

GENERAL ASSEMBLY OF NORTH CAROLINA

SESSION 1989

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HOUSE BILL 983

Short Title: Certify Electrical Contractors.

(Public)

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Sponsors: Representative Blue.

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Referred to: Commerce.

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March 31, 1989

A BILL TO BE ENTITLED

AN ACT TO CLARIFY THE REQUIREMENTS FOR LICENSURE AND  
CERTIFICATION OF ELECTRICAL CONTRACTORS.

The General Assembly of North Carolina enacts:

Section 1. G.S. 87-39 reads as rewritten:

**"§ 87-39. Board of Examiners; appointment; terms; chairman; meetings; quorum; principal office; compensation; oath.**

The State Board of Examiners of Electrical Contractors shall continue as the State agency responsible for the licensing of persons engaging in electrical contracting within this State, and shall consist of one member from the North Carolina Department of Insurance to be designated by the Commissioner of Insurance; one member who has satisfied the requirements for an unlimited license as defined in G.S. 87-43.3 and who is a representative of the North Carolina Association of Electrical Contractors to be designated by the governing body of that organization; and five members to be appointed by the Governor: one from the faculty of The Greater University of North Carolina who teaches or does research in the field of electrical engineering, one who is serving as a chief electrical inspector of a municipality or county in North Carolina, one who has satisfied the requirements for ~~a-an unlimited license classified under as defined~~ in G.S. 87-43.3 and who represents a sole proprietorship, partnership or corporation located in North Carolina which is actively engaged in the business of electrical contracting, and two who have no ties with the construction industry and who represent the interest of the public at large. ~~The Governor shall appoint the two public members as soon as practicable after July 1, 1979, for terms of seven years. The terms of the successors to~~ all members shall be seven years and until their successors are designated or appointed

1 and are qualified. A vacancy occurring during a term shall be filled for the remainder of  
2 the unexpired term by the authority which designated or appointed the member to the  
3 seat being vacated. No member ~~appointed after June 8, 1979,~~ shall serve more than ~~one~~  
4 two complete consecutive term-terms.

5 The Board shall hold regular meetings quarterly and may hold meetings on call of  
6 the chairman. The chairman shall be required to call a special meeting upon written  
7 request by two members of the Board. The Board shall, at the first meeting following  
8 appointment of the new member in each year, meet and elect from its membership a  
9 chairman and vice-chairman, each to serve for one year. Four members of the Board  
10 shall constitute a quorum. The principal office of the Board shall be at such place as  
11 shall be designated by a majority of the members thereof. Payment of compensation and  
12 reimbursement of expenses of Board members shall be governed by G.S. 93B-5. Before  
13 entering upon the performance of his duties hereunder, each member of the Board shall  
14 take and file with the Secretary of State an oath in writing to properly perform the duties  
15 of his office as a member of said Board, and to uphold the Constitution of North  
16 Carolina and the Constitution of the United States."

17 Sec. 2. Article 4 of Chapter 87 of the General Statutes is amended by adding  
18 a new section to read:

19 "87-41.1. Definitions.

20 As used in this Article, unless the context requires otherwise:

- 21 (1) A 'qualified individual' is an individual who is qualified in a specific  
22 license classification as a result of having taken and passed the  
23 qualifying examination required by this Article for such a  
24 classification and who has been certified as such by the Board pursuant  
25 to G.S. 87-42.
- 26 (2) A 'listed qualified individual' is a qualified individual whose name is  
27 listed on a license issued by the Board. A listed qualified individual  
28 has the specific duty and authority to supervise and direct electrical  
29 contracting done by or in the name of a licensee of the Board on whose  
30 license the qualified individual is so listed.
- 31 (3) A licensee of the Board is a person, partnership, firm or corporation  
32 that regularly employs at least one listed qualified individual and  
33 which has been issued a license by the Board."

