

GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2023

H.B. 723
Apr 18, 2023
HOUSE PRINCIPAL CLERK

H

D

HOUSE BILL DRH10308-MH-45

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

(Public)

Sponsors: Representative Blackwell.

Referred to:

1 A BILL TO BE ENTITLED
2 AN ACT TO AMEND THE AUTHORITY OF THE DEPARTMENT OF INSURANCE AND
3 THE DEPARTMENT OF ADMINISTRATION TO INSPECT STATE-OWNED
4 BUILDINGS AND PROPERTIES AND TO REQUIRE FIRE PROTECTION
5 INSPECTIONS BY THE DEPARTMENT OF INSURANCE.

6 The General Assembly of North Carolina enacts:

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

8 "**§ 58-31-13. Hazardous conditions in State-owned buildings.**

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

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

18 "**§ 58-31-40. Commissioner to inspect-conduct fire protection inspections and plan review**
19 **for State property.**

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

32 ...

33 (d) The Commissioner shall supervise and inspect all work done and materials used in
34 the construction or renovation of all State buildings, including all community college buildings
35 whose plans and specifications must be examined and approved under sub-sub-subdivision
36 (3)a.2. of G.S. 143-341, that pertains to the electrical systems and fire protection features and



1 components of the construction or renovation. The Commissioner shall act as the appropriate
2 official inspector or inspection department for the purposes of G.S. 143-143.2. No work subject
3 to this subsection may be accepted by the State or by any State agency until it has been approved
4 by the Commissioner."

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

6 **"§ 143-139. Enforcement of Building Code.**

7 ...

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

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

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

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

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

50 (4) The Commissioner of Insurance is authorized to exercise any of the following
51 remedies pursuant to this subsection: (i) prevent the unlawful maintenance,

erection, construction, reconstruction, or alteration of purpose, (ii) restrain, correct, or abate the violation, or (iii) prevent the occupancy or use of the building, structure, or land until the violation is corrected.

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

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

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

The Secretary of Administration has the following powers and duties:

...

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

...."

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

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

The Department of Administration has the following powers and duties:

...

(3) Architecture and Engineering:

...

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

...."

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

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

SECTION 7. Except as otherwise provided in this section, this act becomes effective October 1, 2023. If, prior to September 1, 2023, the Secretary of the Department of Administration and the Commissioner of the Department of Insurance enter into a memorandum of understanding outlining the division of responsibility between the Departments of Administration and Insurance regarding electrical, fire, and life safety inspections and submit the ratified memorandum of understanding to the Joint Legislative Oversight Committee on General

1 Government and the Revisor of Statutes no later than September 10, 2023, this act is repealed
2 effective October 1, 2023.