# Washington State House of Representatives Office of Program Research

BILL ANALYSIS

## **Appropriations Subcommittee on General Government**

### **HB 1618**

**Brief Description**: Concerning the building code council account.

**Sponsors**: Representatives Ormsby, Morris, Takko, Hunt, Liias, Tharinger, Fitzgibbon, Fey, Moscoso and Ryu.

#### **Brief Summary of Bill**

- Designates two categories of building permit fees which are collected by a county or a city.
- Enables the Building Code Council Account to maintain an operating contingency fund of up to six months' average expenditures.

Hearing Date: 2/14/13

Staff: Danielle Cruver (786-7157).

#### Background:

The State Building Code Council (Council) is a 15 member board, appointed by the Governor. The Council adopts and revises state building codes, approves or denies county or city amendments, and proposes a budget for the operation of the Council. There are specific requirements for membership, enumerated in statute. In addition to the 15 members, the Council includes two members of the House of Representatives appointed by the Speaker of the House, one from each caucus; two members of the Senate appointed by the President of the Senate, one from each caucus; and an employee of the electrical division of the Department of Labor and Industries, as ex officio, nonvoting members with all other privileges and rights of membership. Council members are not paid, but are eligible for travel/per diem reimbursements.

The Building Code Council Account (Account) is appropriated and receives revenue from fees collected upon issuance of a building permit. A fee of \$4.50 is charged for every building permit

House Bill Analysis - 1 - HB 1618

This analysis was prepared by non-partisan legislative staff for the use of legislative members in their deliberations. This analysis is not a part of the legislation nor does it constitute a statement of legislative intent.

issued by a county or a city. An additional surcharge of \$2 is applied to each residential unit (not including the first) on each building containing more than one residential unit.

The fee is collected at the local level, then remitted quarterly to the State Treasurer. \$50 must be accumulated in the local accounts before fees are transferred to the state. Revenue from the Account may be used, after appropriation, to perform the purposes of the council. Unspent funds in the Account at the end of each fiscal year remain in the Account.

Every four years the State Treasurer reports on the balances in the Account. By statute, the Legislature has authority to adjust the fees imposed by the Council.

The Department of Enterprise Services (DES) provides administrative and clerical assistance, however the hiring of this staff is the authority of Council.

#### **Summary of Bill:**

Fees for building permits are expressly differentiated by building type, residential or nonresidential.

The fee for a residential building permit is \$5.50. An additional surcharge of \$2 is applied to each residential unit (not including the first) on each building containing more than one residential unit

The fee for a nonresidential building permit is \$8.

The Legislature may revise the fees but is limited to every four years, not to exceed the sum of the consumer price index over the previous four years, and increments not less than \$0.05 per permit.

The Council may maintain an operating contingency fund of up to six months' average expenditures when funds are not expended from the Account at the end of each fiscal year. One-half of that contingency fund may be used for the following uses:

- additional participation in model code development;
- Council or local jurisdiction training;
- professional services;
- public outreach; and
- legal counsel.

Fees accumulated that exceed the six months' average expenditures (the contingency fund), must be made available to city and county jurisdictions that have contributed to the fund, through recognized statewide organizations, for training, or the advancement of public services as approved by the Council.

**Appropriation**: None.

Fiscal Note: Available.

Effective Date: The bill takes effect 90 days after adjournment of the session in which the bill is passed.