



*September 22, 2009*

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**Consistent form and fee methodology  
correction**

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**Opportunity for public input:**

Those who would like to provide public testimony may attend a public hearing on September 22, 2009 at 10:30 a.m. The hearing will be located at the Building Codes Division, Conference Room A. Written comments may also be submitted to the contact below. The last day to submit written comments is 5:00 p.m. September 25, 2009.

**Live broadcast via the internet:**

To view the public hearing live, click on "[View live meetings](#)"

**Purpose of the rule:**

This proposed rule corrects the calculation method for valuing permits for additions in residential structures. The proposed rule clarifies that an addition is "new construction" not "alteration and repair", which is consistent with the general understanding among jurisdictions and the construction industry.

This proposed rule would become effective October 1, 2009.

**Citation:**

Amend: OAR 918-050-0100

**History:**

There was confusion with the wording of the existing rule, which created problems for both jurisdictions and the construction industry when trying to consistently apply the rule's requirements. This issue was brought to the attention of the division for resolution.

**Contact:**

If you have questions or need further information, please contact Hearing Officer Aeron Teverbaugh at (503) 373-1354, or [Aeron.Teverbaugh@state.or.us](mailto:Aeron.Teverbaugh@state.or.us).



Secretary of State  
**NOTICE OF PROPOSED RULEMAKING HEARING\***

A Statement of Need and Fiscal Impact accompanies this form.

Department of Consumer and Business Services, Building Codes Division 918  
Agency and Division Administrative Rules Chapter Number

Shauna M. Parker PO Box 14470, Salem, OR 97309 (503) 373-7438  
Rules Coordinator Address Telephone

**RULE CAPTION**

Corrects fee methodology used for calculating permit fees on additions in residential construction.

**Not more than 15 words that reasonably identifies the subject matter of the agency's intended action.**

September 22, 2009 10:30 a.m. 1535 Edgewater Street NW, Salem, OR 97304 Aeron Teverbaugh  
Hearing Date Time Location Hearings Officer

*Auxiliary aids for persons with disabilities are available upon advance request.*

**RULEMAKING ACTION**

Secure approval of new rule numbers (Adopted or Renumbered rules) with the Administrative Rules Unit prior to filing.

**ADOPT:**

**AMEND:** 918-050-0100

**REPEAL:**

**RENUMBER:**

**AMEND & RENUMBER:**

Stat. Auth.: ORS 455.048 & 455.055

Other Auth.:

Stats. Implemented: ORS 455.046 & 455.055

**RULE SUMMARY**

The proposed rule corrects the calculation method for valuing permits for additions in residential structures. The current rule lists additions as both "alteration and repair" and "new construction." The rule clarifies that an addition is "new construction" not "alteration and repair," which is consistent with the general understanding among jurisdictions and the trades.

The Agency requests public comment on whether other options should be considered for achieving the rule's substantive goals while reducing the negative economic impact of the rule on business.

Friday, September 25, 2009 by 5:00 p.m.

**Last Day for Public Comment** (Last day to submit written comments to the Rules Coordinator)

Patrick Allen  
Signature Printed name Date

\*Hearing Notices published in the Oregon Bulletin must be submitted by 5:00 pm on the 15<sup>th</sup> day of the preceding month unless this deadline falls on a weekend or legal holiday, upon which the deadline is 5:00 pm the preceding workday. ARC 920-2005

**STATEMENT OF NEED AND FISCAL IMPACT**

A Notice of Proposed Rulemaking Hearing or a Notice of Proposed Rulemaking accompanies this form.

Department of Consumer and Business Services, Building Codes Division

918

Agency and Division

Administrative Rules Chapter Number

Corrects fee methodology used for calculating permit fees on additions in residential construction.

Rule Caption (Not more than 15 words that reasonably identifies the subject matter of the agency's intended action.)

In the Matter of: Amending 918-050-0100

Statutory Authority: ORS 455.048 & 455.055

Other Authority:

Stats. Implemented: ORS 455.046 & 455.055

Need for the Rule(s): The current rule lists additions under the calculation methods for both "alteration and repair" and "new construction." Local jurisdictions have expressed a need for clarification on calculating fees for additions. The proposed rule removes the reference to additions in the incorrect calculation method. It clarifies that an addition is "new construction" not "alteration and repair," which is consistent with the general understanding among jurisdictions and the trades.

Documents Relied Upon, and where they are available: Draft rules are available from the division's rules coordinator located at 1535 Edgewater Street NW, Salem, OR 97304 and are available on the division's Web site at: <http://www.bcd.oregon.gov/rules.html>.

Fiscal and Economic Impact:

The proposed rule simply clarifies an existing requirement and the division does not anticipate that the rule will have a fiscal or economic impact.

