an examination fee not to exceed one hundred dollars
10 (\$100.00) and pay to the Board a license fee not to exceed one hundred twenty-five dollars
11 (\$125.00) if the application is for an unlimited license, one hundred dollars (\$100.00) if the
12 application is for an intermediate license, or seventy-five dollars (\$75.00) if the application is
13 for a limited license. The fees accompanying any application or examination shall be
14 nonrefundable. The holder of an unlimited license shall be entitled to act as general contractor
15 without restriction as to value of any single project; the holder of an intermediate license shall
16 be entitled to act as general contractor for any single project with a value of up to one million
17 dollars (\$1,000,000); the holder of a limited license shall be entitled to act as general contractor
18 for any single project with a value of up to five hundred thousand dollars (\$500,000); and the
19 license certificate shall be classified in accordance with this section. Before being entitled to an
20 examination an applicant must show to the satisfaction of the Board from the application and
21 proofs furnished that the applicant is possessed of a good character and is otherwise qualified
22 as to competency, ability, integrity, and financial responsibility, and that the applicant has not
23 committed or done any act, which, if committed or done by any licensed contractor would be
24 grounds under the provisions hereinafter set forth for the suspension or revocation of
25 contractor's license, or that the applicant has not committed or done any act involving
26 dishonesty, fraud, or deceit, or that the applicant has never been refused a license as a general
27 contractor nor had such license revoked, either in this State or in another state, for reasons that
28 should preclude the granting of the license applied for, and that the applicant has never been
29 convicted of a felony involving moral turpitude, relating to building or contracting, or
30 involving embezzlement or misappropriation of funds or property entrusted to the applicant:
31 Provided, no applicant shall be refused the right to an examination, except in accordance with
32 the provisions of Chapter 150B of the General Statutes.

33 (b) The Board shall conduct an examination, either oral or written, of all applicants for
34 license to ascertain, for the classification of license for which the applicant has applied: (i) the
35 ability of the applicant to make a practical application of the applicant's knowledge of the
36 profession of contracting; (ii) the qualifications of the applicant in reading plans and
37 specifications, knowledge of relevant matters contained in the North Carolina State Building
38 Code, knowledge of estimating costs, construction, ethics, and other similar matters pertaining
39 to the contracting business; (iii) the knowledge of the applicant as to the responsibilities of a
40 contractor to the public and of the requirements of the laws of the State of North Carolina
41 relating to contractors, construction, and liens; and (iv) the applicant's knowledge of
42 requirements of the Sedimentation Pollution Control Act of 1973, Article 4 of Chapter 113A of
43 the General Statutes, and the rules adopted pursuant to that Article. If the results of the
44 examination of the applicant shall be satisfactory to the Board, then the Board shall issue to the
45 applicant a certificate to engage as a general contractor in the State of North Carolina, as
46 provided in said certificate, which may be limited into five classifications as follows:

- 47 (1) Building contractor, which shall include private, public, commercial,
48 industrial and residential buildings of all types.
49 (1a) Residential contractor, which shall include any general contractor
50 constructing only residences which are required to conform to the residential

1 building code adopted by the Building Code Council pursuant to G.S.
2 143-138.

3 (2) Highway contractor.

4 (3) Public utilities contractors, which shall include those whose operations are
5 the performance of construction work on the following subclassifications of
6 facilities:

7 a. Water and sewer mains, water service lines, and house and building
8 sewer lines as defined in the North Carolina State Building Code, and
9 water storage tanks, lift stations, pumping stations, and
10 appurtenances to water storage tanks, lift stations, and pumping
11 stations.

12 b. Water and wastewater treatment facilities and appurtenances thereto.

13 c. Electrical power transmission facilities, and primary and secondary
14 distribution facilities ahead of the point of delivery of electric service
15 to the customer.

16 d. Public communication distribution facilities.

17 e. Natural gas and other petroleum products distribution facilities;
18 provided the General Contractors Licensing Board may issue license
19 to a public utilities contractor limited to any of the above
20 subclassifications for which the general contractor qualifies.

21 (4) Specialty contractor, which shall include those whose operations as such are
22 the performance of construction work requiring special skill and involving
23 the use of specialized building trades or crafts, but which shall not include
24 any operations now or hereafter under the jurisdiction, for the issuance of
25 license, by any board or commission pursuant to the laws of the State of
26 North Carolina.

