

GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2021

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SENATE BILL 372
House Committee Substitute Favorable 6/2/22

Short Title: Electrical Lic./Bldg. Code/Dev. Reform 2022.

(Public)

Sponsors:

Referred to:

March 30, 2021

A BILL TO BE ENTITLED
AN ACT TO MAKE VARIOUS CHANGES TO ELECTRICAL CONTRACTING LICENSES,
WASTEWATER, SEDIMENTATION, AND BUILDING CODE LAWS.
The General Assembly of North Carolina enacts:

MODIFY CLASSIFICATION OF ELECTRICAL CONTRACTING LICENSES

SECTION 1.(a) G.S. 87-43.3 reads as rewritten:

"§ 87-43.3. Classification of licenses.

(a) An electrical contracting license shall be issued in one of the following classifications:

(1) Limited, under which a licensee shall be permitted to engage in a single electrical contracting project of a value, as established by the Board, not in excess of one hundred thousand dollars (\$100,000) and on which the equipment or installation in the contract is rated at not more than 600 ~~volts;~~volts. The limited classification and any special restricted classifications shall require no more than 3,000 hours of experience, of which, no less than 2,000 hours shall consist of primary experience gained by direct installation of electrical wiring and equipment governed by the National Electric Code.

(2) Intermediate, under which a licensee shall be permitted to engage in a single electrical contracting project of a value, as established by the Board, not in excess of two hundred thousand dollars ~~(\$200,000);~~(\$200,000). The intermediate classification shall require no more than 5,750 hours of experience, of which, no less than 5,000 hours shall consist of primary experience gained by direct installation of electrical wiring and equipment governed by the National Electric Code.

(3) Unlimited, under which a licensee shall be permitted to engage in any electrical contracting project regardless of ~~value; and~~ value. The unlimited classification shall require no more than 9,000 hours of experience, of which, no less than 8,000 hours shall consist of primary experience gained by direct installation of electrical wiring and equipment governed by the National Electric Code.

(b) An electrical contracting license shall be issued in such other special Restricted classifications as the Board may establish from time to time to provide, (i) for the licensing of persons, partnerships, firms or corporations wishing to engage in special restricted electrical contracting, under which license a licensee shall be permitted to engage only in a specific phase of electrical contracting of a special, limited nature, and (ii) for the licensing of persons, partnerships, firms or corporations wishing to engage in electrical contracting work as an



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1 incidental part of their primary business, which is a lawful business other than electrical
2 contracting, under which license a licensee shall be permitted to engage only in a specific phase
3 of electrical contracting of a special, limited nature directly in connection with said primary
4 business.

5 (c) The Board may establish appropriate standards for each classification, such standards
6 not to be inconsistent with the provisions of G.S. 87-42. The Board may, by rule, modify the
7 project value limitations up to the maximum amounts set forth in this section for limited and
8 intermediate licenses no more than once every three years based upon an increase or decrease in
9 the project cost index for electrical projects in this State."

10 **SECTION 1.(b)** This section becomes effective October 1, 2022, and applies to
11 applicants for licensure on or after that date.

12 13 **DELAY EFFECTIVE DATE OF 18E WASTEWATER TREATMENT AND DISPERSAL** 14 **RULES**

15 **SECTION 2.(a)** Notwithstanding G.S. 150B-21.3, 15A NCAC 18E .0101 through
16 .1713, as adopted by the North Carolina Commission for Public Health on August 4, 2021, and
17 approved by the Rules Review Commission on September 16, 2021, shall not become effective
18 until January 1, 2024.

19 **SECTION 2.(b)** 15A NCAC 18A .1934 through .1971 shall remain in effect until
20 January 1, 2024. 15A NCAC 18A .1934 through .1971 shall be exempt from the periodic review
21 and expiration of existing rules process required by G.S. 150B-21.3A.

22 23 **HIGHLY TREATED WASTEWATER AMENDMENTS**

24 **SECTION 3.(a)** Section 8.26(b) of S.L. 2021-180 reads as rewritten:

25 **"SECTION 8.26(b)** Funds allocated from the State Fiscal Recovery Fund to the Board of
26 Governors of The University of North Carolina for the Innovative Highly Treated Wastewater
27 Pilot Program (Program) shall be provided to the North Carolina Policy Collaboratory at the
28 University of North Carolina at Chapel Hill (Collaboratory) to establish the Program as described
29 in this subsection. The Collaboratory may use up to one million dollars (\$1,000,000) of the funds
30 allocated by this subsection for research and administrative costs related to the Program, of which
31 up to two hundred thousand dollars (\$200,000) may be used to reimburse the Department of
32 Environmental Quality for its administrative costs. Project funding from the funds allocated by
33 this section is limited to ~~the lesser of forty percent (40%) of the total project cost or four million~~
34 ~~dollars (\$4,000,000).~~ In implementing the Program, the Collaboratory shall do the following: In
35 implementing the Program, the Collaboratory shall do the following:

- 36 (1) Review and evaluate wastewater systems producing highly treated
37 wastewater, either as a single unit or as a combination of treatment devices for
38 suitability as a wastewater treatment option for local governments, sanitary
39 districts, or public authorities that are either (i) considered distressed, as
40 defined by G.S. 159G-20, that ~~(i)-(ii)~~ have no more than 10,000 ~~customers~~
41 customers, or ~~(ii)-(iii)~~ include residential or commercial developments or
42 subdivisions that are unable to be served by existing wastewater systems.

