

Fiscal Analysis

Proposed Rules

15A NCAC 7H .2302, Approval Procedures for
15A NCAC 7H .2300, General Permit for Replacement of Existing Bridges and Culverts in
Estuarine Waters, Estuarine and Public Trust Shorelines, Public Trust Areas, and
Coastal Wetlands (GP .2300)

Prepared by

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Basic Information

Agency	DEQ, Division of Coastal Management (DCM) Coastal Resources Commission (CRC)
Citations and Titles	15A NCAC 7H .2302 - Approval Procedures
Description of the Proposed Rules	Rule 7H .2302 contains the procedures for applying for and complying with a General Permit for the replacement of existing bridges and culverts in estuarine waters, public trust areas, and coastal wetlands.
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Authority	<i>G.S. 113A-107; 113A-118.1; G.S. 113A-124</i>
Necessity	The Coastal Resources Commission (CRC) is proposing to revise 7H .2302 to correct an inadvertent change that was made to the rule during the previous rule readoption process and to make minor updates to formatting and wording. The revisions are necessary to reinstate the two-year timeframe allowed for completion of a bridge/culvert replacement project under the General Permit.
Impact Summary	State government: Yes, net positive but minimal as compared to previous rules. Local government: Yes, positive but minimal as compared to previous rules. Federal government: No Private citizens: Yes, positive but minimal as compared to previous rules. Substantial impact: No

Background

The purpose of General Permit (GP) .2300 is to streamline environmental permitting for the replacement of existing bridges and culverts that meet General and Specific Conditions developed by DCM, in coordination with state and federal agencies that review CAMA permit applications. GP .2300 has been pre-approved by these agencies, and projects do not require individual review by these agencies unless requested by DCM.

Projects authorized by GP .2300 range in size from simple culvert replacements to large bridge replacement projects. Typically, the GP .2300 is utilized for N.C. Department of Transportation (NCDOT) projects. However, applicants also include local governments, private property owners and other state agencies. In accordance with General Statute 143B-279.19, effective July 1, 2025,

the fee for a GP .2300 is \$474. The permit fee increase from \$400 to \$474 is unrelated to the proposed rule amendments.

Effective October 1, 2022, the timeframe within 7H .2302(c) that GP .2300 is in effect was inadvertently changed from two years to 120 days. The proposed revisions to 7H .2302 would restore the two-year timeframe that a GP .2300 is in effect after permit issuance. Revisions also propose additional non-substantive changes to the wording and format of this Section.

Description of the Proposed Rules

The proposed revisions of 7H .2302 are nearly identical to the approval procedures which were in effect prior to the inadvertent rule change that became effective on October 1, 2022.

None of the changes impose additional requirements.

- 7H .2302(b)(1) and (b)(2) revisions include the requirement for a project narrative and dated plat or plats showing existing and proposed development.

Projects to replace existing bridges and culverts have the potential to impact multiple adjacent riparian property owners, and coastal resources such as navigation and public trust access. The project narrative and dated plats allow project details to be described within the application documentation, so that the overall proposed development is understood by all interested parties.

- 7H .2302(b)(4) revisions add the word “riparian” to the term “adjacent property owners” within the existing text of (b)(4).

This is to clarify that only adjacent riparian property owners need to be notified.

- 7H .2302(c) revisions include restoration of the two-year timeframe that a permit is in effect for a specific project, and restoration of additional text pertaining to DCM approval notification. This revision fixes the error that occurred during the rule revisions that became effective on October 1, 2022.

Most bridges, and some culverts, cannot be constructed in 120 days due to factors such as challenging site conditions, weather, traffic management, and other factors that require work to take place in phases. The average construction time for a bridge replacement project from start to finish is approximately one year (Stephen Lane – DCM DOT Field Representative, personal communication, October 2024)¹. The average construction time for a culvert replacement project from start to finish is approximately 120 days (Stephen Lane – DCM DOT Field Representative, personal communication, November 2024)¹. The two-year timeframe allows adequate time after permit issuance for contract advertisement, letting, and construction. It also allows for any unforeseen delays that may occur, such as a hurricane or storm that delays construction. Therefore, in almost all cases, projects approved under GP .2300 do not exceed the two-year timeframe. The importance of having a specific permit expiration timeframe, as opposed to a scenario with no permit expiration timeframe, is to ensure that the authorized

¹ Stephen Lane, N.C. Division of Coastal Management.

project is constructed shortly after permit issuance, and to ensure that the authorized project is based on existing site conditions and current adjacent riparian property owners, because these may change over time.

