



North Carolina Licensing Board for General Contractors

New Application Help

A North Carolina General Contractors License is required by those who plan to bid upon, construct, superintend or manage the construction of any building, highway, public utilities, grading or improvement of a structure costing \$30,000 or more.

The Applicant: The applicant is the entity applying for the license. You want to apply for the license under whichever entity/name you wish to practice general contracting in North Carolina. Licenses can be granted to individuals or companies, but licenses are only valid for work done under the name that is licensed. Licenses cannot be shared by separate legal entities. You cannot use an individual's license to conduct business as a corporation or LLC and vice versa.

Applicants must:

- (1) Be at least 18 years of age.
- (2) Possess good moral character as determined by the Board.
- (3) Provide evidence of financial responsibility as determined by the Board.
- (4) Submit the appropriate application fee.

Application Process

1. The applicant completes the Application for License to Practice General Contracting in the State of North Carolina and submits the application to the Board.
2. The Board's staff will review applications for completeness and compliance with licensing requirements. This process can typically take up to 2 or 3 weeks but may vary depending on volume.
3. If corrections or more information is required, the Board's staff will contact the applicant using the contact information provided in the application. Email is the preferred method of communication and for submission of corrections and or additional information.
4. When an application meets all necessary requirements and an exam is required, the exam candidate(s) will be mailed an exam eligibility letter. If all required exam(s) have already been passed, the application will proceed to step 6.
5. The candidate will schedule and take his/her exam with the exam vendor.
6. After exam(s) have been successfully passed, the information will be forwarded to the members of the Licensing Board for final review and approval. Lists for final review and approval are typically sent to the Board members twice a month.
7. Once the Board gives final approval, the license is granted and assigned a license number.

Public Records

Information submitted with any application may be considered a public record as defined under N.C.G.S. §132-1 et. seq. and may be subject to disclosure to the public upon request.

As per N.C.G.S. §93B-14, every occupational licensing board shall require applicants for licensure to provide to the Board the applicant's social security number. This information shall be treated as confidential and may be released only to the governmental agencies listed in N.C.G.S. §93B-14.

Licensing Information

- A North Carolina General Contractors License is required by those who plan to bid upon, construct, superintend or manage the construction of any building, highway, public utilities, grading or improvement of a structure costing \$30,000 or more.
- General contractors licenses can be issued to an individual, sole proprietor, partnership, corporation, LLC, or LLP. The license is only valid for the entity to which the license is granted. A licensed entity cannot allow an unlicensed contractor to use their license.
- **Secretary of State Registration:** Companies applying for a license must be properly registered to conduct business in North Carolina. Copies of the Articles of Organization, Articles of Incorporation, or Certificate of Authority are required.
- **Limitation and Classification:** Licenses have a limitation and a classification. The limitation is based on the financial information demonstrated and determines the dollar size of the projects for which the license is valid. Classifications are based on the exams passed and determines the type of work for which the license is valid.
- **Qualifiers:** Qualifiers are the individuals who pass the exams on behalf of a license. Qualifiers are not license holders unless the license is applied for and granted to the individual.
- **Renewal:** All licenses expire on January 1 each year and go invalid 60 days after expiration. The license renewal process begins in October of each year. There is a \$10 per month penalty fee required for any renewal applications filed on or after January 1 of each year. New licenses will continue to be issued in the month of December unless it is explicitly requested the new license issuance be held until January. Licenses issued in December are required to renew the license for the following year.

Qualifiers and Classifications

- Qualifiers are defined as responsible managing employees, officers, or members of the personnel who have passed the necessary exams on behalf of a license. Responsible managing employees and members of the personnel must be W-2 employees. Consultants or independent contractors cannot be used as qualifiers. Please review the [Laws and Regulations](#) packet NCGS §87-10 and NCAC Title 21 Chapter 12A.0205 for more information.
- The license classification is determined by the exams passed by the qualifier(s). Qualifiers may qualify no more than two licenses at one time.
- Each classification of license has its own exam. Classifications and their scope of work is defined in 21 NCAC 12A.0202. Please review the [Laws and Regulations](#) packet for the complete list.
- A license can have more than one qualifier. Qualifiers may qualify no more than two licenses at one time.
- Qualifiers are not license holders unless they apply for and receive a license granted in their individual name.

