

BILL ANALYSIS

Senate Research Center
83R15884 SLB-F

C.S.S.B. 672
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Business & Commerce
3/20/2013
Committee Report (Substituted)

AUTHOR'S / SPONSOR'S STATEMENT OF INTENT

Industrialized housing consists of residential structures that are constructed using modular components that are transported to and erected on permanent foundations. Like other structures, industrialized homes must comply with building codes and other requirements designed to ensure occupant safety. The Texas Department of Licensing and Regulation (TDLR) is the state agency designated to ensure that industrialized housing manufacturers comply with these and other statutory requirements.

Under current law, TDLR, or an approved third-party inspector, and municipal building officials conduct an on-site inspection of industrialized homes once they are erected on their permanent sites. In addition, TDLR can conduct follow-up inspections at virtually any time after an industrialized home's installation. This authority is overly burdensome on industrialized housing manufacturers, as it makes the task of assessing liability very difficult.

C.S.S.B. 672 limits the time period within which the Texas Commission of Licensing and Regulation (TCLR) and TDLR can inspect, investigate, open a complaint, initiate an administrative or enforcement action, or impose a penalty against a manufacturer, builder, or third-party inspector of industrialized housing. Under the provisions of C.S.S.B. 672, TCLR and TDLR are prohibited from initiating such an action after the second anniversary of the industrialized home's installation inspection.

C.S.S.B. 672 amends current law relating to the regulation of industrialized housing and buildings.

RULEMAKING AUTHORITY

This bill does not expressly grant any additional rulemaking authority to a state officer, institution, or agency.

SECTION BY SECTION ANALYSIS

SECTION 1. Amends Subchapter C, Chapter 1202, Occupations Code, by adding Section 1202.107, as follows:

Sec. 1202.107. LIMITATION ON CERTAIN ACTIONS. (a) Prohibits the Texas Commission of Licensing and Regulation (TCLR) or the Texas Department of Licensing and Regulation (TDLR), notwithstanding any other law, from performing an inspection or investigation, opening a complaint, or initiating an administrative or enforcement action against a manufacturer, builder, or third-party inspector of industrialized housing after the second anniversary of the date of the final on-site inspection of the industrialized housing conducted under Section 1202.203 (On-Site Inspections).

(b) Authorizes TCLR or TDLR to impose a penalty in an enforcement action against a manufacturer, builder, or third-party inspector of industrialized housing only if TCLR or TDLR initiates the enforcement action during the period prescribed by Subsection (a).

SECTION 2. Makes application of this Act prospective.

SECTION 3. Effective date: September 1, 2013.