34 Sec. 3. G.S. 87-42 reads as rewritten:

35 "**§ 87-42. Duties and powers of Board.**

36 In order to protect the life, health and property of the public, the State Board of  
37 Examiners of Electrical Contractors shall provide for the examination of all applicants  
38 for a license as an electrical contractor. certification as a qualified individual, as defined in  
39 G.S. 87-41.1. The Board shall receive all applications for certification as a qualified  
40 individual and all applications for licenses to be issued under this Article, shall examine  
41 all applicants to determine that each shall be qualified has met the requirements for  
42 certification and shall also discharge those all duties enumerated in G.S. 87-47. this  
43 Article. Individual applicants Applicants for certification as a qualified individual must be  
44 at least 21-18 years of age, age and shall be required to demonstrate to the satisfaction of

1 the Board ~~evidene~~ of their good character and adequate technical and practical  
2 knowledge concerning the safe and proper installation of electrical work and equipment.  
3 The examination to be given for this purpose shall include, but not be limited to, the  
4 appropriate provisions of the National Electrical Code ~~and as incorporated in~~ the North  
5 Carolina State Building Code, the analysis of electrical plans and specifications,  
6 estimating of electrical installations, and the fundamentals of the installation of  
7 electrical work and equipment. Certification of qualified individuals shall be issued in  
8 the same classifications as provided in this Article for license classifications. The Board  
9 shall prescribe the standards of knowledge, experience and proficiency to be required of  
10 ~~licensees, qualified individuals, which may vary for the various classifications of licenses.~~  
11 license classifications. The Board shall issue certifications and licenses to all applicants  
12 meeting the requirements of this Article and of the Board upon the receipt of the fees  
13 prescribed by G.S. 87-44. The Board shall have power to make rules and regulations  
14 necessary to the performance of its duties and for the effective implementation of the  
15 provisions of this Article. ~~The Board shall issue licenses to all applicants meeting the~~  
16 ~~requirements of the Board upon the receipt of the fees herein prescribed.~~ The Chairman of the  
17 Board shall have the power to administer oaths and issue subpoenas requiring the  
18 attendance of persons and the production of papers and records before the Board in any  
19 hearing, investigation, or proceeding conducted by it. Members of the Board's staff or  
20 the sheriff or other appropriate official of any county of this State shall serve all notices,  
21 subpoenas, and other papers given to them by the Chairman for service in the same  
22 manner as process issued by any court of record. Any person who neglects or refuses to  
23 obey a subpoena issued by the Board shall be guilty of a misdemeanor and, upon  
24 conviction thereof, shall be fined or imprisoned in the discretion of the court. The Board  
25 shall keep minutes of all its ~~proceedings, proceedings~~ and shall keep an accurate record  
26 of receipts and disbursements which shall be audited at the close of each fiscal year by a  
27 certified public ~~accountant~~ accountant, and the audit report shall be filed with the State  
28 of North Carolina in accordance with Chapter 93B of the General Statutes."

29 Sec. 4. G.S. 87-43 reads as rewritten:

30 **"§ 87-43. Electrical contracting defined; licenses.**

31 Electrical contracting shall be defined as engaging or offering to engage in the  
32 business of installing, maintaining, altering or repairing any electric work, wiring,  
33 devices, appliances or equipment. No person, partnership, firm or corporation shall  
34 engage, or offer to engage, in the business of electrical contracting within the State of  
35 North Carolina without having received a license in the applicable classification  
36 described in G.S. 87-43.3 from the State Board of Examiners of Electrical Contractors  
37 in compliance with the provisions of this ~~Article.~~ Article, regardless of whether the offer  
38 was made or the work was performed by a qualified individual as defined in G.S. 87-  
39 41.1. In each separate place of business operated by an electrical contractor at least one  
40 ~~person listed qualified individual must shall~~ be regularly on active duty ~~who has passed~~  
41 ~~the examination required by this Article and who has shall have~~ the specific duty and  
42 authority to supervise and direct all electrical wiring or electrical installation work done  
43 or made by such separate place of business. Every person, partnership, firm or  
44 corporation engaging in the business of electrical contracting shall display a current

1 certificate of license in his principal place of business and in each branch place of  
2 business which he operates. Licenses issued hereunder shall be signed by the chairman  
3 and the secretary-treasurer of the Board, under the seal of the Board. A registry of all  
4 licenses issued to electrical contractors shall be kept by the secretary-treasurer of the  
5 Board, and said registry shall be open for public inspection during ordinary business  
6 hours."

