

***“THE FIRST 30 YEARS” OR  
“THE NATHANIEL ELLIS CANNADY, SR. ERA”***

Sometimes a look back into history is helpful in better understanding the present and in planning for the future. So it is as we look back into the history of our state’s electrical contracting licensing laws.

Over the past 68 years, there have been many important events relating to our licensing laws and to the Board’s rules and regulations for administering these laws, all of which can be summed up in three major eras covering the span of years commencing with the enactment of the N. C. Electrical Contracting Licensing Act and continuing to the present.

The first major era we will define as “The first 30 years” or “The Immortal Nathaniel Ellis Cannady Sr.” Era, extending from the enactment and ratification of Chapter 87-Article 4 of the N.C. General Statutes (our licensing laws) in 1937 until Mr. Cannady’s death in 1967. Events and grounds for Mr. Cannady’s historic vision and determination to persuade the N.C. legislators to recognize the need for regulating the electrical contracting industry for the purpose of protecting the citizens of North Carolina from the hazards of improperly installed wiring systems were well founded.

Mr. Cannady’s duties as the State’s Chief Electrical Inspector and Engineer and as the State Fire Marshal placed him in a position first hand to become well aware of the rampant unsafe electrical wiring installations being performed by unregulated, unscrupulous persons holding themselves out to the public as legitimate electrical contractors, particularly in the rural areas of our State. While most cities had a reasonably good electrical inspection program, most counties did not and without the oversight of creditable inspections, the field was wide open for these incompetent, unscrupulous electricians claiming to be electrical contractors to prey upon a vulnerable public exposing the citizens affected to the most serious hazards of electricity. This situation became worse in the 1930s when there was rapid expansion of electrical service into rural areas by the public utilities and the Rural Electrification Authority (REAs), making the citizens of our state, who were anxious to have the benefit of electric service for the first time in their lives, more vulnerable to these unscrupulous, incompetent electricians holding themselves out to be legitimate electrical contractors.

Mr. Cannady, with his indelible concern for the safety of the general public, set out to do something about this rampant problem. His burning desire for the public’s safety led Mr. Cannady to pursue, and lay the groundwork for what his vision led him to feel sure, that the best answer to this raging problem would be the establishment of laws by the General Assembly regulating electrical contracting in North Carolina and for a statutory board to administer these laws.

In order to make his vision a reality, Mr. Cannady knew his final and foremost effort would be informing and convincing the State legislators, with whom he had become well acquainted over the years, of the need to regulate the

electrical contracting industry in North Carolina for the purpose of protecting the general public and to instill integrity in the industry itself.

With a favorable reception to Mr. Cannady's approach, some of the key legislators suggested Mr. Cannady put together a draft proposal for their consideration.

To accomplish this objective, Mr. Cannady solicited ideas from the best minds of persons representing the various facets of the electrical industry and from others of public interests to assist him in putting together his draft proposal to the legislature. His final draft included several important provisions some of which Mr. Cannady felt to be of the most importance. One of these provisions pertained to the make up of a statutory board charged with the direct responsibility for the administration of the licensing laws including establishing rules and regulations. The Board would consist of 5 members representing a broad spectrum of the electrical industry and the public's interest as a whole. One member to be a representative of the N.C. Department of Insurance, designated by the Commissioner of Insurance; one member to be a legitimate electrical contractor representing the N.C. Association of Electrical Contractors designated by the governing body of that association; one member to be a legitimate electrical contractor appointed by the Governor as a contractor member at large; one member engaged as a Chief Municipal or County Electrical Inspector, appointed by the Governor; and one member engaged in teaching or research in the electrical engineering department of the State's College/University System, appointed by the Governor.

There were no provisions proposed to limit terms of office for any of the appointees and designees, all board members to serve at the will of their respective appointers or designators.

Mr. Cannady felt that this board structure would preserve the integrity of the laws and the public interest as well as interests of the electrical contracting industry.

