

Resolution #2018-15

ACCUMULATION OF BUILDING CODE FEE COLLECTIONS

BACKGROUND

For cities who are certified to enforce the state building codes, the cities are allowed to charge for plan approval and inspections. The fees charged, however, can only accumulate for an amount needed to enforce the codes for twelve months. (50-60-106, MCA) With the cyclical nature of development, in some years a 12-month accumulation is insufficient to fund the costs of an enforcement program. A 24-month reserve would be a better cushion to weather the peaks and valleys.

Some cities with certified building code enforcement programs are required by the Montana Department of Labor to have the building code fee collection fund audited separately rather than as part of the city's annual audit. (ARM 24.301.208 and 2-7-503, MCA). This results in the building code fee fund being audited twice.

ACTION

The MLCT will sponsor legislation to allow cities certified to enforce the building codes to accumulate fees and charges needed to enforce building codes for twenty-four months and to clarify that any audit of the building code fee collection fund may be part of the city's annual audit.