

GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2023

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HOUSE BILL 723

Short Title: DOA/DOI Auth. Clar. for State-Owned Build. (Public)

Sponsors: Representatives Blackwell, Sasser, Brody, and Clampitt (Primary Sponsors).
For a complete list of sponsors, refer to the North Carolina General Assembly web site.

Referred to: Rules, Calendar, and Operations of the House

April 19, 2023

A BILL TO BE ENTITLED

AN ACT TO AMEND THE AUTHORITY OF THE DEPARTMENT OF INSURANCE AND
THE DEPARTMENT OF ADMINISTRATION TO INSPECT STATE-OWNED
BUILDINGS AND PROPERTIES AND TO REQUIRE FIRE PROTECTION
INSPECTIONS BY THE DEPARTMENT OF INSURANCE.

The General Assembly of North Carolina enacts:

SECTION 1. G.S. 58-31-13 reads as rewritten:

"§ 58-31-13. **Hazardous conditions in State-owned buildings.**

If the Commissioner determines that an undue hazard to life, safety, or property exists because of a ~~condition-defect~~, condition, or the use of a building owned by the State, the Commissioner shall provide notification of the defect or condition in writing to the proper agency and advise the proper agency how to limit or prohibit use of the building until the hazard is abated. If the Commissioner determines that an imminent undue hazard to life, safety, or property exists because of a defect, condition, or the use of a building owned by the State, the Commissioner may (i) restrain, correct, or abate the violation or (ii) prevent the occupancy or use of the building, structure, or land until the violation is corrected."

SECTION 2. G.S. 58-31-40 reads as rewritten:

"§ 58-31-40. **Commissioner to ~~inspect~~ conduct fire protection inspections and plan review for State property.**

(a) The Commissioner shall, as often as is required in the fire code adopted by the North Carolina Building Code Council or more often if the Commissioner considers it necessary, visit, inspect, and thoroughly examine every State property to analyze and determine its protection from fire, including the property's occupants or contents. The Commissioner shall notify in writing the agency or official in charge of the ~~property~~ property, pursuant to the procedures under G.S. 143-139(e1), of any ~~defect~~ defect, condition, or change of use noted by the Commissioner or any improvement considered by the Commissioner to be necessary, and a copy of that notice shall be forwarded by the Commissioner to the Department of Administration. If the Commissioner determines that an imminent undue hazard to life, safety, or property exists because of a defect, condition, or the use of a building owned by the State, the Commissioner may (i) restrain, correct, or abate the violation or (ii) prevent the occupancy or use of the building, structure, or land until the violation is corrected.

...

(d) The Commissioner shall supervise and inspect all work done and materials used in the construction or renovation of all State buildings, including all community college buildings whose plans and specifications must be examined and approved under sub-sub-subdivision



1 (3)a.2. of G.S. 143-341, that pertains to the electrical systems and fire protection features and
2 components of the construction or renovation. The Commissioner shall act as the appropriate
3 official inspector or inspection department for the purposes of G.S. 143-143.2. No work subject
4 to this subsection may be accepted by the State or by any State agency until it has been approved
5 by the Commissioner."

6 **SECTION 3.** G.S. 143-139 reads as rewritten:

7 **"§ 143-139. Enforcement of Building Code.**

8 ...

9 (e) State Buildings. – With respect to State buildings, the Department of Administration
10 shall have general supervision, through the Office of State Construction, of the administration
11 and enforcement of all sections of the North Carolina State Building Code pertaining to
12 plumbing, electrical systems, general building restrictions and regulations, heating and air
13 conditioning, ~~fire protection~~, and the construction of buildings generally, except those sections
14 of the Code the enforcement of which is specifically allocated to other agencies by subsections
15 ~~(e) and (d)~~(c), (d), and (e) of this section, and shall also exercise all remedies as provided in
16 subsection (b1) of this section. The Department of Administration shall be the only agency with
17 the authority to seek remedies pursuant to this section with respect to State buildings. Except as
18 provided herein, nothing in this subsection shall be construed to abrogate the authority of the
19 Commissioner of Insurance under ~~G.S. 58-31-40~~ subsection (e1) of this section, G.S. 58-31-13,
20 G.S. 58-31-40, or any other provision of law. For the purposes of this subsection, "State
21 buildings" does not include buildings, facilities, or projects located on State lands that are (i)
22 privately owned or privately leased and (ii) located within the North Carolina Global TransPark.

23 (e1) Fire Protection and Electrical Systems of State Buildings and Properties. – The
24 Commissioner of Insurance shall have general authority to supervise, administer, and enforce all
25 sections of the North Carolina State Building Code pertaining to electrical and fire protection
26 features and components during the construction or renovation of State property generally and to
27 inspect and approve construction pursuant to G.S. 58-31-40, except those sections of the Code
28 for which enforcement is specifically allocated to other agencies by subsection (c), (d), or (e) of
29 this section.