- If a qualifier leaves the license, BOTH the qualifier and the licensee are required to inform the Licensing Board in writing within 10 days. A license will go invalid 90 days after the departure unless another qualifier is added to the license.

Exam Information

- **Taking North Carolina Exams:**
 - Exams are currently administered by the exam vendor PSI. www.psiexams.com.
 - Exams can be passed by an individual meeting the requirements to be a qualifier on the license.
 - For information about specific exams and materials please review the [Candidate Information Bulletin](#) available on our website www.nclbqc.org under the section for license applicants.
 - Exam eligibility letters for new license applicants are issued only after a completed new license application has been submitted.
 - The North Carolina Licensing Board for General Contractors is not affiliated with and does not sponsor, approve or recommend any individuals, business, technical schools, or community colleges offering courses for exam preparation.
- **Exam Transfer:**
 - If someone has already passed the North Carolina, NASCLA (National Association of State Contracting Licensing Agencies), or other state's exam(s) and are on or have been on an active North Carolina license within the last 4 years, they may be capable of transferring their existing exam(s).
 - To transfer an exam, the Qualifier Add Form included in the back of the application must be submitted with the completed application.
 - Qualifier's exams expire after 4 years of not being a qualifier for an active license. After 4 years of inactivity, examinations can no longer be transferred.
- **Exam Waiver:**
 - If someone has passed the NASCLA National Accredited Building Exam or the proper exams in Alabama, Florida, Georgia, Louisiana, Mississippi, South Carolina, or Tennessee they may qualify for an exam waiver. See the exam waiver section of the instructions.
 - The applicant for license must provide the necessary NASCLA documents (see page 4) or have the respective State Board complete the Examination Waiver form included in the back of the application.
 - Applicants applying using an exam waiver must pass the North Carolina Business and Law Exam. Eligibility letters for the Business and Law Exam are mailed after a complete license application is received and processed by the Board.
- **Exam Failure:**
 - An Examinee/Qualifier who has not passed an exam may submit a Board issued Examination Request Application provided the date on the financial statement submitted with the application for licensure is not older than 12 months. There is no limit on the number of times an Examinee/Qualifier may take an exam up to the date the financials become older than 12 months. If an Examinee/Qualifier has not passed an exam when the date of the financials is older than 12 months, a new application shall be required.

Limitations

- Limited License: Valid for individual projects up to \$750,000 each.
 - Requires \$17,000 Working Capital, or \$80,000 Net Worth, or a \$175,000 Surety Bond
- Intermediate License: Valid for individual projects up to \$1,500,000 each.
 - Requires \$75,000 Working Capital demonstrated by an Agreed-Upon Procedure Report, or an AUDITED Financial statement, or a \$500,000 Surety Bond
- Unlimited License: Valid for individual projects of any size.
 - Requires \$150,000 Working capital demonstrated by an Agreed-Upon Procedure Report, an AUDITED financial statement, or a \$1,000,000 Surety Bond.

Financial Statements

To qualify for a license, the applicant must meet a financial requirement as defined in NCAC Title 21 chapter 12A.0204. Please review the [Laws and Regulations](#) packet for further information.