43"

44 **SECTION 3.(b)** Subdivision 8.26(c)(1) of S.L. 2021-180 reads as rewritten:

45 **"SECTION 8.26(c)(1)** Review and qualify wastewater systems producing highly treated
46 wastewater, either as a single unit or as a combination of treatment devices. The Department shall
47 require the manufacturer of the wastewater system within five days of the qualification issuance
48 of the permit to construct for a wastewater system qualified under this subdivision to file with
49 the Department a performance bond or other surety with a minimum term of five years to be
50 executed in favor of the permittee in the amount sufficient to cover system replacement.

Operation, maintenance, abuse, or change in hydraulic flows or wastewater characteristics shall not be attached to the performance bond or surety."

PROVIDE THAT APPROVAL FOR LICENSED SOIL SCIENTISTS TO EVALUATE, INSPECT, AND APPROVE ON-SITE WASTEWATER SYSTEM PROJECTS DURING THE CORONAVIRUS EMERGENCY ENDS ON A DATE CERTAIN

SECTION 4. Section 3.19(e) of S.L. 2020-97 reads as rewritten:

"**SECTION 3.19.(e)** This section is effective when it becomes law and expires ~~90 days after Executive Order No. 116 is rescinded, on January 1, 2023.~~ However, the expiration of this section shall not prevent a licensed soil scientist acting under this section's authority from completing a proposed wastewater system begun before this section expires, already under construction."

ON-SITE WASTEWATER PERMITTING PROCESS AMENDMENTS

SECTION 5.(a) G.S. 130A-335 reads as rewritten:

"§ 130A-335. Wastewater collection, treatment and disposal; rules.

...

(a2) Evaluations conducted by a licensed soil scientist or a licensed geologist pursuant to subsection (a1) of this section ~~to produce shall be used in developing~~ design and construction features for a new proposed wastewater system or a proposed repair project for an existing wastewater system, including the addressing of any special hydrologic conditions that may be required under the applicable rules for an ~~authorization to construct or for permitting, improvement permit or a construction authorization,~~ shall be approved by the applicable permitting authorities under G.S. 130A-336 ~~and G.S. 130A-336.1,~~ provided both of the following conditions are met:

- (1) The evaluation of soil conditions, site features, or geologic and hydrogeologic conditions satisfies all requirements of this Article. The evaluation shall not cover areas outside the scope of the applicable license.
- (2) The licensed soil scientist or licensed geologist conducting the evaluation maintains an errors and omissions liability insurance policy issued by an insurer licensed under Chapter 58 of the General Statutes in an amount commensurate with the risk.

~~Upon receipt of a signed written evaluation from the soil scientist or licensed geologist, the Department, the Department's authorized agents, and the local health department shall be discharged and released from any liabilities, duties, and responsibilities imposed by statute or in common law from any claim arising out of or attributed to the soil conditions, site features, geologic conditions, or hydrogeologic conditions for which the signed written evaluation was submitted.~~

(a3) When an applicant for an improvement permit submits an application and a soil evaluation pursuant to subsection (a2) of this section, the local health department shall, within 10 business days of receiving the application, take one of the following actions:

- (1) Issue the improvement permit.
- (2) Deny the permit application and provide a signed, written report to the applicant citing the applicable rule(s) for permit denial.
- (3) Notify the applicant that additional information is needed if the application is incomplete.

(a4) If a local health department fails to act on an application for an improvement permit submitted pursuant to subsection (a3) of this section within 10 business days of receipt of a complete application, the local health department shall issue the improvement permit.

(a5) When an applicant for a construction authorization submits an application along with any necessary signed and sealed plans or evaluations, as required by the local health department, conducted by a person licensed pursuant to Chapter 89C of the General Statutes as a licensed

1 engineer or a person certified pursuant to Article 5 of Chapter 90A of the General Statutes as an
2 Authorized On-Site Wastewater Evaluator, the local health department shall, within 10 business
3 days of receiving the application, take one of the following actions:

4 (1) Approve the permit application.

5 (2) Deny the permit application and provide a signed, written report to the
6 applicant citing the applicable rule(s) for permit denial.

7 (3) Notify the applicant that additional information is needed if the application is
8 incomplete.

9 (a6) If a local health department fails to act on an application for a construction
10 authorization submitted pursuant to subsection (a5) of this section within 10 business days of
11 receipt of a complete application, the local health department shall issue the construction
12 authorization.

13 (a7) The local health department shall conduct a preconstruction conference with the
14 wastewater system contractor and other representatives of the site of construction as necessary at
15 the proposed wastewater site no more than 10 business days prior to the start of the installation
16 of the on-site wastewater system to determine that the conditions of the site have not been altered.
17 The preconstruction conference may be conducted by a person licensed pursuant to Chapter 89C
18 of the General Statutes as a licensed engineer or a person certified pursuant to Article 5 of Chapter
19 90A of the General Statutes as an Authorized On-Site Wastewater Evaluator, and findings shall
20 be accepted by the local health department. The applicant or the system contractor certified under
21 rules established by the North Carolina On-Site Wastewater Contractors and Inspectors
22 Certification Board shall notify the local health department of completion of the wastewater
23 system for the inspection and issuance of the operation permit pursuant to G.S. 130A-337 after
24 determination of compliance with the construction authorization.

