

GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2025

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SENATE BILL DRS15289-NN-49

Short Title: Gen. Contractor Lic'g Bd. Mods.

(Public)

Sponsors: Senator Jarvis (Primary Sponsor).

Referred to:

1 A BILL TO BE ENTITLED
2 AN ACT TO MODIFY THE DISCIPLINARY AUTHORITY OF THE NORTH CAROLINA
3 LICENSING BOARD FOR GENERAL CONTRACTORS, TO CLARIFY THE
4 COMPLAINT PROCESS, AND TO REQUIRE PAYMENT OF COURT AWARDS PRIOR
5 TO EXAMINATION ELIGIBILITY.

6 The General Assembly of North Carolina enacts:

7 **SECTION 1.(a)** G.S. 87-11 reads as rewritten:

8 "**~~§ 87-11. Revocation of license; charges of fraud, negligence, incompetency, etc.; hearing~~**
9 **~~thereon; reissuance of certificate. Disciplinary action; complaints; hearings.~~**

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

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

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

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

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

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



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

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

~~(1) Fraud or deceit in obtaining a license.~~

~~(2) Gross negligence, incompetency, or misconduct in the practice of general contracting.~~

~~(3) Willful violation of any provision of this Article.~~

(a) The Board shall have the power to refuse to issue or renew or revoke, suspend, or restrict a certificate of license or to issue a reprimand or take other disciplinary action if a general licensee, qualifier, or applicant does any of the following:

(1) Employs the use of fraud, deceit, or misrepresentation in obtaining or attempting to obtain a license or the renewal of a license.

(2) Commits an act of gross negligence, incompetency, or misconduct in the practice of general contracting.

(3) Willfully violates any provision of this Article, any rules adopted by the Board, or any order of the Board.

(b) The Board shall also have the power to revoke, suspend, or otherwise restrict the ability of any person to act as a qualifying party for a license to practice general contracting, as provided in G.S. 87-10(c), for any copartnership, corporation or any other organization or combination, if that person committed any act in violation of the provisions of this section. The Board may also take disciplinary action against the individual license held by that person.

(c) The Board shall initiate an investigation upon receipt of information about any act that might violate any provision of this Article, or any rule promulgated by the Board. All complaints shall be in writing and affirmed to by the complainant. The charges, unless dismissed by the Board, shall be heard and determined by the Board in accordance with the provisions of Chapter 150B of the General Statutes. The Board will not accept anonymous complaints.

(d) The Board shall adopt and publish rules consistent with the provisions of this Article, governing the discipline of licensees and qualifiers.

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

(1) Fraud or deceit in obtaining a license.

(2) Gross negligence, incompetency, or misconduct in the practice of general contracting.

(3) Willful violation of any provision of this Article."

SECTION 1.(b) G.S. 87-13.1 reads as rewritten:

"§ 87-13.1. Board may seek injunctive relief; attorneys' fee.

Whenever the Board determines that any person, firm or corporation has violated or is violating any of the provisions of this Article or rules and regulations of the Board promulgated under this Article, the Board may apply to the superior court for a restraining order and injunction to restrain the violation; and the superior courts have jurisdiction to grant the requested relief, irrespective of whether or not criminal prosecution has been instituted or administrative sanctions imposed by reason of the violation. When the Board prevails in actions brought under this section, the court shall award the Board its reasonable attorneys' fee ~~not to exceed five thousand dollars (\$5,000)~~ plus the costs associated with obtaining the relief and the investigation and prosecution of the violation. Examination applicants who have failed to pay a court award

1 pursuant to this section shall not be allowed to take any examination offered by the Board until
2 the award has been satisfied."

3 **SECTION 1.(c)** The North Carolina Licensing Board for General Contractors may
4 adopt rules to implement the provisions of subsections (a) and (b) of this section.

5 **SECTION 2.** This act becomes effective October 1, 2025, and applies to violations
6 that occur on or after that date.