

By: Orr

H.B. No. 1835

A BILL TO BE ENTITLED

AN ACT

relating to restrictions on the imposition of permit fees by political subdivisions.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

SECTION 1. Subtitle C, Title 7, Local Government Code, is amended by adding Chapter 247 to read as follows:

CHAPTER 247. FEES FOR LOCAL PERMITS

Sec. 247.001. DEFINITIONS. In this chapter:

(1) "Permit" means a license, certificate, approval, registration, consent, or other form of authorization required by law, rule, regulation, order, or ordinance that a person must obtain to perform an action or initiate, continue, or complete a project related to residential construction or development.

(2) "Permit fee" means an assessment, fee, cost, or charge imposed by a political subdivision on a person seeking to obtain a permit.

(3) "Political subdivision" means a political subdivision of this state, including a county or municipality. The term does not include a school district.

(4) "Regulatory agency" means the governing body or a department, division, or other agency of a political subdivision acting in the political subdivision's capacity of processing, approving, or issuing a permit.

Sec. 247.002. LIMITATION ON AUTHORITY TO IMPOSE PERMIT FEE.

1 (a) A regulatory agency may impose a permit fee only if the agency
2 complies with this chapter and only in the amount necessary to
3 compensate the regulatory agency for the costs to review, process,
4 and issue the permit for which the fee is imposed.

5 (b) A fee collected by a regulatory agency for a permit may
6 not be used for a purpose other than to pay the costs of reviewing,
7 processing, and issuing the permit. Indirect costs of reviewing,
8 processing, and issuing a permit in an amount not to exceed 15
9 percent of the direct costs of those activities may be included in
10 calculating the costs under this subsection.

11 (c) A regulatory agency that violates this chapter is liable
12 for attorney's fees incurred by a person in the enforcement of this
13 chapter.

14 SECTION 2. This Act takes effect September 1, 2007.