7 Sec. 5. G.S. 87-43.2 reads as rewritten:

8 "**§ 87-43.2. Corporate or partnership practice of electrical contracting. Issuance of**  
9 **License.**

10 (a) A person, partnership, firm, or corporation or partnership shall be eligible to be  
11 licensed as an electrical contractor, contractor and to have such license renewed, subject  
12 to the provisions of this Article, provided:

13 (1) At least one person who has listed qualified under the provisions of this  
14 Article individual shall be regularly employed by the applicant at each  
15 separate place of business, such person business to have the specific  
16 duty and authority to provide direct supervision of all installation,  
17 maintenance, alteration or repair of any electrical wiring, devices, appliances  
18 or equipment supervise and direct electrical contracting done by or in  
19 the name of the licensee;

20 (2) An application is filed with the Board which contains a statement of  
21 ownership, states the names and official positions of all employees  
22 currently qualified under this Article, who are listed qualified individuals  
23 and provides such other information as the Board may reasonably  
24 require;

25 (3) The applicant, through an authorized officer or owner, shall agree in  
26 writing that the corporation or partnership will to report to the Board  
27 within five days any additions to or loss of the employment of listed  
28 qualified individuals as described in subdivisions (1) and (2) above;  
29 individuals; and

30 (4) A license issued to a corporation or partnership shall indicate the  
31 names and classifications of qualified individuals as described in  
32 subdivisions (1) and (2) above; The applicant furnishes, upon the  
33 initial application for a license, a bonding ability statement completed  
34 by a bonding company licensed to do business in North Carolina,  
35 verifying the applicant's ability to furnish performance bonds for  
36 electrical contracting projects having a value in excess of seventeen  
37 thousand five hundred dollars (\$17,500) for the intermediate license  
38 classification and in excess of seventy-five thousand dollars (\$75,000)  
39 for the unlimited license classification. In lieu of furnishing the  
40 bonding ability statement, the applicant may submit for evaluation and  
41 specific approval of the Board other information certifying the  
42 adequacy of the applicant's financial ability to engage in projects of the  
43 license classification applied for. The bonding ability statement or  
44 other financial information must be submitted in the same name as the

1 license to be issued. If the firm for which a license application is filed  
 2 is owned by a sole proprietor, the bonding ability statement or other  
 3 financial information may be furnished in either the firm name or the  
 4 name of the proprietor. However, if the application is submitted in the  
 5 name of a sole proprietor, the applicant shall submit information  
 6 verifying that the person in whose name the application is made is in  
 7 fact the sole proprietor of the firm.

8 (5) ~~A license issued to a corporation or partnership shall be canceled if at~~  
 9 ~~any time no person who has qualified under the provisions of this~~  
 10 ~~Article shall be regularly employed by the corporation or partnership~~  
 11 ~~as provided by subdivision (1) above; provided, that work begun prior~~  
 12 ~~to such cancellation may be completed under such conditions as the~~  
 13 ~~Board shall direct; provided further that no work for which a license is~~  
 14 ~~required under this Article shall be bid for, contracted for or initiated~~  
 15 ~~subsequent to such cancellation until said license is reinstated by the~~  
 16 ~~Board.~~

17 (b) A license shall indicate the names and classifications of all listed qualified  
 18 individuals employed by the applicant. A license shall be cancelled if at any time no  
 19 listed qualified individual is regularly employed by the applicant; provided, that work  
 20 begun prior to such cancellation may be completed under such conditions as the Board  
 21 shall direct; and provided further that no work for which a license is required under this  
 22 Article may be bid for, contracted for or initiated subsequent to such cancellation until  
 23 said license is reinstated by the Board."

