



This Bill Analysis reflects the contents of the bill as it was presented in committee.

HOUSE BILL 291: Commercial Prop. Plan Rev./DOI Oversight.

2021-2022 General Assembly

Committee:	Senate Commerce and Insurance. If favorable, re-refer to State and Local Government. If favorable, re-refer to Rules and Operations of the Senate	Date:	June 14, 2022
Introduced by:	Reps. Zenger, Potts, Johnson	Prepared by:	Kristen L. Harris*
Analysis of:	Third Edition		Committee Co-Counsel

OVERVIEW: *House Bill 291 would do all of the following:*

- *Require a local government to perform initial plan reviews and issue building permit decisions for commercial and multifamily building plans submitted within 21 days, or within 15 days from the receipt of additional requested information or a resubmitted plan.*
- *Provide an alternative method of initial plan review for commercial and multifamily building plans if the local government is unable to complete the review within the applicable timeframes.*
 - *For these alternative methods, a local government or a building permit applicant (as applicable) may utilize the Department of Insurance (DOI) and its marketplace pool of qualified Code-enforcement officials or a third-party architect or engineer qualified by the North Carolina Code Officials Qualification Board.*
- *Require DOI to promote consistent application of the North Carolina Building Code through general oversight of inspection departments and to create various related programs, and further require that local inspection departments remit 2% of Building Code permit fees annually to DOI for administration for these programs.*

CURRENT LAW: Article 11 of Chapter 160D regulates Building Code Enforcement. Generally, a person cannot commence or proceed with construction or related activities without first securing the relevant building permit(s) required by the State Building Code and any other State or local laws applicable to the construction activity.

For the purposes of permit issuance and administration, local governments and their inspections departments are responsible for plan review.

BILL ANALYSIS: House Bill 291 would do all of the following:

- Require a local government to complete an initial plan review and issue a building permit decision for commercial and multifamily building plans requiring a design professional seal within 21 days of submission, unless the local government requests additional information or requires that the plan be resubmitted with changes. If the local government requests additional information or requires a plan to be resubmitted with changes, it must issue a building permit decision within 15 days from the receipt of the requested additional information or resubmitted plan.
- Authorize a local government to utilize DOI and its marketplace pool of qualified Code-enforcement officials, or a third-party architect of engineer qualified by the North Carolina Code

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Officials Qualification Board, to perform an initial plan review when it determines it is unable to complete the initial plan review within 21 days. The total time for the initial plan review must still be conducted within the 21-day period.

- Create an alternative plan review method when a local government is unable to complete the plan review within the specified timeframes, in the following manner:
 - A building permit applicant may utilize DOI and its marketplace pool of qualified Code-enforcement officials or contract with a third-party architect or engineer qualified by the North Carolina Code Officials Qualification Board to perform the initial plan review. Upon review and approval by the third party, the local government must issue all necessary building permits for the project within 72 hours.
 - A local government must refund or waive all plan review fees and building permit fees for a project in the event a third-party reviewer is utilized.
- Prohibit a local government from delaying the issuance of a permit or a temporary certificate of occupancy when it requires specifications or manufacturer engineering information on an element, component, or fixture related to the submitted plans.
- Waive liabilities, duties and responsibilities from claims arising out of plan review performed by a third-part reviewer.
- Require DOI to promote consistent application of the North Carolina Building Code through general oversight of inspection departments and to create various related programs, and further require that local inspection departments remit 2% of Building Code permit fees annually to DOI for administration for these programs.
- Make various conforming changes to implement these provisions.

EFFECTIVE DATE: Sections 1, 2, and 3 would become effective October 1, 2021, and apply to applications for permits submitted on or after that date. The remainder of this act would become effective July 1, 2021.

**Howard Marsilio, Legislative Analysis Division, contributed substantially to this summary.*