Mr. Cannady knew that these provisions must be included to enable any person, firm or corporation currently engaged in a legitimate electrical contracting business, upon the enactment of the laws, to be "grandfathered" in without having to qualify under the new law. Accordingly, provisions were included to recognize any person, firm or corporation holding a business privilege license issued by the NC Department of Revenue as being a legitimate electrical contractor thus eligible to apply for and obtain a license under the new law without further qualifications. Any person, firm, or corporation claiming to be engaged in the business of electrical contracting but not able to furnish proof to the Board that they possessed a current business privilege license from the NC Department of Revenue at the time the new law was enacted would not be eligible to obtain a license under the grandfather clause.

Mr. Cannady also recognized, and had personal knowledge, that the classification and types of wiring installations differed greatly from one area of the State to another particularly in urban developed areas and primarily rural areas.

Accordingly, he saw the need to establish two levels of license classifications: one being applicable state-wide and the other to apply to one county only. He proposed that these classifications be titled "Class I state-wide" and Class II One County only" and the Board would be charged with establishing the qualifying requirements for each of these classifications. Mr. Cannady also felt that the board would make a further distinction in the examination requirements for the Class II license depending on whether the applicant was from an urban county or a rural county.

Another important provision pertained to a proposed fee structure. To assure the legislators that there would be no profit motive contained in his draft, Mr. Cannady proposed a very minimal fee structure of \$25.00 for a Class I examination and \$5.00 for a Class II examination and that upon passing the examination the examinee's fee would be sufficient to obtain a license without a further fee. The annual license renewal fees would be structured the same as the \$25.00 and \$5.00 examination fees.

Grandfathered licensees would be charged these same fees when obtaining their initial license under the new law. He also included a provision that if at the end of any fiscal year the Board ended the year with surplus funds in excess of 20% of the total amount of necessary expenditures for the immediate past fiscal year, the excess would be paid to the NC Engineering Foundation for the benefit of the State's electrical engineering schools.

Throughout his proposed draft, Mr. Cannady was careful to guard the public's interest and the interest of all others affected by the new law.

After much persuasion and convincing by Mr. Cannady, he was successful in pushing his proposal through the legislature and thus the North Carolina Electrical Contracting Licensing Act, Chapter 87 – Article 4 of the NC General Statutes became a reality, and Mr. Cannady became respectively known as the Father of North Carolina's Electrical Contracting Licensing Laws and is still so recognized as his legacy lives on.

The first members of the Board constituted under the new law were appointed or designated as follows: Mr. Nathaniel Ellis Cannady Sr., designated by the NC Commissioner of Insurance, representing the NC Department of Insurance; Mr. Churchill S. Boger, electrical contractor from Charlotte, representing the North Carolina Association of Electrical Contractors, designated by that association's governing board; Mr. M. B. Haynes, electrical contractor from Asheville, electrical contractor at large, appointed by the Governor; Mr. C. S. Whitaker, Chief Electrical Inspector for the City of Durham, Inspector member appointed by the Governor and Professor L. M. Keever, electrical engineering department at NC State College, appointed by the Governor.

Under the new law, the board members elected the Board's chairman and secretary-treasurer as well as a vice-chairman as the Board's statutory offices at the beginning of each fiscal year (July 1 – June 30). Mr. Cannady was elected as the Board's first chairman and Mr. Boger was elected as the Board's first secretary-treasurer. For the first 30 years of the law's existence, the succession of board membership was as follows:

- Mr. Cannady served continuously as the Insurance Commissioner's designee and was elected chairman for each year of this 30 year period until his untimely death in 1967.
- Mr. Boger served one year as the NCAEC's designee and he was succeeded by Mr. Frank E. Hart from Durham. Mr. Hart served from 1938 to 1945 and was succeeded by Mr. E. C. Peele from Burlington and he served from 1945 to 1960. Mr. Peele was succeeded by Mr. Howard Pancoast and he served from 1960 to 1978.
- In 1938, Mrs. Elizabeth Anderson was employed by the Board as the Board's Office Secretary and at this time she was elected by the Board to succeed Mr. Boger as Secretary-Treasurer and was re-elected to this office each year until her retirement in 1970.
- Mr. Haynes served as the Governor's electrical contractor appointee from 1937 to 1951. He was succeeded by Mr. W. W. Hanks, electrical contractor from Charlotte. Mr. Hanks served from 1951 to 1960 and was succeeded by Mr. Hector Ray, electrical contractor from Fayetteville. Mr. Ray served from 1960 to 1965 and was succeeded by Mr. Tommy Watson, electrical contractor from Wilson. Mr. Watson served for a short period after which time he was succeeded by Mr. Oscar Greene Jr., electrical contractor from Kinston. Mr. Greene served from 1965 to 1987.
- Mr. Whitaker served as the Governor's inspector appointee from 1937 to 1938. He was succeeded by Mr. D. S. Nichols, Chief Electrical Inspector for the City of Wilson. Mr. Nichols served from 1938 until 1943 at which time he was employed as the Board's first field representative, a position he held until his death. Mr. Nichols was succeeded as a board member by Mr. W. A. Darden, Chief Electrical Inspector for the City of Greenville and served from 1943 to 1959. Mr. Darden was succeeded by Mr. Charlie Gudger, Chief Electrical Inspector for the City of Asheville and he served from 1959 to 1965. Mr. Gudger was succeeded by Mr. John McClelland, Chief Electrical Inspector for the City of Charlotte and he served from 1965 to 1974.
- Professor Keever served as the Governor's faculty-research member from 1937 to 1947. He was succeeded by Professor R. S. Fouraker, NC State College Faculty and he served from 1947 to 1958. Professor Fouraker was succeeded by Professor M. R. Pearsall, member of the Faculty at NC State College and he served from 1958 to 1963. He was succeeded by Professor Wayland Seagraves, member of the faculty at NC State College and he served from 1963 to 1978.

Mr. Cannady's vision of having an electrical contracting licensing law administered by members of impeccable integrity, great knowledge and experience was fulfilled to his complete satisfaction through the services of all of his fellow board members. Many times Mr. Cannady publicly stated how much he appreciated and felt privileged, proud and honored serving with his fellow board members.

Among the many responsibilities the Board had in administering the new law was establishment of an appropriate qualifying examination program. The Board established a written examination system suitable for each of the two license classifications; set the passing grade at 75; and waiting periods for examinees who failed an examination before being eligible to take another examination. These waiting periods were 3 months for failing grades from 65-74; and 6 months for failing grades from 50 – 64; and one year for failing grades below 50. There were no minimum experience requirements but satisfactory evidence of good character and good recommendations from reliable sources were required.

Examinations were administered by Mr. Cannady and the Board's staff, especially Mrs. Anderson who had become proficient in the National Electrical Code requirements, and some members of Mr. Cannady's Department of Insurance staff.

Mr. Cannady, as Chairman of the Board, had the responsibility for the every day functions of the Board. To do this, he maintained an office in the Board's office as well as in the Department of Insurance. He usually divided his time by spending a half day in each office every work day. The Insurance Commissioner's graciousness enabled Mr. Cannady to devote this much time to his Board responsibilities. He was normally a daily commuter from his home in Oxford, NC.

From the enactment of the licensing law throughout this 30 year era, the Board and staff worked closely with the electrical inspectors in their mutual efforts to provide safe electrical installations in our State. This involved working closely with inspectors in and resolving complaints against both non-licensees and licensees with some cases culminating in court action. The Board's field representative played a major role in these cooperative efforts.

Mr. Cannady's death in 1967 brought a closure to "The First 30 Years" era, but his historic pioneering of the North Carolina electrical contracting laws and his influence continues to be recognized, utilized and appreciated today and we will always remember the first 30 year period respectfully as the Nathaniel Ellis Cannady Sr. Era.

All of the above information is presented as the writer's recollections of Board history as was revealed to him through many personal conversations he had with Mr. Cannady from the late 1940s until Mr. Cannady's death; from personal knowledge, and from research of the Board's records.

At the beginning of this article, it was noted that in addition to the first thirty years era, there were two other major eras so far in the life of the licensing law; namely, the “Rewrite and Re-enactment” era of the licensing laws, and the “Era of Survival – The Sunset Era”. These two eras will be explored in the Board’s next newsletter; until then, “Happy Trails”.

Respectfully,  
Curtis R. Kennedy, Board Chairman