24 Sec. 6. G.S. 87-43.3 reads as rewritten:

25 "**§ 87-43.3. Classification of licenses.**

26 An electrical ~~contractor's contracting~~ license shall be issued in one of the following  
 27 classifications: Limited, under which a licensee shall be permitted to engage in a single  
 28 electrical contracting project of a value not in excess of ~~ten-seventeen~~ thousand five  
 29 hundred dollars ~~(\$10,000)-(\$17,500)~~ and on which the equipment or installation in the  
 30 contract is rated at not more than 600 volts; Intermediate, under which a licensee shall  
 31 be permitted to engage in a single electrical contracting project of a value not in excess  
 32 of ~~fifty-seventy-five~~ thousand dollars ~~(\$50,000)-(\$75,000)~~; Unlimited, under which a  
 33 licensee shall be permitted to engage in any electrical contracting project regardless of  
 34 value; and such other special Restricted classification as the Board may establish from  
 35 time to time to ~~provide~~ provide, (i) for the licensing of persons, partnerships, firms or  
 36 corporations wishing to engage in special restricted electrical contracting, under which  
 37 license a licensee shall be permitted to engage only in a specific phase of electrical  
 38 contracting of a special, limited ~~nature~~; nature, and (ii) for the licensing of persons,  
 39 partnerships, firms or corporations wishing to engage in electrical contracting work as  
 40 an incidental part of their primary business, which is a lawful business other than  
 41 electrical contracting, under which license a licensee shall be permitted to engage only  
 42 in a specific phase of electrical contracting of a special, limited nature directly in  
 43 connection with said primary business. The Board may establish appropriate standards

1 for each classification, such standards not to be inconsistent with the provisions of G.S.  
2 87-42."

3 Sec. 7. G.S. 87-44 reads as rewritten:

4 **"§ 87-44. Fees; license term.**

5 The Board shall collect a fee from each applicant before granting or renewing a  
6 license under the provisions of this Article; the annual license fee for the limited  
7 classification shall not be in excess of thirty dollars (\$30.00) for each principal and each  
8 branch place of business; the annual license fee for the intermediate classification shall  
9 not be in excess of seventy-five dollars (\$75.00) for each principal and each branch  
10 place of business; the annual license fee for the unlimited classification shall not be in  
11 excess of one hundred fifty dollars (\$150.00) for each principal and each branch place  
12 of business; and the annual license fee for the special restricted classifications and for  
13 the single-family detached residential dwelling license shall not be in excess of thirty  
14 dollars (\$30.00) for each principal and each branch place of business.

15 Each license issued under the provisions of this Article shall expire on June 30  
16 following the date of its ~~issuance~~, issuance and shall be renewed by the ~~Board upon~~  
17 Board, subject to G.S. 87-44.1 and G.S. 87-47, after receipt and evaluation of a renewal  
18 application from a licensee and the payment of the required fee. The application shall be  
19 upon a form provided by the Board and shall furnish ~~require~~ such information as the  
20 Board may require ~~prescribe~~. Renewal applications and fees shall be due 30 days prior  
21 to the license expiration ~~date; applications received after this time may, in the discretion of~~  
22 ~~the Board, be subject to a penalty not exceeding ten percent (10%) of the license fee. No~~  
23 ~~license issued in accordance with the provisions of this Article shall be assignable or~~  
24 ~~transferable.~~ date.

25 Upon failure to renew by June 30, the license shall be automatically revoked. This  
26 license may be reinstated by the Board, subject to G.S. 87-44.1 and G.S. 87-47, upon  
27 payment of the license fee, a late renewal fee not to exceed twenty-five dollars (\$25.00),  
28 and all fees for the lapsed period during which the person, partnership, firm or  
29 corporation engaged in electrical contracting, and, further, upon the satisfaction of such  
30 experience requirements during the lapse as the Board may prescribe by rule.

31 The Board may collect fees from applicants for examinations in amounts not  
32 exceeding the maximum annual license fees for the respective license classifications  
33 prescribed in this Article, except the fee for a specially arranged examination shall not  
34 exceed two hundred dollars (\$200.00). In addition, the Board may collect an  
35 examination review fee, not to exceed ten dollars (\$10.00), from failed examinees who  
36 apply for a supervised review of their failed examinations."