25 (a8) The Department, the Department's agents, and the local health department shall be
26 discharged and released from any liabilities arising out of or attributed to submittals or actions
27 from a licensed soil scientist or licensed geologist pursuant to subsection (a2) of this section. The
28 Department, the Department's agents, and the local health department shall be discharged and
29 released from any liability arising out of or attributed to submittals or actions from a person
30 licensed pursuant to Chapter 89C of the General Statutes as a licensed engineer or a person
31 certified pursuant to Article 5 of Chapter 90A of the General Statutes as an Authorized On-Site
32 Wastewater Evaluator in subsections (a2), (a5), and (a7) of this section. The Department, the
33 Department's agents, and the local health department shall be responsible and bear liability for
34 their actions and evaluations and other obligations under State law or rule, including the issuance
35 of the operations permit pursuant G.S. 130A-337.

36 ...

37 (f1) A preconstruction conference with the owner or developer, or an agent of the owner
38 or developer, and a representative of the local health department shall be required for any
39 ~~authorization for wastewater system construction~~ construction authorization issued with an
40 improvement permit under G.S. 130A-336 when the authorization is greater than five years old.
41 Following the conference, the local health department shall advise the owner or developer of any
42 rule changes for wastewater system construction incorporating current technology that can
43 reasonably be expected to improve the performance of the system. The local health department
44 shall issue a revised ~~authorization for wastewater system construction~~ construction authorization
45 incorporating the rule changes upon the written request of the owner or developer.

46"

47 **SECTION 5.(b)** G.S. 130A-336 reads as rewritten:

48 "**§ 130A-336. Improvement permit and ~~authorization for wastewater system construction~~**
49 **construction authorization required.**

50 (a) Any proposed site for a residence, place of business, or place of public assembly in
51 an area not served by an approved wastewater system shall be evaluated by either (i) the local

health department in accordance with rules adopted pursuant to this Article or (ii) by a professional engineer, licensed soil scientist, or licensed geologist acting within the engineer's, soil scientist's, or geologist's scope of work, as applicable, and pursuant to the conditions of the engineered option permit in ~~G.S. 130A-336.1~~, G.S. 130A-336.1 or the Authorized On-Site Wastewater Evaluator permit option in G.S. 130A-336.2. An improvement permit issued by a local health department shall include:

- (1) For permits that are valid without expiration, a plat, or, for permits that are valid for five years, a site plan.
- (2) A description of the facility the proposed site is to serve.
- (3) The proposed wastewater system and its location.
- (4) The design wastewater flow and characteristics.
- (5) The conditions for any site modifications.
- (6) Any other information required by the rules of the Commission.

Neither the improvement permit nor the ~~authorization for wastewater system construction~~ construction authorization shall be affected by change of ownership of the site for the wastewater system provided both the site for the wastewater system and the facility the system serves are unchanged and remain under the ownership or control of the person owning the facility. No person shall commence or assist in the construction, location, or relocation of a residence, place of business, or place of public assembly in an area not served by an approved wastewater system unless an improvement permit and ~~an authorization for wastewater system construction~~ a construction authorization are obtained from the local health department unless that person is acting in accordance with the conditions and criteria of an engineered option permit pursuant to ~~G.S. 130A-336.1~~, G.S. 130A-336.1 or the authorized on-site wastewater evaluator permit option pursuant to G.S. 130A-336.2. This requirement shall not apply to a manufactured residence exhibited for sale or stored for later sale and intended to be located at another site after sale.

(b) The local health department shall issue ~~an authorization for wastewater system construction~~ a construction authorization authorizing work to proceed and the installation or repair of a wastewater system when it has determined after a field investigation that the system can be installed and operated in compliance with this Article and rules adopted pursuant to this Article. The wastewater system contractor certified under rules established by the North Carolina On-Site Wastewater Contractors and Inspectors Certification Board shall schedule and conduct a preconstruction conference with the local health department at the proposed wastewater site no more than 10 business days prior to the start of the installation of the on-site wastewater system to determine that the conditions of the site have not been altered and that the proposed system can be installed as permitted. This ~~authorization for wastewater system construction~~ construction authorization shall be valid for a period equal to the period of validity of the improvement permit and may be issued at the same time the improvement permit is issued. No person shall commence or assist in the installation, construction, or repair of a wastewater system unless an improvement permit and ~~an authorization for wastewater system construction~~ a construction authorization have been obtained from the Department or the local health department unless that person is acting in accordance with the conditions and criteria of an engineered option permit pursuant to ~~G.S. 130A-336.1~~, G.S. 130A-336.1 or the Authorized On-Site Wastewater Evaluator permit option pursuant to G.S. 130A-336.2. No improvement permit or ~~authorization for wastewater system construction~~ construction authorization shall be required for maintenance of a wastewater system. The Department and the local health department may impose conditions on the issuance of an improvement permit and ~~an authorization for wastewater system construction~~ a construction authorization.