27 (b1) Public utilities contractors constructing house and building sewer lines as provided
28 in sub-subdivision a. of subdivision (3) of subsection (b) of this section shall, at the junction of
29 the public sewer line and the house or building sewer line, install as an extension of the public
30 sewer line a cleanout at or near the property line that terminates at or above the finished grade.
31 Public utilities contractors constructing water service lines as provided in sub-subdivision a. of
32 subdivision (3) of subsection (b) of this section shall terminate the water service lines at a
33 valve, box, or meter at which the facilities from the building may be connected. Public utilities
34 contractors constructing fire service mains for connection to fire sprinkler systems shall
35 terminate those lines at a flange, cap, plug, or valve inside the building one foot above the
36 finished floor. All fire service mains shall comply with the NFPA standards for fire service
37 mains as incorporated into and made applicable by Volume V of the North Carolina Building
38 Code.

39 (c) If an applicant is an individual, examination may be taken by his personal
40 appearance for examination, or by the appearance for examination of one or more of his
41 responsible managing employees, and if a copartnership or corporation, or any other
42 combination or organization, by the examination of one or more of the responsible managing
43 officers or members of the personnel of the applicant, and if the person so examined shall cease
44 to be connected with the applicant, then in such event the license shall remain in full force and
45 effect for a period of 90 days thereafter, and then be canceled, but the applicant shall then be
46 entitled to a reexamination, all pursuant to the rules to be promulgated by the Board: Provided,
47 that the holder of such license shall not bid on or undertake any additional contracts from the
48 time such examined employee shall cease to be connected with the applicant until said
49 applicant's license is reinstated as provided in this Article.

50 (d) Anyone failing to pass this examination may be reexamined at any regular meeting
51 of the Board upon payment of an examination fee. Anyone requesting to take the examination a

1 third or subsequent time shall submit a new application with the appropriate examination and
2 license fees.

3 (e) A certificate of license shall expire on the thirty-first day of December following its
4 issuance or renewal and shall become invalid 60 days from that date unless renewed, subject to
5 the approval of the Board. Renewals may be effected any time during the month of January
6 without reexamination, by the payment of a fee to the secretary of the Board. The fee shall not
7 exceed one hundred twenty-five dollars (\$125.00) for an unlimited license, one hundred dollars
8 (\$100.00) for an intermediate license, and seventy-five dollars (\$75.00) for a limited license.
9 No later than November 30 of each year, the Board shall mail written notice of the amount of
10 the renewal fees for the upcoming year to the last address of record for each general contractor
11 licensed pursuant to this Article. Renewal applications shall be accompanied by evidence of
12 continued financial responsibility satisfactory to the Board. Renewal applications received by
13 the Board after January shall be accompanied by a late payment of ten dollars (\$10.00) for each
14 month or part after January. After a lapse of four years no renewal shall be effected and the
15 applicant shall fulfill all requirements of a new applicant as set forth in this section. (1925, c.
16 318, s. 9; 1931, c. 62, s. 2; 1937, c. 328; c. 429, s. 3; 1941, c. 257, s. 1; 1953, c. 805, s. 2; c.
17 1041, s. 3; 1971, c. 246, s. 3; 1973, c. 1036, ss. 1, 2; c. 1331, s. 3; 1975, c. 279, ss. 2, 3; 1979, c.
18 713, s. 2; 1981, c. 739, ss. 1, 2; 1985, c. 630, ss. 2, 3; 1989, c. 431; 1993, c. 112, ss. 1, 2; c. 553,
19 s. 26; 1999-123, s. 1; 1999-379, s. 7; 1999-427, s. 1; 2001-140, s. 1; 2001-296, s. 1; 2005-381,
20 ss. 1, 2, 3; 2006-241, s. 1; 2007-247, s. 3; 2011-376, s. 5.)

21
22 **§ 87-10.1. Licensing of nonresidents.**

23 (a) Definitions. – The following definitions apply in this section:

- 24 (1) Delinquent income tax debt. – The amount of income tax due as stated in a
25 final notice of assessment issued to a taxpayer by the Secretary of Revenue
26 when the taxpayer no longer has the right to contest the amount.
27 (2) Foreign corporation. – Defined in G.S. 55-1-40.
28 (3) Foreign entity. – A foreign corporation, a foreign limited liability company,
29 or a foreign partnership.
30 (4) Foreign limited liability company. – Defined in G.S. 57C-1-03.
31 (5) Foreign partnership. – Either of the following that does not have a
32 permanent place of business in this State:
33 a. A foreign limited partnership as defined in G.S. 59-102.
34 b. A general partnership formed under the laws of a jurisdiction other
35 than this State.