30 (1) The Commissioner of Insurance shall notify in writing the Department of
31 Administration of any defect or condition noted by the Commissioner or any
32 improvement considered by the Commissioner to be necessary to comply with
33 the sections of the North Carolina State Building Code pertaining to electrical
34 systems and fire protection.

35 (2) The Department of Administration, within 30 days of receipt of a notification
36 issued pursuant to subdivision (1) of this subsection, shall respond to the
37 Commissioner of Insurance to indicate that any defect or condition noted by
38 the Commissioner or any improvement considered by the Commissioner to be
39 necessary has been addressed or completed, or to indicate that the Department
40 of Administration intends to work with the Commissioner to formulate and
41 implement a plan to address the defect or condition. Upon a failure to respond
42 to the Commissioner of Insurance as required by this subdivision, the
43 Commissioner may institute any appropriate action pursuant to subdivision
44 (4) of this subsection.

45 (3) Notwithstanding subdivision (2) of this subsection, if the Commissioner of
46 Insurance determines the defect or condition noted pursuant to subdivision (1)
47 of this subsection results in an imminent undue hazard to life, safety, or
48 property because of a defect, condition, or the use of a building or property
49 owned by the State, the Commissioner may institute any appropriate action
50 pursuant to subdivision (4) of this subsection.

1 (4) The Commissioner of Insurance is authorized to exercise any of the following
 2 remedies pursuant to this subsection: (i) prevent the unlawful maintenance,
 3 erection, construction, reconstruction, or alteration of purpose, (ii) restrain,
 4 correct, or abate the violation, or (iii) prevent the occupancy or use of the
 5 building, structure, or land until the violation is corrected.

6 (5) No agency or other person authorized or directed by law to select a plan and
 7 erect a building for use of the State shall allow the building to be occupied
 8 until it has received a Certificate of Occupancy issued by the Commissioner
 9 of Insurance. The Department of Administration shall provide records of all
 10 inspections and approvals required by the North Carolina State Building Code
 11 to the Commissioner. The Commissioner shall not issue a Certificate of
 12 Occupancy unless all required inspections have been completed and the work
 13 approved."

14 **SECTION 4.** G.S. 143-340 reads as rewritten:

15 "**§ 143-340. Powers and duties of Secretary.**

16 The Secretary of Administration has the following powers and duties:

17 ...

18 (20) To use at all times such means as, in ~~his~~the Secretary's opinion, may be
 19 effective in protecting all public buildings and grounds from fire. For the
 20 purposes of this subdivision, the Secretary shall consult with and cooperate
 21 with the Commissioner of Insurance with regard to fire protection features and
 22 components, and electrical installation means for buildings and properties
 23 owned by the State.

24 "

25 **SECTION 5.** G.S. 143-341 reads as rewritten:

26 "**§ 143-341. Powers and duties of Department.**

27 The Department of Administration has the following powers and duties:

28 ...

29 (3) Architecture and Engineering:

30 ...

31 d. To supervise and inspect all work done and materials used in the
 32 construction or renovation of all State ~~buildings~~buildings, except as
 33 provided for in G.S. 143-139(e1), and all community college buildings
 34 whose plans and specifications must be examined and approved under
 35 a.2. of this subdivision; to act as the appropriate official inspector or
 36 inspection department for purposes of G.S. 143-143.2; and no such
 37 work may be accepted by the State or by any State agency until it has
 38 been approved by the ~~Department~~Department and the Commissioner
 39 of Insurance for the purposes of electrical and fire protection features
 40 and components for buildings and properties owned by the State
 41 pursuant to G.S. 143-139(e1).

42 "

43 **SECTION 6.** G.S. 143-345.11(c) reads as rewritten:

44 "(c) Except as provided in subsection (a) of this section, nothing in this section shall be
 45 construed to abrogate the authority of the Commissioner of Insurance under ~~G.S. 58-31-40~~
 46 G.S. 58-31-13, 58-31-40, 143-139(e1), or any other provision of law."

47 **SECTION 7.** Except as otherwise provided in this section, this act becomes effective
 48 October 1, 2023. If, prior to September 1, 2023, the Secretary of the Department of
 49 Administration and the Commissioner of the Department of Insurance enter into a memorandum
 50 of understanding outlining the division of responsibility between the Departments of
 51 Administration and Insurance regarding electrical, fire, and life safety inspections and submit the

1 ratified memorandum of understanding to the Joint Legislative Oversight Committee on General
2 Government and the Revisor of Statutes no later than September 10, 2023, this act is repealed
3 effective October 1, 2023.