

GENERAL ASSEMBLY OF NORTH CAROLINA  
1989 SESSION

CHAPTER 709  
HOUSE BILL 983

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 is a representative of the Carolinas Electrical Contractors Association operating 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 and are qualified. A vacancy occurring during a term shall be filled for the remainder of the unexpired term by the authority which designated or appointed the member to the seat being vacated. All members shall be citizens of North Carolina and reside in North Carolina during their tenure on the Board. ~~No member appointed after June 8, 1979, shall serve more than one two complete consecutive term-terms.~~

The Board shall hold regular meetings quarterly and may hold meetings on call of the chairman. The chairman shall be required to call a special meeting upon written request by two members of the Board. The Board shall, at the first meeting following appointment of the new member in each year, meet and elect from its membership a chairman and vice-chairman, each to serve for one year. Four members of the Board shall constitute a quorum. The principal office of the Board shall be at such place as

shall be designated by a majority of the members thereof. Payment of compensation and reimbursement of expenses of Board members shall be governed by G.S. 93B-5. Before entering upon the performance of his duties hereunder, each member of the Board shall take and file with the Secretary of State an oath in writing to properly perform the duties of his office as a member of said Board, and to uphold the Constitution of North Carolina and the Constitution of the United States."

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

**"§ 87-41.1. Definitions.**

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

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

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

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

In order to protect the life, health and property of the public, the State Board of Examiners of Electrical Contractors shall provide for the written examination of all applicants for a license as an electrical contractor. certification as a qualified individual, as defined in G.S. 87-41.1. The Board shall receive all applications for certification as a qualified individual and all applications for licenses to be issued under this Article, shall examine all applicants to determine that each shall be qualified has met the requirements for certification and shall also discharge those all duties enumerated in G.S. 87-47. this Article. Individual applicants Applicants for certification as a qualified individual must be at least 21-18 years of age, age and shall be required to demonstrate to the satisfaction of the Board evidence of their good character and adequate technical and practical knowledge concerning the safe and proper installation of electrical work and equipment. The examination to be given for this purpose shall include, but not be limited to, the appropriate provisions of the National Electrical Code and as incorporated in the North Carolina State Building Code, the analysis of electrical plans and specifications, estimating of electrical installations, and the fundamentals of the installation of electrical work and equipment. Certification of qualified individuals shall be issued in the same classifications as provided in this Article for license classifications. The Board shall prescribe the standards of knowledge, experience and

proficiency to be required of ~~licensees, qualified individuals,~~ qualified individuals, which may vary for the various ~~classifications of licenses.~~ license classifications. The Board shall issue certifications and licenses to all applicants meeting the requirements of this Article and of the Board upon the receipt of the fees prescribed by G.S. 87-44. The Board shall have power to make rules and regulations necessary to the performance of its duties and for the effective implementation of the provisions of this Article. ~~The Board shall issue licenses to all applicants meeting the requirements of the Board upon the receipt of the fees herein prescribed.~~ The Board shall have the power to administer oaths and issue subpoenas requiring the attendance of persons and the production of papers and records before the Board in any hearing, investigation, or proceeding conducted by it. Members of the Board's staff or the sheriff or other appropriate official of any county of this State shall serve all notices, subpoenas, and other papers given to them by the Chairman for service in the same manner as process issued by any court of record. Any person who neglects or refuses to obey a subpoena issued by the Board shall be guilty of a misdemeanor and, upon conviction thereof, shall be fined or imprisoned in the discretion of the court. The Board shall keep minutes of all its ~~proceedings,~~ proceedings and shall keep an accurate record of receipts and disbursements which shall be audited at the close of each fiscal year by a certified public ~~accountant~~ accountant, and the audit report shall be filed with the State of North Carolina in accordance with Chapter 93B of the General Statutes."

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

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

Electrical contracting shall be defined as engaging or offering to engage in the business of installing, maintaining, altering or repairing any electric work, wiring, devices, appliances or equipment. No person, partnership, firm or corporation shall engage, or offer to engage, in the business of electrical contracting within the State of North Carolina without having received a license in the applicable classification described in G.S. 87-43.3 from the State Board of Examiners of Electrical Contractors in compliance with the provisions of this ~~Article.~~ Article, regardless of whether the offer was made or the work was performed by a qualified individual as defined in G.S. 87-41.1. ~~In each separate place of business operated by an electrical contractor at least one person listed qualified individual must shall be regularly on active duty who has passed the examination required by this Article and who has shall have the specific duty and authority to supervise and direct all electrical wiring or electrical installation work done or made by such separate place of business. Every person, partnership, firm or corporation engaging in the business of electrical contracting shall display a current certificate of license in his principal place of business and in each branch place of business which he operates. Licenses issued hereunder shall be signed by the chairman and the secretary-treasurer of the Board, under the seal of the Board. A registry of all licenses issued to electrical contractors shall be kept by the secretary-treasurer of the Board, and said registry shall be open for public inspection during ordinary business hours."~~