(b1) An improvement permit or ~~authorization for wastewater system construction~~ construction authorization issued by a local health department from January 1, 2000, to January 1, 2015, which has not been acted on and would have otherwise expired, shall remain valid until January 1, 2020, without penalty, unless there are changes in the hydraulic flows or wastewater

characteristics from the original local health department evaluation. Permits are transferrable with ownership of the property. Permits shall retain the site, soil evaluations, and construction conditions of the original permit. Site activities begun or completed pursuant to requirements from the local health department under the original permit, however, shall not be construed to be altered conditions and shall not constitute a basis for refusal of the permit extension. The property owner may contract with a person licensed pursuant to Chapter 89F of the General Statutes as a licensed soil scientist to conduct a site verification to determine whether the conditions of the original permit are unchanged. Written verification by the licensed soil scientist shall be accepted by the local health department, used in lieu of verification by the local health department, and be attached to the permit.

(c) Unless the Commission otherwise provides by rule, plans, and specifications for all wastewater systems designed for the collection, treatment, and disposal of industrial process wastewater shall be reviewed and approved by the Department prior to the issuance of ~~an authorization for wastewater system construction~~ a construction authorization by the local health department.

...."

SECTION 5.(c) G.S. 130A-336.1(b) reads as rewritten:

"(b) Notice of Intent to Construct. – Prior to commencing or assisting in the construction, siting, or relocation of a wastewater system, the owner of a proposed wastewater system who wishes to utilize the engineered option permit, or a professional engineer authorized as the legal representative of the owner, shall submit to the local health department with jurisdiction over the location of the proposed wastewater system a notice of intent to construct a wastewater system utilizing the engineered permit option. The Department shall develop a common form for use as the notice of intent to construct that includes all of the following:

- (1) The owner's name, address, e-mail address, and telephone number.
- (2) The professional engineer's name, license number, address, e-mail address, and telephone number.
- (3) For the professional engineer, the licensed soil scientist, the licensed geologist, and any on-site wastewater contractors, proof of errors and omissions insurance coverage or other appropriate liability insurance.
- (4) A description of the facility the proposed site is to serve and any factors that would affect the wastewater load.
- (5) The type of proposed wastewater system and its location.
- (6) The design wastewater flow and characteristics.
- (7) Any proposed landscape, site, drainage, or soil modifications.
- (8) A soil evaluation that is conducted and signed and sealed by either a licensed soil scientist or licensed geologist.
- (9) A plat, as defined in ~~G.S. 130A-334(7a)~~.G.S. 130A-334(7a) or a site plan, as defined in G.S. 130A-334(13a)."

SECTION 5.(d) G.S. 130A-336.2(j) reads as rewritten:

"(j) Post-Construction Conference. – The Authorized On-Site Wastewater Evaluator shall hold a post-construction conference with the owner, the certified contractor, and the certified water pollution control system operator, if ~~any, and representatives from the local health department.~~any. The post-construction conference shall include start-up and any required verification of system components."

SECTION 5.(e) G.S. 130A-338 reads as rewritten:

"§ 130A-338. ~~Authorization for wastewater system construction~~ Construction authorization required before other permits to be issued.

Where construction, location or relocation is proposed to be done upon a residence, place of business or place of public assembly, no permit required for electrical, plumbing, heating, air conditioning or other construction, location or relocation activity under any provision of general

1 or special law shall be issued until ~~an authorization for wastewater system construction a~~
2 construction authorization has been issued under G.S. 130A-336, or authorization has been
3 obtained under G.S. 130A-337(c), or a decision on the completeness of the notice of intent to
4 construct is made by the local health department pursuant to
5 ~~G.S. 130A-336.1(e).~~ G.S. 130A-336.1(c) or G.S. 130A-336.2(c)."

6 **SECTION 5.(f)** G.S. 130A-339 reads as rewritten:

7 **"§ 130A-339. Limitation on electrical service.**

8 No person shall allow permanent electrical service to a residence, place of business or place
9 of public assembly upon construction, location or relocation until the official electrical inspector
10 with jurisdiction as provided in G.S. 143-143.2 certifies to the electrical supplier that the required
11 improvement ~~permit authorization for wastewater system construction permit, construction~~
12 authorization, and an operation permit or authorization under G.S. 130A-337(c) or the letter of
13 confirmation authorizing wastewater system operation under G.S. 130A-336.1(m) has been
14 obtained. Temporary electrical service necessary for constructing a residence, place of business
15 or place of public assembly can be provided upon compliance with G.S. 130A-338."

16
17 **WELL GROUTING CERTIFICATION CHANGE**

18 **SECTION 6.(a)** G.S. 87-97 is amended by adding the following new subsections to
19 read:

20 "(e2) Grouting Certification. – Notwithstanding any other provision of this Article, during
21 the construction, repair, or abandonment of a private drinking water well, the local health
22 department shall not conduct a grouting inspection if all of the following apply:

- 23 (1) The well contractor provides written or electronic notice of intent to grout to
24 the local health department prior to 9:00 A.M. on the date of grouting.
25 (2) The written or electronic notice of intent to grout includes the location, permit
26 number, and anticipated time for grouting and indicates that grouting may
27 occur after normal business hours or on the weekend.
28 (3) If the grouting is to occur on a State holiday, the written or electronic notice
29 of intent to grout is provided by the last business day prior to the State holiday.
30 (4) The well contractor provides written certification, in a format and method
31 specified by the Commission, to the local health department that the private
32 drinking water well has been grouted in compliance with rules adopted
33 pursuant to this Article.

