

Department of Planning and Budget
2026 General Assembly Session
State Fiscal Impact Statement

The number of exception requests that may be submitted by localities is indeterminate. However, DHCD estimates that a total of \$558,000 from the general fund will be required annually to support one supervisory position and two senior technical support positions, as well as \$50,000 in estimated costs for 12 additional annual TRB meetings. DHCD states the positions are needed to establish baseline administrative and analytical capacity to implement the locality-based exception petition process, with actual staffing needs potentially increasing depending on petition volume and complexity. Under current practice, the TRB reviews a limited number of exception matters, with recent meetings addressing approximately five cases per month, supported primarily by one senior staff position with supplemental assistance from code specialists as needed. The bill establishes a standing process requiring capacity for petition intake and management, independent technical research and analysis, coordination with petitioning localities, preparation of materials for TRB deliberations, documentation of findings, publication of approved exceptions with justification, identification of similarly situated localities, and compilation of this activity into an annual report.

Additionally, the bill requires expansion of training development and delivery activities to account for locality-based exceptions approved by the TRB. The degree to which training materials need to be updated depends on the number of determinations made under the new exception process established in the bill. DHCD indicates that training materials would need to be developed or modified to reflect approved exceptions applicable to individual localities or groups of localities, and that additional training sessions would be required to ensure local officials are trained on applicable requirements. Currently the Code Academy staffing and operations is paid for by a two percent levy on local building permits, equivalent to approximately \$3.0 million annually. The levy percentage is anticipated to increase in order to absorb any additional costs related to training changes required in the bill. The agency states that two positions, estimated to cost \$231,000 annually, may be required to carry out the training requirements of the bill. Nongeneral fund appropriation can be provided administratively if needed.

DPOR anticipates that any impact that may result from this bill can be absorbed within agency resources.

Other: None.