



HOUSE BILL 110: Increase Building Permit Exemption Threshold.

2021-2022 General Assembly

Committee:	House Local Government - Land Use, Planning and Development. If favorable, re-refer to Rules, Calendar, and Operations of the House	Date:	March 3, 2021
Introduced by:	Reps. Hanig, Brody	Prepared by:	Jonathan Zator
Analysis of:	PCS to First Edition H110-CSBV-3 [v.2]		Committee Co-Counsel

OVERVIEW: *House Bill 110 would increase over a period of five years the State Building Code (Code) exemption threshold from \$15,000 to \$20,000 for a building permit for minor activities in single family residential and farm buildings. The exemption increase would phase in by \$1,000 each year until 2025.*

The Proposed Committee Substitute (PCS) would increase the exemption threshold from \$15,000 to \$20,000 in 2021, and would modify the effective date.

CURRENT LAW: G.S. 143-138(b5) provides a permitting exemption in the Code for any construction, installation, repair, replacement, or alteration performed in accordance with the Code if the costs are \$15,000 or less in any single family residence or farm building. The exemption does not apply and a permit is still required when the work involves any of the following:

- The addition, repair, or replacement of load bearing structures.
- The addition or change in the design of plumbing.
- The addition, replacement, or change in the design of heating, air conditioning, or electrical wiring, appliances, or equipment.
- The use of materials not permitted by the North Carolina Residential Code for One- and Two-Family Dwellings.
- The addition (excluding replacement) of roofing.

BILL ANALYSIS: The PCS to House Bill 110 would increase the exemption threshold for a building permit for minor activities in single family residential and farm buildings under the Code from \$15,000 to \$20,000.

EFFECTIVE DATE: The act would become effective October 1, 2021, and apply to any construction, installation, repair, replacement, or alteration on single family residences or farm buildings occurring on or after that date.

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Legislative Analysis
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