A BILL TO BE ENTITLED

AN ACT TO REFORM BUILDING CODE ENFORCEMENT TO PROMOTE ECONOMIC GROWTH BY CONFORMING WORK IN PROGRESS INSPECTION AUTHORITY TO RECENTLY ENACTED INSPECTION LIMITATIONS, BY REQUIRING THE BUILDING CODE COUNCIL TO STUDY THE ALTERNATE METHODS APPROVAL PROCESS, BY CLARIFYING THE DEFINITION OF OFFICIAL MISCONDUCT FOR CODE OFFICIALS, BY ELIMINATING MANDATORY PLAN REVIEW FOR RESIDENTIAL STRUCTURES, BY RAISING THE THRESHOLD FOR REQUIREMENT OF A BUILDING PERMIT, BY CREATING THE BUILDING CODE COUNCIL RESIDENTIAL CODE COMMITTEE, BY REQUIRING INTERNET POSTING OF CERTAIN COUNCIL DECISIONS AND INTERPRETATIONS, BY CLARIFYING THAT INSPECTION FEES COLLECTED BY CITIES AND COUNTIES MAY ONLY BE USED TO SUPPORT THE INSPECTION DEPARTMENT, AND BY REQUIRING THAT INSPECTIONS BE PERFORMED IN FULL AND IN A TIMELY MANNER AND INSPECTION REPORTS TO INCLUDE ALL ITEMS FAILING TO MEET CODE REQUIREMENTS.

The General Assembly of North Carolina enacts:

PART I. COMPLIANCE WITH BUILDING CODE INSPECTION REQUIREMENTS

SECTION 1.(a) G.S. 153A-360 reads as rewritten:

"§ 153A-360. Inspections of work in progress.
As Subject to the limitation imposed by G.S. 153A-352(b), as the work pursuant to a permit progresses, local inspectors shall make as many inspections of the work as may be necessary to satisfy them that it is being done according to the provisions of the applicable State and local laws and local ordinances and regulations and of the terms of the permit. In exercising this power, each member of the inspection department has a right, upon presentation of proper credentials, to enter on any premises within the territorial jurisdiction of the department at any reasonable hour for the purposes of inspection or other enforcement action. If a permit has been obtained by an owner exempt from licensure under G.S. 87-1(b)(2), no inspection shall be conducted without the owner being personally present, unless the plans for the building were drawn and sealed by an architect licensed pursuant to Chapter 83A of the General Statutes."

SECTION 1.(b) G.S. 160A-420 reads as rewritten:

"§ 160A-420. Inspections of work in progress.
As Subject to the limitation imposed by G.S. 160A-412(b), the work pursuant to a permit progresses, local inspectors shall make as many inspections thereof as may be necessary to
satisfy them that the work is being done according to the provisions of any applicable State and
local laws and of the terms of the permit. In exercising this power, members of the inspection
department shall have a right to enter on any premises within the jurisdiction of the department
at all reasonable hours for the purposes of inspection or other enforcement action, upon
presentation of proper credentials. If a permit has been obtained by an owner exempt from
licensure under G.S. 87-1(b)(2), no inspection shall be conducted without the owner being
personally present, unless the plans for the building were drawn and sealed by an architect
licensed pursuant to Chapter 83A of the General Statutes."

PART II. STUDY ALTERNATIVE APPROVAL METHODS

SECTION 2. The North Carolina Building Code Council shall study procedures
and policies for the approval of alternative materials, designs, or methods. The study shall
include review of the following elements:

(1) The alternate methods application process, including requirements for initial
application submittal, supporting information, and site-specific or
project-specific application submittals.

(2) Time lines for the application process, including application submittal,
Council review, and final approval or denial of applications, including the
feasibility of a requirement that final determinations be rendered on a
completed application within 30 days of the date an application is
determined to be complete.

(3) Procedures for appeal of applications denied by the Council.

