

GENERAL ASSEMBLY OF NORTH CAROLINA  
SESSION 2009

S

1

SENATE BILL 856

Short Title: Require License for Fire Alarm Contracting. (Public)

Sponsors: Senator Vaughan.

Referred to: Commerce.

March 25, 2009

1 A BILL TO BE ENTITLED  
2 AN ACT TO REQUIRE THAT FIRE ALARM CONTRACTORS BE LICENSED IN THIS  
3 STATE; AND TO EXPAND THE ROLE OF THE STATE BOARD OF EXAMINERS OF  
4 ELECTRICAL CONTRACTS TO ENCOMPASS THE LICENSURE OF FIRE ALARM  
5 CONTRACTORS.

6 Whereas, the General Assembly finds that the licensure of persons who install fire  
7 alarms is necessary in order to protect the life, health, and property of the general public by  
8 ensuring that the installation of fire alarm systems is performed by persons who have the  
9 necessary experience, training, and qualifications to install, test, and maintain those systems;  
10 Now, therefore,

11 The General Assembly of North Carolina enacts:

12 **SECTION 1.** The title of Article 4 of Chapter 87 of the General Statutes reads as  
13 rewritten:

14 "Article 4.

15 Electrical and Fire Alarm Contractors."

16 **SECTION 2.(a)** G.S. 87-39 reads as rewritten:

17 "**§ 87-39. Board of Examiners; appointment; terms; chairman; meetings; quorum;**  
18 **principal office; compensation; oath.**

19 (a) The State Board of Examiners of Electrical and Fire Alarm Contractors shall  
20 continue as the State agency responsible for the licensing of persons engaging in electrical and  
21 fire alarm contracting within this State, and shall consist of ~~one member from the North~~  
22 ~~Carolina Department of Insurance to be designated by the Commissioner of Insurance; one~~  
23 ~~member who has satisfied the requirements for an unlimited license as defined in G.S. 87-43.3~~  
24 ~~and who is a representative of the North Carolina Association of Electrical Contractors to be~~  
25 ~~designated by the governing body of that organization; and five members to be appointed by~~  
26 ~~the Governor: one from the faculty of The Greater University of North Carolina who teaches or~~  
27 ~~does research in the field of electrical engineering, one who is serving as a chief electrical~~  
28 ~~inspector of a municipality or county in North Carolina, one who has satisfied the requirements~~  
29 ~~for an unlimited license as defined in G.S. 87-43.3 and who is a representative of the Carolinas~~  
30 ~~Electrical Contractors Association operating a sole proprietorship, partnership or corporation~~  
31 ~~located in North Carolina which is actively engaged in the business of electrical contracting,~~  
32 ~~and two who have no ties with the construction industry and who represent the interest of the~~  
33 ~~public at large.~~the following members:

34 (1) One member from the North Carolina Department of Insurance to be  
35 designated by the Commissioner of Insurance.

36 (2) One member who has satisfied the requirements for an unlimited license as  
37 defined in G.S. 87-43.3 and who is a representative of the North Carolina



1 Association of Electrical Contractors to be designated by the governing body  
2 of that organization.

3 (3) Nine members to be appointed by the Governor as follows:

4 a. One member from the faculty of The Greater University of North  
5 Carolina who teaches or does research in the field of electrical  
6 engineering.

7 b. One member who is serving as a chief electrical inspector of a  
8 municipality or county in North Carolina.

9 c. One member who has satisfied the requirements for an unlimited  
10 license as defined in G.S. 87-43.3 and who is a representative of the  
11 Carolinas Electrical Contractors Association operating a sole  
12 proprietorship, partnership, or corporation located in North Carolina  
13 which is actively engaged in the business of electrical contracting.

14 d. Two members who have no ties with the construction industry and  
15 who represent the interest of the public at large.

16 e. Four members operating a sole proprietorship, partnership, or  
17 corporation located in North Carolina which is actively engaged in  
18 the business of turnkey installation, testing, and maintenance of fire  
19 alarm systems.

20 (4) Three members who are representatives of the North Carolina Fire Marshal's  
21 Association to be designated by the governing body of that organization.

22 (b) Members of the Board shall serve staggered seven-year terms. Each member shall  
23 serve until his or her successor is designated or appointed, and is duly qualified. Vacancies  
24 occurring during a term shall be filled for the remainder of that term by the authority that  
25 designated or appointed the departing member.

