



# HOUSE BILL 948: Building Code Regulatory Reform.

2017-2018 General Assembly

**Committee:**

**Introduced by:**

**Analysis of:** S.L. 2018-29

**Date:**

August 7, 2018

**Prepared by:**

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**OVERVIEW:** *S.L. 2018-29 makes changes to the building inspection procedure for cities and counties and to the inspector licensing requirements to:*

- *Clarify that cities and counties accept authorized inspections by licensed architects or engineers, or persons they supervise, of building components or elements designed by a licensed architect or engineer.*
- *Authorize the North Carolina Code Officials Qualification Board (Q Board) to establish a marketplace pool of qualified Code-enforcement officials available Statewide for code-enforcement duties.*
- *Require the Insurance Commissioner to assign marketplace pool inspectors to conduct building inspections when a local inspection department cannot conduct an inspection within two business days of a permit holder's inspection request and authorizes the Commissioner to fix and collect fees for these inspections.*
- *Authorize cities and counties to enter into mutual aid contracts specifically for North Carolina State Building Code enforcement and administration.*
- *Require that building framing inspection reports that finding 15 or more violations be submitted to the Department of Insurance, from July 1, 2018 until October 1, 2019.*
- *Authorize the Q Board to grant a three year provisional certificate to Code-enforcement officials who are certified and in good standing either in another State or by the International Code Council (ICC).*
- *Define inspector misconduct to include requiring installation of appliances and equipment in a method or manner not required by the State Building Code and contrary to the manufacturer's instructions.*

*[This act becomes effective October 1, 2018, except as otherwise provided.]*

**CURRENT LAW:** With the exception of boilers, elevators and State Buildings, the Insurance Commissioner, through the Division of Engineering, has general supervisory authority over the administration and enforcement of the Code pertaining to plumbing, electrical systems, general building restrictions and regulations, heating and air conditioning, fire protection, and general building construction. G.S. 143-139. Code enforcement officials are certified under and governed by the Q Board, a 20 member administrative board, established under Article 9C of Chapter 143.

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Generally, cities and counties are required to undertake Code-enforcement activities. Code-enforcement is defined as any of the following:

- The examination and approval of plans and specifications.
- The inspection of the manner of construction, workmanship, and materials for construction of buildings and structures and components thereof.
- The enforcement of fire code regulations. G.S. 143-151.8(a)(3)

## **BILL ANALYSIS:**

**Section 1**, effective July 1, 2018, modifies the architect or engineer inspection option to:

- Clarify that cities and counties shall accept authorized inspections by licensed architects or engineers, or persons they supervise, of components or elements designed by a licensed architect or engineer.
- Require that inspection certifications by licensed architects or engineers be delivered by electronic or physical delivery, and receipt of delivery be promptly acknowledged by the local inspection department.
- Clarify that components and elements are not systems.
- Define the following terms to mean:
  - Component. – Any assembly, subassembly, or combination of elements designed to be combined with other components to form part of a building or structure. An example of a component is an excavated footing trench containing no concrete.
  - Element. – A combination of products designed to be combined with other elements to form all or part of a building component.

**Section 2**, effective August 1, 2018 does the following:

- Authorizes the Q Board to establish a marketplace pool of qualified Code-enforcement officials available Statewide for code-enforcement duties when requested by the Insurance Commissioner or a local inspection department.
- Authorizes the Insurance Commissioner to assign marketplace pool inspectors to conduct plumbing, electrical systems, general building restrictions and regulations, heating and air conditioning, or general building construction inspections when a local inspection department cannot conduct the inspection within two business days of a permit holder's inspection request.
- Authorizes the Insurance Commissioner to fix and collect fees and travel reimbursement for inspections assigned by the Commissioner and until permanent rules are adopted by August 1, 2019, to charge, up to \$30 per hour, excluding travel time, for each inspection.
- Requires the Insurance Commissioner to adopt temporary rules to implement this section and to adopt permanent rules by August 1, 2019.
- Places liability on the State for negligent inspections performed by marketplace pool inspectors assigned by the Insurance Commissioner and requires such claims to be adjudicated under the State Tort Claims Act.

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**Section 3**, requires cities and counties to promptly refund a permit holder's inspection fee when the inspection pertaining to plumbing, electrical systems, general building restrictions and regulations, heating and air conditioning, or general building construction is performed by a marketplace pool inspector assigned by the Insurance Commissioner.

**Section 4**, effective June 30, 2019, requires the Secretary of the Local Government Commission, to consult with the Department of Insurance to revise the reporting requirements for units of local government to include information sufficient to track (i) whether the fees collected by local inspection departments under G.S. 153A-354 and G.S. 160A-414 are used in accordance with those statutes, (ii) if the general fund of the local government supplements the inspection department, and (iii) if the local inspection department is supplementing the general fund of the local government.

**Section 5**, effective July 1, 2018, authorizes cities and counties to enter into mutual aid contracts specifically for North Carolina State Building Code-enforcement and administration.

**Section 6**, requires that copies of building framing inspections for One-and Two-Family Dwellings conducted between July 1, 2018, and October 1, 2019, finding 15 or more violations be submitted to the Department of Insurance and that the Department verify and compile summaries of the information. The Department is also to submit a report of its findings to the General Assembly on or before December 1, 2019.

**Section 7**, authorizes the Q Board to grant, without examination, a provisional three year standard certificate to Code-enforcement officials who are certified and in good standing either in another State or by the International Code Council (ICC). These certificates expire after three years unless the holder completes certain courses related to State Building Code regulations during the three year period.

**Section 8**, effective October 1, 2018, reduces the number of professional development continuing education hours required to reactivate the certificates of inactive Code-enforcement officials as follows:

- The required education hours of individuals who have been on inactive status more than two years and not continuously employed by a city or county inspection department are reduced from 12 to six for each technical area in which the individual is certified.
- The required education hours of individuals who have been on inactive status more than two years and who have been continuously employed by a city or county inspection department are reduced from six to three for each technical area in which the individual is certified.
- The required education hours of individuals who have been on inactive status for two years or less are reduced from four to two for each technical area in which the individual is certified.

**Section 9**, defines inspector misconduct to include requiring installation of appliances and equipment in a method or manner not required by the State Building Code and contrary to the manufacturer's instructions.

**EFFECTIVE DATES:** Except as noted above, the act becomes effective October 1, 2018.