Figure 1. A typical bridge replacement authorized under GP .2300.



Image source: DCM

Impact Analysis

N.C. Department of Transportation (NCDOT)

As compared to the version of Rule 7H .2302 that had been in place prior to October 1, 2022 , there will not be any change in permitting requirements. A permit fee increase from \$400 to \$474 effective July 1, 2025 in accordance with General Statute 143B-279.19 is unrelated to the proposed rule amendments. In practice, there will not be any increased costs to NCDOT as a result of the proposed rule amendments.

As compared to the current version of Rule 7H .2302 (in particular, the inadvertent reduction of the construction completion timeframe), the proposed revisions to 7H .2302 will have a positive impact for environmental permitting for NCDOT by re-establishing the two-year timeframe for NCDOT to construct bridges and culverts authorized under GP .2300. The proposed two-year timeframe would, in the majority of cases, provide adequate time for the authorized project to be constructed. When a project authorized by GP .2300 cannot be constructed within the effective period of the permit, then the applicant must request a permit reissuance. This results in two types of costs to the applicant: (1) applicant's staff time required to submit applications for reissuance, respond to any questions from DCM during processing, and to distribute the reissued permit to its contractors and/or staff; (2) and the cost to the applicant of \$474 for each reissued permit.

Approximately 20-40 GP .2300 are issued to NCDOT each year, depending on funding, storm activity, and other factors. Therefore, the estimated total annual cost to NCDOT of permit fees for GP .2300 with the two-year timeframe is in the range of \$9,480 to \$18,960 per year. Most of these GP .2300 are for simple culvert replacements, which typically can be completed within 120 days. As such, the proposed reinstatement of the two-year permit timeframe will have relatively little effect on culvert replacement projects.

Bridge replacements, however, are typically more complex than culvert replacements and take much longer to complete. As such, the reinstatement of the two-year permit timeframe will provide a larger benefit for bridge replacement projects. DCM estimates that under the 120-day permit timeframe, NCDOT would need to apply for a permit reissuance for at least 6 to 8 bridge replacement projects per year at a cost of \$474 per application. Therefore, as compared to the current version of Rule 7H .2302, the proposed reinstatement of the two-year timeframe will result in avoided costs to NCDOT of at least \$2,844 to \$3,792 per year.

As compared to the current version of Rule 7H .2302, the proposed revisions would also save a significant amount of NCDOT staff time. NCDOT estimates approximately 16 staff hours are expended to apply for, and receive, the initial GP .2300 for a specific project. NCDOT estimates approximately 12 staff hours are expended to apply for, and receive, the reissuance of a GP .2300 for a specific project. These estimates do not include time that is required to notify adjacent riparian property owners (ARPO). It may take NCDOT several months to obtain documentation that all ARPO have been notified, which requires delivery receipt of the proposed project per G.S. 113-229(d). With the estimated 6-8 bridge replacement projects that may require reissuance at least one time per project per year, the potential increase in NCDOT staff time would be 72-96 hours per year under the 120-day permit timeframe. This does not include the time that is required to notify ARPO, and additional time that NCDOT staff must spend monitoring numerous permits to determine which ones may need to be reissued prior to project completion.

Local Government

As compared to the version of Rule 7H .2302 that had been in place prior to October 1, 2022, there will not be any change in permitting requirements. A permit fee increase from \$400 to \$474 effective July 1, 2025 in accordance with General Statute 143B-279.19 is unrelated to the proposed rule amendments. As such, there will not be any increased costs to local government as a result of the proposed rule amendments.

As compared to the current version of Rule 7H .2302 (in particular, the inadvertent reduction of the construction completion timeframe), the proposed reinstatement of the two-year permit timeframe will result in the same types of benefits as NCDOT. Approximately 5-10 GP .2300 are issued to local governments each year, depending on funding, storm activity, and other factors. Therefore, the estimated total annual cost to local governments of permit fees for GP .2300 with the two-year timeframe is in the range of \$2,370 to \$4,740 per year. Most of these GP .2300 are for simple culvert replacements, which typically can be completed within 120 days. As such, the proposed reinstatement of the two-year permit timeframe will have relatively little effect on culvert replacement projects.