26 (c) Members of the Board shall not serve consecutive, complete terms. For purposes of  
27 this subsection, only a term of less than seven years that results from the filling of a vacancy is  
28 an incomplete term; a term of less than seven years that results from the successor's late  
29 designation or appointment is not an incomplete term.

30 (d) All members shall be residents of North Carolina during their tenure on the Board.  
31 Any member of the Board may be removed by the authority that designated or appointed that  
32 member for misconduct, incompetency, or neglect of duty.

33 (e) The Board shall hold regular meetings quarterly and may hold meetings on call of  
34 the chair. The chair shall be required to call a special meeting upon written request by two  
35 members of the Board. At its regular first quarter meeting, the Board shall elect from its  
36 membership a chair and a vice-chair, each to serve for one year. ~~Four~~ Eight members of the  
37 Board shall constitute a quorum. The principal office of the Board shall be at such place as  
38 shall be designated by a majority of the members thereof. Payment of compensation and  
39 reimbursement of expenses of Board members shall be governed by G.S. 93B-5.

40 (f) Before entering upon the performance of his or her duties hereunder, each member  
41 of the Board shall take and file with the Secretary of State an oath in writing to properly  
42 perform the duties of his or her office as a member of the Board, and to uphold the Constitution  
43 of North Carolina and the Constitution of the United States."

44 **SECTION 2.(b)** G.S. 87-41 reads as rewritten:

45 "**§ 87-41. Seal of Board.**

46 The Board shall adopt a seal for its own use, and the secretary-treasurer shall have charge  
47 and custody thereof. The seal shall have inscribed thereon the words "Board of Examiners of  
48 Electrical and Fire Alarm Contractors, State of North Carolina."

49 **SECTION 2.(c)** G.S. 87-41.1 reads as rewritten:

50 "**§ 87-41.1. Definitions.**

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

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

13 **SECTION 2.(d)** G.S. 87-42 reads as rewritten:

14 **"§ 87-42. Duties and powers of Board.**

15 In order to protect the life, health and property of the public, the State Board of Examiners  
16 of Electrical and Fire Alarm Contractors shall provide for the written examination of all  
17 applicants for certification as a qualified individual, as defined in G.S. 87-41.1. The Board shall  
18 receive all applications for certification as a qualified individual and all applications for  
19 licenses to be issued under this Article, shall examine all applicants to determine that each has  
20 met the requirements for certification and shall discharge all duties enumerated in this Article.  
21 Applicants for certification as a qualified individual must be at least 18 years of age and shall  
22 be required to demonstrate to the satisfaction of the Board their good character and adequate  
23 technical and practical knowledge concerning the safe and proper installation of electrical work  
24 and ~~equipment~~equipment or fire alarms. The examination to be given for this purpose shall  
25 include, but not be limited ~~to, to, either~~ (i) the appropriate provisions of the National Electrical  
26 Code as incorporated in the North Carolina State Building Code, the analysis of electrical plans  
27 and specifications, estimating of electrical installations, and the fundamentals of the installation  
28 of electrical work and ~~equipment~~equipment; or (ii) the appropriate provisions of the North  
29 Carolina Fire Prevention Code, and the chapters of the National Electrical Code related to fire  
30 alarm installation, testing, and maintenance, as adopted by the North Carolina Department of  
31 Insurance. Certification of qualified individuals shall be issued in the same classifications as  
32 provided in this Article for license classifications. The Board shall prescribe the standards of  
33 knowledge, experience and proficiency to be required of qualified individuals, which may vary  
34 for the various license classifications. The Board shall issue certifications and licenses to all  
35 applicants meeting the requirements of this Article and of the Board upon the receipt of the fees  
36 prescribed by G.S. 87-44. The Board shall have power to make rules and regulations necessary  
37 to the performance of its duties and for the effective implementation of the provisions of this  
38 Article. The Board shall have the power to administer oaths and issue subpoenas requiring the  
39 attendance of persons and the production of papers and records before the Board in any  
40 hearing, investigation, or proceeding conducted by it. Members of the Board's staff or the  
41 sheriff or other appropriate official of any county of this State shall serve all notices,  
42 subpoenas, and other papers given to them by the Chairman for service in the same manner as  
43 process issued by any court of record. Any person who neglects or refuses to obey a subpoena  
44 issued by the Board shall be guilty of a Class 1 misdemeanor. The Board shall have the power  
45 to acquire, rent, encumber, alienate, and otherwise deal with real property in the same manner  
46 as a private person or corporation, subject only to approval of the Governor and the Council of  
47 State. Collateral pledged by the Board for an encumbrance is limited to the assets, income, and  
48 revenues of the Board. The Board shall keep minutes of all its proceedings and shall keep an  
49 accurate record of receipts and disbursements which shall be audited at the close of each fiscal  
50 year by a certified public accountant, and the audit report shall be filed with the State of North  
51 Carolina in accordance with Chapter 93B of the General ~~Statutes~~Statutes. The Board shall

