



NORTH CAROLINA GENERAL ASSEMBLY

2023 Session

Legislative Fiscal Note

Short Title: Allow Temporary Dwellings During Construction.
Bill Number: House Bill 466 (First Edition)
Sponsor(s): Rep. Crutchfield, Rep. Johnson, Rep. McNeely, and Rep. Balkcom

SUMMARY TABLE

FISCAL IMPACT OF H.B. 466, V.1 (\$ in)

	<u>FY 2023-24</u>	<u>FY 2024-25</u>	<u>FY 2025-26</u>	<u>FY 2026-27</u>	<u>FY 2027-28</u>
Local Impact					
Local Revenue	-	-	-	-	-
Less Local Expenditures	-	-	-	-	-

NET LOCAL IMPACT	Unknown Revenue Increase-See Fiscal Analysis Section				
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FISCAL IMPACT SUMMARY

H.B. 466 would have a fiscal impact on local government revenues because it requires counties to allow the use of temporary dwellings (e.g., recreation vehicles, etc.) on residential property during construction of a permanent residence, and to issue a corresponding permit “upon payment of a reasonable fee.”

FISCAL ANALYSIS

FRD is unable to estimate the bill’s fiscal impact for two primary reasons. First, the number of individuals that would seek such a permit to stay in a temporary dwelling on the same property rather than another dwelling (current home, apartment, friend’s domicile, etc.) during home construction is unknown. Second, the amount of the fee allowed to be charged is at the discretion of the county, since the bill requires the permit to be issued “upon payment of a reasonable fee.” The bill does not establish a minimum or maximum fee value, and other permit fee amounts currently assessed vary by county and many other factors; thus, these could not reliably be used as comparable fee amounts. However, the bill will increase county revenues by some unknown amount. FRD notes that there are estimated to be approximately 260,000 new single-family dwelling constructions annually between Fiscal Year 2023-24 and Fiscal Year 2027-28.

TECHNICAL CONSIDERATIONS

N/A.

DATA SOURCES

Moody's Analytics; U.S. Census.

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

Questions on this analysis should be directed to the Fiscal Research Division at (919) 733-4910.

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