



North Carolina  
**Licensing Board for General Contractors**  
**HOMEOWNERS RECOVERY FUND COMMON QUESTIONS**

1. For what type of construction project does the permit office collect the \$10.00 Homeowners Recovery Fund Fee? **Where the issuance of a permit for the construction of any single-family/modular residential dwelling unit or any alteration of an existing single-family/modular residential dwelling unit. Single-family dwelling includes the construction or alteration of any single-family dwelling, modular, duplex or townhome. On a quarterly basis the city / county permitting & inspections department shall forward \$9.00 of each fee collected, to the Board office per §87-15.6(b) and a form submitted to the Board indicating the number of permits issued for the quarter. NCAC 21 12 .0902**
2. Does the permit office collect the \$10.00 fee for each unit or project? **Yes, the fee is per unit, if there are 6 townhomes, the permit office shall collect \$10.00 for each unit. The fee shall be collected for each residential permit applied for, regardless of the cost of the project per §87-15.6(b).**
3. What is considered an alteration? **ANY addition, remodel or repair of a single-family dwelling unit including decks, porches and attached garages, window or door replacement, roofing, siding or remediation of any type that requires a building permit §87-15.6(b).**
4. Are detached garages, bulkheads, piers and docks considered an alteration? **No, those items are not attached to a single-family dwelling unit per §87-15.5(7).**
5. What is this fee used for? **The fee is put into a designated account where reimbursement may be available for applicants who meet certain criteria and who have suffered damages associated with construction work performed by a licensed contractor or an unlicensed contractor who impersonates a licensed contractor §87-15.5.**
6. So, all a homeowner must do is apply to the Board? **No, they are required to meet certain criteria including but not limited to, they must have suffered a reimbursable loss that has not been paid in part or in full by the contractor or an amount covered by a bond, surety agreement or an insurance contract. The applicant must also exhaust all other civil remedies for recovery, including filing suit against the contractor in civil court and obtaining a judgment that has not been satisfied in part or in whole. In the case of the contractor filing bankruptcy, the applicant must exhaust all remedies through the bankruptcy proceeding without obtaining any payment from the bankruptcy proceeding per §87-15.8 and NCAC 21 12 .0903.**

For more information go to [nclbgc.org/recoveryfund](http://nclbgc.org/recoveryfund) to download the Homeowners Recovery Fund Brochure or call (919) 571-4183.