

Suggestions for Legislative Proposals submitted to the House Select Committee on Implementation of Building Code Regulatory Reform

March 28, 2018

- I. **Department of Insurance (DOI)** Cliff Isaac, Deputy Commissioner, NCDOI (#2-3); Rep. Brody (#1)
 - A. **Additional Personnel** – Establish 10 new positions within and funded through DOI to provide (i) Statewide training to code officials and contractors and, (ii) building code interpretation that would be subject to appeal. There would be 2 positions in each of the following areas: Building, Fire, Plumbing, Mechanical and Electrical.
 2. **Increase Inspector Availability** –
 - A. Create an Inspector marketplace pool and supporting fee structure within DOI whereby certified inspectors are available to local governments and the building industry.
 - B. Accept persons with International Code Council (ICC) certification for licensure as N.C. inspectors by the Code Officials Qualification Board (Q Board).
 - C. Establish a comity program whereby a licensed inspector in good standing in any other participating state would be granted, without examination, a 3-year probationary license by the Q Board until the inspector successfully complete a class in his or her particular trade(s) after which his or her probationary status is removed.
 - D. Relax Continuing Education requirements for inactive certificate holders.
 3. **Code Interpretation** – Subject to the provisions of G.S. 143-141, clarify that DOI is the final interpreter (subject to appeals to the Building Code Council and the General Court of Justice) of the North Carolina State Building Code, including its Residential 1&2 Family Dwellings, Building Code, Fire Code, Mechanical Code, Plumbing Code, Electrical Code. This includes interpretation of future codes that may be established and any national codes accepted without change by the State.
- II. **Local Finance & Revenue Matters** – Rep. Brody
 1. Increase annual accounting reports to include all departmental receipts, disbursements, and fund transfers and educational awareness of statutory requirements.
 2. Require fees generated by Inspection Departments to be placed in a fund separate from the general fund.
 3. Specify the activities for which inspection fees may be charged and further clarify the limitation on local governmental use of those inspection fees.
 4. Allow fees to be waived for economic development purposes and disaster relief efforts but require reimbursement from the jurisdiction's general fund for the inspection related costs associated with the project.

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III. Statutory Authority & Inspector Responsibility – Mike Carpenter, NCHBA (#1-2); Rep. Brody (#3)

1. Amend G.S. 153A-352(c) and (d) [counties], and G.S. 160A-412 (c) and (d) [cities] to:
 - A. Clarify that local governments shall accept designs of building components or elements from licensed architects and engineers by removing the phrases "*and approval*" and "*and approve*" from those provisions.
 - B. Expand the current the architect/engineer inspection of "component" or "element" to also exempt from local government inspection any building "system" inspected by a licensed architect or engineer and to define the meaning of "system" to read: "*For purposes of this section, a system is comprised of any item or items subject to the specific inspection requirements of the North Carolina Building Code.*"
 - C. Require that all certifications under the architect/engineer option be transmitted to the permitting jurisdiction by electronic or physical delivery and that the receiving jurisdiction promptly acknowledge receipt of the certification. Certificates of Occupancy shall not be delayed once all required inspections are completed.
2. Amend G.S. 153A-352(b1) [counties], and G.S. 160A-412 (b1) [cities] to remove the phrase "*is incomplete or otherwise*" and add the words "*North Carolina Building Code and*" so the last sentence of each section reads: "*For each requested inspection, the inspector shall inform the permit holder of instances in which the work inspected fails to meet the requirements of the North Carolina Building Code and North Carolina Residential Code for One- and Two-Family Dwellings.*"
3. Amend G.S. 143-151.8 by adding a new subsection to expand the definition of official misconduct by a code official to include actions initiated by a code official which cause a manufacturer's warranty to be voided on the basis of improper installation.