Statement of Cost of Compliance:

1. Impact on state agencies, units of local government and the public (ORS 183.335(2)(b)(E)):

State agencies, units of local government, and the public should not incur any additional costs in order to comply with the rule. Because the rule clarifies the common understanding, very little, if any, effect should be experienced.

2. Cost of compliance effect on small business (ORS 183.336):

a. Estimate the number of small businesses and types of business and industries with small businesses subject to the rule:

The division is unable to determine how many of the 46,000 registered contractors in the state own businesses that are considered "small businesses" subject to this rule. There should be no, or minimal, impact to small businesses.

b. Projected reporting, recordkeeping and other administrative activities required for compliance, including costs of professional services:

There should be no additional reporting, recordkeeping, or other administrative costs incurred on small businesses in order to comply with the proposed rule.

c. Equipment, supplies, labor and increased administration required for compliance:

No additional equipment, supplies, labor, or increased administration requirements are placed on small businesses by adopting the proposed rule.

How were small businesses involved in the development of this rule? Small businesses were involved in the 2007 rulemaking advisory committee for these rules. This proposed rule is a technical change that simply corrects an improper classification of additions.

Administrative Rule Advisory Committee consulted?: No

If not, why?: Local jurisdictions, who are most immediately impacted by the rule, assisted in providing the recommendation for the proposed rule.

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Signature	Patrick Allen	Date
	Printed name	

Administrative Rules Unit, Archives Division, Secretary of State, 800 Summer Street NE, Salem, Oregon 97310. ARC 925-2007

**Consistent Form & Fee Methodology Correction**  
**Draft Rule: 7-27-09**

**918-050-0100**

**Statewide Fee Methodologies for Residential and Commercial Permits**

(1) Residential construction permit fees shall be calculated using the following methodologies:

(a) A plumbing permit fee for new construction includes one kitchen and is based on the number of bathrooms, from one to three, on a graduated scale. An additional set fee shall be assessed for each additional bath or kitchen.

(A) No additional fee shall be charged for the first 100 feet of water and sewer lines, hose bibbs, icemakers, underfloor low-point drains, and rain drain packages that include the piping, gutters, downspouts, and perimeter system.

(B) The plumbing permit fee described in this section does not include:

- (i) Any storm water retention/detention facility;
- (ii) Irrigation and fire suppression systems; or
- (iii) Additional water, sewer and service piping or private storm drainage systems exceeding the first 100 feet.

(C) Permit fees for an addition, alteration, or repair shall be calculated based on the number of fixtures, appurtenances, and piping, with a set minimum fee.

(b) A mechanical permit fee shall be calculated per appliance and related equipment, with a set minimum fee.

(c) Effective January 1, 2009, a structural permit fee for new construction and additions shall be calculated using the ICC Building Valuation Data Table current as of April 1 of each year, multiplied by the square footage of the dwelling to determine the valuation. The valuation shall then be applied to the municipality's fee schedule to determine the permit fee. The plan review fee shall be based on a predetermined percentage of the permit fee set by the municipality.

(A) The square footage of a dwelling, addition, or garage shall be determined from outside exterior wall to outside exterior wall for each level.

(B) The square footage of a carport, covered porch, patio, or deck shall be calculated separately at fifty percent of the value of a private garage from the ICC Building Valuation Data Table current as of April 1.

(C) Permit fees for an ~~addition~~, alteration, or repair shall be calculated based on the fair market value as determined by the building official, and then applying the valuation to the municipality's fee schedule.

(2) Commercial construction permit fees shall be calculated using the following methodologies:

(a) A plumbing permit fee shall be calculated based on the number of fixtures and footage of piping, with a set minimum fee.

(b) A mechanical permit fee shall be calculated based on the value of the mechanical equipment and installation costs and applied to the municipality's fee schedule with a set minimum fee.

(c) A structural permit fee shall be calculated by applying the valuation to the municipality's fee schedule with a minimum set fee. Valuation shall be the greater of either:

(A) The valuation based on the ICC Building Valuation Data Table current as of April 1 of each year, using the occupancy and construction type as determined by the building official, multiplied by the square footage of the structure; or

(B) The value as stated by the applicant.

(C) When the construction or occupancy type does not fit the ICC Building Valuation Data Table, the valuation shall be determined by the building official with input from the applicant.

Stat. Auth.: ORS 455.048 & 455.055

Stats. Implemented: ORS 455.046 & 455.055

Hist.: BCD 9-2000, f. 6-15-00, cert. ef. 10-1-00; BCD 31-2005, f. 12-30-05, cert. ef. 1-1-06; BCD 5-2007, f. 5-11-07, cert. ef. 7-1-07; BCD 27-2008, f. ef. 12-12-08, cert. ef. 1-1-09