In conducting the study, the Council may utilize support services provided by staff
from the Engineering Division of the Department of Insurance. The Council shall report its
findings and recommendations, including any proposed legislative changes, to the 2016
Regular Session of the 2015 General Assembly when it convenes.

PART III. CLARIFY OFFICIAL MISCONDUCT FOR CODE OFFICIALS

SECTION 3.(a) G.S. 143-151.8 is amended by adding a new subsection to read:

"(c) For purposes of this Article, "willful misconduct, gross negligence or gross
incompetence" in addition to the meaning of those terms under other provisions of the General
Statutes or at common law, shall include any of the following:

(1) The enforcement of a Code requirement applicable to a certain area or set of
circumstances in other areas or circumstances not specified in the
requirement.

(2) For an alternative design or construction method that has been appealed
under G.S. 143-140.1 and found by the Department of Insurance to comply
with the Code, to refuse to accept the decision by the Department to allow
that alternative design or construction method under the conditions or
circumstances set forth in the Department's decision for that appeal.

(3) For an alternative construction method currently included in the Building
Code, to refuse to allow the alternative method under the conditions or
circumstances set forth in the Code for that alternative method.

(4) The enforcement of a requirement that is more stringent than or otherwise
exceeds the Code requirement.

(5) To refuse to implement or adhere to an interpretation of the Building Code
issued by the Building Code Council or the Department of Insurance.

(6) The habitual failure to provide requested inspections in a timely manner."

SECTION 3.(b) The North Carolina Code Officials Qualification Board shall, no
later than October 1, 2015, notify all Code enforcement officials in the State of the clarification
to the grounds for disciplinary action enacted by this act.
PART IV. ELIMINATE MANDATORY PLAN REVIEW FOR RESIDENTIAL STRUCTURES AND RAISE THRESHOLD FOR BUILDING PERMIT REQUIREMENT

SECTION 4.1. G.S. 143-138(b5) reads as rewritten:

"(b5) Exclusion for Certain Minor Activities in Residential and Farm Structures. – No building permit shall be required under the Code or any local variance thereof approved under subsection (e) for any construction, installation, repair, replacement, or alteration costing five thousand dollars ($5,000) or less in any single family residence or farm building unless the work involves: the addition, repair, or replacement of load bearing structures; the addition (excluding replacement of same capacity) or change in the design of plumbing; the addition, replacement or change in the design of heating, air conditioning, or electrical wiring, devices, fixtures (excluding repair or replacement of electrical lighting devices and fixtures of the same type), appliances (excluding replacement of water heaters, provided that the energy use rate or thermal input is not greater than that of the water heater which is being replaced, and there is no change in fuel, energy source, location, capacity, or routing or sizing of venting and piping), or equipment, the use of materials not permitted by the North Carolina Uniform Residential Building Code; or the addition (excluding replacement of like grade of fire resistance) of roofing. The exclusions from building permit requirements set forth in this paragraph for electrical lighting devices and fixtures and water heaters shall apply only to work performed on a one- or two-family dwelling. In addition, exclusions for electrical lighting devices and fixtures and electric water heaters shall apply only to work performed by a person licensed under G.S. 87-43 and exclusions for water heaters, generally, to work performed by a person licensed under G.S. 87-21."

SECTION 4.2.(a) G.S. 153-357(a2) is recodified as G.S. 153-357(a3).

SECTION 4.2.(b) G.S. 153A-357, as amended by subsection (a) of this section, reads as rewritten:

"§ 153A-357. Permits.

