

HOUSE BILL REPORT

HB 2494

*As Reported By House Committee on:
Housing*

Title: An act relating to building permit verification.

Brief Description: Monitoring the issuance of building permits.

Sponsor(s): Representatives Peery and H. Myers.

Brief History:

Reported by House Committee on:
Housing, January 24, 1992, DP.

**HOUSE COMMITTEE ON
HOUSING**

Majority Report: *Do pass.* Signed by 6 members:
Representatives Nelson, Vice Chair; Franklin, Vice Chair;
Mitchell, Ranking Minority Member; Winsley, Assistant
Ranking Minority Member; Leonard; and Ogden.

Staff: Kenny Pittman (786-7392).

Background: County assessors are authorized to place any property that has increased in value, due to construction or alteration work, on the assessment rolls for the purpose of tax levy. The local building official is required to provide a copy of all building permits to the county assessor where the total value of the work exceeds \$500.

A title insurer, as part of the title insurance process, reviews property records and certifies the correctness of the review. The review includes a check to see if the property is free and clear of encumbrances. These encumbrances include, but are not limited to: court judgments, construction liens, property or income tax liens, and other liens where the property is used as security to secure a debt.

Summary of Bill: County assessors, as part of the physical appraisal process, are required to verify that a building permit has been issued for the construction or alteration work. The county assessor must immediately notify the local

building official if all necessary building permits have not been issued.

The title insurer must contact the county assessor to verify that all necessary building permits have been issued. The title insurance policy, issued by the title insurer, must report any lack of necessary building permits for construction or alteration work.

Fiscal Note: Not requested.

Effective Date: Ninety days after adjournment of session in which bill is passed.

Testimony For: Some residences have been built or major additions made without the owner securing the necessary building permits. If the property is sold the new owner is not assured that all code requirements have been met. This bill would require the county assessor to check for permits as part of the physical appraisal process. If a permit has not been issued, then the local building official is notified.

Testimony Against: None.

Witnesses: Representative Kim Peery, prime sponsor (pro).