

GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2021

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HOUSE BILL 291
Committee Substitute Favorable 4/22/21
PROPOSED COMMITTEE SUBSTITUTE H291-PCS40570-BHf-10

Short Title: Commercial Prop. Plan Rev./DOI Oversight.

(Public)

Sponsors:

Referred to:

March 15, 2021

A BILL TO BE ENTITLED

AN ACT TO ESTABLISH AND REQUIRE CERTAIN TIME LINES FOR PLAN REVIEW AND APPROVAL OF COMMERCIAL AND MULTIFAMILY BUILDING PLANS FOR LOCAL GOVERNMENTS, TO PROVIDE ALTERNATIVE METHODS FOR PLAN REVIEW, TO REQUIRE THE COMMISSIONER OF INSURANCE TO PROVIDE FURTHER LOCAL GOVERNMENT INSPECTION DEPARTMENT OVERSIGHT, AND TO REQUIRE LOCAL GOVERNMENTS TO REMIT A PORTION OF PERMIT FEES TO THE DEPARTMENT OF INSURANCE.

The General Assembly of North Carolina enacts:

SECTION 1. Article 11 of Chapter 160D of the General Statutes is amended by adding a new section to read:

"§ 160D-1104.1. Alternate method for commercial and multifamily building plan review.

(a) Notwithstanding any provision of law to the contrary, for commercial and multifamily building plans submitted that require a design professional seal pursuant to the North Carolina Building Code, initial plan review shall be completed and a building permit decision issued within 21 days. During the initial 21-day period, the local government or its agents shall communicate with the design professional to resolve questions and issues with the submitted plan. If the local government requests additional information or requires that the plan be resubmitted with changes, the local government shall review the requested information or resubmitted plan and issue a building permit decision within 15 days from the receipt of the requested information or resubmitted plan.

(b) In the event the local government determines that it is unable to complete the initial plan review within 21 days, the local government may utilize the Department of Insurance and its marketplace pool of qualified Code-enforcement officials or utilize a third-party architect or engineer that possesses a valid certificate under G.S. 143-151.13 to perform the initial plan review provided that the total time for the initial plan review does not exceed the 21 days required under subsection (a) of this section. Nothing in this subsection shall be construed to limit a local government and a building permit applicant from entering into a mutual agreement to complete an initial plan review in a time frame that differs from this subsection.

(c) The following shall apply (i) if the local government does not issue a building permit decision for the submitted plan within 21 days of initial plan submission as provided in subsection (a) of this section or (ii) when additional information or a plan resubmission is requested and the local government does not issue a building permit decision within 15 days of the receipt of the additional information or resubmitted plan as provided in subsection (a) of this section:



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1 (1) The building permit applicant may utilize a third-party architect or engineer
2 that possesses a valid certificate under G.S. 143-151.13 or the Department of
3 Insurance and its marketplace pool of qualified Code-enforcement officials to
4 review and approve the submitted plans. Upon review and approval by the
5 third-party architect or engineer, or the Department of Insurance's marketplace
6 pool of Code-enforcement officials, the local government shall issue all
7 necessary building permits for the project within 72 hours.

8 (2) In the event a building permit applicant utilizes the review process set forth in
9 subdivision (1) of this subsection, the local government shall refund or waive
10 all plan review fees and building permit fees for the project upon issuance of
11 the building permit.

12 (d) In the event the local government or its agents require specifications or manufacturer
13 engineering information on an element, component, or fixture related to the submitted plan, the
14 local government shall not delay or deny the issuance of a building permit or temporary
15 certificate of occupancy based upon the receipt of specifications or manufacturer engineering
16 information on an element, component, or fixture.

17 (e) Upon the issuance of a building permit utilizing a third-party review under
18 subsections (b) and (c) of this section, the local government, its inspection department, and the
19 inspectors are discharged and released from any liabilities, duties, and responsibilities with
20 respect to or in common law from any claim arising out of or attributed to plan reviews performed
21 by a third-party architect or engineer or the Department of Insurance's marketplace pool of
22 Code-enforcement officials.

23 (f) In the event that a local government's ordinance conflicts with any part of this section,
24 the provisions of this section shall supersede and preempt any ordinance adopted or imposed by
25 the local government."

26 **SECTION 2.** G.S. 143-151.12(9) reads as rewritten:

27 "(9) Establish within the Department of Insurance a marketplace pool of qualified
28 Code-enforcement officials available for the following purposes:

29 a. When requested by the Insurance Commissioner, to assist in the
30 discharge of the Commissioner's duty under G.S. 143-139 to
31 supervise, administer, and enforce the North Carolina State Building
32 Code.

33 ...

34 c. When requested by a building permit applicant under
35 G.S. 160D-1104.1."

36 **SECTION 3.** G.S. 143-151.13 is amended by adding a new subsection to read:

37 "(g) An architect or engineer who possesses a valid certificate under subsection (f) of this
38 section, but is not employed by the State or a local government, may utilize that certificate for
39 the limited purpose of performing initial plan reviews as permitted under G.S. 160D-1104.1(b)
40 and (c)."

41 **SECTION 4.** Article 9 of Chapter 143 of the General Statutes is amended by adding
42 a new section to read:

43 **§ 143-138.2. Local government inspection department oversight; programs.**

44 The Commissioner of Insurance, through the Division of Engineering, shall promote the
45 consistent application of the North Carolina Building Code through the general oversight of all
46 inspection departments established pursuant to Article 11 of Chapter 160D of the General
47 Statutes, or any other applicable statutory authority. The Commissioner must:

48 (1) Establish a consistent Building Code permit application process for all local
49 inspection departments.

50 (2) Develop a mechanism to determine the consistent application of the Building
51 Code throughout the State.

- 1 (3) Establish through the North Carolina Code Officials Qualification Board a
2 new educational program and certification for permit technicians.
3 (4) Establish a Building Code Awareness educational program for the general
4 public and county and city officials.
5 (5) Develop an insurance credit program for buildings and structures certified as
6 built above the minimum Building Code requirements for the purpose of
7 increasing insurability.
8 (6) Develop annual mandatory two-hour code education programs for plan
9 reviewers as determined by the North Carolina Code Officials Qualification
10 Board."

11 **SECTION 5.** Article 9 of Chapter 143 of the General Statutes is amended by adding
12 a new section to read:

13 "**§ 143-138.3. Financial support; fee transfer.**

14 All local inspection departments within the State must remit two percent (2%) of all Building
15 Code permit fees annually to the Department of Insurance for the purpose of supporting Building
16 Code consistency and associated programs as required by G.S. 143-138.2."

17 **SECTION 6.** Sections 1, 2, and 3 of this act become effective October 1, 2021, and
18 apply to applications for permits submitted on or after that date. The remainder of this act
19 becomes effective July 1, 2021.