Similar to NCDOT, the reinstatement of the two-year permit timeframe will provide a larger benefit for bridge replacement projects. DCM estimates that under the 120-day permit timeframe, local governments would need to apply for a permit reissuance for at least 1 to 2 bridge replacement projects per year at a cost of \$474 per application. Therefore, as compared to the current version of Rule 7H .2302, the proposed reinstatement of the two-year timeframe will result in avoided costs to local governments of at least \$474 to \$948 per year.

As compared to the current version of Rule 7H .2302, the proposed revisions would also save local government staff time. DCM estimates the time for a local government to apply for, and receive, the initial GP .2300 for a specific project would be approximately the same as NCDOT, at approximately 16 hours. DCM estimates the time for a local government to apply for, and receive, the reissuance of a GP .2300 for a specific project would be approximately the same as NCDOT, at approximately 12 hours. These estimates do not include time that is required to notify adjacent riparian property owners. With the estimated 1-2 bridge replacement projects that may require reissuance each year, the potential increase in local government staff time would be approximately 12-24 hours per year. This does not include the time that is required to notify adjacent riparian property owners (ARPO).

Private Property Owners and the traveling public

As compared to the version of Rule 7H .2302 that had been in place prior to October 1, 2022, there will not be any change in permitting requirements. A permit fee increase from \$400 to \$474 effective July 1, 2025 in accordance with General Statute 143B-279.19 is unrelated to the proposed rule amendments. As such, there will not be any increased costs to private property owners as a result of the proposed rule amendments.

As compared to the current version of Rule 7H .2302 (in particular, the inadvertent reduction of the construction completion timeframe), the proposed reinstatement of the two-year permit timeframe will offer the same types of benefits as for NCDOT and local governments. Approximately 5-7 GP .2300 are issued to private property owners each year, depending on budget, storm activity, and other factors. Therefore, the estimated total cost to all private property owners combined of permit fees with the two-year timeframe is in the range of \$2,370 to \$3,318 per year. Almost all of the GP .2300 issued to private property owners are for simple culvert replacements, which typically can be completed within 120 days. As such, the proposed reinstatement of the two-year permit timeframe will have relatively little effect on private property owners.

Applications of private property owners are typically less involved than the NCDOT and local governments, as the bridge specifications typically do not need to be rated for public use. DCM estimates that any increased time required by private property owners to apply for, and receive, the reissuance of a GP .2300 if the 120-day timeframe remains in effect would be negligible.

Private property owners and the traveling public will benefit from the two-year timeframe re-adoption because it is less likely to cause delays in construction related to the process of reissuing permits. The two-year timeframe will allow enough time for an authorized project to be constructed, but not result in a significant delay to the time that project construction begins. Projects by private property owners authorized by GP .2300 are typically ready to begin construction around the time of permit issuance.

As compared to the version of Rule 7H .2302 that had been in place prior to October 1, 2022 there will not be any change in permitting requirements. A permit fee increase from \$400 to \$474 effective July 1, 2025 in accordance with General Statute 143B-279.19 is unrelated to the proposed rule amendments.

As compared to the current version of Rule 7H .2302 (in particular, the inadvertent reduction of the construction completion timeframe), the proposed reinstatement of the two-year permit timeframe would result in savings of DCM staff time as well as reduced permit fee revenue. In the absence of the proposed revisions to 7H .2302, and if a project cannot be completed in 120 days, DCM would incur additional costs due to DCM staff time required to review applications for reissuance. Each permit reissuance requires a site visit by DCM staff to ensure nothing has substantially changed and to observe progress for projects currently under construction.

The amount of increased DCM staff time that would be required if the 120-day timeframe remains in effect would be significant. The amount of staff time required to reissue a GP .2300 is project-specific depending on factors such as the size and complexity of the project, and the travel time required to conduct a site visit by the Field Representative. For example, the time to reissue a GP .2300 for a relatively large bridge replacement project that is four hours or more from the Field Representative's office would be approximately 12 hours. The time to reissue a GP .2300 for a relatively small bridge replacement project that is nearby to the Field Representative's office would be approximately 6 hours. DCM staff estimates they spend approximately 6 to 12 hours per GP .2300 reissuance. Under the 120-day timeframe, DCM staff projects that they would spend an additional 42 to 120 hours per year on permit reissuance (7 to 10 additional reissuance applications x 6 to 12 hours per reissuance). This is equivalent to approximately \$2,020 to \$5,771 in total compensation per year (\$48.09 per hour).²

If the 120-day timeframe remains in effect, DCM would also receive additional revenue from permit reissuance application fees of approximately \$3,318 to \$4,740 per year (7 to 10 additional reissuance applications x \$474 per application). However, this minimal benefit is outweighed by the overwhelmingly positive benefits and cost savings with the proposed rule change.

