



NORTH CAROLINA GENERAL ASSEMBLY

Session 2021

Legislative Fiscal Note

Short Title: 2021 Building Code and Dev. Reg. Reform.
Bill Number: House Bill 489 (Third Edition)
Sponsor(s): Representatives Brody, Riddell, D. Hall, and Hunter

SUMMARY TABLE

FISCAL IMPACT OF H.B. 489, V.3

	<u>FY 2021-22</u>	<u>FY 2022-23</u>	<u>FY 2023-24</u>	<u>FY 2024-25</u>	<u>FY 2025-26</u>
State Impact					
Special Fund Revenues					
Less Expenditures					
Special Fund Impact					

Likely Minimal Revenue Loss for Civil Fines and Forfeiture Fund - Refer to Fiscal Analysis Section

NET STATE IMPACT

Local Impact

Local Revenue					
Less Local Expenditures					

Likely Unquantified Revenue Loss - Refer to Fiscal Analysis Section

NET LOCAL IMPACT

FISCAL IMPACT SUMMARY

The following sections of the House Bill 489 may impact local government revenue:

Section 3.(b) limits fees charged under local erosion control programs to that authorized in G.S. 113A-60(a) as amended by Section 5.(c) of this act.

Section 4 specifies that local governments may not charge a reinspection fee in certain circumstances, which may reduce local government fee revenue.

Section 5.(c) requires that if a local government establishes a fee for reviewing erosion and sedimentation control plans, the fee must be calculated based on the number of acres disturbed or set at no more than \$100 per lot developed in the case of a single-family lot in a residential development or common plan of development that is less than one acre. This requirement has the

potential to increase or decrease local government fee revenue, depending on how local governments are currently setting their fees.

Sec. 5.(c) also provides that local governments may not require separate erosion control plans for individual residential lots in certain circumstances, if there is an approved erosion control plan for the development project that encompasses that lot. This restriction may reduce local government fee revenue.

Section 5.(d) prohibits local governments from assessing a civil penalty when a silt fence is damaged or destroyed during land-disturbing activities, as long as the silt fence is repaired or replaced within a specified time period. This prohibition may reduce revenue credited to the State's Civil Penalty and Forfeiture Fund, established in G.S. 115C-457.1.

FISCAL ANALYSIS

Sections 3(b) and 5(c): The fiscal impact of sections 3(b) and 5(c) would vary by unit of local government depending on each unit's existing fee structures and development activity. In general, it is expected that local government revenue will be reduced by these sections, because the bill limits fees for lots less than 1 acre and allows a master sedimentation and erosion control plan rather than a plan for each lot. However, no precise estimate is available.

Section 4: The prohibition of certain reinspection fees in Section 4 would also reduce local government revenue. However, no estimate is available because no data has been compiled available about how many units of local government currently assess fees in these circumstances.

Section 5(d): The prohibition of civil penalties for damaged silt fences in Section 5(d) would result in a minimal reduction in revenue for the Civil Fines and Forfeiture Fund. No estimate is available.

TECHNICAL CONSIDERATIONS

N/A.

DATA SOURCES

None.

LEGISLATIVE FISCAL NOTE – PURPOSE AND LIMITATIONS

This document is an official fiscal analysis prepared pursuant to Chapter 120 of the General Statutes and rules adopted by the Senate and House of Representatives. The estimates in this analysis are based on the data, assumptions, and methodology described in the Fiscal Analysis section of this document. This document only addresses sections of the bill that have projected direct fiscal impacts on State or local governments and does not address sections that have no projected fiscal impacts.

CONTACT INFORMATION

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May 7, 2021



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