- Financial statements shall be no older than 12 months from the date of submission.
- Financial statements shall be prepared in conformity with generally accepted accounting principles (GAAP).
- Financial statements must be in the name of the applicant.
 - Consolidated financial statements of affiliated corporations are not accepted unless the statement provides a breakout for the financial statements of the affiliated entities.
 - Financial statements with subsidiaries cannot be accepted unless the entity applying is the parent company or the financial statement provides a breakout financial statement of the subsidiaries.
- Applicants must meet a working capital or net worth requirement based on the limitation of license. (Working Capital = Total Current Assets – Total Current Liabilities; Net Worth = Total Assets – Total Liabilities)
 - Limited License: \$17,000 working capital or \$80,000 net worth.
 - Intermediate License: \$75,000 working capital. Agreed-upon Procedure Report or audit REQUIRED.
 - Unlimited Limitation: \$150,000 working capital. Agreed-upon Procedure Report or audit REQUIRED.
- **Board Financial Worksheet:** The Board's online financial worksheet is only available for applicants applying for the limited limitation who have not been in bankruptcy within the last 5 years. To complete the worksheet you will need to type the financial values into the corresponding fields of the worksheet. If you need assistance completing the financial worksheet you will need to contact an accountant or book-keeper.
- **Bankruptcy:** If the applicant or any owner, principal, or qualifier is in bankruptcy or have been in bankruptcy within five years prior to filing the application, an Agreed-Upon Procedure Report or AUDITED financial statement is required. This requirement shall not apply to shareholders of an applicant that is a publicly traded corporation.
- **Agreed-Upon Procedure Report:** An Agreed-Upon Procedure Report must be performed by a certified public accountant or an independent accountant engaged in the public practice of accountancy using the guidelines provided by the Board. (The guidelines are included at end of packet)
- **Audits:** Audited financial statements must be performed by a certified public accountant or an independent accountant engaged in the public practice of accountancy. Audits must include an

unqualified opinion, classified balance sheet, and notes to the financial statement. Reviewed financial statements and compilation reports cannot be accepted.

Surety Bonds

In lieu of demonstrating the level of working capital as required, an applicant may obtain a surety bond. Surety bonds must meet the following requirements.

- Be provided by a surety authorized to transact surety business North Carolina.
- The surety provider shall maintain an AM Best rating of Superior (A++ or A+) or Excellent (A or A-)
- The bond shall be continuous and maintained for as long as the applicant maintains the license. If the bond is cancelled, the license will go invalid after 30 days unless an Agreed-Upon Procedure Report, an audit or a bond is submitted.
- List the State of North Carolina as the obligee.
- Be for the Benefit of any person who is damaged by an act or omission of the applicant constituting a breach of construction contract, breach of a contract for the furnishing of labor, materials, or professional services to be undertaken by the applicant, or by an unlawful act or omission of the applicant in the performance of a construction contract.
- Be for the following amounts based on limitation.
 - Limited: \$175,000
 - Intermediate: \$500,000
 - Unlimited: \$1,000,000

Fees

- New license application fees are based on the limitation of license being sought.
 - Limited: \$75
 - Intermediate: \$100
 - Unlimited: \$125
- Fees submitted to the Board are nonrefundable.
- A bad check incurs an additional penalty fee of \$35. In the case of a bad check, licenses will not be granted or will be made invalid until proper payment is resolved.

Qualifier Add/Examination Transfer Information

Existing North Carolina qualifiers can transfer their exams between licenses if their exams are still valid. Qualifying exams expire after four years of not being attached to an active license.

Qualifiers may only use their exams for up to two licenses at any given time.

If the qualifier being added is currently on a North Carolina General Contractors License or has been on an active license in the last four years you will need to complete the **Qualifier Add Form**.

NASCLA Waiver Information

If any responsible managing employee, officer, or member of the personnel of the applicant has passed the NASCLA Accredited Building exam **AND is not already currently qualifying an existing North Carolina license**, the items listed below are required to be submitted with the completed application:

1. Copy of the exam result letter the examinee received from the testing vendor on the day the candidate passed the exam.
2. Proof that the transcript for North Carolina has been ordered.
3. A copy of the applicant's license in **ALL** other states that the NASCLA Accredited Building exam is being used as an exam credential. (if applicable)

A NASCLA examination credential shall not be considered valid if four years has lapsed and the examinee HAS NOT served as a qualifier for an active license in any state. When the examinee HAS NOT served as a qualifier for an active license within the last four years, the examinee shall fulfill all requirements of a new applicant.

For more information visit the (NASCLA) National Association of State Contractors Licensing Agencies' website at <http://www.nascla.org>.

Applicants applying using the NASCLA Exam are required to pass a North Carolina Business and Law Exam. Eligibility letters for the Business and Law Exam are mailed after a complete license application is received and processed by the Board.