37 Sec. 8. Chapter 87 of the General Statutes is amended by adding a new  
38 section to read:

39 **"§ 87-44.1. Continuing Education Courses Required.**

40 Beginning July 1, 1991, the Board may require as prerequisite to the annual renewal  
41 of a license that every listed qualified individual complete continuing education courses  
42 in subjects relating to electrical contracting to assure the safe and proper installation of  
43 electrical work and equipment in order to protect the life, health, and property of the  
44 public. The listed qualified individual shall complete, during the 12 months immediately

1 preceding license renewal, a specific number of hours, not to exceed 10, of continuing  
2 education courses approved by the Board prior to enrollment. The listed qualified  
3 individual may accumulate and carry forward not more than two additional years of the  
4 annual continuing education requirement. Attendance at any course or courses of  
5 continuing education shall be certified to the Board on a form provided by the Board  
6 and shall be submitted at the time the licensee makes application to the Board for its  
7 license renewal and payment of its license renewal fee. This continuing education  
8 requirement may be waived by the Board in cases of certified illness or undue hardship  
9 as provided for in the Rules of the Board."

10 Sec. 9. G.S. 87-47 reads as rewritten:

11 "**§ 87-47. Jurisdiction of Board over licensees. Board.**

12 (a) ~~In the interest of protecting the public, the Board shall have jurisdiction to hear~~  
13 ~~and determine on its own motion or upon written complaint, all complaints, allegations~~  
14 ~~of charges of malpractice, unethical conduct, fraud, deceit, gross negligence, gross~~  
15 ~~incompetence or gross misconduct in the practice of electrical contracting, or fraud or~~  
16 ~~deceit in obtaining a license under this Article, made against any licensee under this~~  
17 ~~Article; and the Board may administer to licensees any one or more of the following~~  
18 ~~penalties: (i) reprimand; (ii) suspension from practice for a period not to exceed twelve~~  
19 ~~months; (iii) revocation of license; and (iv) probationary revocation of license upon~~  
20 ~~conditions set by the Board as the case shall in their judgment warrant with revocation~~  
21 ~~of license upon failure to comply.~~

22 ~~The Board shall, in accordance with Chapter 150A of the General Statutes,~~  
23 ~~formulate rules of procedure governing the hearings of charges against licensees. Any~~  
24 ~~person may prefer charges against any licensee, and such charges must be sworn to by~~  
25 ~~the complainant and submitted in writing to the Board. Charges shall be heard and~~  
26 ~~determined by the Board, and may be dismissed without notice to the accused licensee~~  
27 ~~if unfounded or trivial. In conducting hearings of charges against licensees, the Board~~  
28 ~~may remove the same to any county in which the offense, or any part thereof, was~~  
29 ~~committed if in the opinion of the Board the ends of justice or the convenience of~~  
30 ~~witnesses require such removal.~~

31 (a1) In the interest of protecting the public, whenever the Board finds that (i) an  
32 applicant for certification as a qualified individual, (ii) an applicant for a license, (iii) an  
33 applicant for a renewal of a license, (iv) a qualified individual, or (v) a person,  
34 partnership, firm or corporation to whom or to which a certification or license has been  
35 issued, is guilty of one or more of the following:

- 36 (1) Offering to engage or engaging in electrical contracting without being  
37 licensed;
- 38 (2) Selling, transferring, or assigning a license, regardless of whether for a  
39 fee;
- 40 (3) Aiding or abetting an unlicensed person, partnership, firm, or  
41 corporation to offer to engage or to engage in electrical contracting;
- 42 (4) A crime involving fraud or moral turpitude by conviction thereof;
- 43 (5) Fraud or misrepresentation in obtaining a certification, in obtaining or  
44 renewing a license, or in the practice of electrical contracting;

- 1           (6) False or misleading advertising; or  
2           (7) Malpractice, unethical conduct, fraud, deceit, gross negligence, gross  
3           incompetence, or gross misconduct in the practice of electrical  
4           contracting;

5 the Board may refuse or revoke certification as a qualified individual, or may refuse to  
6 issue or renew a license.

