

## **BILL ANALYSIS**

S.B. 892  
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Business & Industry  
Committee Report (Unamended)

### **BACKGROUND AND PURPOSE**

Industrialized housing and buildings are generally defined as buildings that are constructed in one or more modules. Currently, the Texas Industrialized Building Code Council or third party agencies known as design review agencies are required to place a stamp of approval on each page of a design, plan, and specification of modular units to prove that they meet or exceed code standards. Some interested parties believe that this process is dated and does not use advancements in technology. S.B. 892 seeks to determine and implement a more efficient and cost-effective process of approval, while still maintaining all current building code and design requirements and ensuring consumer safety, by requiring the council to conduct a study to evaluate the current method of approving plans and evaluate an alternative method in the design, plan, and specification process for industrialized housing and buildings.

### **RULEMAKING AUTHORITY**

It is the committee's opinion that rulemaking authority is expressly granted to the Texas Commission of Licensing and Regulation in SECTION 1 of this bill.

### **ANALYSIS**

S.B. 892 amends the Occupations Code to add a temporary provision requiring the Texas Industrialized Building Code Council to conduct a study to evaluate the current method of indicating approval of designs, plans, and specifications of industrialized housing and buildings under provisions of law relating to the council's stamp of approval on such documents and to identify and evaluate methods of indicating approval of designs, plans, and specifications of industrialized housing and buildings that are alternatives to the current method. The bill authorizes the study to recommend adoption of an alternative method by the Texas Commission of Licensing and Regulation if the council determines that the method would ensure that the designs, plans, and specifications meet or exceed the code standards and requirements under council interpretations and instructions and are approved by the Texas Department of Licensing and Regulation (TDLR) or an approved design review agency and that the method would be more efficient and cost-effective for TDLR or approved design review agencies. The bill requires the council to complete the study not later than September 1, 2012. The bill establishes that this provision expires September 1, 2014.

S.B. 892 authorizes the commission by rule to adopt another method of indicating that designs, plans, and specifications of industrialized housing and buildings meet or exceed the code standards and requirements under council interpretations and instructions and are approved by TDLR or an approved design review agency if the study conducted under the bill's provisions recommends that method. The bill makes a conforming change.

### **EFFECTIVE DATE**

September 1, 2011.