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

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

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

- (1) ~~At least one person who has listed~~ qualified under the provisions of this Article individual shall be regularly employed by the applicant at each separate place of business, ~~such person business~~ to have the specific duty and authority to provide direct supervision of all installation, maintenance, alteration or repair of any electrical wiring, devices, appliances or equipment supervise and direct electrical contracting done by or in the name of the licensee;
- (2) An application is filed with the Board which contains a statement of ownership, states the names and official positions of all employees currently qualified under this Article, who are listed qualified individuals and provides such other information as the Board may reasonably require;
- (3) The applicant, through an authorized officer or owner, shall agree in writing that the corporation or partnership will to report to the Board within five days any additions to or loss of the employment of listed qualified individuals as described in subdivisions (1) and (2) above; individuals; and
- (4) A license issued to a corporation or partnership shall indicate the names and classifications of qualified individuals as described in subdivisions (1) and (2) above; The applicant furnishes, upon the initial application for a license, a bonding ability statement completed by a bonding company licensed to do business in North Carolina, verifying the applicant's ability to furnish performance bonds for electrical contracting projects having a value in excess of seventeen thousand five hundred dollars (\$17,500) for the intermediate license classification and in excess of seventy-five thousand dollars (\$75,000) for the unlimited license classification. In lieu of furnishing the bonding ability statement, the applicant may submit for evaluation and specific approval of the Board other information certifying the adequacy of the applicant's financial ability to engage in projects of the license classification applied for. The bonding ability statement or other financial information must be submitted in the same name as the license to be issued. If the firm for which a license application is filed is owned by a sole proprietor, the bonding ability statement or other financial information may be furnished in either the firm name or the name of the proprietor. However, if the application is submitted in the name of a sole proprietor, the applicant shall submit information verifying that the person in whose name the application is made is in fact the sole proprietor of the firm.

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

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

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

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

An electrical ~~contractor's contracting~~ license shall be issued in one of the following classifications: Limited, under which a licensee shall be permitted to engage in a single electrical contracting project of a value not in excess of ~~ten seventeen thousand five hundred dollars (\$10,000) (\$17,500)~~ and on which the equipment or installation in the contract is rated at not more than 600 volts; Intermediate, under which a licensee shall be permitted to engage in a single electrical contracting project of a value not in excess of ~~fifty seventy-five thousand dollars (\$50,000); (\$75,000)~~; Unlimited, under which a licensee shall be permitted to engage in any electrical contracting project regardless of value; and such other special ~~Restricted classification~~ classifications as the Board may establish from time to time to ~~provide~~ provide, (i) for the licensing of persons, partnerships, firms or corporations wishing to engage in special restricted electrical contracting, under which license a licensee shall be permitted to engage only in a specific phase of electrical contracting of a special, limited ~~nature; nature,~~ and (ii) for the licensing of persons, partnerships, firms or corporations wishing to engage in electrical contracting work as an incidental part of their primary business, which is a lawful business other than electrical contracting, under which license a licensee shall be permitted to engage only in a specific phase of electrical contracting of a special, limited nature directly in connection with said primary business. The Board may establish appropriate standards for each classification, such standards not to be inconsistent with the provisions of G.S. 87-42."

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

**"§ 87-44. Fees; license term.**

The Board shall collect a fee from each applicant before granting or renewing a license under the provisions of this Article; the annual license fee for the limited classification shall not be in excess of thirty dollars (\$30.00) for each principal and each branch place of business; the annual license fee for the intermediate classification shall

not be in excess of seventy-five dollars (\$75.00) for each principal and each branch place of business; the annual license fee for the unlimited classification shall not be in excess of one hundred fifty dollars (\$150.00) for each principal and each branch place of business; and the annual license fee for the special restricted classifications and for the single-family detached residential dwelling license shall not be in excess of thirty dollars (\$30.00) for each principal and each branch place of business.

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

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

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

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

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

Beginning July 1, 1991, the Board may require as prerequisite to the annual renewal of a license that every listed qualified individual complete continuing education courses in subjects relating to electrical contracting to assure the safe and proper installation of electrical work and equipment in order to protect the life, health, and property of the public. The listed qualified individual shall complete, during the 12 months immediately preceding license renewal, a specific number of hours of continuing education courses approved by the Board prior to enrollment. The Board shall not require more than 10 hours of continuing education courses per 12 months and such continuing education courses shall include those taught at a community college as approved by the Board. The listed qualified individual may accumulate and carry forward not more than two additional years of the annual continuing education requirement. Attendance at any course or courses of continuing education shall be certified to the Board on a form provided by the Board and shall be submitted at the time the licensee makes application

to the Board for its license renewal and payment of its license renewal fee. This continuing education requirement may be waived by the Board in cases of certified illness or undue hardship as provided for in the Rules of the Board."

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

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

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

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

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

- (1) Offering to engage or engaging in electrical contracting without being licensed;
- (2) Selling, transferring, or assigning a license, regardless of whether for a fee;
- (3) Aiding or abetting an unlicensed person, partnership, firm, or corporation to offer to engage or to engage in electrical contracting;
- (4) A crime involving fraud or moral turpitude by conviction thereof;
- (5) Fraud or misrepresentation in obtaining a certification, in obtaining or renewing a license, or in the practice of electrical contracting;
- (6) False or misleading advertising; or
- (7) Malpractice, unethical conduct, fraud, deceit, gross negligence, gross incompetence, or gross misconduct in the practice of electrical contracting;

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

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

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

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

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

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

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

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

(e) In any case in which the Board is entitled to convene a hearing to consider a charge under this section, the Board may accept an offer in compromise of the charge, whereby the accused shall pay to the Board a penalty of not more than one thousand dollars (\$1,000). All such penalties collected by the Board shall be deposited in the General Fund of North Carolina."

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

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



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

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

Sec. 11. This act is effective upon ratification.

In the General Assembly read three times and ratified this the 1st day of August, 1989.