

HOUSE BILL 252

Introduced by Bachini, et al.

1/19	Introduced
1/20	Referred to Business & Economic Development
1/20	First Reading
1/20	Fiscal Note Requested
1/25	Fiscal Note Received
1/25	Fiscal Note Printed
1/27	Hearing
1/27	Tabled in Committee

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House BILL NO. 252

INTRODUCED BY Backus, H. H. & Co.

W. H. Backus

A BILL FOR AN ACT ENTITLED: "AN ACT PROHIBITING THE DEPARTMENT OF COMMERCE AND LOCAL JURISDICTIONS THAT ENFORCE ANY BUILDING CODE PROVISIONS FROM COLLECTING PERMIT, LICENSING, OR INSPECTION FEES FROM A RESIDENTIAL HOMEOWNER PERSONALLY DOING REPAIR OR REPLACEMENT WORK ON THE HOMEOWNER'S RESIDENCE."

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA:

**NEW SECTION.**      **Section 1.** Payment of fees by homeowner doing repair or replacement work. Notwithstanding any other provision of this chapter, the department and any local jurisdiction that enforces any building code provisions, including provisions regulating plumbing and electrical installations, may not charge a residential homeowner a permit, licensing, or inspection fee for repair or replacement work that the homeowner is doing personally on the homeowner's residence.

**NEW SECTION. Section 2. Codification instruction.**  
[Section 1] is intended to be codified as an integral part of Title 50, chapter 60, part 1, and the provisions of Title 50, chapter 60, part 1, apply to [section 1].

- End -



HB 252  
INTRODUCED BILL

## STATE OF MONTANA - FISCAL NOTE

Form BD-15

In compliance with a written request, there is hereby submitted a Fiscal Note for HB0252, as introduced.DESCRIPTION OF PROPOSED LEGISLATION:

The bill prohibits the Department of Commerce and local jurisdictions that enforce any building code provisions from collecting permit, licensing, or inspection fees from a residential homeowner personally doing repair or replacement work on the homeowners residence.

ASSUMPTIONS:

1. The Department of Commerce (DOC) and local governments will still have the permit, licensing and inspection responsibility for building, electrical and plumbing repair or replacement work.
2. Current statutes do not permit DOC to cover building or plumbing repair and replacement work done by a homeowner on his own residence. DOC does cover such work from an electrical standpoint.
3. As drafted and where applicable, DOC and local government will still have the responsibility to cover such work but they will not be permitted to charge for permits, licensing, or inspections and thus other fees for other activities will have to cover such costs since the programs are self supporting.
4. DOC and local government will still have the liability concerning the safety of the building occupants and of property.
5. At the state level, 1% of the electrical permits issued cover the proposed type of projects, and income for electrical permits in FY92 was \$796,250.

FISCAL IMPACT:

	FY '94			FY '95		
<u>Expenditures:</u>	<u>Current Law</u>	<u>Proposed Law</u>	<u>Difference</u>	<u>Current Law</u>	<u>Proposed Law</u>	<u>Difference</u>
Personal Services	1,125,920	1,125,920	0	1,129,270	1,129,270	0
Operating Expenses	471,239	471,239	0	473,976	473,976	0
Capital Outlay	39,059	39,059	0	168,461	168,461	0
Total	1,636,218	1,636,218	0	1,771,707	1,771,707	0
<u>Revenues:</u>						
General Fund Fees	225,100	225,100	0	225,100	225,100	0
Fees	1,669,035	1,661,072	(7,963)	1,669,035	1,661,072	(7,963)
Total	1,894,135	1,886,172	(7,963)	1,894,135	1,886,172	(7,963)
Net Impact:	257,917	249,954	(7,963)	122,428	114,465	(7,963)

(continued on next page)

DAVID LEWIS 1-25-93  
 DAVID LEWIS, BUDGET DIRECTOR DATE  
 Office of Budget and Program Planning

BOB BACHINI, PRIMARY SPONSOR DATE

Fiscal Note for HB0252, as introduced**HB 252**

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EFFECT ON COUNTY OR OTHER LOCAL REVENUES OR EXPENDITURES:

The bill does not remove the responsibility for local governments to inspect building, electrical, and plumbing repairs or replacements done by homeowners on their own residence. Since these inspection programs are self supporting and the jurisdictions will still have the responsibility for safety, they will need to cover the costs by charging others, unrelated to these type projects, to cover costs of inspection. The bill will impact the revenue of the local government building code programs while expenditures will remain the same.

LONG-RANGE EFFECTS OF PROPOSED LEGISLATION:

If passed, projects outside the applicable projects addressed by this bill will have to cover the costs of inspections for homeowner repair or replacement projects.

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