7       (a2) In addition to the administrative action authorized by subdivision (a1) above,  
8 the Board may administer one or more of the following penalties if the applicant,  
9 licensee, or qualified individual is found to be guilty of one or more of the acts listed in  
10 subdivision (a1):

- 11           (1) Reprimand;  
12           (2) Suspension from practice for a period not to exceed 12 months;  
13           (3) Revocation of the right to serve as a listed qualified individual on any  
14           license issued by the Board;  
15           (4) Revocation of license; and  
16           (5) Probationary revocation of license or the right to serve as a listed  
17           qualified individual on any license issued by the Board, upon  
18           conditions set by the Board as the case shall warrant, with revocation  
19           upon failure to comply with the conditions.

20       (a3) The Board shall, in accordance with Chapter 150B of the General Statutes,  
21 formulate rules of procedure governing the hearings of charges against applicants,  
22 qualified individuals and licensees. Any person may prefer charges against any  
23 applicant, qualified individual, or licensee, and such charges must be sworn to by the  
24 complainant and submitted in writing to the Board. In conducting hearings of charges,  
25 the Board may remove the hearings to any county in which the offense, or any part  
26 thereof, was committed if in the opinion of the Board the ends of justice or the  
27 convenience of witnesses require such removal.

28       (b) The Board shall adopt and publish rules, consistent with the provisions of this  
29 Article, governing the ~~suspension and revocation of licenses.~~ matters contained in this  
30 section.

31       (c) The Board shall establish and maintain a system whereby detailed records are  
32 kept regarding complaints against each applicant, qualified individual and licensee. This  
33 record shall include, for each applicant, qualified individual and licensee, the date and  
34 nature of each complaint, investigatory action taken by the Board, any findings by the  
35 Board, and the disposition of the matter.

36       (d) The Board may ~~reissue a license to any person, firm or corporation~~ reinstate a  
37 qualified individual's certification and may reinstate a license after having revoked such  
38 license, provided; it, provided that one year has elapsed from revocation until reissuance,  
39 reinstatement and that the vote of the Board for reinstatement is by a majority of its  
40 members.

41       The Board shall immediately notify the Secretary of State and the electrical  
42 inspectors within the licensee's county of residence upon the revocation of a license or  
43 the reissuance of a license which had been revoked.



1 (e) In any case in which the Board is entitled to convene a hearing to consider a  
2 charge under this section, the Board may accept an offer in compromise of the charge,  
3 whereby the accused shall pay to the Board a penalty of not more than one thousand  
4 dollars (\$1,000)."

5 Sec. 10. G.S. 87-48 reads as rewritten:

6 **"§ 87-48. Penalty for violation of Article; powers of Board to enjoin violation.**

7 (a) Any person, partnership, firm or corporation who shall violate any of the  
8 provisions of this Article, Article or any rule of the Board adopted pursuant to this  
9 Article or who shall engage or undertake offer to engage in the business of installing,  
10 maintaining, altering or repairing within the State of North Carolina any electric wiring,  
11 devices, appliances or equipment without first having obtained a license under the  
12 provisions of this Article, Article shall be guilty of a misdemeanor and upon conviction  
13 thereof shall shall, for each offense, be subject to a fine of not less more than twenty five  
14 dollars (\$25.00) or more than fifty dollars (\$50.00) for each offense. Conviction of a violation  
15 of this Article on the part of a holder of a license issued hereunder shall automatically have the  
16 effect of suspending such license until such time as it shall have been reinstated by the State  
17 Board of Examiners of Electrical Contractors. three hundred dollars (\$300.00) or  
18 imprisonment for not more than three months or both.

19 (b) Whenever it shall appear to the State Board of Examiners of Electrical  
20 Contractors that any person, partnership, firm or corporation has violated, is violating,  
21 or threatens to violate, or is violating violate any provisions of this Article, the Board may  
22 apply to the courts of the State for a restraining order and injunction to restrain such  
23 practices. If upon such application the court finds that any provision of this Article is  
24 being violated, or a violation thereof is threatened, the court shall issue an order  
25 restraining and enjoining such violations, and such relief may be granted regardless of  
26 whether criminal prosecution is instituted under the provisions of this Article. The  
27 venue for actions brought under this subsection shall be the superior court of any county  
28 in which such acts are alleged to have been committed or in the county where the  
29 defendants in such action reside."

30 Sec. 11. This act is effective upon ratification.