36 (b) Licensing. – The Board shall not issue a certificate of license for a foreign
37 corporation unless the corporation has obtained a certificate of authority from the Secretary of
38 State pursuant to Article 15 of Chapter 55 of the General Statutes. The Board shall not issue a
39 certificate of license for a foreign limited liability company unless the company has obtained a
40 certificate of authority from the Secretary of State pursuant to Article 7 of Chapter 57C of the
41 General Statutes.

42 (c) Information. – Upon request, the Board shall provide the Secretary of Revenue on
43 an annual basis the name, address, and tax identification number of every nonresident
44 individual and foreign entity licensed by the Board. The information shall be provided in the
45 format required by the Secretary of Revenue.

46 (d) Delinquents. – If the Secretary of Revenue determines that any nonresident
47 individual or foreign corporation licensed by the board, a member of any foreign limited
48 liability company licensed by the Board, or a partner in any foreign partnership licensed by the
49 Board, owes a delinquent income tax debt, the Secretary of Revenue may notify the Board of
50 these nonresident individuals and foreign entities and instruct the Board not to renew their
51 certificates of license. The Board shall not renew the certificate of license of such a nonresident

1 individual or foreign entity identified by the Secretary of Revenue unless the Board receives a
2 written statement from the Secretary that the debt either has been paid or is being paid pursuant
3 to an installment agreement. (1998-162, ss. 4, 10.)
4

5 **§ 87-11. Revocation of license; charges of fraud, negligence, incompetency, etc.; hearing**
6 **thereon; reissuance of certificate.**

7 (a) The Board shall have the power to refuse to issue or renew or revoke, suspend, or
8 restrict a certificate of license or to issue a reprimand or take other disciplinary action if a
9 general contractor licensed under this Article is found guilty of any fraud or deceit in obtaining
10 a license, or gross negligence, incompetency, or misconduct in the practice of his or her
11 profession, or willful violation of any provision of this Article. The Board shall also have the
12 power to revoke, suspend, or otherwise restrict the ability of any person to act as a qualifying
13 party for a license to practice general contracting, as provided in G.S. 87-10(c), for any
14 copartnership, corporation or any other organization or combination, if that person committed
15 any act in violation of the provisions of this section and the Board may take disciplinary action
16 against the individual license held by that person.

17 (a1) Any person may prefer charges of fraud, deceit, negligence, or misconduct against
18 any general contractor licensed under this Article. The charges shall be in writing and sworn to
19 by the complainant and submitted to the Board. The charges, unless dismissed without hearing
20 by the Board as unfounded or trivial, shall be heard and determined by the Board in accordance
21 with the provisions of Chapter 150B of the General Statutes.

22 (b) The Board shall adopt and publish guidelines, consistent with the provisions of this
23 Article, governing the suspension and revocation of licenses.

24 (c) The Board shall establish and maintain a system whereby detailed records are kept
25 regarding complaints against each licensee. This record shall include, for each licensee, the date
26 and nature of each complaint, investigatory action taken by the Board, any findings by the
27 Board, and the disposition of the matter.

28 (d) The Board may reissue a license to any person, firm or corporation whose license
29 has been revoked: Provided, five or more members of the Board vote in favor of such
30 reissuance for reasons the Board may deem sufficient.

31 The Board shall immediately notify the Secretary of State of its findings in the case of the
32 revocation of a license or of the reissuance of a revoked license.

33 A certificate of license to replace any certificate lost, destroyed or mutilated may be issued
34 subject to the rules and regulations of the Board.

35 (e) The Board shall be entitled to recover its reasonable administrative costs associated
36 with the investigation and prosecution of a violation of this Article or rules or regulations of the
37 Board up to a maximum of five thousand dollars (\$5,000) for any licensee or qualifying party
38 found to have committed any of the following:

- 39 (1) Fraud or deceit in obtaining a license.
- 40 (2) Gross negligence, incompetency, or misconduct in the practice of general
41 contracting.
- 42 (3) Willful violation of any provision of this Article. (1925, c. 318, s. 10; 1937,
43 c. 429, s. 4; 1953, c. 1041, s. 4; 1973, c. 1331, s. 3; 1979, c. 713, s. 3; 1987,
44 c. 827, s. 1; 1991, c. 124, s. 2; 1999-427, s. 2; 2005-381, s. 4.)
45

46 **§ 87-12. Certificate evidence of license.**

47 The issuance of a certificate of license or limited license by this Board shall be evidence
48 that the person, firm, or corporation named therein is entitled to all the rights and privileges of a
49 licensed or limited licensed general contractor while said license remains unrevoked or
50 unexpired. A licensed general contractor holding a license which qualifies him for work as
51 described in G.S. 87-10 shall be authorized to perform the said work without any additional