34 (e3) Health Department Optional Presence. – Upon receipt of a notice of intent to grout
35 under subsection (e2) of this section, the local health department may opt to be present during
36 the grouting but the failure of the local health department to be present shall not affect the
37 authority of the well contractor to self-certify the grouting under that subsection.

38 (e4) Exception for Variance. – Notwithstanding subsection (e2) of this section, if a
39 variance is issued to a rule requiring grouting of a private drinking water to a certain depth under
40 rules adopted pursuant to this Article, the well contractor shall schedule a grout time and
41 inspection with the local health department and only the local health department shall have the
42 authority to certify that the private drinking water well was grouted in compliance with this
43 Article."

44 **SECTION 6.(b)** This section becomes effective October 1, 2022, and applies to
45 inspections conducted on or after that date.

46
47 **REQUIRE THE DEPARTMENT OF ENVIRONMENTAL QUALITY TO STUDY**
48 **EROSION AND SEDIMENTATION CONTROL REQUIREMENTS RELATIVE TO**
49 **FEDERAL REQUIREMENTS APPLICABLE TO STORMWATER DISCHARGES**
50 **FROM CONSTRUCTION ACTIVITIES**

SECTION 7. The Department of Environmental Quality shall study the requirements of the Sedimentation Pollution Control Act of 1973 (Act) and federal requirements applicable to stormwater discharges from construction activities under 40 C.F.R § 122.26, and shall identify all requirements of the Act that are more stringent than, or redundant to, federal requirements applicable to stormwater discharges from construction activities under 40 C.F.R § 122.26. In so doing, the Department shall clearly identify the sources of federal law that establish specific requirements for (i) stormwater control design, installation, and maintenance at construction sites; (ii) permit applications to be submitted by operators of construction activity, including legal requirements for design and construction specifications to be included with permit applications; and (iii) transfer and termination of a builder, developer, or operator's obligations upon conveyance of property on which construction occurred. The Department shall report its findings, including recommendations for legislative action to streamline permitting of NCG01 applications, particularly any modifications to state sedimentation requirements that would result in a sedimentation and erosion control approval satisfying federal NCG01 permitting, to provide greater permitting efficiency within the regulated community, to the Environmental Review Commission no later than September 1, 2022.

BUILDING CODE AMENDMENTS

SECTION 8.(a) G.S. 143-140.1 reads as rewritten:

"§ 143-140.1. ~~Appeals of alternative~~ Alternative design construction and methods-methods; appeals.

The North Carolina Building Code Council shall, by January 1, 2023, promulgate rules, procedures, and policies for the approval of alternative designs and construction. Alternative designs and construction shall follow the State Building Code. In the event of a dispute between a local authority having jurisdiction and the designer or owner-representative regarding alternative designs and construction, and notwithstanding any other section within this Article, appeals by the designer or owner-representative on matters pertaining to alternative design construction or methods shall be heard by the Department of Insurance Engineering Division. The Department of Insurance Engineering Division shall issue its decision regarding an appeal filed under this section within 10 business days. The Commissioner of Insurance shall adopt rules in furtherance of this section."

SECTION 8.(b) Approved alternative designs and construction that are in effect at the time of the effective date of this act remain in effect.

SECTION 9.(a) G.S. 160D-1102 reads as rewritten:

"§ 160D-1102. Building code administration.

(a) A local government may create an inspection department and may appoint inspectors who may be given appropriate titles, such as building inspector, electrical inspector, plumbing inspector, housing inspector, zoning inspector, heating and air-conditioning inspector, fire prevention inspector, or deputy or assistant inspector, or another title generally descriptive of the duties assigned. Every local government shall perform the duties and responsibilities set forth in G.S. 160D-1104 either by (i) creating its own inspection department, (ii) creating a joint inspection department in cooperation with one or more other units of local government, pursuant to Part 1 of Article 20 of Chapter 160A of the General Statutes, (iii) contracting with another unit of local government for the provision of inspection services pursuant to Part 1 of Article 20 of Chapter 160A of the General Statutes, or (iv) arranging for the county in which a city is located to perform inspection services within the city's jurisdiction as authorized by G.S. 160D-1104 and G.S. 160D-202. Every local government shall designate a person responsible for the daily oversight of the local government's duties and responsibilities under G.S. 160D-1104.

(b) In the event that any local government fails to provide inspection services or ceases to provide inspection services, the Commissioner of Insurance shall arrange for the provision of inspection services, either through personnel employed by the department or through an

arrangement with other units of government. In either event, the Commissioner has and may exercise within the local government's planning and development regulation jurisdiction all powers made available to the governing board with respect to building inspection under this Article and Part 1 of Article 20 of Chapter 160A of the General Statutes. Whenever the Commissioner has intervened in this manner, the local government may assume provision of inspection services only after giving the Commissioner two years' written notice of its intention to do so; however, the Commissioner may waive this requirement or permit assumption at an earlier date upon finding that an earlier assumption will not unduly interfere with arrangements made for the provision of those services.