State Exam Waiver Information

To Qualify for the Exam Waiver Agreement, you must:

- Have passed the proper exams in Alabama, Florida, Georgia, Louisiana, Mississippi, South Carolina, or Tennessee. (see below)
- Have an active license in the state whose examination you are using.
- Have the respective state board complete the Examination Waiver form in the application.
- Pass the North Carolina Business and Law Exam. Eligibility letters for the Business and Law Exam are mailed after a complete license application is received and processed by the Board.

Alabama: Those who hold a license with the Alabama Home Builders Licensure Board and have passed the Alabama examination in the classification for Residential Contractor qualify for the examination waiver.

- Residential Contractor

Florida: Those who hold a license with the Florida Construction Industry Licensing Board and have passed the Florida examination in the classification(s) for Certified General Contractor or Certified Residential Contractor qualify for the examination waiver.

- Building Contractor
- Residential Contractor

Georgia: The Georgia Board of Residential and General Contractors currently requires the NASCLA Accredited Building Examination for licensure. Please comply with the necessary requirements for submitting an application using the NASCLA examination. If/When Georgia implements a State Building examination, then the examination will qualify for the waiver agreement.

Louisiana: Those who hold a license with the Louisiana State Licensing Board for General Contractors and have passed the Louisiana examination in the classification for Building Contractor qualify for the examination waiver.

- Building Contractor

Mississippi: Those who hold a license with the Mississippi State Board of Contractors and have passed a Mississippi examination for one the following classifications:

- Commercial Building Construction
- Residential Building
- Concrete
- Grading and Excavating,
- Roofing,
- Swimming Pools
- Water Lines and Sewer

South Carolina: Those who hold the following classifications with the South Carolina Residential Homebuilders Commission or the South Carolina General Contractors Licensing Board and passed the respective boards' examinations qualify for the examination waiver agreement:

- Residential contractor
- Building contractor
- PU(Water and Sewer Lines)
- PU(Water Purification and Sewage Disposal)
- H(Grading and Excavating)
- S (Roofing)

Tennessee: Those that hold the following licenses with the Tennessee Board for Licensing Contractors and have passed the Tennessee Examinations will qualify for the following examination waivers.

- "BC-A Residential Contractor" (Tennessee) for "Residential Contractor" (North Carolina)
- "BC-B Commercial Contractor" (Tennessee) for "Building Contractor" (North Carolina)
- "BC-A,B Combined-Residential/Commercial Contractor" (Tennessee) for "Building Contractor" (North Carolina)

PUNISHMENTS

Penalties for giving false information may include suspension or revocation of license. (N.C.G.S. §87-13)

Once licensed, an applicant may be disciplined by sanctions such as license revocation or revocation of the qualifier's credentials for failure to comply with the applicable portions of the code and/or the laws and regulations pertaining to the practice of general contracting.

Classification: The classification on the license is determined by the exams completed by the qualifiers. Each classification of license has its own exam and determines the type of work that can be performed with the license.

Classification Definitions:

(1) Building Contractor. This classification covers all building construction and demolition activity including: commercial, industrial, institutional, and all residential building construction. It includes parking decks; all site work, grading and paving of parking lots, driveways, sidewalks, and gutters; storm drainage, retaining or screen walls, and hardware and accessory structures; and indoor and outdoor recreational facilities including

natural and artificial surface athletic fields, running tracks, bleachers, and seating. It also covers work done under the specialty classifications of S(Concrete Construction), S(Insulation), S(Interior Construction), S(Marine Construction), S(Masonry Construction), S(Roofing), S(Metal Erection), S(Swimming Pools), and S(Asbestos), and S(Wind Turbine).

(2) Residential Contractor. This classification covers all construction and demolition activity pertaining to the construction of residential units that are required to conform to the residential building code adopted by the Building Code Council pursuant to G.S. 143-138; all site work, driveways, sidewalks, and water and wastewater systems ancillary to the afore - mentioned structures and improvements; and the work done as part of such residential units under the specialty classifications of S(Insulation), S(Interior Construction), S(Masonry Construction), S(Roofing), S(Swimming Pools), and S(Asbestos).