Summary

As compared to the version of Rule 7H .2302 that had been in place prior to October 1, 2022, there will be few changes in permitting requirements. A permit fee increase from \$400 to \$474 effective July 1, 2025 in accordance with General Statute 143B-279.19 is unrelated to the proposed rule amendments.

As compared to the current version of Rule 7H .2302 (in particular, the inadvertent reduction of the construction completion timeframe), the proposed reinstatement of the two-year permit timeframe would result in estimated avoided fees to NCDOT of \$2,844 to \$3,792 per year plus NCDOT staff

² Total hourly compensation includes salary plus benefits based on the average salary of DCM field office employees and average years of service of 18. It was calculated using NC OSHR's total compensation calculator: <https://oshr.nc.gov/state-employee-resources/classification-compensation/total-compensation-calculator>.

time savings of 72-96 hours per year. Local governments would realize avoided permit fees of \$474 to \$948 per year and staff time savings of 12-24 hours per year. DCM would have reduced fee revenue of \$3,318 to \$4,740 per year and staff time savings of 42-120 hours per year. This time savings to DCM is equivalent to approximately \$2,020 to \$5,771 in total compensation per year (\$48.09 per hour).

The proposed rule changes are not expected to have a significant impact on any other state agencies because other state agencies very rarely need to replace existing bridges and culverts. The proposed rules are not expected to have an impact on any federal agencies because federal agencies seek approval to replace existing bridges and culverts through DCM's federal consistency program, which is a different process.

Proposed revisions to NCAC 7H .2300- General Permit for Replacement of Existing Bridge and Culverts in Estuarine Waters, Estuarine and Public Trust Shorelines, Public Trust Areas, and Coastal Wetlands

15A NCAC 07H .2302 APPROVAL PROCEDURES

(a) An applicant for a General Permit under this Subchapter shall contact the Division of Coastal Management at the Regional Office indicated on the map located at <https://ncdenr.maps.arcgis.com/apps/webappviewer/index.html?id=1a5881ec85ca40679988982e02665b51> and request approval for development as defined in G.S. 113A-130(5).

(b) The applicant shall provide:

- (1) the site location, **project narrative**, dimensions of the project area, and ~~his or her~~ **applicant's** name and address; and
- (2) **a dated plat(s) showing existing and proposed development; and**
- (3) confirmation that a written statement has been obtained and signed by the adjacent riparian property owners, indicating that they have no objections to the proposed work; or
- (4) confirmation that the adjacent riparian property owners have been notified by certified mail of the proposed work. The notice shall instruct adjacent **riparian** property owners to provide any comments on the proposed development in writing to the Division of Coastal Management within 10 days of receipt of the notice and indicate that no response by the adjacent **riparian** property owners will be interpreted as the adjacent **riparian** property owners having no objection. Division staff shall review all comments and determine, based on their relevance to the potential impacts of the proposed project, if the proposed project can be approved by a General Permit. If Division staff finds that the comments are worthy of more in-depth review, the Division shall notify the applicant that he or she must submit an application for a major development permit.

(c) No work shall begin until an onsite meeting is held with the applicant and a Division of Coastal Management representative to review the proposed development. A permit to proceed with the proposed development shall be issued if the Division representative finds that the application meets all the requirements of this Subchapter. ~~Construction permitted under this Section shall be completed within 120 days of permit issuance or such permit shall expire.~~ **Construction authorized by this permit shall be completed within two years of permit issuance or the permit shall expire and a new permit shall be required to begin or continue construction.** If the applicant seeks a new permit under this Section, the Division of Coastal Management shall re-examine the proposed development to determine if the General Permit may be reissued. Pursuant to G.S. 136-44.7B, permits issued to the North Carolina Department of Transportation for projects identified in the Transportation Improvement Program shall not expire. **Approval of individual projects shall be acknowledged in writing by the Division of Coastal Management and the applicant shall be provided a copy of this General Permit.**

(d) Any modification or addition to the permitted project shall require approval from the Division of Coastal Management.

*History Note: Authority G.S. 113A-107; 113A-118.1; 113A-124;
Eff. June 1, 1996;
Amended Eff. May 1, 2010;
Readopted Eff. October 1, 2022.
Eff. Month XX, 2025;*