(c) No later than October 1 of 2023, 2024, and 2025, every local government shall publish an annual financial report on how it used fees from the prior fiscal year for the support, administration, and implementation of its building code enforcement program as required by G.S. 160D-402(d). This report is in addition to any other financial report required by law."

SECTION 9.(b) This section becomes effective October 1, 2022, and applies to financial reports due after that date.

RESIDENTIAL INSPECTIONS BY LICENSED ARCHITECTS AND LICENSED PROFESSIONAL ENGINEERS

SECTION 10.(a) G.S. 160D-1105 reads as rewritten:

"§ 160D-1105. Other arrangements for inspections.

(a) A local government may contract with an individual who is not a local government employee but who holds one of the applicable certificates as provided in G.S. 160D-1103 or with the employer of an individual who holds one of the applicable certificates as provided in G.S. 160D-1103.

(b) When a permit holder has been informed by a local inspection department that an inspection required under the North Carolina Residential Code for One- and Two-Family Dwellings has not been, or will not be, conducted within two business days after first requested, the permit holder may, in addition to the marketplace pool under G.S. 143-139.4, obtain that required inspection from any of the following after giving written or electronic notice to the local government:

(1) An architect licensed under Chapter 83A of the General Statutes.

(2) A professional engineer licensed under Chapter 89C of the General Statutes.

(c) The licensed architect or licensed professional engineer conducting an inspection under subsection (b) of this section must provide the local government with a signed inspection report by electronic or physical delivery and its receipt shall be promptly acknowledged by the local government through reciprocal means. The inspection report must include the inspector's signed certification on compliance with the North Carolina Residential Code for One- and Two-Family Dwellings as to matters inspected in that required inspection. Any reinspection of corrections made to matters of noncompliance shall, subject to subsection (b) of this section, be conducted by the local government.

(d) The local government shall accept and approve inspections under subsection (b) of this section and upon receipt of the inspection report shall be discharged from its duty under G.S. 160D-1104 to conduct that required inspection and notwithstanding the issuance of a certificate of occupancy, the local government, its inspection department, and the inspectors are discharged and released from any liabilities, duties, and responsibilities imposed by this Article with respect to or in common law from any claim arising out of or attributed to that required inspection."

SECTION 10.(b) G.S. 160D-1109(b) reads as rewritten:

(b) A member of the inspection department shall not be in violation of this section when the local government, its inspection department, or one of the inspectors accepted a signed written document of compliance with the North Carolina State Building Code or the North Carolina

Residential Code for One- and Two-Family Dwellings from a licensed architect or licensed engineer in accordance with ~~G.S. 160D-1104(d)~~, G.S. 160D-1105 or G.S. 160D-1106."

SECTION 10.(c) This section becomes effective October 1, 2022, and applies to inspections conducted on or after that date.

MAXIMUM PARKING SPACE SIZE

SECTION 11.(a) G.S. 160D-702(c) reads as rewritten:

"(c) A zoning or other development regulation shall not ~~set~~ do any of the following:

- (1) Set a minimum square footage of any structures subject to regulation under the North Carolina Residential Code for One- and Two-Family Dwellings.
- (2) Set a maximum parking space size larger than 9 feet wide by 20 feet long unless the parking space is designated for handicap, parallel, or diagonal parking."

SECTION 11.(b) This section becomes effective October 1, 2022, and after that date any zoning or other development regulation inconsistent with G.S. 160D-702(c), as enacted by this act, is void and unenforceable.

NORTH CAROLINA HOME INSPECTOR LICENSURE BOARD REVISIONS

SECTION 12.(a) G.S. 143-151.45 reads as rewritten:

"§ 143-151.45. Definitions.

The following definitions apply in this Article:

- (1) Repealed by Session Laws 2009-509, s. 3.3, effective October 1, 2013. See note.
- (2) Board. – The North Carolina Home Inspector Licensure Board.
- (3) Compensation. – A fee or anything else of value.
- (4) Home inspection. – A written ~~evaluation~~ evaluation, based on observation or noninvasive testing, of two or more of the following components of a residential building: heating system, cooling system, plumbing system, electrical system, structural components, foundation, roof, masonry structure, exterior and interior components, or any other related residential housing component. Noninvasive testing means testing methods which do not result in any damage to a component or system, such as tearing, puncturing, or gouging, provided that probing a wood component or system to inspect for deterioration is permissible.
- (5) Home inspector. – An individual who engages in the business of performing home inspections for compensation.
- (6) Residential building. – A structure intended to be, or that is in fact, used as a residence by one or more individuals."

SECTION 12.(b) G.S. 143-151.58 reads as rewritten:

"§ 143-151.58. Duties of licensed home inspector.

(a) Home Inspection Report. – A licensed home inspector must give to each person for whom the inspector performs a home inspection for compensation a written report of the home inspection. The inspector must give the person the report by the date set in a written agreement by the parties to the home inspection. If the parties to the home inspection did not agree on a date in a written agreement, the inspector must give the person the report ~~within three~~ within:

- (1) Three business days after the inspection was performed.
- (2) Ten business days after the inspection was performed, if the report describes a deficiency as a violation of the State Residential Building Code in accordance with subsection (a2) of this section.