(3) Highway Contractor. This classification covers all highway construction activity including: grading, paving of all types, installation of exterior artificial athletic surfaces, relocation of public and private utility lines ancillary to a principal project, bridge construction and repair, culvert construction and repair, parking decks, sidewalks, curbs, gutters and storm drainage. It also includes installation and erection of guard rails, fencing, signage and ancillary highway hardware; covers paving and grading of airport and airfield runways, taxiways, and aprons, including the installation of fencing, signage, runway lighting and marking; and work done under the specialty classifications of S(Boring and Tunneling), S(Concrete Construction), S(Marine Construction), S(Railroad Construction), and H(Grading and Excavating).

(4) Public Utilities Contractor. This classification includes operations that are the performance of construction work on water and wastewater systems and on the subclassifications of facilities set forth in G.S. 87-10(b)(3). The Board shall issue a license to a public utilities contractor that is limited to any of the subclassifications set forth in G.S. 87-10(b)(3) for which the contractor qualifies. A public utilities contractor license covers work done under the specialty classifications of S(Boring and Tunneling), PU(Communications), PU(Fuel Distribution), PU(Electrical-Ahead of Point of Delivery), PU(Water Lines and Sewer Lines), PU(Water Purification and Sewage Disposal), and S(Swimming Pools).

(5) Specialty Contractor. This classification covers all construction operation and performance of contract work outlined as follows:

(A) H(Grading and Excavating). This classification covers the digging, moving, and placing of materials forming the surface of the earth, excluding air and water, in such a manner that the cut, fill, excavation, grade, trench, backfill, or any similar operation may be executed with the use of hand and power tools and machines used for these types of digging, moving, and material placing. It covers work on earthen dams and the use of explosives used in connection with all or any part of the activities described in this Subparagraph. It also includes clearing and grubbing, and erosion control activities.

(B) S(Boring and Tunneling). This classification covers the construction of underground or underwater passageways by digging or boring through and under the earth's surface, including the bracing and compacting of such passageways to make them safe for the purpose intended. It includes preparation of the ground surfaces at points of ingress and egress.

(C) PU (Communications). This classification covers the installation of the following: (i) all types of pole lines, and aerial and underground distribution cable for telephone systems; (ii) aerial and underground distribution cable for cable TV and master antenna TV systems capable of transmitting R.F. signals; (iii) underground conduit and communication cable including fiber optic cable; and (iv) microwave systems and towers, including foundations and excavations where required, when the microwave systems are being used for the purpose of transmitting R.F. signals; and installation of PCS or cellular telephone towers and sites.

(D) S(Concrete Construction). This classification covers the construction, demolition, and installation of foundations, pre-cast silos, and other concrete tanks or receptacles, prestressed components, and gunite applications, but excludes bridges, streets, sidewalks, curbs, gutters, driveways, parking lots, and highways.

(E) PU(Electrical-Ahead of Point of Delivery). This classification covers the construction, installation, alteration, maintenance, or repair of an electrical wiring system, including sub-stations or components thereof, which is or is intended to be owned, operated, and maintained by an electric power supplier, such as a public or private utility, a utility cooperative, or any other properly franchised electric power supplier, for the purpose of furnishing electrical services to one or more customers.

(F) PU(Fuel Distribution). This classification covers the construction, installation, alteration, maintenance, or repair of systems for distribution of petroleum fuels, petroleum distillates, natural gas, chemicals, and slurries through pipeline from one station to another. It includes all excavating, trenching, and backfilling in connection therewith. It covers the installation, replacement, and removal of above ground and below ground fuel storage tanks.

(G) PU(Water Lines and Sewer Lines). This classification covers construction work on water and sewer mains, water service lines, and house and building sewer lines, as defined in the North Carolina State Building Code, and covers water storage tanks, lift stations, pumping stations, and appurtenances to water storage tanks, lift stations and pumping stations. It includes pavement patching, backfill, and erosion control as part of construction.

(H) PU(Water Purification and Sewage Disposal). This classification covers the performance of construction work on water and wastewater systems; water and wastewater treatment facilities; and all site work, grading, and paving of parking lots, driveways, sidewalks, and curbs and gutters that are ancillary to such construction of water and wastewater treatment facilities. It covers the work done under the specialty classifications of S(Concrete Construction), S(Insulation), S(Interior Construction), S(Masonry Construction), S(Roofing), and S(Metal Erection) as part of the work on water and wastewater treatment facilities.