1 occupational license, notwithstanding the provisions of any other occupational licensing statute.
2 A license issued by any other occupational licensing board having jurisdiction over any work
3 described in G.S. 87-10 shall qualify such licensee to perform the work for which the license
4 qualifies him without obtaining the license from the General Contractors Licensing Board.
5 Nothing contained herein shall operate to relieve any general contractor from the necessity of
6 compliance with other provisions of the law requiring building permits and construction in
7 accordance with appropriate provisions of the North Carolina State Building Code. (1925, c.
8 318, s. 11; 1937, c. 429, s. 5; 1975, c. 279, s. 4.)
9

10 **§ 87-13. Unauthorized practice of contracting; impersonating contractor; false**
11 **certificate; giving false evidence to Board; penalties.**

12 Any person, firm, or corporation not being duly authorized who shall contract for or bid
13 upon the construction of any of the projects or works enumerated in G.S. 87-1, without having
14 first complied with the provisions hereof, or who shall attempt to practice general contracting
15 in the State, except as provided for in this Article, and any person, firm, or corporation
16 presenting or attempting to file as his own the licensed certificate of another or who shall give
17 false or forged evidence of any kind to the Board or to any member thereof in maintaining a
18 certificate of license or who falsely shall impersonate another or who shall use an expired or
19 revoked certificate of license, and any architect or engineer who recommends to any project
20 owner the award of a contract to anyone not properly licensed under this Article, shall be
21 deemed guilty of a Class 2 misdemeanor. And the Board may, in its discretion, use its funds to
22 defray the expense, legal or otherwise, in the prosecution of any violations of this Article. No
23 architect or engineer shall be guilty of a violation of this section if his recommendation to
24 award a contract is made in reliance upon current written information received by him from the
25 appropriate Contractor Licensing Board of this State which information erroneously indicates
26 that the contractor being recommended for contract award is properly licensed. (1925, c. 318, s.
27 12; 1931, c. 62, s. 3; 1937, c. 429, s. 6; 1983 (Reg. Sess., 1984), c. 970, s. 2; 1993, c. 539, s.
28 602; 1994, Ex. Sess., c. 24, s. 14(c).)
29

30 **§ 87-13.1. Board may seek injunctive relief.**

31 Whenever the Board determines that any person, firm or corporation has violated or is
32 violating any of the provisions of this Article or rules and regulations of the Board promulgated
33 under this Article, the Board may apply to the superior court for a restraining order and
34 injunction to restrain the violation; and the superior courts have jurisdiction to grant the
35 requested relief, irrespective of whether or not criminal prosecution has been instituted or
36 administrative sanctions imposed by reason of the violation. The court may award the Board its
37 reasonable costs associated with the investigation and prosecution of the violation. (1979, c.
38 713, s. 4; 2003-97, s. 2; 2005-381, s. 5.)
39

40 **§ 87-14. Regulations as to issue of building permits.**

41 (a) Any person, firm, or corporation, upon making application to the building inspector
42 or such other authority of any incorporated city, town, or county in North Carolina charged
43 with the duty of issuing building or other permits for the construction of any building, highway,
44 sewer, grading, or any improvement or structure where the cost thereof is to be thirty thousand
45 dollars (\$30,000) or more, shall, before being entitled to the issuance of a permit, satisfy the
46 following:

- 47 (1) Furnish satisfactory proof to the inspector or authority that the person
48 seeking the permit or another person contracting to superintend or manage
49 the construction is duly licensed under the terms of this Article to carry out
50 or superintend the construction or is exempt from licensure under G.S.
51 87-1(b). If an applicant claims an exemption from licensure pursuant to G.S.

1 87-1(b)(2), the applicant for the building permit shall execute a verified
2 affidavit attesting to the following:

- 3 a. That the person is the owner of the property on which the building is
4 being constructed or, in the case of a firm or corporation, is legally
5 authorized to act on behalf of the firm or corporation.
6 b. That the person will personally superintend and manage all aspects of
7 the construction of the building and that the duty will not be
8 delegated to any other person not duly licensed under the terms of
9 this Article.
10 c. That the person will be personally present for all inspections required
11 by the North Carolina State Building Code, unless the plans for the
12 building were drawn and sealed by an architect licensed pursuant to
13 Chapter 83A of the General Statutes.