(a1) Summary Page. – A written report provided under subsection (a) of this section for a prepurchase home inspection of three or more systems must include a summary page that

contains the information required by this subsection. All other subject matters pertaining to the home inspection must appear in the body of the report. The summary page must contain the following statement: "This summary page is not the entire report. The complete report may include additional information of interest or concern to you. It is strongly recommended that you promptly read the complete report. For information regarding the negotiability of any item in this report under the real estate purchase contract, contact your North Carolina real estate agent or an attorney."

The summary page must describe any system or component of the home that does not function as intended, allowing for normal wear and tear that does not prevent the system or component from functioning as intended. The summary page must also describe any system or component that appears not to function as intended, based upon documented tangible evidence, and that requires either subsequent examination or further investigation by a specialist. The summary page may describe any system or component that poses a safety concern.

(a2) State Residential Building Code. – If a licensee includes a deficiency in the written report of a home inspection that is stated as a violation of the North Carolina State Residential Building Code, the licensee must do all of the following:

- (1) Determine the date of construction, renovation, and any subsequent installation or replacement of any system or component of the home.
- (2) Determine the ~~State Building Code~~ in effect at the time of construction, renovation, and any subsequent installation or replacement of any system or component of the home.
- (3) Conduct the home inspection using the ~~building codes Code~~ in effect at the time of the construction, renovation, and any subsequent installation or replacement of any system or component of the home.

In order to fully inform the client, if the licensee describes a deficiency as a violation of the ~~State Building Code~~ in the written report, then the report shall include the information described in subdivision (1) of this subsection and photocopies of the relevant provisions of the ~~State Building Code~~ used pursuant to subdivision (2) of this subsection to determine any violation stated in the report. The Board may adopt rules that are more restrictive on the use of the ~~State Building Code~~ by home inspectors.

...."

SECTION 12.(c) This section becomes effective October 1, 2022, and applies to inspections conducted on or after that date.

GENERAL CONTRACTOR LICENSE PROJECT VALUE INCREASE

SECTION 13. G.S. 87-10(a1) reads as rewritten:

"(a1) The Board shall require an applicant to pay the Board or a provider contracted by the Board an examination fee not to exceed one hundred dollars (\$100.00). In addition to the costs of any criminal background check, the Board shall also require an applicant to pay the Board a fee not to exceed one hundred twenty-five dollars (\$125.00) if the application is for an unlimited license, one hundred dollars (\$100.00) if the application is for an intermediate license, or seventy-five dollars (\$75.00) if the application is for a limited license. The fees accompanying any application or examination shall be nonrefundable. The holder of an unlimited license shall be entitled to act as general contractor without restriction as to value of any single project; the holder of an intermediate license shall be entitled to act as general contractor for any single project with a value of up to one million five hundred thousand dollars (~~\$1,000,000~~), (\$1,500,000), excluding the cost of land and any ancillary costs to improve the land; the holder of a limited license shall be entitled to act as general contractor for any single project with a value of up to ~~five-seven~~ fifty hundred thousand dollars (~~\$500,000~~), (\$750,000), excluding the cost of land and any ancillary costs to improve the land. The license certificate shall be classified in accordance with this section."

INCREASE THRESHOLD FOR FIRE APPARATUS ACCESS ROADS

SECTION 14.(a) Section 6 of S.L. 2021-121 reads as rewritten:

"SECTION 6.(a) Definitions. – As used in this section, "Council" means the North Carolina Building Code Council, and "Code" means the current North Carolina Building Code collection, and amendments to the Code, as adopted by the Council.

"SECTION 6.(b) Code Amendment. – Until the effective date of the Code amendment that the Council is required to adopt pursuant to this section, the Council and Code enforcement officials enforcing the Code shall follow the provisions of subsection (c) of this section as it relates to Section D107 of the 2018 North Carolina Fire Code and other provisions that relate to fire apparatus access roads for one- or two-family dwelling residential developments.

"SECTION 6.(c) Implementation. – ~~Notwithstanding any provision of the Code or law to the contrary, the~~ The Council and Code enforcement officials shall not require an automatic sprinkler system ~~two or more separate and approved fire apparatus access roads in developments of one- or two-family dwellings where there are fewer than 100 dwelling units on a single public or private fire apparatus access road with access from one direction.~~ units.

"SECTION 6.(d) Additional Rulemaking Authority. – The Council shall adopt a rule to amend Section D107 of the 2018 North Carolina Fire Code consistent with subsection (c) of this section. Notwithstanding G.S. 143-136(c), the Residential Code Committee within the Council shall consider the amendment required by this section. Notwithstanding G.S. 150B-19(4), the rule adopted by the Council pursuant to this subsection shall be substantively identical to the provisions of subsection (c) of this section. Rules adopted pursuant to this section are not subject to Part 3 of Article 2A of Chapter 150B of the General Statutes. Rules adopted pursuant to this section shall become effective as provided in G.S. 150B-21.3(b1), as though 10 or more written objections had been received as provided in G.S. 150B-21.3(b2).