1 consult with the Office of State Fire Marshal of the North Carolina Department of Insurance  
2 from time to time regarding its oversight of fire alarm contractors."

3 **SECTION 2.(e)** G.S. 87-43 reads as rewritten:

4 "**§ 87-43. Electrical and fire alarm contracting defined; licenses.**

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

22 (b) Fire alarm contracting shall be defined as engaging or offering to engage in the  
23 business of installing, maintaining, altering, or repairing any fire alarm. As used in this  
24 subsection, the term "fire alarm" means a system or portion of a combination system that  
25 consists of components and circuits arranged to monitor and annunciate the status of fire alarm  
26 or supervisory signal initiating devices and to initiate the proper response to those signals.  
27 Beginning October 1, 2009, no person, partnership, firm, or corporation shall engage in, or  
28 offer to engage in, the business of fire alarm contracting within the State of North Carolina  
29 without having received a license from the State Board of Examiners of Electrical and Fire  
30 Alarm Contractors in compliance with the provisions of this Article, regardless of whether the  
31 offer was made or the work was performed by a qualified individual as defined in G.S. 87-41.1.  
32 In each separate place of business operated by a fire alarm contractor at least one listed  
33 qualified individual shall be regularly on active duty and shall have the specific duty and  
34 authority to supervise and direct all fire alarm work done or made by such separate place of  
35 business. Every person, partnership, firm, or corporation engaging in the business of fire alarm  
36 contracting shall display a current certificate of licenses in its principal place of business and in  
37 each branch place of business which it operates. Licenses issued hereunder shall be signed by  
38 the chairman and the secretary-treasurer of the Board under the seal of the Board. A registry of  
39 all licenses issued to fire alarm contractors shall be kept by the secretary-treasurer of the Board,  
40 and said registry shall be open for public inspection during ordinary business hours."

41 **SECTION 2.(f)** G.S. 87-43.1 reads as rewritten:

42 "**§ 87-43.1. Exceptions.**

43 The provisions of this Article shall not apply:

- 44 (1) To the installation, construction or maintenance of facilities for providing  
45 electric or fire alarm service to the public ahead of the point of delivery of  
46 electric service to the customer;
- 47 (2) To the installation, construction, maintenance, or repair of telephone,  
48 telegraph, fire alarm, or signal systems, by public utilities, or their corporate  
49 affiliates, when said work pertains to the services furnished by said public  
50 utilities;

- 1 (3) To any person in the course of his work as a bona fide employee of a  
2 licensee of this Board;
- 3 (4) To the installation, construction or maintenance of electrical or fire alarm  
4 equipment and wiring for temporary use by contractors in connection with  
5 the work of construction;
- 6 (5) To the installation, construction, maintenance or repair of fire alarms or  
7 electrical wiring, devices, appliances or equipment by persons, firms or  
8 corporations, upon their own property when such property is not intended at  
9 the time for rent, lease, sale or gift, who regularly employ one or more  
10 electricians or mechanics for the purpose of installing, maintaining, altering  
11 or repairing of electrical wiring, ~~devices or equipment~~ devices, equipment, or  
12 fire alarms used for the conducting of the business of said persons, firms or  
13 corporations;
- 14 (5a) To any person who is himself and for himself installing, maintaining,  
15 altering or repairing fire alarms or electric work, wiring, devices, appliances  
16 or equipment upon his own property when such property is not intended at  
17 the time for rent, lease, or sale;
- 18 (6) To the installation, construction, maintenance or repair of fire alarms or  
19 electrical wiring, devices, appliances or equipment by State institutions and  
20 private educational institutions which maintain a private electrical  
21 department;
- 22 (7) To the replacement of lamps and fuses and to the installation and servicing  
23 of cord-connected appliances and equipment connected by means of  
24 attachment plug-in devices to suitable receptacles which have been  
25 permanently installed or to the servicing of appliances connected to a  
26 permanently installed junction box. This exception does not apply to  
27 permanently installed receptacles or to the installation of the junction box."