(a1) A permit shall be in writing and shall contain a provision that the work done shall comply with the State Building Code, relevant requirements of the North Carolina Building Code and all other applicable State and local laws and local ordinances and regulations. Nothing in this section shall require a county to review and approve residential building plans submitted to the county for any nonresidential structure pursuant to Section R-110 of Volume VII of the North Carolina Statutes Code. No permit may be issued unless the plans and specifications are identified by the name and address of the author thereof; and if the General Statutes of North Carolina require that plans for certain types of work be prepared only by a registered architect or registered engineer, no permit may be issued unless the plans and specifications bear the North Carolina seal of a registered architect or of a registered engineer. Review and approval of plans for the construction of structures subject to the North Carolina Residential Code for One- and Two-Family Dwellings shall not be required by a county, provided that a county may require building plans to be available on site during the inspection process. If a provision of the General Statutes of North Carolina or of any ordinance requires that work be done by a licensed specialty contractor of any kind, no permit for the work may be issued unless the work is to be performed by such a duly licensed contractor.

(a2) No permit issued under Articles 9 or 9C of G.S. Chapter 143 shall be required for any construction, installation, repair, replacement, or alteration costing five thousand dollars ($5,000) or less in any single-family residence or farm building unless the work involves: the addition, repair or replacement of load bearing structures; the..."
addition (excluding replacement of same size and capacity) or change in the design of plumbing; the addition, replacement or change in the design of heating, air conditioning, or electrical wiring, devices, appliances, or equipment; the use of materials not permitted by the North Carolina Uniform Residential Building Code; or the addition (excluding replacement of like grade of fire resistance) of roofing. Violation of this section constitutes a Class 1 misdemeanor.

SECTION 4.3. (a) G.S. 160-417(a2) is recodified as G.S. 160-417(a3).

SECTION 4.3. (b) G.S. 160A-417, as amended by subsection (a) of this section, reads as rewritten:


(a1) A permit shall be in writing and shall contain a provision that the work done shall comply with the State Building Code relevant requirements of the North Carolina Building Code and all other applicable State and local laws. Nothing in this section shall require a city to—shall review and approve residential building plans submitted to the city for any nonresidential structure pursuant to Section R-110 of Volume VII of the North Carolina State Building Code; provided that the city may review and approve such residential building plans as it deems necessary. No permits shall be issued unless the plans and specifications are identified by the name and address of the author thereof, and if the General Statutes of North Carolina require that plans for certain types of work be prepared only by a registered architect or registered engineer, no permit shall be issued unless the plans and specifications bear the North Carolina seal of a registered architect or of a registered engineer. Review and approval of plans for the construction of structures subject to the North Carolina Residential Code for One- and Two-Family Dwellings shall not be required by a city, provided that a city may require building plans to be available on site during the inspection process. When any provision of the General Statutes of North Carolina or of any ordinance requires that work be done by a licensed specialty contractor of any kind, no permit for the work shall be issued unless the work is to be performed by such a duly licensed contractor.

(a2) No permit issued under Articles 9 or 9C of Chapter 143 shall be required for any construction, installation, repair, replacement, or alteration costing five thousand dollars ($5,000) to ten thousand dollars ($10,000) or less in any single family residence or farm building unless the work involves: the addition, repair or replacement of load bearing structures; the addition (excluding replacement of same size and capacity) or change in the design of plumbing; the addition, replacement or change in the design of heating, air conditioning, or electrical wiring, devices, appliances, or equipment; the use of materials not permitted by the North Carolina Uniform Residential Building Code; or the addition (excluding replacement of like grade of fire resistance) of roofing. Violation of this section shall constitute a Class 1 misdemeanor.

PART V. CREATE BUILDING CODE COUNCIL RESIDENTIAL CODE COMMITTEE

SECTION 5.1. G.S. 143-136 is amended by adding a new subsection to read:

"(c) Residential Code Committee Created; Duties. – Within the Building Code Council, there is hereby created a Residential Code for One- and Two-Family Dwellings Committee composed of five members of the Building Code Council, specifically the licensed general contractor specializing in residential construction who shall serve as chairman of this committee; the licensed general contractor specializing in coastal residential construction; the registered engineer practicing structural engineering; the licensed plumbing and heating contractor; and the licensed electrical contractor. This committee shall meet upon the call of its
chairman to review any proposal for revision or amendment to the North Carolina State Building Code: Residential Code for One- and Two-Family Dwellings, including provisions applicable to One- and Two-Family Dwellings from the NC Energy Code, NC Electrical Code, NC Fuel Gas Code, NC Plumbing Code, the NC Mechanical Code and the NC Existing Building Code and no revision or amendment to any of these codes applicable to residential construction may be considered by the Building Code Council unless recommended by this committee. This committee shall also oversee the process by which the Council conducts its revision pursuant to G.S. 143-138(d). This committee shall also consider any appeal or interpretation arising under G.S. 143-141 pertaining to North Carolina State Building Code: Residential Code for One- and Two-Family Dwellings and make a recommendation to the Building Code Council for disposition of the appeal or interpretation."

SECTION 5.2. G.S. 143-138(d) reads as rewritten:
"(d) Amendments of the Code. – The Building Code Council may periodically revise and amend the North Carolina State Building Code, either on its own motion or upon application from any citizen, State agency, or political subdivision of the State. In addition to the periodic revisions or amendments made by the Council, the Council shall follow the procedure set forth in G.S. 143-136(c), revise the North Carolina State Building Code: Residential Code for One- and Two-Family Dwellings, including provisions applicable to One- and Two-Family Dwellings from the NC Energy Code, NC Electrical Code, NC Fuel Gas Code, NC Plumbing Code, and NC Mechanical Code only every six years, to become effective the first day of January of the following year, with at least six months between adoption and effective date. The first six-year revision under this subsection shall be adopted to become effective January 1, 2019, and every six years thereafter. In adopting any amendment, the Council shall comply with the same procedural requirements and the same standards set forth above for adoption of the Code. The Council, through the Department of Insurance, shall publish in the North Carolina Register and shall post on the Council's Web site all appeal decisions made by the Council and all formal opinions at least semiannually. The Council, through the Department of Insurance, shall also publish at least semiannually in the North Carolina Register a statement providing the accurate Web site address and information on how to find additional commentary and interpretation of the Code."

PART VI. BUILDING CODE COUNCIL REQUIRED WEB SITE POSTINGS

SECTION 6.1. G.S. 143-141 is amended by adding a new subsection to read:
"(c1) Posting on Department Web Site. – The Department of Insurance shall post and maintain on that portion of its Web site devoted to the Building Code Council all appeal decisions, interpretations, and variations of the Code issued by the Council within three business days of issuance."

SECTION 6.2. G.S. 143-138.1(b) reads as rewritten:
"(b) The Department of Insurance shall post and maintain on its Web site that portion of its Web site devoted to the Building Code Council written commentaries and written interpretations made and given by staff to the North Carolina Building Code Council and the Department for each section of the North Carolina Building Code within three business days of issuance."

PART VII. INSPECTION FEES TO BE SPENT ONLY FOR ACTIVITIES OF INSPECTION DEPARTMENT

SECTION 7.1. G.S. 153A-354 reads as rewritten:
"§ 153A-354. Financial support.

A county may appropriate any available funds for the support of its inspection department. It may provide for paying inspectors fixed salaries, or it may reimburse them for their services by paying over part or all of any fees collected. It may fix reasonable fees for issuing permits,
for inspections, and for other services of the inspection department. All fees collected under the
authority set forth in this section shall be used for support of the activities of the inspection
department and for no other purpose."

SECTION 7.2. G.S. 160A-414 reads as rewritten:

"§ 160A-414. Financial support.

The city council may appropriate for the support of the inspection department any funds
that it deems necessary. It may provide for paying inspectors fixed salaries or it may reimburse
them for their services by paying over part or all of any fees collected. It shall have power to fix
reasonable fees for issuance of permits, inspections, and other services of the inspection
department. All fees collected under the authority set forth in this section shall be used for
support of the activities of the inspection department and for no other purpose."