(I) S(Insulation). This classification covers the installation, alteration, or repair of materials classified as insulating media used for the non-mechanical control of temperatures in the construction of residential and commercial buildings. It does not include the insulation of mechanical equipment, and ancillary lines and piping.

(J) S(Interior Construction). This classification covers the installation and demolition of acoustical ceiling systems and panels, load bearing and non-load bearing partitions, lathing and plastering, flooring and finishing, interior recreational surfaces, window and door installation, and installation of fixtures, cabinets, and millwork. It includes the removal of asbestos and replacement with non-toxic substances.

(K) S(Marine Construction). This classification covers all marine construction and repair activities and all types of marine construction and demolition in deep-water installations and in harbors, inlets, sounds, bays, and channels; it covers dredging, construction, and installation of pilings, piers, decks, slips, docks, and bulkheads. It does not include structures required on docks, slips, and piers.

(L) S(Masonry Construction). This classification covers the demolition and installation, with or without the use of mortar or adhesives, of the following:

(i) brick, concrete block, gypsum partition tile, pumice block, or other lightweight and facsimile units and products common to the masonry industry;

(ii) installation of fire clay products and refractory construction; and

(iii) installation of rough cut and dressed stone, marble panels and slate units, and installation of structural glazed tile or block, glass brick or block, and solar screen tile or block.

(M) S(Railroad Construction). This classification covers the building, construction, and repair of railroad lines including:

(i) the clearing and filling of rights-of-way;

(ii) shaping, compacting, setting, and stabilizing of road beds;

(iii) setting ties, tie plates, rails, rail connectors, frogs, switch plates, switches, signal markers, retaining walls, dikes, fences, and gates; and

(iv) construction and repair of tool sheds and platforms.

(N) S(Roofing). This classification covers the installation, demolition, and repair of roofs and decks on residential, commercial, industrial, and institutional structures requiring materials that form a water-tight and weather-resistant surface. The term “materials” for purposes of this Subparagraph includes cedar, cement, asbestos, clay tile and composition shingles, all types of metal coverings, wood shakes, single ply and built-up roofing, protective and reflective roof and deck coatings, sheet metal valleys, flashings, gravel stops, gutters and downspouts, and bituminous waterproofing.

(O) S(Metal Erection). This classification covers:

(i) the field fabrication, demolition, erection, repair, and alteration of architectural and structural shapes, plates, tubing, pipe and bars, not limited to steel or aluminum, that are or may be used as structural members for buildings, equipment, and structure; and

(ii) the layout, assembly and erection by welding, bolting, riveting, or fastening in any manner metal products as curtain walls, tanks of all types, hoppers, structural members for buildings, towers, stairs, conveyor frames, cranes and crane runways, canopies, carports, guard rails, signs, steel scaffolding as a permanent structure, rigging, flagpoles, fences, steel and aluminum siding, bleachers, fire escapes, and seating for stadiums, arenas, and auditoriums.

(P) S(Swimming Pools). This classification covers the construction, demolition, service, and repair of all swimming pools. It includes:

(i) excavation and grading;

(ii) construction of concrete, gunite, and plastic-type pools, pool decks, and walkways, and tiling and coping; and

(iii) installation of all equipment including pumps, filters, and chemical feeders. It does not include direct connections to a sanitary sewer system or to portable water lines, nor the grounding and bonding of any metal surfaces or the making of any electrical connections.

(Q) S(Asbestos). This classification covers renovation or demolition activities involving the repair, maintenance, removal, isolation, encapsulation, or enclosure of Regulated Asbestos Containing Materials (RACM) for any commercial, industrial, or institutional building, whether public or private. It also covers all types of residential building construction involving RACM during renovation or demolition activities. This specialty is required only when the cost of asbestos activities as described herein are equal to or exceed thirty thousand dollars (\$30,000).

(R) S(Wind Turbine). This classification covers the construction, demolition, installation, and repair of wind turbines, wind generators, and wind power units. It includes assembly of blades, generator, turbine structures, and towers. It also includes ancillary foundation work, field fabrication of metal equipment, and structural support components.