28 **SECTION 2.(g)** G.S. 87-43.2 reads as rewritten:

29 **"§ 87-43.2. Issuance of license.**

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

- 33 (1) At least one listed qualified individual shall be regularly employed by the  
34 applicant at each separate place of business to have the specific duty and  
35 authority to supervise and direct fire alarm or electrical contracting  
36 contracting, as applicable, done by or in the name of the licensee;
- 37 (2) An application is filed with the Board which contains a statement of  
38 ownership, states the names and official positions of all employees who are  
39 listed qualified individuals and provides such other information as the Board  
40 may reasonably require;
- 41 (3) The applicant, through an authorized officer or owner, shall agree in writing  
42 to report to the Board within five days any additions to or loss of the  
43 employment of listed qualified individuals; and
- 44 (4) The applicant furnishes, upon the initial application for a license, a bonding  
45 ability statement completed by a bonding company licensed to do business  
46 in North Carolina, verifying the applicant's ability to furnish performance  
47 bonds for fire alarm or electrical contracting projects-projects, as applicable,  
48 having a value in excess of the project value limit for a limited license  
49 established pursuant to G.S. 87-43.3 for the intermediate license  
50 classification and in excess of the project value limit for an intermediate  
51 license established pursuant to G.S. 87-43.3 for the unlimited license

1 classification. In lieu of furnishing the bonding ability statement, the  
2 applicant may submit for evaluation and specific approval of the Board other  
3 information certifying the adequacy of the applicant's financial ability to  
4 engage in projects of the license classification applied for. The bonding  
5 ability statement or other financial information must be submitted in the  
6 same name as the license to be issued. If the firm for which a license  
7 application is filed is owned by a sole proprietor, the bonding ability  
8 statement or other financial information may be furnished in either the firm  
9 name or the name of the proprietor. However, if the application is submitted  
10 in the name of a sole proprietor, the applicant shall submit information  
11 verifying that the person in whose name the application is made is in fact the  
12 sole proprietor of the firm.

13 (5) Repealed by Session Laws 1989, c. 709, s. 5.

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

21 **SECTION 2.(h)** G.S. 87-43.3 reads as rewritten:

22 "**§ 87-43.3. Classification of licenses.**

23 An electrical contracting license shall be issued in one of the following classifications:  
24 Limited, under which a licensee shall be permitted to engage in a single electrical contracting  
25 project of a value, as established by the Board, not in excess of one hundred thousand dollars  
26 (\$100,000) and on which the equipment or installation in the contract is rated at not more than  
27 600 volts; Intermediate, under which a licensee shall be permitted to engage in a single  
28 electrical contracting project of a value, as established by the Board, not in excess of two  
29 hundred thousand dollars (\$200,000); Unlimited, under which a licensee shall be permitted to  
30 engage in any electrical contracting project regardless of value; and such other special  
31 Restricted classifications as the Board may establish from time to time to provide, (i) for the  
32 licensing of persons, partnerships, firms or corporations wishing to engage in special restricted  
33 electrical contracting, under which license a licensee shall be permitted to engage only in a  
34 specific phase of electrical contracting of a special, limited nature, and (ii) for the licensing of  
35 persons, partnerships, firms or corporations wishing to engage in electrical contracting work as  
36 an incidental part of their primary business, which is a lawful business other than electrical  
37 contracting, under which license a licensee shall be permitted to engage only in a specific phase  
38 of electrical contracting of a special, limited nature directly in connection with said primary  
39 business. The Board may establish appropriate standards for each classification, such standards  
40 not to be inconsistent with the provisions of G.S. 87-42. The Board may, by rule, modify the  
41 project value limitations up to the maximum amounts set forth in this section for limited and  
42 intermediate licenses no more than once every three years based upon an increase or decrease  
43 in the project cost index for electrical projects in this State. A licensed fire alarm contractor  
44 shall be permitted to engage in any fire alarm contracting project regardless of value. No initial  
45 or renewal fire alarm contracting license shall be issued unless the applicant first provides the  
46 Board with a copy of a certificate of insurance for the rating of fire alarm installation."

