



HOUSE BILL 850: Licensing Board/Contractors & Inspectors.

2023-2024 General Assembly

Committee:	House Finance. If favorable, re-refer to Rules, Calendar, and Operations of the House	Date:	June 14, 2023
Introduced by:	Rep. Brody	Prepared by:	Trina Griffin
Analysis of:	First Edition		Staff Attorney

OVERVIEW: *House Bill 850 would make various changes to the laws that relate to licensure, certification, and education requirements for various construction trades, and would authorize the North Carolina Wildlife Resources Commission to let and manage certain property development contracts.*

The Finance sections of the bill are Sections 2, 4, 5, 10, and 12.

CURRENT LAW/BILL ANALYSIS:

Section 1: Article 9F of Chapter 143 of the General Statutes outlines the authority of the North Carolina Home Inspector Licensure Board, which includes that the Board may establish education requirements for licensure as a home inspector.

This section would authorize the Board to adopt rules regarding course content, course offerings, and other education program compliance criteria.

Section 2: Article 9F of Chapter 143 of the General Statutes outlines the authority of the North Carolina Home Inspector Licensure Board, which includes that the Board may adopt fees for various aspects of home inspector education and licensure.

This section would authorize the Board to adopt a fee, not to exceed \$135.00, for online home inspector examination.

Section 3: Article 9C of Chapter 143 of the General Statutes outlines the authority of the North Carolina Code Officials Qualification Board and the laws that relate to Code-enforcement officials (a.k.a. building inspectors). Generally, to become a Code-enforcement official, an individual must meet certain education and testing requirements, however, certain licensed professionals and trades (e.g. architects and professional engineers) are able to get standard code-enforcement certificates upon completing a short course prescribed by the Board.

This section would require those specified professionals and trades to pass an examination rather than taking only a short course.

Section 4: Article 9C of Chapter 143 of the General Statutes outlines the authority of the North Carolina Code Officials Qualification Board, which includes that the Board is authorized to contract for the development and administration of examinations and for other related services.

This section would require the Board to approve course offerings for all continuing education programs, but may charge up to \$500 per course for review and approval of those programs.

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Section 5: Article 9C of Chapter 143 of the General Statutes outlines the authority of the North Carolina Code Officials Qualification Board and the laws that relate to Code-enforcement officials (a.k.a. building inspectors). Currently, there are no statutes that relate to apprenticeship programs for Code-enforcement officials.

This section would authorize the Board, in conjunction with the Department of Insurance, to establish a voluntary apprenticeship program for any Code-enforcement certificate.

Section 6: Article 1 of Chapter 87 of the General Statutes outlines the authority of the North Carolina State Licensing Board for General Contractors and its record keeping and expense requirements.

This section would: (i) remove provisions that relate to excess funds at the end of the Board's fiscal year; (ii) authorize the Board to expend funds to provide health insurance for its employees; (iii) amend record requirements by removing the requirement that the Board prepare a printed roster of licensed general contractors and removing related reporting requirements.

Section 7: Article 11 of Chapter 160D outlines the laws that relate to building code enforcement within the jurisdiction of local governments and includes provisions that relate to the issuance of building permits.

This section would require each local government to report annually to the Department of Insurance on their issuance of building permits, broken down by permit category and exemptions.

Section 8: Article 7 of Chapter 113A, entitled the Coastal Area Management Act of 1974, outlines the laws that relate to local government development permit letting and enforcement within coastal areas of environmental concern.

This section would require that all development permit applications include general contractor license numbers, if applicable, and a project cost estimate.

Section 9: Article 2 of Chapter 87 of the General Statutes outlines the authority of the State Board of Examiners of Plumbing, Heating, and Fire Sprinkler Contractors and the laws that relate to plumbing, heating, and fire sprinkler contracting. Article 4 of Chapter 87 of the General Statutes outlines the authority of the State Board of Examiners of Electrical Contractors and the laws that relate to electrical contracting. Both articles contain provisions that authorize those Boards to apply to a court for a restraining order and injunction against any person, firm, or corporation in violation of these articles.

This section would amend both articles with provisions that would require a court to award the applicable Board reasonable attorney's fees, not to exceed \$5,000, plus costs for the investigation and prosecution of violations.

Section 10: Article 4 of Chapter 87 of the General Statutes outlines the authority of the State Board of Examiners of Electrical Contractors and the laws that relate to electrical contracting, including the requirements for various license classifications. A limited electrical contracting licensee is limited to equipment or installations rated at not more than 600 volts.

This section would increase this limitation from 600 to 1000 volts. This section would become effective October 1, 2023, and would apply to license applications submitted on or after that date.

Section 11: Article 4 of Chapter 87 of the General Statutes outlines the authority of the State Board of Examiners of Electrical Contractors and the laws that relate to electrical contracting, which include types of projects and work that are exempted from this article. Currently, the bonding of corrugated stainless steel tubing gas piping systems as required under Section 310.1.1 of the 2012 N.C. Fuel Gas Code is exempt from the application of this article.

This section would clarify this exemption is valid under any current revision of the N.C. Fuel Gas Code.

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Section 12: Article 4 of Chapter 87 of the General Statutes outlines the authority of the State Board of Examiners of Electrical Contractors and the laws that relate to electrical contracting which includes the requirement that the Board collect a fee for license application and renewal. Every person engaging in the business of electrical contracting shall display a current license in their principal place of business and in each branch place of business.

This section would authorize the Board to assess a fee of \$25 per qualified licensed employee for each principal and branch place of business.

Section 13: Article 24 of Chapter 143, entitled the North Carolina Wildlife Resources Law, outlines the laws that relate to the authority of the North Carolina Wildlife Resources Commission in managing, protecting, and developing wildlife resources within the State. Generally, various offices of the Department of Administration are responsible for examining and approving plans for State project construction.

This section would require the Commission to conduct fee negotiations and supervise the letting of all construction and design contracts for developments at boating access areas, fishing areas, and game lands of the Commission requiring the estimated expenditure of less than \$750,000 of non-General Fund money. This section would become effective July 1, 2023.

EFFECTIVE DATE: Except as otherwise provided, this act is effective when it becomes law.

Howard Marsilio, counsel to House Local Government, Land Use, substantially contributed to this summary.