14 The building inspector or other authority shall transmit a copy of the
15 affidavit to the Board, who shall verify that the applicant was validly entitled
16 to claim the exemption under G.S. 87-1(b)(2). If the Board determines that
17 the applicant was not entitled to claim the exemption under G.S. 87-1(b)(2),
18 the building permit shall be revoked pursuant to G.S. 153A-362 or G.S.
19 160A-422.

- 20 (2) Furnish proof that the person has in effect Workers' Compensation insurance
21 as required by Chapter 97 of the General Statutes.

22 (b) It shall be unlawful for the building inspector or other authority to issue or allow the
23 issuance of a building permit pursuant to this section unless and until the applicant has
24 furnished evidence that the applicant is either exempt from the provisions of this Article and, if
25 applicable, fully complied with the provisions of subdivision (a)(1) of this section, or is duly
26 licensed under this Article to carry out or superintend the work for which permit has been
27 applied; and further, that the applicant has in effect Workers' Compensation insurance as
28 required by Chapter 97 of the General Statutes. Any building inspector or other authority who
29 is subject to and violates the terms of this section shall be guilty of a Class 3 misdemeanor and
30 subject only to a fine of not more than fifty dollars (\$50.00). (1925, c. 318, s. 13; 1931, c. 62,
31 s. 4; 1937, c. 429, s. 7; 1949, c. 934; 1953, c. 809; 1969, c. 1063, s. 6; 1971, c. 246, s. 4; 1981,
32 c. 783, s. 2; 1989, c. 109, s. 2; 1991 (Reg. Sess., 1992), c. 840, s. 2; 1993, c. 539, s. 603; 1994,
33 Ex. Sess., c. 24, s. 14(c); 2011-376, s. 2.)
34

35 **§ 87-15. Copy of Article included in specifications; bid not considered unless contractor**
36 **licensed.**

37 All architects and engineers preparing plans and specifications for work to be contracted in
38 the State of North Carolina shall include in their invitations to bidders and in their
39 specifications a copy of this Article or such portions thereof as are deemed necessary to convey
40 to the invited bidder, whether he be a resident or nonresident of this State and whether a license
41 has been issued to him or not, the information that it will be necessary for him to show
42 evidence of a license before his bid is considered. (1925, c. 318, s. 14; 1937, c. 429, s. 8; 1941,
43 c. 257, s. 2.)
44

45 **§ 87-15.1. Reciprocity of licensing.**

46 To the extent that other states which provide for the licensing of general contractors provide
47 for similar action, the Board in its discretion may grant licenses of the same or equivalent
48 classification to general contractors licensed by other states, without written examination upon
49 satisfactory proof furnished to the Board that the qualifications of such applicants are equal to
50 the qualifications of holders of similar licenses in North Carolina and upon payment of the
51 required fee. (1971, c. 246, s. 5.)

1
2 **§ 87-15.2. Public awareness program.**

3 The Board shall establish and implement a public awareness program to inform the general
4 public of the purpose and function of the Board. (1979, c. 713, s. 4.)
5

6 **§ 87-15.3. Identity of complaining party confidential.**

7 Once a complaint has been filed with the Board against a licensee or an unlicensed general
8 contractor, the Board may, in its discretion, keep the identity of a complaining party
9 confidential and not a public record within the meaning of Chapter 132 of the General Statutes
10 until a time no later than the receipt of the complaint by the full Board for a disciplinary
11 hearing or injunctive action. (2003-97, s. 1)
12

13 **§ 87-15.4. Builder designations created.**

14 (a) A licensee who successfully completes the educational requirements for accredited
15 builder or accredited master builder, as established by the North Carolina Builders Institute
16 (Institute), shall be designated by the Board as a "North Carolina Certified Accredited
17 Residential Builder" or "North Carolina Certified Accredited Master Residential Builder,"
18 respectively. The Institute shall provide to the Board written certification of those licensees
19 who have successfully completed the requirements for the designations. The certification shall
20 remain in effect as long as: (i) the licensee's license is in effect pursuant to G.S. 87-10; and (ii)
21 the licensee completes at least eight hours of continuing education each calendar year as
22 certified by the Institute.

23 (b) The Board shall approve for designation a licensee who has successfully completed
24 a course of study, deemed by the Board to be equivalent to the educational requirements under
25 subsection (a) of this section, offered by a community college or by another provider, and who
26 completes the requisite number of hours of continuing education required by the Board.

27 (c) The Board may use all powers granted to it under this Article to enforce the
28 provisions of this section and ensure that the designations created by this section are conferred
29 upon and used only by a licensee who complies with the provisions of this section and any
30 rules adopted by the Board. (2007-417, s. 1.)