47 **SECTION 2.(i)** G.S. 87-44 reads as rewritten:

48 "**§ 87-44. Fees; license term.**

49 The Board shall collect a fee from each applicant before granting or renewing a license  
50 under the provisions of this Article; the annual license fee for the limited classification  
51 electrical contracting license shall not exceed one hundred dollars (\$100.00) for each principal

1 and each branch place of business; the annual license fee for the intermediate classification  
2 electrical contracting license shall not exceed one hundred fifty dollars (\$150.00) for each  
3 principal and each branch place of business; the annual license fee for the unlimited  
4 classification electrical contracting license shall not exceed two hundred dollars (\$200.00) for  
5 each principal and each branch place of business; and the annual license fee for the special  
6 restricted classifications and for the single-family detached residential dwelling electrical  
7 contracting license shall not exceed one hundred dollars (\$100.00) for each principal and each  
8 branch place of business. The annual license fee for the fire alarm contracting license shall not  
9 exceed two hundred dollars (\$200.00) for each principal and each branch place of business.

10 The Board shall establish a system for the renewal of licenses with varying expiration dates.  
11 However, all licenses issued by the Board shall expire one year after the date of issuance.  
12 Licenses shall be renewed by the Board, subject to G.S. 87-44.1 and G.S. 87-47, after receipt  
13 and evaluation of a renewal application from a licensee and the payment of the required fee.  
14 The application shall be upon a form provided by the Board and shall require such information  
15 as the Board may prescribe. Renewal applications and fees shall be due 30 days prior to the  
16 license expiration date.

17 Upon failure to renew by the expiration date established by the Board, the license shall be  
18 automatically revoked. This license may be reinstated by the Board, subject to G.S. 87-44.1 and  
19 G.S. 87-47, upon payment of the license fee, an administrative fee of twenty-five dollars  
20 (\$25.00), and all fees for the lapsed period during which the person, partnership, firm or  
21 corporation engaged in fire alarm or electrical contracting, and, further, upon the satisfaction of  
22 such experience requirements during the lapse as the Board may prescribe by rule.

23 The Board may collect fees from applicants for examinations in an amount not to exceed  
24 one hundred twenty-five dollars (\$125.00), except the fee for a specially arranged examination  
25 shall not exceed two hundred dollars (\$200.00). In addition, the Board may collect an  
26 examination review fee, not to exceed twenty-five dollars (\$25.00), from failed examinees who  
27 apply for a supervised review of their failed examinations."

28 **SECTION 2.(j)** G.S. 87-44.1 reads as rewritten:

29 **"§ 87-44.1. Continuing education courses required.**

30 Beginning July 1, 1991, the Board may require as prerequisite to the annual renewal of a  
31 license that every listed qualified individual complete continuing education courses in subjects  
32 relating to fire alarm or electrical contracting, as appropriate, to assure the safe and proper  
33 installation of fire alarm and electrical work and equipment in order to protect the life, health,  
34 and property of the public. The listed qualified individual shall complete, during the 12 months  
35 immediately preceding license renewal, a specific number of hours of continuing education  
36 courses approved by the Board prior to enrollment. The Board shall not require more than 10  
37 hours of continuing education courses per 12 months and such continuing education courses  
38 shall include those taught at a community college as approved by the Board. The listed  
39 qualified individual may accumulate and carry forward not more than two additional years of  
40 the annual continuing education requirement. Attendance at any course or courses of  
41 continuing education shall be certified to the Board on a form provided by the Board and shall  
42 be submitted at the time the licensee makes application to the Board for its license renewal and  
43 payment of its license renewal fee. This continuing education requirement may be waived by  
44 the Board in cases of certified illness or undue hardship as provided for in the Rules of the  
45 Board."