PART VIII. INSPECTIONS TO BE PERFORMED IN FULL AND IN A TIMELY
MANNER AND INSPECTION REPORTS TO INCLUDE ALL ITEMS FAILING TO
MEET CODE REQUIREMENTS

SECTION 8.1. G.S. 153A-352 reads as rewritten:

"§ 153A-352. Duties and responsibilities.

(a) The duties and responsibilities of an inspection department and of the inspectors in
it are to enforce within the county's territorial jurisdiction State and local laws and local
ordinances and regulations relating to:

(1) The construction of buildings;
(2) The installation of such facilities as plumbing systems, electrical systems,
heating systems, refrigeration systems, and air-conditioning systems;
(3) The maintenance of buildings in a safe, sanitary, and healthful condition;
(4) Other matters that may be specified by the board of commissioners.

These duties and responsibilities include receiving applications for permits and issuing or
denying permits, making necessary inspections, inspections in a timely manner, issuing or
denying certificates of compliance, issuing orders to correct violations, bringing judicial actions
against actual or threatened violations, keeping adequate records, and taking any other actions
that may be required to adequately enforce the laws and ordinances and regulations. The board
of commissioners may enact reasonable and appropriate provisions governing the enforcement
of the laws and ordinances and regulations.

(b) Except as provided in G.S. 153A-364, a county may not adopt a local ordinance or
resolution or any other policy that requires regular, routine inspections of buildings or
structures constructed in compliance with the North Carolina Residential Code for One- and
Two-Family Dwellings in addition to the specific inspections required by the North Carolina
Building Code without first obtaining approval from the North Carolina Building Code
Council. The North Carolina Building Code Council shall review all applications for additional
inspections requested by a county and shall, in a reasonable manner, approve or disapprove the
additional inspections. This subsection does not limit the authority of the county to require
inspections upon unforeseen or unique circumstances that require immediate action. In
performing the specific inspections required by the North Carolina Building Code, the
inspector shall conduct a full inspection and provide the permit holder with a complete list of
all items which fail to meet the requirements of the North Carolina Residential Code for One-
and Two-Family Dwellings."

SECTION 8.2. G.S. 160A-412 reads as rewritten:

"§ 160A-412. Duties and responsibilities.

(a) The duties and responsibilities of an inspection department and of the inspectors
therein shall be to enforce within their territorial jurisdiction State and local laws relating to

(1) The construction of buildings and other structures;
The installation of such facilities as plumbing systems, electrical systems, heating systems, refrigeration systems, and air-conditioning systems;

The maintenance of buildings and other structures in a safe, sanitary, and healthful condition;

Other matters that may be specified by the city council.

These duties shall include the receipt of applications for permits and the issuance or denial of permits, the making of any necessary inspections, inspections in a timely manner, the issuance or denial of certificates of compliance, the issuance of orders to correct violations, the bringing of judicial actions against actual or threatened violations, the keeping of adequate records, and any other actions that may be required in order adequately to enforce those laws. The city council shall have the authority to enact reasonable and appropriate provisions governing the enforcement of those laws.

(b) Except as provided in G.S. 160A-424, a city may not adopt a local ordinance or resolution or any other policy that requires regular, routine inspections of buildings or structures constructed in compliance with the North Carolina Residential Code for One- and Two-Family Dwellings in addition to the specific inspections required by the North Carolina Building Code without first obtaining approval from the North Carolina Building Code Council. The North Carolina Building Code Council shall review all applications for additional inspections requested by a city and shall, in a reasonable manner, approve or disapprove the additional inspections. This subsection does not limit the authority of the city to require inspections upon unforeseen or unique circumstances that require immediate action. In performing the specific inspections required by the North Carolina Building Code, the inspector shall conduct a full inspection and provide the permit holder with a complete list of all items which fail to meet the requirements of the North Carolina Residential Code for One- and Two-Family Dwellings."

PART IX. EFFECTIVE DATE

SECTION 9. This act becomes effective July 1, 2015.