"SECTION 6.(e) Effective Date. – This section is effective when it becomes law.

"SECTION 6.(f) Sunset. – This section expires on the date that rules adopted pursuant to subsection (d) of this section become effective."

SECTION 14.(b) This section is effective when it becomes law.

DEPARTMENT OF INSURANCE CONTRACT INSPECTORS

SECTION 15.(a) G.S. 143-139.4 is amended by adding a new subsection to read:

"(l) The Commissioner shall contract with any individual, corporation, or other business entity that holds one of the applicable certificates as provided in G.S. 143-151.13 to conduct inspections under this section."

SECTION 15.(b) This section becomes effective October 1, 2022, and applies to inspections conducted on or after that date.

TECHNICAL CORRECTIONS TO CONFORM CERTAIN STATUTES TO CHAPTER 160D OF THE GENERAL STATUTES

SECTION 16.(a) G.S. 143-139(b) reads as rewritten:

"(b) General Building Regulations. – The Insurance Commissioner shall have general authority, through the Division of Engineering of the Department of Insurance, to supervise, administer, and enforce all sections of the North Carolina State Building Code pertaining to plumbing, electrical systems, general building restrictions and regulations, heating and air conditioning, fire protection, and the construction of buildings generally, except those sections of the Code, the enforcement of which is specifically allocated to other agencies by subsections (c) through (e) below. In the exercise of the duty to supervise, administer, and enforce the North Carolina State Building Code (including local building codes which have superseded the State Building Code in a particular political subdivision pursuant to G.S. 143-138(e)), the Commissioner, through the Division of Engineering, shall:

- (1) Cooperate with local officials and local inspectors duly appointed by the governing body of any municipality or board of county commissioners pursuant to ~~Part 5 of Article 19 of Chapter 160A of the General Statutes or Part 4 of Article 18 of Chapter 153A~~ Article 11 of Chapter 160D of the General Statutes, or any other applicable statutory authority.
- (2) In accordance with G.S. 143-139.4, timely assign a Code-enforcement official from the marketplace pool established under G.S. 143-151.12(9)a. to conduct any plumbing, electrical systems, general building restrictions and regulations, heating and air-conditioning, or general construction inspection required by the North Carolina State Building Code.
- (3) Develop eligibility criteria for and procedures to conduct certain inspections required by the North Carolina State Building Code as remote inspections. For the purposes of this subdivision, a "remote inspection" means an inspection of the manner of construction for North Carolina State Building Code compliance that an inspector conducts by (i) interactive real-time audio and video communication with a permit holder or (ii) a review of an electronic video recording submission by a permit holder."

SECTION 16.(b) G.S. 143-139.4(k) reads as rewritten:

"(k) As used in this section, the following terms mean:

- (1) Inspection. – An inspection required by the North Carolina State Building Code in any of the following categories:
- Plumbing.
 - Electrical systems.
 - General building restrictions and regulations.
 - Heating and air-conditioning.
 - General construction inspection.
- (2) Local inspection department. – Any county, city, or joint agency performing State Building Code ~~inspections under Article 18 of Chapter 153A of the General Statutes or Article 19 of Chapter 160A of the General Statutes~~ inspections.
- (3) Requestor. – The permit holder, or an individual acting on behalf of the permit holder, who made an initial request for an inspection to a local inspection department."

**ANSON COUNTY FUNDS FOR ECONOMIC DEVELOPMENT BUDGET
TECHNICAL CORRECTION**

SECTION 17.(a) Section 40.17(a) of S.L. 2021-180, as enacted by Section 9.1(d) of S.L. 2021-189, and amended in Section 18.1 of S.L. 2022-6, is amended by adding a new subdivision to read:

"(58) The funds for Anson County for economic development of county facilities, in the sum of eight million dollars (\$8,000,000) shall instead be provided to Anson Economic Development Corporation to be used for economic development purposes, including facilities."

SECTION 17.(b) This section is effective when it becomes law.

ZONING CONSISTENCY APPLIES TO COUNTIES

SECTION 18.(a) G.S. 160D-706(a) reads as rewritten:

"(a) Unless otherwise prohibited by ~~G.S. 160A-174(b) with respect to cities, G.S. 160A-704(b)~~, when regulations made under authority of this Article require a greater width or size of yards or courts, or require a lower height of a building or fewer number of stories, or require a greater percentage of a lot to be left unoccupied, or impose other higher standards than

are required in any other statute or local ordinance or regulation, the regulations made under authority of this Article govern. Unless otherwise prohibited by ~~G.S. 160A-174(b) with respect to cities, G.S. 160A-704(b)~~, when the provisions of any other statute or local ordinance or regulation require a greater width or size of yards or courts, or require a lower height of a building or a fewer number of stories, or require a greater percentage of a lot to be left unoccupied, or impose other higher standards than are required by the regulations made under authority of this Article, the provisions of that statute or local ordinance or regulation govern."

SECTION 18.(b) This section is effective when it becomes law, clarifies and restates the intent of existing law, and applies to permit applications filed and appeals filed before, on, and after the effective date.

EFFECTIVE DATE

SECTION 19. Except as otherwise provided, this act is effective when it becomes law.