46 **SECTION 2.(k)** G.S. 87-45 reads as rewritten:

47 **"§ 87-45. Funds.**

48 The fees collected for examinations and licenses under this Article shall be used for the  
49 expenses of the State Board of Examiners of Electrical and Fire Alarm Contractors in carrying  
50 out the provisions of this Article. No expenses of the Board or compensation of any member or  
51 employee of the Board shall be payable out of the treasury of the State of North Carolina; and

1 neither the Board nor any member or employee thereof shall have any power or authority to  
2 make or incur any expense, debt or other financial obligation binding upon the State of North  
3 Carolina. Any funds remaining in the hands of the secretary-treasurer to the credit of the Board  
4 after all expenses of the Board for the current fiscal year have been fully provided for shall be  
5 paid over to the North Carolina Engineering Foundation, Inc., for the benefit of the electrical  
6 engineering department of the Greater University of North Carolina. Provided, however, the  
7 Board shall have the right to maintain an amount, the cumulative total of which shall not  
8 exceed twenty percent (20%) of gross receipts for the previous fiscal year of its operation as a  
9 maximum contingency or emergency fund."

10 **SECTION 2.(l)** G.S. 87-46 reads as rewritten:

11 **"§ 87-46. Responsibility of licensee; nonliability of Board.**

12 Nothing in this Article shall relieve the holder or holders of licenses issued under the  
13 provisions hereof from complying with the building or electrical codes or statutes or ordinances  
14 of the State of North Carolina, or of any county or municipality thereof now in force or  
15 hereafter enacted. Nothing in this Article shall be construed as relieving the holder of any  
16 license issued hereunder from responsibility or liability for negligent acts on the part of such  
17 holder in connection with electrical contracting work; nor shall the State Board of Examiners of  
18 Electrical and Fire Alarm Contractors be accountable in damages, or otherwise for the  
19 negligent act or acts of any holder of such license."

20 **SECTION 2.(m)** G.S. 87-47(a1) reads as rewritten:

21 "(a1) The following activities are prohibited:

- 22 (1) Offering to engage or engaging in electrical or fire alarm contracting without  
23 being licensed.
- 24 (2) Selling, transferring, or assigning a license, regardless of whether for a fee.
- 25 (3) Aiding or abetting an unlicensed person, partnership, firm, or corporation to  
26 offer to engage or to engage in electrical or fire alarm contracting.
- 27 (4) Being convicted of a crime involving fraud or moral turpitude.
- 28 (5) Engaging in fraud or misrepresentation to obtain a certification, obtain or  
29 renew a license, or practice electrical or fire alarm contracting.
- 30 (6) Engaging in false or misleading advertising.
- 31 (7) Engaging in malpractice, unethical conduct, fraud, deceit, gross negligence,  
32 gross incompetence, or gross misconduct in the practice of electrical or fire  
33 alarm contracting."

34 **SECTION 2.(n)** G.S. 87-48 reads as rewritten:

35 **"§ 87-48. Penalty for violation of Article; powers of Board to enjoin violation.**

36 (a) Any person, partnership, firm or corporation who shall violate any of the provisions  
37 of this Article or any rule of the Board adopted pursuant to this Article or who shall engage or  
38 offer to engage in the business of installing, maintaining, altering or repairing within the State  
39 of North Carolina any fire alarm or electric wiring, devices, appliances or equipment without  
40 first having obtained a license under the provisions of this Article shall be guilty of a Class 2  
41 misdemeanor.

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



1           **SECTION 2.(o)** G.S. 87-50 reads as rewritten:

2   "**§ 87-50. Reciprocity.**

3       To the extent that other states which provide for the licensing of electrical or fire alarm  
4   contractors provide for similar action, the Board may grant licenses of the same or equivalent  
5   classification to electrical or fire alarm contractors licensed by other states without written  
6   examination upon satisfactory proof furnished to the Board that the qualifications of such  
7   applicants are equal to the qualifications of holders of similar licenses in North Carolina and  
8   upon payment of the required fee."

9           **SECTION 3.** Notwithstanding G.S. 87-43(b), any person, partnership, firm, or  
10   corporation licensed in this State pursuant to G.S. 87-43(a) when this act becomes effective  
11   shall not be required to obtain a separate fire alarm contracting license before engaging in fire  
12   alarm contracting. However, once that license expires, the person, partnership, firm, or  
13   corporation must obtain a fire alarm contracting license as required by G.S. 87-43(b) before  
14   engaging in further fire alarm contracting.

15           **SECTION 4.** This act is effective when it becomes law.