Why is this surcharge collected on building permits?

The California legislation that created the requirement for the building permit fee is Senate Bill 1473 of 2008 (SB 1473, Chapter 719, Statutes of 2008). It added Sections 18931.6 and 18931.7 to the Health and Safety Code (HSC) creating the Building Standards Administration Special Revolving Fund (BSASRF). The BSASRF supports specific activities of the California Building Standards Commission (CBSC), the Department of Housing and Community Development, and the Office of the State Fire Marshal.

HSC Section 18931.7 reads, in part:

“...emphasis [is to be] placed on the development, adoption, publication, and updating of green building standards, the updating of verification guidelines for Tier 1 or Tier 2 green building standards and educational efforts, including, but not limited to, training for local building officials associated with green building standards.”

Because of this emphasis on green building standards, the fee is sometimes called the Green Fee. It’s also known by the name of the bill, SB 1473.

How is the BSASRF fee calculated?

The fee is determined by the valuation of each building permit issued by a city or county in California. The minimum fee is $1 for permits with valuation up to $25,000, and it increases by $1 for each additional $25,000 (or fraction thereof) of the permit valuation (California Administrative Code, Title 24, Chapter 1, Article 5).

Benefits to the Public and Industry Professionals:

- Continued improvement of green building standards found in the California Green Building Standards Code (CALGreen, Part 11 of Title 24, California Code of Regulations).
- Increased safety and reduced environmental impact of new construction and remodels.
- The public and industry professionals may receive training at no cost regarding the California Building Standards Code (Title 24), with emphasis on CALGreen and the public rulemaking process.
- Knowledgeable design professionals, contractors, builders, building officials and inspectors.

Benefits to Local Jurisdictions:

- Jurisdictions may retain up to 10 percent of the collected permit fee for administrative costs and code enforcement education for building officials and inspectors.
- Building officials and inspectors may receive training at no cost regarding the California Building Standards Code (Title 24), with emphasis on CALGreen and the public rulemaking process.

Visit The Building Permit Fee page on CBSC’s website at www.dgs.ca.gov/bsc

For more information regarding the BSASRF, read the Guide to Filing Building Permit Fees. Also, access the California Administrative Code on this webpage.

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